

**වාර්ෂික වාර්තාව - 2022**  
**வருடாந்த அறிக்கை - 2022**  
**ANNUAL REPORT - 2022**



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நலன்புரி நன்மைகள் சபை  
நிதி, பொருளாதார உறுதிப்பாடு மற்றும்  
தேசிய கொள்கைகள் அமைச்சு

**Welfare Benefits Board**  
**Ministry of Finance, Economic Stabilization and National Policies**

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## Abbreviations

- WBB – Welfare Benefits Board
- WB Act – Welfare Benefits Act No 24 of 2002 of the Democratic Republic of Sri Lanka
- WB – World Bank
- WBIU – Welfare Beneficiary Information Unit
- WBS – Welfare Benefit Scheme
- BCP – Business Continuity Plan
- DRMS – Disaster Recovery Management System
- DSD – Divisional Secretary Division
- HR - Human Resource
- MSD –Management Services Department
- ICT – Information Communication Technology
- ICTA – Information Communication Technology Agency
- IIL – Informatics International Limited
- IT - Information Technology
- IWMS – Integrated Welfare Management System
- IEC – Information Educational & Communication
- SSNP – Social Safety Nets Project
- SRIS – Social Registry Information System
- SRU – Social Registry Unit
- SQL – Structured Query Language
- PMU – Project Management Unit of the Ministry of Finance
- TOR – Terms of Reference

## CHAPTER 1 - THE ORGANIZATION

**"To become the forerunner in the journey of uplifting the living condition of those who are indeed in need in the Sri Lanka society"**

### 1.6 Vision

**"To become the forerunner in the journey of uplifting the living condition of those who are indeed in need in the Sri Lanka society"**

### 1.2 Mission

The mission of the Welfare Benefits Board was identified and developed in relation to meet the objectives of Act, the Social Safety Nets Project and emerging needs for reform of the Sri Lanka welfare sector. Thus, the Mission statement will be as follows.

***"Develop and implement a coherent welfare benefits management system for all targeted benefits schemes ensuring transparency and equity in selecting beneficiaries".***

### 1.7 Objectives of the Organization

- Providing the legal framework for the payment of all welfare benefits
- Setting out a transparent process for the identification of the beneficiaries
- Setting provisions for termination of such benefits

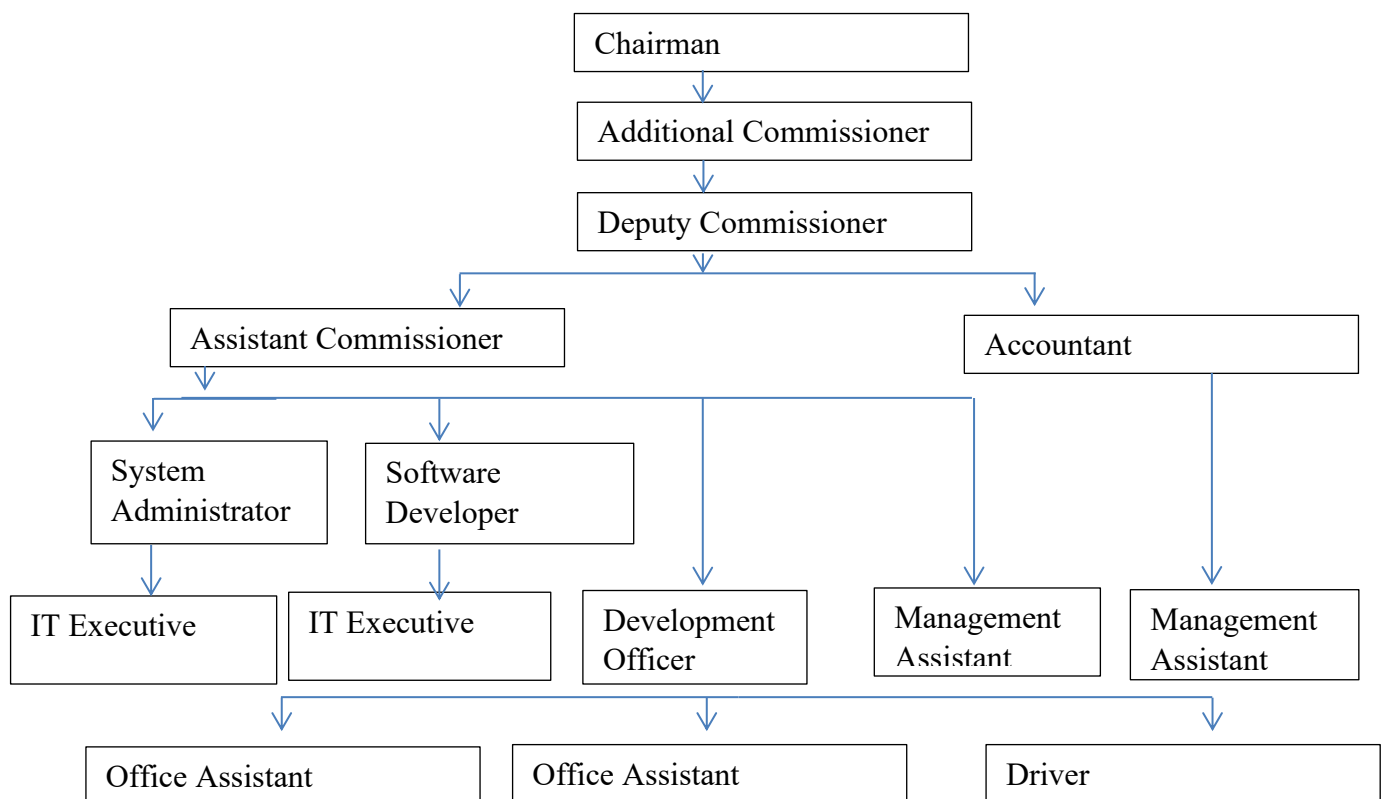
### 1.3 Functions of Welfare Benefits Board

