



PERFORMANCE REPORT – 2014
DEPARTMENT OF FISCAL POLICY
THE GENERAL TREASURY

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Vision

**To Ensure the Establishment of a
Sustainable Fiscal Policy
Framework**

Mission

**Formulation and Implementation of
Fiscal Policies
Within the Broad Developmental
Framework of the Government**

Functions

- Formulation and Implementation of fiscal policy and medium-term fiscal strategy by co-ordinating with public, private and international agencies;
- Formulation of tax policy and related statutes other than the Customs Duty and the Special Commodity Levy;
- Management and review of fiscal out-turn and fiscal performance, including government revenue and receipts; and
- Implementation of requirements under Fiscal Management (Responsibility) Act No. 03 of 2003 including all reporting.

1. Fiscal Developments in 2014

1.1 Overview

In line with the Medium-Term Macro Fiscal Framework (MTMFF), the Budget 2014 envisaged to reduce the budget deficit further to 5.2 percent of GDP from 5.9 percent in 2013 through prudent fiscal management supported by higher mobilization of revenue and proper management of public expenditure.

In nominal terms, government revenue increased by 5.1 percent to Rs. 1,195 billion in 2014 from Rs. 1,137 billion in 2013 while the government expenditure also increased by 7.6 percent to Rs. 1,796 billion in 2014 from Rs. 1,669 billion in 2013. This has resulted to increase in the budget deficit in 2014. As a percentage of GDP, the total revenue declined to 12.2 percent in 2014 in comparison to 13.1 percent recorded in the previous year while the tax revenue decelerated to 10.7 percent from 11.6 percent in 2013. This slower performance stemmed from the decline in the tax revenue collected from corporate income taxes, tax on interest, Economic Service Charge (ESC) and import duties. However, non-tax revenue increased by 10.1 percent to Rs. 144.8 billion from the contraction of 7.7 percent recorded in 2013, benefiting mainly from enhanced profits and dividends from State Owned Business Enterprises (SOBES). Despite the relatively high improvement in the domestic economic activities, tax exemptions and concessions granted to selected sectors and weaknesses in the tax administration that have resulted in tax evasion contributed to the decline in the government revenue.

In terms of government expenditure, recurrent expenditure declined to 13.5 percent of GDP in 2014 from 13.9 percent in 2013. This was mainly supported by the decline in the interest payments to 4.5 percent of GDP in 2014 from 5.1 percent in the previous year benefiting from the low interest rate regime due to the relaxed monetary policy stance adopted by the Central Bank of Sri Lanka and the rationalized management of recurrent expenditure. However, expenditure on salaries and wages expanded due to the increased public servants' salaries in 2014. Recurrent expenditure increased by 9.8 percent to Rs. 1,323 billion in nominal terms in 2014 from Rs. 1,205 billion in 2013. The revenue deficit also increased to 1.2 percent of GDP in 2014 over the 0.8 percent recorded in the previous year. Although the capital expenditure and net lending increased marginally by 1.9 percent to Rs. 473 billion in nominal terms, it declined to 4.8 percent of GDP in 2014 from 5.4 percent in 2013. In addition, public investment to GDP ratio also declined to 5.0 percent in 2014 compared to 5.5 percent recorded in 2013 reflecting the detrimental impact of the continuously weak performance in the government revenue. The overall budget deficit in 2014 increased to Rs. 591 billion in comparison to the target of Rs. 516 billion.

1.2 Government Revenue

Total revenue of the government as a percentage of GDP declined to 12.2 percent in 2014 compared to 13.1 percent recorded in 2013, reflecting a deterioration of the revenue buoyancy. Total revenue collected in 2014 was Rs. 1,195 billion, an increase of 5.1 percent compared to Rs. 1,137 billion recorded in 2013. In addition, tax revenue increased by 4.4 percent to Rs. 1,050 billion while non tax revenue also increased by 10.1 percent to Rs. 145 billion. However, the total revenue collection reflected a shortfall of about Rs. 242 billion in 2014 in comparison to the budgetary estimate.

