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செயலாற்றுகை அறிக்கை
Performance Report

2015

රාජ්‍ය ගිණුම් දෙපාර්තමේන්තුව
அரசு கணக்குகள் திணைக்களம்
Department of State Accounts

මහා භාණ්ඩාගාරය
කොළඹ 01

பொதுத் திறைச்சேரி
கொழும்பு 01

General Treasury
Colombo 01

Contents

| | |
|--|--------------|
| 1. Introduction | 61 |
| 2. Overview | 62 |
| 3. Government Finance Statistics and Management Information | 63 |
| 4. Macro Accounts and Accrual Accounts Division | |
| 4.1 Preparation of Financial Statements | 64 |
| 4.2 Coordination Activities of Procuring of Goods and Services through Crown Agents | 64 |
| 4.3 Supervision and Operation of General Deposit Accounts | 64 |
| 4.4 Opening and Controlling of Main Ledger Accounts | 64 |
| 4.5 Providing accounting services to Ministries, Departments and District Secretariats | 65 |
| 4.6 Representing the Public Accounts Committee on behalf of the Treasury | 65 |
| 4.7 Issuing of General Circulars and providing relevant Instructions to various Ministries and Departments | 65 |
| 4.8 Updating the Accounting System in line with Revised Budget | 66 |
| 5. Financial Information and Reporting Division | |
| 5.1 Collection of Monthly Summaries of Accounts | 67 |
| 5.2 Functioning as the Treasurer of Association of Government Accounts Organization of Asia | 68 |
| 6. Systems Development, Training and Advance Accounts Division | |
| 6.1 Improvements to the Government Accounting Software and training of relevant Accounting Staff | 68 |
| 6.2 Managing Advance Accounts | 71 |
| 7. Institutional and Administrative Activities | |
| 7.1 Staff Information | 74 |
| 7.2 Organization Chart | 75 |
| 7.3 Efficient Utilization of resources | 76 |
| 7.4 Capacity development and Knowledge Enhancement | 76 |
| 8. Financial Information | 79 |
| 8.1 Financial Performance - 2015 | 80 |
| 9. Progress of Implementation of the activity plan 2015 | 81-91 |

01. Introduction

The Department of State Accounts is the central agency for reporting on all government financial activities including revenue, expenditure advance accounts and deposit accounts by coordination of Ministries, Departments, Special Spending Agencies, District Secretariats and Provincial Councils.

Our vision is to be the “Center for Excellence in Government Financial Information.” According to the power vested under the financial regulations, the Department collects and compiles the data while adopting accepted standards for reporting of government financial information efficiently and accurately by using computer technology optimally. While preparing monthly reports from the information received from revenue and expenditure heads, the annual accounts of the government performance of fiscal activities is compiled during the month of March. Further, the other relevant management statistics are also compiled utilizing these information by the Department of State Accounts.

As prescribed in Financial Regulations 430, the department is responsible for forwarding the financial information appeared in Treasury books to the Auditor General before 31st March of each year for audit purposes.

In addition, financial information is provided to Parliament of Sri Lanka, Department of Fiscal Policy and Central Bank of Sri Lanka for analyzing of government financial statistics. The Republic Accounts audited by the Auditor General, is published in the Annual Report of the Ministry of Finance and the Annual Report is tabled in Parliament. Moreover, Analysis of income and expenditure, fiscal position and other financial information prepared in line with internationally accepted standards, are also published with the Annual Report. The Department has recognized as its important mission is to provide government financial information for the decision making process of the government Ministries/ Departments, improve compliance and reporting and perform as the provider of consolidated Government Annual Accounts for all stakeholders.

02. Overview

The Department was able to achieve its goals as projected for the year 2015. In the meantime, the department had to carry out some additional tasks assigned by the top management in addition to its planned activities. Integrated Treasury Management Information System (ITMIS) which is to be setup in the near future was one of the major activities among them. In this context, ITMIS team continuously expected our guidance and assistance during the development process of the system. As such, all staff officers of the Department were provided their continuous support for ITMIS team throughout the year.

In order to upgrade the financial reporting system and maintain the quality of public finance information, conducting frequent programs for knowledge sharing among the relevant officers of the Government Ministries and Departments was one of the key activities performed by the Department. The use of ‘Windows’ based new CIGAS programmes developed by utilizing the in-house technical knowledge, made a big difference in receiving timely and accurate financial data as well as the compiling national accounts by the department. Further, the department was able to provide monthly revenue and expenditure data in new formats to the senior management for decision making purposes.

The department has also provided necessary guidelines required for closing of accounts at the end of the financial year to all Ministries and Departments in order to prepare Annual Appropriation Accounts in terms of existing rules, regulations and standards. As such, it was made easier for the publishing of the Republic Account certified by the Auditor General along with the Annual Report of the Ministry of Finance within the stipulated timeframe. Further, Appropriation accounts, Revenue accounts and Advance accounts of respective institutions were prepared and submitted to the Auditor General and ensured the information of aforesaid accounts are compatible with the main accounting flow. It was able to resolve the issues arisen in financial reporting as a result of change of ministerial portfolios in three times during the year as a result of enormous commitment and dedication by the staff of the department than the previous years and also due to better coordination with other institutions.

It was able to record all transactions related to allocations of funds, supplementary allocations and provision transfers etc., of respective institutions in compliance with Financial Regulations and Appropriation Act with a greater supervision and better

coordination with the Department of National Budget. Through all these activities an immense effort has been exerted for compilation of accurate and high quality financial information by this department.

3. Government Finance Statistics and Management Information Division

Economic classifications of the government revenue and expenditure in line with Government Finance Statistics (GFS 1986) Manual were prepared by utilizing basic public finance statistics produced by the department and submitted to the Department of Fiscal Policy as required. Initiatives taken to migrate to Government Finance Statistics new Manual 2001/14 have been further extended by this division during the year. Accordingly, a workshop has been conducted in the department to provide GFS Technical assistance by a TA mission of the Statistics Department of the International Monetary Fund (IMF) from 16th to 27th March 2015 and steps were taken to expand the institutional and transactions coverage of the general government statistics. As per the instructions of the mission a Coordination Committee between CBSL and the Department of State Accounts has been established during the year with an objective of improving the data coverage and moving towards with the new migration path.