Following main functions for the realization of the aforesaid objects;

- Exercise, perform and discharge powers, duties and functions conferred on or assigned to it, by the Act.
- Delegation of any power, duty or function vested in the Board to a District Secretary, Divisional Secretary or Grama Niladhari or public officer.
- Establishment of Welfare Benefit Schemes
- Develop the criteria for eligibility
- Specify the financial allocation in terms of a Scheme

- Develop and maintain an electronic social security data system.
- Specify the date of commencement of the Scheme
- Specify the financial or other benefits to be granted
- State the period for which persons are entitled to receive benefits

## 1.5 Organization Structure



## **1.6 Board of Directors**

The Welfare Benefit Board was governed under an Acting Additional Commissioner without a Board of Directors from **01.01.2022** to **06.07.2022**.

Acting Additional Commissioner - Mr.M.M.C.P.Mohottigedara

B. Mr. Wijayaratne was appointed as the Chairman of the Welfare Benefit Board on 07.07.2022 and the Board of Directors is as follows.

- Mr. B. Wijayaratne – Chairman/ Commissioner
- Mr. Kamal Pathmasiri – Member
- A.R. Mr. Deshapriya – Member
- Mr. Kumara Dunusinghe – Member
- K.H. Mrs. Jessie Mahler – Member

Five Board Meetings had been held during this period.

## **Chapter 2 - Legal Framework**

### **2.1 Legal background related to the establishment of the organization**

Welfare Benefits Board (WBB) was established in July 2016 in terms of Section 3 of Welfare Benefits Act No. 24 of 2002 and, it is stated that this should be implemented from 15<sup>th</sup> February 2016 under the Extraordinary Gazette Notification No.1952/22 of 02<sup>nd</sup> February 2016 of Democratic Socialist Republic of Sri Lanka. The Chairman and four members should be appointed for a three-year term by the Minister in charge of the subject of finance in consultation with the Constitutional Council as per Section 2 of the Welfare Benefit Act.

### **Chapter 3 - Explanation of the Chairman**

#### **Review of the Chairman of the Welfare Benefits Board**

Welfare Benefits Board was established in accordance with the sections of the welfare Benefits Act No.24 of 2002 and came into effect from 15<sup>th</sup> February 2016 under the Extraordinary Gazette Notification No 1952/22 and dated 02<sup>nd</sup> February 2016.

The Social Safety Net Project and the Welfare Benefits Board jointly work to achieve the main objectives of the Act and the World Bank provides funding through the Social Safety Nets Project for the establishment of the Welfare Benefits Board.

The assistance of District Secretary, Divisional Secretary, Grama Niladari Officers and other officers who perform field duties in the Divisional Secretariats are obtained to carry out the functions of the Welfare Benefits Board and under this, the Aswesuma program is basically implemented.

Calling Applications under the Aswesuma program had been commenced from 01<sup>st</sup> September 2022 and this program is implemented under 05 steps.

The need for a Social welfare information system that accurately indemnifies the target community has been confirmed by the stakeholders such as the international Monetary Fund, the World Bank, the Asian Development Bank, and the United Nations, and, accordingly, the Integrated Welfare Management System (IWMS) bearing No.02 of 2022 has been established as per the Extraordinary Gazette No.2308/08 dated 29/11/2022, through which the Aswesuma program is being implemented.