Tax Revenue

Total tax revenue as a percentage of GDP continued to decline and accounted for 10.7 percent in 2014 in comparison to 11.6 percent in 2013. The share of tax revenue in total revenue also fell to 87.8 percent in 2014 from 88.4 percent in 2013. The decline of revenue collected from corporate and non corporate income tax, tax on interest, ESC, excise duty on cigarettes and import duties contributed to this slow performance. However, taxes such as Pay-As-You-Earn (PAYE), Value Added Tax (VAT), Ports and Airports Development Levy (PAL), as well as cess, excise duties on liquor, vehicles and petroleum products, Nation Building Tax (NBT) and Telecommunications Levy indicated an improved performance in 2014.

Chart 1: Government Revenue

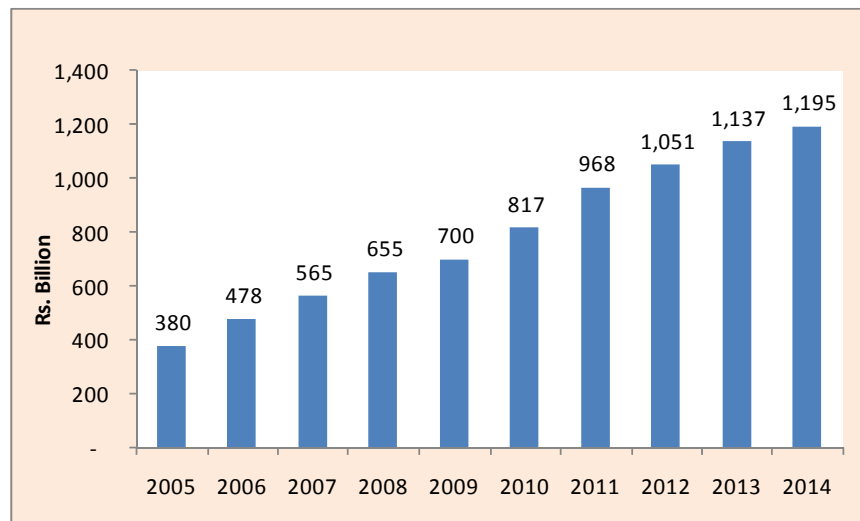


Table 1 : Variance Analysis of Government Revenue – 2014 (Rs. Mn)

Item	2013	2014 Estimate	2014 Provisional	Reasons
Income Tax	205,666	264,400	198,115	Only the taxes from PAYE showed an increase during the year due to high wages, enhanced employment in high earning categories in sectors such as banks, professional services IT BPO, and export, improved compliance. Since reduction of Treasury Bonds and Treasury Bills issuance, tax on interest contributed to the negative growth of income tax revenue. Reduced tax rates, exemptions and deductions given to the corporate and SME sector targeting their development affects the income tax revenue negatively.
VAT	250,523	290,000	275,350	Better performance in certain sectors such as manufacturing, financial services, hotels, restaurants and Wholesale and retail trade helped to increase the VAT revenue from domestic activities. Changes in the import duty structure in motor vehicles (especially vans and cars), higher demand for hybrid motor vehicles, Increased imports and affected positively to the VAT revenue. However, from October 2014, policy measures taken to abolish VAT and other taxes applicable for the importation of motor vehicles as a measure of consolidation of the tax structure depicted a decrease

				of the VAT revenue.
Excise Tax	250,700	252,035	256,691	Though the production of hard liquor and cigarettes reduced during the period, the upward revision of excise duty on liquor, cigarettes & tobacco products and the increase of importation motor vehicles generated incremental revenue
Import Duty	83,123	85,000	81,108	The reduction in importation of machinery and equipment, Building materials and other intermediate goods mainly affected the decline of revenue from import duty. In addition, the import duty exempted items under the investment agreements, were also responsible for this decline. Furthermore, the importation of many products which are granted duty free or normal duty status under the Free Trade Agreements (FTA) entered into with various countries such as India and Pakistan as well as South Asian Free Trade Agreement (SAFTA) and Asian Free Trade Agreement (AFTA) also reduced the import duty revenue.
Port and Airport Development Levy (PAL)	61,987	80,000	68,646	Increased imports such as consumer goods, fuel, textiles and textiles articles, contributed the revenue increase.