A comprehensive Assets Register showing the details of capital assets created from public investments and their method of financing was developed for the period from 2005 – 2014 and submitted to the Auditor General. Steps have been taken to include new projects introduced in the year 2015 in the Assets Register.

The valuation process of government assets held by Ministries and Departments was monitored and guidance was provided to expedite the process. Valuation of properties listed in 6143 files out of 6304 files received by the Department of Valuation by the end of 2015 have been completed.

In addition, examination and preparation of reports on collection of revenue by Departments of Inland Revenue, Customs and Excise were also conducted. The reports on financial progress of capital projects in 2015 have been prepared for the first three quarters of the year emphasizing projects on which more attention is needed.

4 Macro Accounts and Accrual Accounts Division

4.1 Preparation of Financial Statements

Four Circulars have been issued during the year in relation to preparation of Appropriation Accounts, Revenue Accounts and Deposit Accounts. In addition, the Consolidated Appropriation Account which includes recurrent and capital estimates and actual expenditure for 208 expenditure Heads and Consolidated Government Revenue Account were prepared for the year 2014. Specially, in terms of the Section 13(1) of the Fiscal Management (Responsibility) Act No.3 of 2003, audited financial statements including the statement of financial performance, the statement of financial position and the cash flow statement of the Republic of Sri Lanka for the year 2014 have been prepared and published within 150 days of the end of financial year.

4.2 Coordination Activities of Procuring of Goods and Services through Crown Agents

Department of State Accounts directly intervenes in procuring of essential pharmaceuticals and printing papers through Crown Agents for the Ministry of Health and Department of Registration of Persons respectively. In the year 2015, goods for 27 indents worth of Rs. 157 million were procured to the Ministry of Health and material for 2 indents worth of Rs. 25 million have been supplied to the Department of Registration of Persons.

4.3 Supervision and Operation of General Deposit Accounts

As per the State Accounts Circular No: 243/2015 on Strengthening of Parliamentary Financial Control, deposit accounts under the category No 6000/15 was cancelled and new deposit accounts under 18 categories were re-categorized in the deposit ledger. Out of these deposit categories 588 accounts under 12 deposit categories were opened during the year 2015.

4.4 Opening and Controlling of Main Ledger Accounts

In the year 2015, 27 accounts were opened for foreign borrowings under the Main Ledger No. 8300. These foreign borrowings were utilized for 03 Power and Network Development Projects, 09 Water and Waste Water Projects, 03 Bridges Development Projects,

01 Purchasing of Two Offshore Vessels, 05 Railway and Road Development Projects, 01 Disaster Management Project, 02 Vocational & Skills Development Projects, 01 City Development Project and 02 Sri Lanka Dairy Development Projects.

With an objective of disclosing assets which are not disclosed by the Republic Account, 13 Main Ledger accounts such as No. 9151 - Building & Structures, No 9152 - Machinery and Equipment, No 9153 - Land, No 9160 - Work in Progress, No 9165 - Capital Assets Reserve Fund – (Property , Plant & Equipment),No 9166 - Capital Assets Reserve Fund – (Work in Progress) No 9180 - Lease Assets, No 9181 - Lease Creditors, No 9182 - Lease Assets Reserve Fund, No 9185 - Treasury Bond Discount, No 9186 - Treasury Bond Premium, No 9184 -Department of Postal- transactions through Agents, No 9183 Investment for Leased Assets were opened during the year.

4.5 Providing accounting services to Ministries, Departments and District Secretariats

During the year 2015, the department has provided accounting services to 50 government ministries, 95 departments, 19 special spending units and 25 District Secretariats in order for effective and efficient maintenance of accounting activities of the institution. Accordingly, 816 additional allocation requests, 1243 provisions transfer requests under FR 66 and 121 provision transfer requests under FR 69 forwarded by spending agencies were recorded in the system.

4.6 Representing the Public Accounts Committee on behalf of the Treasury

Only 03 meetings were held out of 07 Public Accounts Committee meetings which were scheduled for the year 2015. The departmental representatives who took part for said meetings have extended their professional intervention for issues arose in such meetings.

4.7 Issuing of General Circulars and providing relevant Instructions to various Ministries and Departments

Instructions were provided in relation to the method of recording CSR funds for the Ministry of Policy Planning, Economic Affairs, Child, Youth and Cultural Affairs, recording of donations collected by the Ministry of Foreign Affairs under the deposit

category No 6000/19 donations (local) in line with State Accounts Circular No. 243/2015 to the Department of Public Finance, introduction of a new mechanism which has to be implemented from year 2017 onwards for the accounting of expenditure related to the Employees' Provident Fund (Project 221-02-04) by the Department of Labour, and also on matters related to audit observations on Air Craft Rentals (2003.02.16) to the Sri Lanka Air Force. It was also proposed to the Department of Fiscal Policy to record revenue received from maintenance of farms and seeds sale advance account of the Department of Agriculture under the revenue code 2003.02.99 (Sundries) and to take necessary actions to create a new revenue code to record this revenue by considering the amount of revenue collection expected in the future.

Instructions were also given to the Department of Railways to perform activities related to the Imprest account only through the imprest account which were previously managed through main ledger accounts and also to record revenue via cross entries immediate after transaction is taken place instead of settling in cash with an objective of avoiding arrears of revenue arisen from railway season tickets.

Action Plan for adopting accrual based accounting method for public sector accounting was developed and forwarded to the Secretary to the Treasury for approval and conducted training programs for the implementation of instructions issued by the State Accounts Circular on the same.

4.8 Updating the Accounting System in line with Revised Budget

Ministerial portfolios have been changed three times in the year 2015. The transfer of allocation and expenditure between Ministries, assigning Advance Accounts and Deposit Accounts to new ministries and updating existing accounting system accordingly were timely completed.