It was able to commence the active implementation of this welfare benefits program in this year. As all the necessary infrastructures for the successful implementation of this programme could not be completed amidst the objections and challenges presented by various parties, much effort had to be put in to meet them. Accordingly, efforts had to be made to complete the development of a computer system called IWMS, get the approval for the staff and recruitment procedures, provide office equipment and other physical resources during the implementation of the programme.

The Minister of Finance, Secretary to the Treasury, the Deputy Secretary, the officials of the Ministry of Finance and other departments who provided support, the staff officers of the Welfare Benefits Board and the Social Security Network Project and all the officers of the District Secretariats and Divisional Secretariats have always provided their generous support to make these tasks successful.



B. Wijayaratne  
Chairman, Welfare Benefits Board  
20.12.2022

## Chapter 4 - Performance

### 1.8 Annual Action Plan

| No | Field of responsibility                                                                                                              | Proposed Activity                                                                                            | The result of activity                                                   | Output of the activity                                         |
|----|--------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|----------------------------------------------------------------|
| 1  | Welfare Management System (Establishment/Development/Implementation of Social Security Register)<br><br>Information system<br>)SRIS) | Finalize the project and enter into a maintenance contract with the supplier for one year.                   | A fully functional SRIS for the general public                           |                                                                |
|    |                                                                                                                                      | Inclusion of pilot data collected by the Social Safety Net Project for SRIS (via Data Validation Mobile App) | Completion of the data received by the selected divisional Secretariats. |                                                                |
|    |                                                                                                                                      | Data Verification by Department of Population and Statistics (DCS)                                           | Applying the final result of statistical operations                      |                                                                |
| 2  | Expansion to integrate SRIS<br><br>Welfare Management System (IWMS)                                                                  | Completion of Integrated Welfare Management System (IWMS)                                                    | Development of a technically significant system                          |                                                                |
|    |                                                                                                                                      | Establishing an IWMS operating system                                                                        |                                                                          |                                                                |
| 3  | Ensuring sustainability                                                                                                              | Capacity development<br>)Personnel Management Development Programme (WBB DSD Level)                          |                                                                          | Creating of a perfect staff with technical and moral knowledge |
|    |                                                                                                                                      | Continuous improvement of SRIS                                                                               |                                                                          | Developing the knowledge of                                    |

|   |                                                                                                                                                              |                                                                                                                     |  |                                                                                                        |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------|
|   |                                                                                                                                                              |                                                                                                                     |  | staff members                                                                                          |
|   |                                                                                                                                                              | Establishment of policies and procedures                                                                            |  | Maintaining of a pleasant office environment                                                           |
| 4 | Strengthening and restoring of the organizational structure                                                                                                  | Creating an organizational structure that contributes to daily life activities<br><br>WBB and D.S. level up to IWMS |  | Creating a strong organizational structure necessary to maintain all the functions of the organization |
|   |                                                                                                                                                              | Recruitment of suitable staff for the organization                                                                  |  | Establishing an organizational structure with formal specialization                                    |
| 5 | An effective communication method for IWMS                                                                                                                   | Establishment of a formal communication system                                                                      |  | Establishment of a strong communication system down to the ground level                                |
|   |                                                                                                                                                              | A method of continuous operation and improvement                                                                    |  | An unbroken connection with the operating system                                                       |
| 6 | Strengthening of the legal framework with related institutions (Department of Samurdhi, National Secretariat for Elders, General Secretariat for Disability) | Preparing and signing of MoUs between institutions                                                                  |  | Building a formal legal framework between institutions                                                 |
| 7 | Strengthening of infrastructure for IWMS                                                                                                                     | Completion of procurement for TAB computers                                                                         |  | Increasing the efficiency of data acquisition                                                          |
|   |                                                                                                                                                              | Distribution of TAB computers to 332 Divisional Secretariats                                                        |  | A trained staff at the ground level in Divisional                                                      |

|  |  |                                                                 |  |                                               |
|--|--|-----------------------------------------------------------------|--|-----------------------------------------------|
|  |  |                                                                 |  | Secretariats                                  |
|  |  | Continuous management and delivery of distributed TAB computers |  | An unbroken connection with system operations |