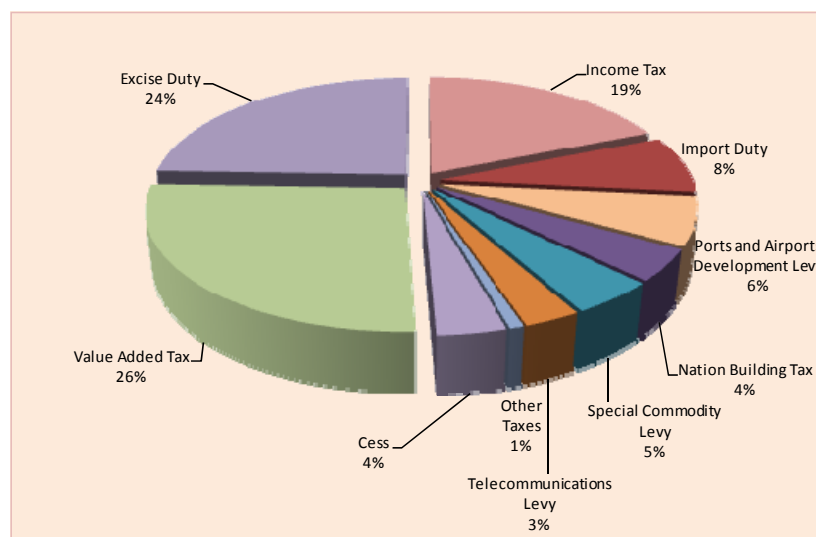
Nation Building Tax (NBT)	40,937	45,600	44,583	Inclusion of financial services into the NBT in 2014 increased the revenue significantly. Also the better performance in certain sectors such as manufacturing retail and trade, services sector contributed to this positive growth.
Other Taxes	159,664	177,440	125,869	Increase in the revenue from Telecommunications Levy as a resulted of high usage of telecommunication services and the rate increment, Increased revenue from Cess as well as the Increased revenue from Special Commodity Levy (SCL) due to the adding up of new commodities to the SCL list and the rate revisions carried out during the domestic production process in selected commodities, mainly contributed to this increase.
Non Tax Revenue	131,552	152,025	144,844	Increased of non tax revenue is mainly due to increase of profits and dividends of public enterprises, Interest and rent. Furthermore, the non-tax revenue from the profit transfers from the Central Bank declined due to the decline in the profits of the Central Bank.

2. Performance of 2014

2.1 Review of the progress of Government revenue while maintaining a proper co-ordination with all Departments engaged in revenue collection

The government revenue in 2014 was Rs. 1,195 billion which was an increase of 5.1 percent compared to Rs.1, 137 billion in 2013. Out of the total government revenue, Rs.1,050 billion was tax revenue while the non-tax revenue amounted to Rs. 145 billion.

Chart 2: Composition of Tax Revenue - 2014



2.2 Summary of Government Revenue

Table 2: Government Revenue

Item	Rs. Mn	
	2013	2014 (Provisional)
Tax Revenue	1,005,895	1,050,362
Income Tax	205,666	198,115
VAT	250,523	275,350
Nation Building Tax	40,937	44,583
Excise Tax	250,700	256,691
Import Duties	83,123	81,108
Ports & Airports Development Levy	61,987	68,646
Special Commodity Levy	46,705	47,953

Other	66,255	77,916
Non Tax Revenue	131,552	144,844
Interest/ Rent	11,995	13,647
Profit and Dividends	35,169	46,814
Sales and Charge	40,720	35,499
Social Security Contribution	15,145	14,919
Central Bank Profit Transfers	26,350	11,500
Other	2,173	22,466
Total Revenue	1,137,447	1,195,206

2.3 Amendments to the legislations as per the policy decisions taken by the government from time to time

2.3.1 Gazette Notifications published during 2014, by this Department are as follows:

I. Excise (Special Provisions) Act

- **Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 1846/7 of 20.01.2014)** – to identify lorries and trucks separately and to introduce new national sub-headings and keep minimized tax rates on those national sub-headings; to ensure that the existing tax rate for single cabs is remained; to introduce new customs codes for gully bowzers and garbage trucks which are mostly used by the local government authorities and to reduce tax rates of those items; to introduce new customs codes for vehicles chassis fitted with engine and cabin and to impose tax rates for that item to promote local value additions and to revise tax rates on packing films of pharmaceuticals, sanitary towels and tampons.
- **Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 1883/8 of 09.10.2014)** – to increase the Excise (Special Provisions) Duty on Cigarettes.
- **Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 1885/42 of 24.10.2014)** – to introduce single tax of Excise (Special Provisions) Duty in lieu of VAT, NBT, Cess, Customs Duty and Ports and Airport Development Levy (PAL) on certain articles specified under Chapter 87 of the Customs Tariff Guide.