5. Financial Information and Reporting Division

5.1 Collection of Monthly Summaries of Accounts

Monthly Summaries of Accounts for 50 Ministries, 25 District Secretariats and 114 other institutions including Departments were collected in 2015. Funds allocated by the Appropriation Act No.41 of 2014 and supplementary estimates for capital and recurrent expenditure amounted to Rs. 3,475 billion. Specific dates for submission of monthly summaries of accounts have been directed by an annual Circular. As such, It was observed that there were considerable number of institutions who were failed to submit their monthly summaries of accounts prior to the due date at the beginning of the year. However, following table published on the website shows that submission of account summaries by most of the institutions prior to the due date was satisfactory at the end of the year as a result of constant follow up actions taken by the department. As such it was able to made available the monthly accounts data of respective months in the middle of the following month.

| Month | Date of publication of Treasury Computerized Prints |
|--------------|--|
| January | 23 rd of March 2015 |
| February | 31 st of March 2015 |
| March | 29 th of April 2015 |
| April | 13 th of May 2015 |
| May | 11 th of June 2015 |
| June | 11 th of July 2015 |
| July | 11 th of August 2015 |
| August | 09 th of September 2015 |
| September | 13 th of October 2015 |
| October | 12 th of November 2015 |
| November | 15 th of December 2015 |
| December | 22 nd of January 2016 |

In addition, information so collected was further analyzed and submitted to the Central Bank of Sri Lanka, Department of Census and Statistics, Department of Fiscal Policy, Department of Treasury Operations and Department of National Budget for the use of decision making purposes.

5.2 Functioning as the Treasurer of Association of Government Accounts

Organization of Asia

Sri Lanka was a pioneer in establishing Association of Government Accounting Organizations of Asia (AGAOA) and was one of the initial members of the Association. Sri Lanka functioned as the Treasurer of the Association in the year 2015 as well and this Department extended its services within the Asian region maintaining the trust of the association in managing finances, preparation and submission of accounts of the Association to the member states.

6. Systems Development, Training & Advance Accounts Division

6.1 Improvements to the Government Accounting Software and training of relevant Accounting Staff

This division is entrusted with the responsibilities of developing, maintaining and providing training and necessary instructions in relation to the CIGAS system utilized by all Central Government and Provincial Council ministries and departments. In addition, providing of GPS software and necessary instructions as and when required is also carried out.

As such, Windows based new CIGAS programme was developed to meet current demand for the use in the year 2016. It has been further improved enabling to record assets information commencing from October 2015. Relevant officers have been trained on recording of assets in the CIGAS programme during workshops conducted at the year end. Accordingly, 34 spending agencies commenced recording assets information by end of 2015. Other spending agencies have taken necessary actions to commence recording of assets information from the year 2016. In addition, CIGAS programme has been further improved enabling to record leased assets. Accordingly, lease transactions related to 3,656 vehicles worth of Rs.11,901,246,175.56 was recorded in the year 2015.

Spending agencies were advised that this Department will not accept monthly summaries prepared by using old CIGAS from the year 2016 onwards. Accordingly, 181 agencies out of 183 spending agencies have submitted their summary of accounts processed through new CIGAS to the Department of State Accounts by end of 2015. It is encouraging to note that the Department of Railway which has been using different accounting method to record

accounting transactions has also commenced reporting of its imprest accounts through the CIGAS programme from the year 2016. In order to achieve this task numbers of meetings and training programmes have been conducted and the relevant staff of the Railway department extended a positive support.

During the year, the Department of State Accounts conducted “one day CIGAS Workshop” in the department and number of year-end workshops in several Districts. In addition to the CIGAS programmes, it was emphasized the role and responsibilities of Accountants during these workshops participated by Accountants and subject clerks who are entrusted with the subject. Accordingly, 11 Workshops have been conducted at this department and 23 year end CIGAS Workshops.

268 accountants in charge of accounts and subject clerks of accounts division in ministries and departments in Colombo and its suburbs were called to MILODA on 07th, 14th and 28th December 2015 in order to introduce new features of CIGAS programme to be implemented in the year 2016. At these workshops, accounting issues generally encountered by accountants were also discussed. Specially, it was also emphasized the importance of timely financial reporting as well as how accountants being public officers in charge of public finance management, play their role while moving with the new technology to be enable to face economic challenges with a new vision.

Further these workshops, the Department provided CDs consisting of new CIGAS programme and CIGAS manual for each and every accounting unit and discussed matters related to carrying out closing of accounts for the year 2015, beginning of accounts in year 2016 and also the issues related to accounting and financial reporting. Moreover, Accountants attention was drawn to the proposed ITMIS project. In addition, 15 special new CIGAS workshops were also conducted based on requests made by institutions as follows.

| S/N | Date | Institute | Venue |
|------------|-----------------------------|----------------------|--|
| 1. | 20 th January | Department of Survey | Department of Survey Auditorium |
| 2. | 30 th January | Department of Police | Computer Training Centre Department of Police, Colombo |

| | | | |
|-----|--|--|--|
| 3. | 06 th & 07 th February | Department of Agriculture | Department of Agriculture Peradeniya |
| 4. | 13 th March | District Secretariat – Matara and Hambanthota | Administrative Complex Hambanthota |
| 5. | 20 th March | Department of Agrarian Development | Education Development Centre Meepe |
| 6. | 25 th March | Department of National Zoological Gardens | Department of National Zoological Gardens Auditorium, Pinnawala |
| 7. | 30 th March | Ministry of Public Administration & Management | Department of State Accounts |
| 8. | 16 th May | Department of Labour | Department of Labour |
| 9. | 19 th May | District Secretariat – Anuradhapura | Bhikshu University Anuradhapura |
| 10. | 29 th May | Western Provincial Council | Institute of Information Technology Resources Development Maradana |
| 11. | 16 th June | District Secretariat Kalutara | District Secretariat , Kalutara |
| 12. | 26 th June | Department of Forest | Education Development Centre, Meepe |
| 13. | 10 th & 11 th September | Ministry of Health | Education Development Centre Meepe |
| 14. | 08 th & 09 th October | District Secretariat – Nuwaraeliya & Matale | District Secretariat , Nuwaraeliya |
| 15. | 15 th & 16 th October | District Secretariat , Badulla & Monaragala | District Secretariat, Badulla |

Following services are undertaken daily basis by this division on developing and maintaining the computerized accounting system (CIGAS) and providing training and necessary instructions.

- Provide necessary instructions and guidelines for the maintenance of the accounting system.
- Classifications of accounts, maintaining accounts and maintenance of reports having designed accounts codes and provide support to submit them to the main accounts units.

- Examine the validity of accounting information received by main accounts units within a short period of time and facilitating to submit the same in a accepted format.
- Collection of Data to the Central Processing System, providing instructions, data validation and transform data to an accepted format using the data received from Ministries and Departments.
- Conducting training programmes for ministries and departments on maintaining an advanced accounting system.

6.2 Managing Advance Accounts

6.2.1 Advance “B” Account - Advances to Public Officers

01. Based on reports forwarded in terms of F.R.506 D, for the year ended 31st December 2014 a reconciliation report including the control account and the Treasury balances was prepared for the Public Officers Advance “B” Account for all departments and ministries. According to that report, inconsistencies were reported in 36 institutions and relevant were informed to settle those inconsistencies. 17 of those institutions have taken steps to settle those inconsistencies and monitoring is going on regarding the steps taken by rest of institutions to settle said inconsistencies.

02. In addition, it is observed that, according to the classifications of individual credit balance of all ministries and departments in the year 2014, there was a balance due to the government (according to the age analysis), generated through various unsettled balances such as Rs.273 million from the transferred officers, Rs.8 million from the officers who were in abroad on no-pay leave, Rs.129 million from the officers who released to co-operations, boards and provincial councils for permanently, Rs.44 million related to officers who were deceased, Rs.415 million from the retired officers, Rs.206 million from the officers who vacated the post, Rs.499 million from the officers who were interdicted and Rs.32 million from others categories. It was informed to recover the above amount in terms of National Budget Circular No.118 and Section 4, Chapter xxiv and Section 4.5, Chapter xxiv of the Establishment Code.

03. Actions have been taken to supervise taking over /handing over of balances of Public Officer’s Advance “B” accounts belonging to 34 spending agencies as per the schedule 01 of National Budget Circular No. 01/2015 and 11 spending agencies as schedule number 02 of

National Budget Circular No. 05/2015. Accordingly, it is ensured that taking over/ handing over activities of Public Officer's Advance "B" account balances were undertaken in a proper manner as per the instructions of relevant circulars. Treasury Statements of Accounts in this regard were checked and made sure that those transactions are in order.

6.2.2 Treasury Miscellaneous Advance Account

Recovery of advances given to District Secretariats to purchase paddy, lost money, balances related to stamps and tickets has been carried out through Treasury Miscellaneous Advance Account. Accordingly, out of those advances, balances settled in cash by District Secretariats in 2015, are as follows.

| Account No | District Secretariat | Amount settled (Rs.) |
|--------------------|----------------------|----------------------|
| 7000/0/0/25003/419 | Anuradhapura | 5,700.00 |
| 7000/0/0/25003/420 | Ampara | 5,388,826.23 |
| 7000/0/0/25003/428 | Kandy | 1,120,000.00 |
| 7000/0/0/25003/443 | Matale | 30,000.00 |
| Total | | 6,544,526.23 |

The loss occurred when selling the paddy/rice purchased from the district secretariat for higher price according to the government pricing policy by the Department of Food, amounted to Rs.163,037,216.09.

Progress of write-off applications submitted by Department of Food Commissioner for the year 2015 is as follows.

| District Secretariat | Amounts approved by Deputy Secretary to the Treasury for write-off (Rs.) |
|----------------------|--|
| Polonnaruwa | 68,861,634.45 |
| Kandy | 715,204.50 |
| Badulla | 790,528.00 |
| Total | 70,367,366.95 |

The approval of the Deputy Secretary to Treasury has been granted to write-off the loss of Rs. 46,416,308.53 by the Ampara District Secretariat which was occurred due to the sales of rice to the Samurdhi programme for low price, selling non consumable rice through tenders, issuing rice for flood subsidies and sales done by District Secretariat with the instructions given by Department of Food. Allocations have been given to Ampara District Secretariat through the Budget Estimate for 2016 to pass relevant journal entries in this regard.

Accordingly, necessary allocations have been provided in 2016 budget estimates to write-off Rs.116, 783,675.48 for losses identified in 2015 by passing the accounting entries and cash settlement during the year amounted to Rs.6,544,526.23.

6.2.3 Advance Account to make payments for other Governments

This account is maintained in order to make pension payments to the pensioners and the widows living in Sri Lanka and who receive their pension from foreign states (Singapore, Malaysia and United Kingdom) for their service to those countries.

During the year 2015, pension payment has been made by the Department are as follows:

| Country | Amount paid (Rs.) |
|----------------|------------------------------|
| United Kingdom | 2,994,996.84 |
| Malaysia | 487,074.67 |
| Singapore | 393,598.44 |
| Total | 3,875,669.95 |