- ***Excise (Special Provisions) Act, No. 13 of 1989 (Gazette Notification No. 1885/43 of 24.10.2014)*** – exemption list of Excise Gazette to declare that the excisable articles specified in the Schedule hereto are exempt from the payment of Excise (Special Provisions) Duty.

II. Cess

- ***Export Development Act, No. 40 of 1979 (Gazette Notification No. 1846/6 of 20.01.2014)*** – to remove the Import Cess on laminated packaging material of pharmaceuticals to encourage domestic pharmaceuticals manufacturing industry and In order to encourage local industries, Cess has been increased or imposed on imports of wet cleansing tissues and sanitary towels and tampons.
- ***Export Development Act, No. 40 of 1979 (Gazette Notification No. 1885/46 of 24.10.2014)*** – to remove the Import Cess rates on whey powder to encourage domestic confectionary manufacturing industry using imported whey powder and In order to encourage local industries; Cess has been increased or imposed on imports of liquire and rubber.

III. Excise Ordinance

- ***Excise Notification No. 962 (Gazette Notification No. 1846/8 of 20.01.2014)*** – to revise the Excise Ordinance in order to shall be payable by the Licensee on every liter of Beer, Arrack or Spirits manufactured by such licensee on or before the last date of a month in respect of the production in first 15 days of a particular month and on or before the 15th day of the succeeding month in respect of the production after 15th day of a particular month.
- ***Excise Notification No. 963 (Gazette Notification No. 1846/9 of 20.01.2014)*** – to impose a duty free limit up to 10,000 liters of Spirit (Ethyl Alcohol) for Government or Government approved research and educational Institutions, pharmaceutical manufacturing institutes, hospitals and Government Departments and to minimize the anomalies of the excise duty rates for imported sprits (Ethyl Alcohol) used for liquor production
- ***Excise Notification No. 965 (Gazette Notification No. 1883/7 of 09.10.2014)*** – to revise the duty rate on Country made "Foreign" spirits manufactured in Sri Lanka.

- **Excise Notification No. 966 (Gazette Notification No. 1883/7 of 09.10.2014)** – to revise the duty rate on Malt Liquor less than 5% and on & above 5% of absolute strength as indicated in the label.
- **Excise Notification No. 967 (Gazette Notification No. 1883/7 of 09.10.2014)** – to impose a duty free limit up to 20,000 liters of Spirit (Ethyl Alcohol) for Medical Supply Unit of the Ministry of Health and to revise the excise duty rates for imported sprits (Ethyl Alcohol) used for liquor production.
- **Excise Notification No. 968 (Gazette Notification No. 1885/44 of 24.10.2014)** – to revise the duty rate on Liquors (other than toddy or any liquor made from any Cereal) manufactured in Sri Lanka.
- **Excise Notification No. 969 (Gazette Notification No. 1885/44 of 24.10.2014)** – to revise the duty rate on Molasses, Palmyra, Coconut and Processed Arrack manufactured in Sri Lanka.
- **Excise Notification No. 970 (Gazette Notification No. 1885/44 of 24.10.2014)** – to revise the duty rate on Country made "Foreign" spirits manufactured in Sri Lanka.
- **Excise Notification No. 971 (Gazette Notification No. 1885/44 of 24.10.2014)** – to revise the duty rate on Malt Liquor.
- **Excise Notification No. 972 (Gazette Notification No. 1885/44 of 24.10.2014)** – to revise the duty on import/ local supply of Spirit (Ethyl Alcohol) which is paid at the time of releasing from the distilleries, storages and local manufactory or import of such Spirit (Ethyl Alcohol).

IV. Inland Revenue Act

- **The Inland Revenue Act No. 10 of 2006 (Gazette Notification No. 1857/8 of 09.04.2014)** – Adjustments/Information required to be made or provided for tax purpose In complying with the respective provisions of the Inland Revenue Act, as consequential to the adoption of Sri Lanka Accounting Standards which consist of Sri Lanka Financial Reporting Standards (SLFRS)/ Lanka Accounting Standards (LKAS) in the presentation of financial statements, in relation to any year of assessment commencing on or After 1, 2012.

V. Value Added Act

- ***The Value Added Act No.7 of 2014*** - to increase the threshold of the VAT liability of quarterly turnover not less than Rs. 250 million for any person or partnership engaged in the wholesale or retail business.
- ***The Value Added Act No.7 of 2014 (Gazette Notification No. 1868/10 of 23.06.2014)*** -t Order to specify matters relating to and the manner in which Tax is calculated in respect of VAT on Financial Services with effect from 01.01.2014.

VI. Economic Service Charge Act

- ***Economic Service Charge Act No. 13 of 2006 (Gazette Notification No. 1857/9 of 09.04.2014)*** - the methodology of computation of turnover of a person or partnership engaged in any trade or business according to the section 2 of the act and to used the relevant schedule for the new economic service charge tax rate of 0.25%.

VII. Fiscal Management (Responsibility) Act

- ***Order made under Section 13 of Fiscal Management (Responsibility) Act, No. 3 of 2003 (Gazette Notification No. 1864/45 of 29.05.2014)*** – to publish the Final Budget Position Report (Annual Report) – 2013.
- ***Order made under Section 13 of Fiscal Management (Responsibility) Act, No. 3 of 2003 (Gazette Notification No. 1869/5 of 30.06.2014)*** - to publish the Mid Year Fiscal Position Report - 2014.
- ***Order made under Section 13 of Fiscal Management (Responsibility) Act, No. 3 of 2003 (Gazette Notification No. 1885/41 of 24.10.2014)*** – to publish the Fiscal Management Report – 2015

VIII. Stamp Duty (Special Provisions) Act

- ***Stamp Duty (Special Provisions) Act No. 12 of 2006 (Gazette Notification No. 1864/2of 26.05.2014)*** – to charge stamp duty at the market value at the event of any share certificate issued consequent to the issue, transfer or assignment of any number of shares of any company and for this purpose to amend schedule of the Gazette Notification No. 1465/19 of 05.10.2006 as last amended by the Gazette Notification No. 1809/19 of 10.05.2006)

- ***Stamp Duty (Special Provisions) Act No. 12 of 2006 (Gazette Notification No. 1878/3 of 01.09.2014)*** – to renumbering items in previous gazette notifications and new items.
- ***Stamp Duty (Special Provisions) Act No. 12 of 2006 (Gazette Notification No. 1882/17 of 30.09.2014)*** – to revise the charge on any share certificate issued consequent to the issue, transfer or assignment of any number of shares of any company.

IX. Telecommunication Levy Act

- ***Amendments to Telecommunication Levy Act No 21 of 2011*** - to increase the present rate of 20% applicable on Telecommunication Levy to 25% with effect from 01.01.2014.

X. Revenue Protection Act

- ***Revenue Protection Act No. 19 of 1972 (Gazette Notification No. 1846/10 of 20.01.2014)*** -- to identify lorries and trucks separately and to introduce new national sub-headings and keep minimized tax rates on those national sub-headings, to ensure that the existing tax rate for single cabs is remained, to introduce new customs codes for gully bowsers and garbage trucks which are mostly used by the local government authorities and to reduce tax rates of those items, to introduce new customs codes for vehicles chassis fitted with engine and cabin and to impose tax rates for that item to promote local value additions and to revise tax rates on packing films of pharmaceuticals, sanitary towels and tampons

2.4 In year 2014, several Cabinet memoranda were submitted by the Hon. Minister of Finance and Planning in respect of fiscal policy matters. Further, observations were prepared by this Department with regard to the Cabinet Memoranda submitted by members of the Cabinet of Ministers in relation to the Fiscal Policy matters in which Hon. Minister of Finance and Planning has to submit observations.

2.5 Submission of draft bills related to different taxes and Gazette Notifications to the Parliament and follow up actions.

- Co-ordination with the Department of Legal Affairs – Ministry of Finance & Planning, Legal Draftsman’s Department, Attorney-General Department and Department of Inland Revenue, Government Printer and Parliament in respect of amendments made to the tax legislations.
- Relevant Gazette Notifications related to the revision of different tax and charges were published in 2014.