7. Institutional and Administrative Activities

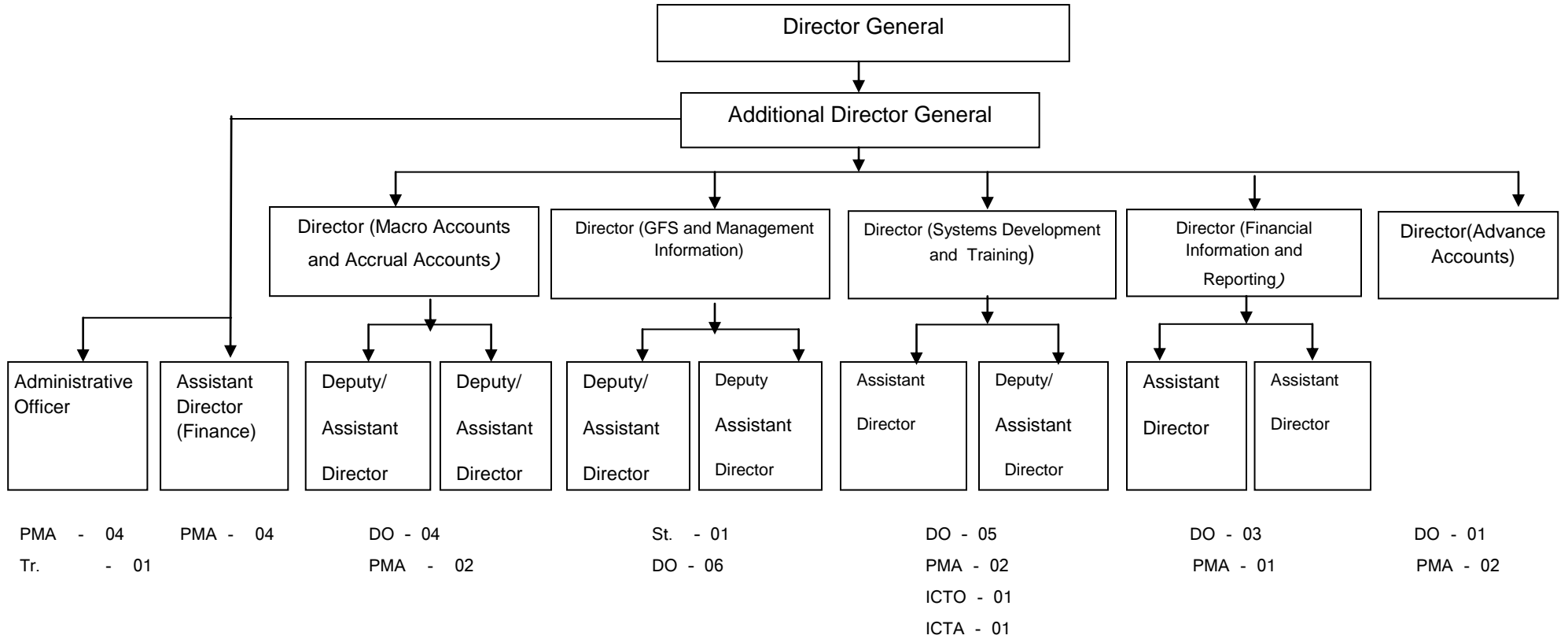
7.1 Staff Information

The following staff members have contributed for the performance of the Department according to the Organization Chart at page 75 as a team in the year 2015.

New posts were created and appointments were made after recognizing the department's requirements during the year 2015. As such, 01 Director post and 03 Management Assistants Posts were created and thereby efficiency in carrying out work of the department in related units were further enhanced.

| | Position | Actual Cadre | Approved Cadre |
|----|--|---------------------|-----------------------|
| 1 | Director General | 01 | 01 |
| 2 | Additional Director General | - | 01 |
| 3 | Director | 05 | 05 |
| 4 | Deputy/Assistant Director (S.L.Ac.S) | 04 | 07 |
| 5 | Assistant Director (S.L.A.S.) | - | 02 |
| 6 | Statistician | - | 01 |
| 7 | Administrative Officer | 01 | 01 |
| 8 | Translator | - | 01 |
| 9 | Information and Communication Technology Officer | - | 01 |
| 10 | Development Officer/ Accounts Analyst/ Development Assistant | 12 | 19 |
| 11 | Public Management Assistant | 15 | 15 |
| 12 | Information and Communication Technology Assistant | 01 | 01 |
| 13 | Computer Assistant | - | 01 |
| 14 | Office Employee Service | 06 | 08 |
| 15 | Drivers | 03 | 06 |
| | Total Cadre | 48 | 70 |

7.2 Organization Chart



DO - Development Officer

PMA - Public Management Assistant

Tr - Translator

St - Statistician

ICTO - Information & Communication Technology Officer

ICTA - Information & Communication Technology Assistant

7.3 Efficient Utilization of Resources

Stock verification was carried out for financial year ended 31st December 2014 during the first quarter of 2015. Disposable electronic items were handed over to e-waste recycling company and thereby contributed to maintain a clean environment fulfilling the social responsibility. This made possible to keep the office premises tidy and clean.

7.4 Capacity development and Knowledge Enhancement

Actions have been taken to offer local and foreign training to staff members in 2015, in order to improve the efficiency of human resources.

7.4.1 Local Training

| Course | Employee category and number | Institute |
|---|--|---|
| Contract and Procurement Management | Assistant Director 01 | Construction, Training and Development Institute |
| Certificate Course in Web Application Development | Assistant Director 01 | National Institute of Business Management |
| Advance Analysis Tools in Excel | Directors 02 | Fay Adams |
| Government Payments Procedure | Accounts Analyst 01 Development Officers 02 Public Management Assistant 01 | Sri Lanka Institute of Development Administration |
| Government Accounting | Development Officers 06 Public Management Assistant 01 | -do- |
| E-Government Applications and Security | Development Officers 03 Public Management Assistants 03 | -do- |
| Treasury Allocation & Management | Development Officers 03 | -do- |
| ICT for Management and Parallel Grades | Development Officers 04 | -do- |
| Salary Conversion | Administrative Officer 01 Public Management Assistants 03 | -do- |

| | | |
|--|--|---|
| Recruitment Procedure | Public Management Assistant 01 | Skills Development Fund Ltd. |
| Government Auditing | Development Officer 01 Public Management Assistants 01 | Sri Lanka Institute of Development Administration |
| Government Procurement Procedure | Development Officers 03 Public Management Assistants 02 | -do- |
| Provisions of the Establishment Code & Procedural Rules | Development Officers 03 Public Management Assistants 02 | -do- |
| Disciplinary Procedure | Development Officer 01 Public Management Assistant 01 | -do- |
| Public Finance Management | Accounts Analyst 01 Development Officers 02 | -do- |
| Certificate Course in English for Employment Purposes | Public Management Assistant 01 | -do- |
| Customer Care and Public Relations | Information and Communication Technology Assistant 01 | -do- |
| Computer Hardware Training | Assistant Director 01 Administrative Officer 01 Accounts Analysts 03 Development Officers 07 Development Assistant 01 Public Management Assistants 03 | Department of Information Technology |
| Preparation of Financial Reports of Government Institution | Development Officer 01 | Sri Lanka Institute of Development Administration |
| Positive attitudes for improvement productivity and quality | Public Management Assistant 01 | -do- |
| Stores Management | Public Management Assistant 01 | -do- |
| Self Development & Emotional intelligence to balance career and life | Public Management Assistant 01 | -do- |
| E-Governance and Change | Director 01 | MILODA - Academy of |