2.6 Review of all revenue sources, collection and preparation of revenue data, supervision of revenue estimates and cash flow position.

- The revenue estimates for 2015 were prepared in consultation with the Revenue Departments.
- Four Fiscal Policy Committee meetings were held (on quarterly basis) with the participation of the Secretary to the Treasury, Deputy Secretaries to the Treasury, Department Heads of the Treasury / Heads of the Revenue Collecting Departments and other relevant institutions.
- The progress of the revenue collection was supervised through monthly revenue reports and collection of special information while analyses on the revenue performance required for various policy decisions were also conducted.

2.7 Publication of relevant reports in terms of Fiscal Management (Responsibility) Act, No 03 of 2003.

- **Annual Report – 2013**

The Final Budget Position Report (Annual Report) is required to submit to the Parliament and issue for the general public before the expiry of five months from the end of the financial year. Accordingly, the Annual Report 2013 was published in May 2014.

- **Mid Year Fiscal Position Report – 2014**

The report is required to be issued annually on the last day of June of the relevant year or before the expiry of 6 months of passing the Appropriations Bill whichever

comes later. Accordingly, the Mid Year Fiscal Position Report for the year 2014 was published in June, 2014.

- **Fiscal Management Report – 2015**

Fiscal Management Report 2015 consisted with Fiscal Strategy Statement under the Section 4,5 and 6; and Budget, Economic and Fiscal Position Report 2015 under the Section 7,8 and 9; of Fiscal Management (Responsibility) Act, No. 03 of 2003 was published in October 2014.

3. Administration and Accounts

3.1 Organizational Structure

The Department of Fiscal Policy consists of an approved cadre of 65. Accordingly, the following staff serves in the Department.

Table 3: Details of the Staff – 2014 (As at 31.12.2014)

Designation	Approved Cadre	Existing Cadre	Vacant
Director General – SLAS	01	01 ^(a)	-
Additional Director General - SLAS	01	01	-
Director			
SLAS	02	-	02
SLPS	01	01 ^(a)	-
Senior Economist	01	-	01
Deputy Dir. / Assistant Dir. - SLAS	09	04 + 02 ^(b) + 01 ^(c)	02
Deputy Dir. /Assistant Dir. - SLPS	04	04	-
Deputy Dir. / Assistant Dir. - SLAcS	01	-	01
Economist	01	-	01
Statistician	01	-	01
Administrative Officer	01	01	-
Translator	02	01	01

Research Assistant	06	03	03
Development Assistant	06	03	03
Public Management Assistant	13	12	01
Driver	06	04	02
OES	09	07	02
Total	65	45	20

(a) Within the approved cadre, an officer from the Central Bank of Sri Lanka is working in this Department as the Director General.

(b) Further, this department receives the service from Department of Inland Revenue, Senior Assessor as a Deputy Director.

(c) Presently on overseas study leave.

This Department also receives the service of a Tax Advisor who is from the Department of Inland Revenue.

3.2 Human Resource Development

The department staff has provided with opportunity to improve their skills and abilities through the participation in both local and foreign training which will be useful in improving the efficiency and the productivity of the department. The local and overseas training provided to the staff in 2014 is as follows;

3.2.1 Local Training /Conferences

Table 4 : a

Name	Designation	Programme & the Institute	Duration
Mrs. W.H.A.Wimalajeewa	Assistant Director	Institute of Chartered Accountants of Sri Lanka - IFRS Application Level Program	from 16 th to 17 th January 2014
Ms. J.A.D.R.Jayasooriya	Assistant Director	Skills Development Fund - Employment Income & Operation of PAYE Scheme & S VAT	31 st October 2014