| | | |
|---|--|---|
| Management | Assistant Director 01 Accounts Analysts 02 Development Officers 02 | Financial Studies |
| Diploma in Management Practice for Professional | Public Management Assistants 02 | Sri Lanka Institute of Development Administration |
| Role of Office Employees Service | K.K.S. 01 | -do- |

7.4.2 Foreign Training Courses and Seminars

| Name of the Officer | Designation | Country | Duration | Training/ Seminar |
|-------------------------|--------------------|------------|----------|--|
| Mrs D M A Harasgama | Director General | Thailand | 03 days | Government Finance Statistic Closing Workshop |
| Mrs J K N Samanmalie | Director | Thailand | 03 days | Government Finance Statistic Closing Workshop |
| Mr M A S H .Perera | Director | Maldives | 03 days | 5 th Asian Regional Public debt Management Forum |
| Mr .A P Kurumbalapitiya | Director | Bangladesh | 02 days | Workshop for Advanced General Data Dissemination System (GDDS) |
| Mr S Tharshan | Assistant Director | Singapore | 05 days | Seminar on Modernizing Treasury Management in Developing Countries |
| Mrs D M A Harasgama | Director General | Malaysia | 01 days | Regional Workshop on Public Sector Accounting – 2015 as a Panel Member |
| Mr. A P Kurumbalapitiya | Director | Malaysia | 10 days | Overseas Training Programme for Executive Officials - 2015 |
| Mr. B A T Rodrigo | Director | Malaysia | 10 days | Overseas Training Programme for Executive Officials - 2015 |
| Mr. S Tharshan | Assistant Director | Malaysia | 10 days | Overseas Training Programme for Executive Officials - 2015 |
| Mr. M A S H Perera | Director | Malaysia | 10 days | Overseas Training Programme for Executive Officials - 2015 |
| Mrs. J K N Samanmalie | Director | Malaysia | 10 days | Overseas Training |

| | | | | |
|-------------------------|------------------|-------------|---------|---|
| | | | | Programme for Executive Officials – 2015 |
| Mrs. D M. A Harasgama | Director General | Malaysia | 03 days | Panel member for Public Sector Accounting and Reporting Conference (ASIAN) - 2015 |
| Mrs. D M A Harasgama | Director General | Switzerland | 05 days | Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting |
| Mr. A P Kurumbalapitiya | Director | Switzerland | 05 days | Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting |

8. Financial Information

As per the summary report of expenditure, the utilization of recurrent provision and capital provision in the year 2015 was 98.7% and 61.5% respectively. The financial performance of the department was in line with the Action Plan 2015 in effective utilization of recurrent and capital provisions. It is noted that more realistic recurrent expenditure estimates have been prepared for the year 2015 and incurred expenditure accordingly.

A sum of Rs.1,348,717.50 has been granted as loans for officers within the maximum debit limit of Rs.3.5 million and a sum of Rs.1.6 million has been credited by exceeding the minimum credit limit of Rs.1,000,000.00 of the Public Officers Advance “B” Account. At the end of the year, the debit balance of the Advance “B” Account No: 25001 was Rs.6,975,191.65 and it was within the maximum debit balance limit of Rs.14 million. Accordingly, the department has been complied with stipulated limits of the Advance ‘B’ Account during the year 2015.

The Annual Appropriation and other accounts were prepared in terms of State Accounts Circulars No. 239/2014, 238/2014 and have been submitted to the Auditor General before the specified deadlines. In addition, the Auditor General has submitted 20 audit queries and 04 internal audit queries during the year. All audit queries have been responded within the stipulated time.

| 8.1 Financial Performance - 2015 | | | | | | | |
|----------------------------------|---|---------------|---------------|---------------|---------------|---|---|
| (In comparison 2014) | | | | | | | |
| Object Code | Category | 2014 | | 2015 | | Balance Allocation over 2015 actual expenditure | Balance Allocation as a percentage of 2015 estimate |
| | | Estimate | Actual | Estimate | Actual | | |
| | Recurrent Expenditure | 30,238 | 30,212 | 36,150 | 35,687 | 463 | 1.28 |
| | Personal Emoluments | 23,176 | 23,175 | 27,800 | 27,585 | 215 | 0.77 |
| 1001 | Salaries and Wages | 14,067 | 14,067 | 12,800 | 12,651 | 149 | 1.16 |
| 1002 | Overtime and Holiday Payments | 476 | 475 | 450 | 431 | 19 | 4.22 |
| 1003 | Other Allowances | 8,633 | 8,633 | 14,550 | 14,503 | 47 | 0.32 |
| | Travelling Expenses | 1,310 | 1,310 | 2,502 | 2,496 | 6 | 0.24 |
| 1101 | Domestic | 36 | 36 | 50 | 45 | 5 | 10.00 |
| 1102 | Foreign | 1,274 | 1,274 | 2,452 | 2,451 | 1 | 0.04 |
| | Supplies | 2,198 | 2,178 | 1,960 | 1,912 | 48 | 2.45 |
| 1201 | Stationery and Office Requisites | 673 | 667 | 650 | 636 | 14 | 2.15 |
| 1202 | Fuel | 1,425 | 1,416 | 1,225 | 1,198 | 27 | 2.20 |
| 1203 | Diets and Uniforms | 100 | 95 | 85 | 78 | 7 | 8.24 |
| | Maintenance Expenditure | 1,759 | 1,758 | 1,713 | 1,654 | 59 | 3.44 |
| 1301 | Vehicle | 698 | 698 | 713 | 655 | 58 | 8.13 |
| 1302 | Plant and Machinery | 1,061 | 1,060 | 1,000 | 999 | 1 | 0.10 |
| 1303 | Buildings and Structures | - | - | - | - | | |
| | Services | 1,131 | 1,127 | 1,500 | 1,383 | 117 | 7.80 |
| 1402 | Postal and Communication | 966 | 964 | 1,400 | 1,290 | 110 | 7.86 |
| 1405 | Other | 165 | 163 | 100 | 93 | 7 | 7.00 |
| | Transfers | 664 | 664 | 675 | 657 | 18 | 2.67 |
| 1505 | Subscriptions and Contributions | 204 | 204 | 225 | 223 | 2 | 0.89 |
| 1506 | Property Loan Interest to Public Servants | 460 | 460 | 450 | 434 | 16 | 3.56 |
| | Capital Expenditure | 3,100 | 1,819 | 9,200 | 5,658 | 3,542 | 38.50 |
| | Rehabilitation and Improvement of Capital Assets | 600 | 363 | 431 | 371 | 60 | 13.92 |
| 2002 | Building and Structures | 100 | 58 | 100 | 41 | 59 | 59.00 |
| 2003 | Vehicle | 500 | 305 | 331 | 330 | 1 | 0.30 |
| | Acquisition of Capital Assts | 600 | 254 | 7,400 | 4,197 | 3,203 | 43.28 |
| 2102 | Furniture and Office Equipment | 600 | 254 | 1,400 | 1,351 | 49 | 3.50 |
| 2103 | Plant and Machinery | - | - | 6,000 | 2,846 | 3,154 | 52.57 |
| | Capacity Building | 1,900 | 1,202 | 1,369 | 1,090 | 279 | 20.38 |
| 2401 | Staff Training | 1,900 | 1,202 | 1,369 | 1,090 | 279 | 20.38 |
| | Total Expenditure | 33,338 | 32,031 | 45,350 | 41,345 | 4,005 | 8.83 |

| 9. Progress of Implementation of the activity plan 2015 | | | | | | | | | | | | | |
|--|---|-----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Government Finance Statistics and Management Information Division | | | | | | | | | | | | | |
| Preparation of Economic Classifications & Implementation of GFS Manual 2001/2014 | | | | | | | | | | | | | |
| Serial No. | Activities | Time Span | | | | | | | | | | | |
| | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
| 1 | Effort to spearhead the migration path of GFS in line with GFSM 2001/14 | | | | | | | | | | | | |
| 2 | Preparation of Outturn along with the economic classifications of revenue and expenditure as and when required to FPD | | | | | | | | | | | | |
| 3 | Support to mission of IMF to be visited to provide technical assistance under new GFS Manual | | | | | | | | | | | | |

| Vigilance in mobilizing government revenue and spending in public investments | | | | | | | | | | | | | | | |
|---|--|-----------|-----|-----|--------|-----|-----|-----|-----|--------|-----|-----|-----|--------|--|
| Serial No. | Activities | Time Span | | | | | | | | | | | | | |
| | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | | |
| 4 | Collect and tabulation of revenue flow charts from the revenue departments. | Target | | | | | | | | | | | | | |
| 5 | Activities relating to the preperation of Asset Register with the assistance of relevant Treasury Departments | Target | | | | | | | | | | | | Target | |
| 6 | Listing of budgeted capital expenditure for 2015 and observing & reporting details of sluggish projects/ programmes to PMD | Target | | | Target | | | | | Target | | | | | |
| 7 | Monitor and tabulation of Asset Valuation program carried out by Valuation Department | Target | | | | | | | | | | | | | |
| 8 | Assist to ongoing ITMIS introduction programme | Target | | | | | | | | | | | | | |
| | Target | Achieved | | | | | | | | | | | | | |
| | Achieved | | | | | | | | | | | | | | |



| Progress on Implementation of Activity Plan 2015 | | | | | | | | | | | | | | | | | |
|--|--|-----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|---------|-------------------|---|---|
| Core Functions - Macro Accounts and Accrual Accounts | | | | | | | | | | | | | | | | | |
| No | Functions | Time Span | | | | | | | | | | | | Remarks | Output | Progress | |
| | | Jan. | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | | | | |
| 1 | Issuing required instructions and guidelines to the Chief Accounting Officer on closing of accounts at the end of financial year and providing them with accounting data and information for the preparation of their Annual Revenue Account, Appropriation Account and providing instructions relating to Accrual Based Accounting. | | | | | | | | | | | | | | On going activity | Confirmation of accuracy of financial statements and deposit accounts by forwarding correct Appropriation Account and Revenue Accounts, having reconciled the books of all Ministries and Departments with the Treasury Books.. | 1. Issuing three State Accounts Circulars with respect to closing of accounts, preparation of Appropriation Account and Revenue Account and 1 Circular relating to Deposit Accounts 2. Preparation of consolidated Appropriation Account & Revenue Account |
| 2 | a. Collection of copies of audited Appropriation Account from CAO/AO and audited annual Revenue Account form RAO b. Provide instructions to correcting and preventing the for quantitative facts of the audit reports of the Minisries and | | | | | | | | | | | | | | On going activity | 1. Correcting and preventing actions 2. Publication of data and information | Receipt of audited appropriation accounts . Receipt of all audited revenue accounts. Examination and corrective measures regarding observations. |