Mr. D.M.S.A.Niroshana	Assistant Director	Center for Banking Studies - Applied Econometrics Practical Approach using e-views software	From 16 th January to 05 th June 2014
Mrs.C.K.Vithana	Development Assistant	Certificate Course in English for Employment Purposes (CEEP) - Intermediate Level	Ten weeks from 12 th January 2014
Mrs. W.M.M.P. Perera	Public Management Assistant	SLIDA - Certificate Course in English for Employment Purposes (CEEP) - Intermediate Level	Ten weeks from 12 th January 2014
Mrs. T.P. Ariyathilaka	Public Management Assistant	SLIDA - Certificate Course in English for Employment Purposes (CEEP) - Intermediate Level	Ten weeks from 12 th January 2014
Mrs. S.W.S.N. Dilanthika	Public Management Assistant	SLIDA - Certificate Course in English for Employment Purposes (CEEP) - Intermediate Level	Ten weeks from 12 th January 2014
Miss. W.R.Maduwanthi	Public Management Assistant	District Secretariat, Colombo. - Introduction Training Program for Newly Recruited Public Management Assistant 2014	From 25 th August to 05 th of September 2014
Mrs. J.S.Dilmini	public Management Assistant	District Secretariat, Colombo. - Introduction Training Program for Newly Recruited Public Management Assistant 2014	From 25 th August to 05 th of September 2014
Miss. M.G. R. S. Danapala	Public Management Assistant	District Secretariat, Colombo. - Introduction Training Program for Newly Recruited Public Management Assistant 2014	From 25 th August to 05 th of September 2014

3.2.2 Foreign Training/Conferences

Table 4:b

Name	Designation	Programme & the Country	Duration
Mr.K.M.Mahinda Siriwardana	Director General	IMF - IMF/WB Spring Meetings in Washington DC, USA	From 06 th to 14 th of April 2014
		5th Annual dbAccess Asia Conference 2014 - Singapore	From 20 th to 22 nd of May 2014
		Investor Meeting 2014 - USA	From 01 st to 11 th of September 2014
		Investor Meeting 2014 - UK	From 26 th to 31 st of October 2014
		Public Finance Management (PFM) - Pakistan	From 24 th to 30 th November 2014
Mr. M.K.C.Senanayake	Assistant Director	Ph.D. Programme in Economics at the University of New South Wales -Australia	from 2011 to 31 st December 2014
Mr. S.P.Kiriwaththuduwege	Assistant Director	Ministry of Finance of Japan - Economic Policies	From 10 th of May to 07 th of June 2014
Mrs. M.A.N.C. Senevirathne	Assistant Director	JDS, Japan - Macro Economics and Development Economics	From 22 nd August 2013 to October 2015
Miss.H.D.A.Rukshini	Assistant Director	IMF Singapore Regional Training Institute - Macroeconomic Diagnostic	From 24 th February to 07 th March 2014
Miss.R.M.K.M.Lakmini	Assistant Director	IMF Singapore Regional Training Institute - Macroeconomic Management and Fiscal Policy	From 05 th to 18 th October 2014

3.3 Financial Administration

Provisions for 2014 have been made to this department under budget estimates Head 238 and the utilization of such provisions is as follows.

Table 5:

(i) Utilization of Budgetary Provisions 2014

Description of Expenditure	2014 Estimate Rs.	2014 Net Provisions Rs.	2014 Actual Expenditure Rs.
Recurrent expenditure	74,680,000	74,770,000	74,731,475.18
Personal Emoluments	24,000,000	22,817,000	22,811,513.37
Traveling Expenses	3,900,000	2,246,000	2,232,318.80
Supplies	2,480,000	2,340,000	2,334,912.55
Maintenance Expenses	2,300,000	2,431,000	2,427,889.83
Contract Services	41,500,000	44,351,000	44,340,136.61
Transfers and Others	500,000	585,000	584,704.02
Capital Expenditure	1,120,000	1,120,000	1,003,839.19
Rehabilitation and Improvements	-	-	-
Acquisitions	720,000	720,000	711,809.19
Capital Transfers	-	-	-
Skill Development	400,000	400,000	292,030.00
Total	75,800,000	75,890,000	75,735,314.37

(ii) Advance Account of Public Servants

The details of the advance account of the Public Servants of this department for the year 2014 are given below.

Table 6: Advance Account

Description	Approved Limit (Rs.)	Actual Limit (Rs.)
Maximum Expenditure Limit	2,500,000	2,498,354.00
Minimum Receipt Limit	1,000,000	1,568,963.13
Maximum Debt Balance Limit	10,000,000	7,678,795.36

(iii) Audit Queries

05 audit queries from the Department of Management Audit of the Ministry of Finance & Planning and 05 audit queries from the Auditor Generals Department, received in 2014, were answered.