| | | | | | |
|---|---|-------------------|--|---|--|
| 3 | Preparing the Republic Account | | On going activity | <p>1. Annual Financial Statement of the Central Government for the year 2014.</p> <p>2. Statement of Financial Performance</p> <p>3. Annual Cash Flow settlement</p> <p>4. Statement of Financial Position of the year</p> <p>5. Statement of Accounting Policies and notes</p> | Submission of Annual Financial Statements as at 30.03.2015 to the Auditor General. Presentation of Financial Statements along with Auditor Generals report for the Annual Report |
| 4 | Reconciliation Control Account balances with institution's balances | On going activity | Reconciliation Statement | Ensuring accuracy of the Accounts. | |
| 5 | Scrutinizing authorized documents regarding FR 66/69 Supplementary Provisions/ Budgetary Provisions and updating necessary records. | On going activity | Controlling authorized provisions | Less accounting errors and updating valuation of provision. | |
| 6 | Involving in the purchase of materials required to the Ministry of Health and the Department of Registration of Persons through crown agents. | On going activity | Completion of purchase of goods relating to the indents issued during the year | Minimizing insufficiency of stocks by purchasing necessary goods in time and maintaining the indents without arrears | |

| | | | | | |
|---|---|--|-------------------|--|---|
| 7 | Representing the Committee on Public Accounts (COPA) on behalf of the Treasury and giving required instructions and recommendations | | On going activity | Ensuring the involvement of the Treasury in accountability and sound financial control | Minimizing accounting errors and maintaining sound Financial Control. |
| 8 | Submission of Annual Report to the Auditor General | | | To be obtained Audit Opinion from the Auditor General with regard Financial Statements | duly provision of Credible Accounting information to Stakeholders |
| 9 | Publication of Account of the Republic within 150 days after completion of the accounting year | | | Enclosed in Annual Report - 2015 | |
| | | | | | |
| | Target | | | | |
| | Achieved | | | | |

Progress on Implementation of Activity Plan 2015









Financial Information and Reporting Division

| Activities | Time Span | | | | | | | | | | | | Remarks | Targets Completed | |
|--|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|--|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | | | |
| 1 Preparation of Monthly Summaries of Accounts - Dec.2014 | | Target Achieved | | | | | | | | | | | | On-going activity | |
| Preparation of Monthly Summaries of Accounts - 2015 (January-November) | | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | On-going activity | Duly provision of Accounting data to the relevant parties |
| 2 (i) Improvements & maintenance of Accounting Information Systems & Database | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | On-going activity | Efficiency in providing information |
| (ii) Web-based publication of financial information on monthly basis | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | | |
| 3 Processing management information | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Ad-hoc basis | Financial statistics for rational Decision making |
| 4 Providing Accounting Information to Government Agencies including Treasury Departments | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | Target Achieved | On-going activity | Primary Accounting data for Economic analysis and statistical analysis |
| Target |  | | | | | | | | | | | | | | |
| Achieved |  | | | | | | | | | | | | | | |

Progress of Implementation of the activity plan 2015

System Development , Training & Advance Accounts

| Activities | Time Span | | | | | | | | | | | | Remarks | Expected Output | |
|---|-----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|---------|--|---|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | | | |
| 1 Continuous development of Accounting software in accordance with the user's feedback & new needs. | | | | | | | | | | | | | | On going activity | * Error free financial data reporting. * Improve financial data reporting through the Windows based accounting software instead of DOS based. * Obtained financial data within stipulated date. |
| 2 Develop TEXT Converting program to AS 400 | | | | | | | | | | | | | | On going activity | * Summary data conversion compatible to AS 400. |
| 3 Develop TOD cash flow information system. | | | | | | | | | | | | | | It will be further developed,According to the responses given to the draft report. | * Share financial data with TOD. |
| 4 Development of Asset Management Module in Accounting Software | | | | | | | | | | | | | | On going activity | * Asset Management Module in New CIGAS. |

| Progress of Implementation of the activity plan 2015 | | | | | | | | | | | | | |
|--|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------------------|
| Administrative Division | | | | | | | | | | | | | |
| Activities | Time Span | | | | | | | | | | | | Remarks |
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | |
| 1 | Develop our own Culture - Simple, Paperless, Resource sharing, Efficient, Accurate and Disciplined culture(SPREAD) in the Department | | | | | | | | | | | | On going activity |
| |  | | | | | | | | | | | | |
| |  | | | | | | | | | | | | |
| 2 | Maintain a sound working environment in the premises | | | | | | | | | | | | On going activity |
| |  | | | | | | | | | | | | |
| |  | | | | | | | | | | | | |
| 3 | Training staff, Process entitlements, General Administration and Knowledge sharing | | | | | | | | | | | | On going activity |
| |  | | | | | | | | | | | | |
| |  | | | | | | | | | | | | |
| Target |  | | | | | | | | | | | | |
| Achieved |  | | | | | | | | | | | | |

Progress on Implementation of Activity Plan-2015

Accounts Branch

| Activities | Estimate | Expenditure | Time span | | | | | | | | | | | | Remarks | | |
|---------------------------------------|------------|-------------|-----------|-----|-----|-------|-----|-----|-----|-----|-----|-----|-----|-----|---------|--|---------------------|
| | | | Jan | Feb | Mar | April | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | | | |
| 1001 Salaries and wages | 12,800,000 | 12,650,644 | | | | | | | | | | | | | | | On-going activities |
| 1002 Overtime and Holiday Payments | 450,000 | 431,388 | | | | | | | | | | | | | | | On-going activities |
| 1003 Other Allowances | 14,550,000 | 14,502,673 | | | | | | | | | | | | | | | On-going activities |
| 1101 Travelling expenses-Domestic | 50,000 | 45,146 | | | | | | | | | | | | | | | On-going activities |
| 1102 Travelling expenses-foreign | 2,452,000 | 2,451,583 | | | | | | | | | | | | | | | On-going activities |
| 1201 Stationery and office Requisites | 650,000 | 635,998 | | | | | | | | | | | | | | | On-going activities |
| 1202 Fuel | 1,225,000 | 1,197,993 | | | | | | | | | | | | | | | On-going activities |
| 1203 Diets and uniforms | 85,000 | 77,979 | | | | | | | | | | | | | | | On-going activities |
| 1301 Maintenance of vehicles | 713,000 | 654,519 | | | | | | | | | | | | | | | On-going activities |
| 1302 maintenance of Plat Machinery | 1,000,000 | 998,561 | | | | | | | | | | | | | | | On-going activities |