## 4.2 Performance

### 4.2 Performance based on the Action Plan

| Strategy                           | Program                   | Activities / Sub activities                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Performance (%) | Remark                               |
|------------------------------------|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------|
| Strengthen reliability of the SRIS | SRIS Maintenance Contract | <ul style="list-style-type: none"> <li>▪ Maintenance agreement between WBB and IIL</li> <li>• 07 Distributions</li> <li>• Financial proposal sent by IIL</li> <li>• The financial proposal is approved by the Ministerial Procurement Committee</li> <li>• Handover of maintenance agreement letter to IIL               <ul style="list-style-type: none"> <li>▪ Decision on SRIS revision requests</li> <li>▪ Decision making meetings for amendment requests</li> </ul> </li> </ul> | 60 %            | First distribution is complete       |
|                                    | SRIS handover process     | <ul style="list-style-type: none"> <li>• Conduct of meetings and workshops</li> <li>• Exchange of knowledge about SRIS Maintenance Agreement</li> </ul>                                                                                                                                                                                                                                                                                                                                | 75 %            | Handover to WBB is not completed     |
|                                    | Termination of SRIS       | <ul style="list-style-type: none"> <li>• Completion and payment of first delivery</li> <li>• Unfinished delivery letter issue</li> </ul>                                                                                                                                                                                                                                                                                                                                               | 100 %           | Handover of SRIS to WBB has not been |

|                                    |                                                         |                                                                                                                                                                                                        |       |                                                        |
|------------------------------------|---------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|--------------------------------------------------------|
|                                    |                                                         |                                                                                                                                                                                                        |       | completed                                              |
|                                    | Space server facilities                                 | <ul style="list-style-type: none"> <li>• Implementation of space facilities for IWMS system</li> <li>• Strengthening of ICTA server equipment</li> </ul>                                               | 100 % | decided to move from Microsoft assure to Space servers |
| Strengthen reliability of the IWMS | Development of mobile application and LISH system       | <ul style="list-style-type: none"> <li>▪ Development of the internal application of social Safety project</li> <li>▪ Meeting to decide to develop mobile application and LISH system</li> </ul>        | 100 % | Complete                                               |
| Effective communication            | A formal communication method for the public            | <ul style="list-style-type: none"> <li>• Implementation of 1924 (welfare benefits board) call center on this process</li> <li>• Completion of the call center requirements for this process</li> </ul> | 75 %  | In progress                                            |
|                                    | Setting up the WBB website                              | <ul style="list-style-type: none"> <li>• Implementation of a new WBB website</li> <li>• Establishing website coding</li> </ul>                                                                         | 50 %  | In progress                                            |
|                                    | Text messaging process (for officers and beneficiaries) | <ul style="list-style-type: none"> <li>• Procurement of selection of text messaging providers</li> </ul>                                                                                               | 50 %  | In progress                                            |
|                                    | WhatsApp communication                                  | <ul style="list-style-type: none"> <li>• DSD level officer communication</li> </ul>                                                                                                                    | 100 % | Daily activities take place                            |

## 4.5 Review on Performance

This table presents the details of the activities planned and implemented in the year 2022.

| No. | Field of responsibility                                                                                                                 | Proposed Activity                                                                                            | The result of activity                                                   | Output of the activity                                         |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|----------------------------------------------------------------|
| 1   | Welfare Management System<br>(Establishment/Development/Implementation of Social Security Register)<br><br>Information system<br>(SRIS) | Finalize the project and enter into a maintenance contract with the supplier for one year.                   | A fully functional SRIS for the general public                           |                                                                |
|     |                                                                                                                                         | Inclusion of pilot data collected by the Social Safety Net Project for SRIS (via Data Validation Mobile App) | Completion of the data received by the selected divisional Secretariats. |                                                                |
|     |                                                                                                                                         | Data Verification by Department of Population and Statistics (DCS)                                           | Applying the final result of statistical operations                      |                                                                |
| 2   | Expansion to integrate SRIS<br><br>Welfare Management System<br>(IWMS)                                                                  | Completion of Integrated Welfare Management System (IWMS)                                                    | Development of a technically significant system                          |                                                                |
|     |                                                                                                                                         | Establishing an IWMS operating system                                                                        |                                                                          |                                                                |
| 3   | Ensuring sustainability                                                                                                                 | Capacity development<br><br>)Personnel Management Development Programme                                      |                                                                          | Creating of a perfect staff with technical and moral knowledge |

|   |                                                                                                                                                              |                                                                                                                     |  |                                                                                                        |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------|
|   |                                                                                                                                                              | WBB DSD Level)                                                                                                      |  |                                                                                                        |
|   |                                                                                                                                                              | Continuous improvement of SRIS                                                                                      |  | Developing the knowledge of staff members                                                              |
|   |                                                                                                                                                              | Establishment of policies and procedures                                                                            |  | Maintaining of a pleasant office environment                                                           |
| 4 | Strengthening and restoring of the organizational structure                                                                                                  | Creating an organizational structure that contributes to daily life activities<br><br>WBB and D.S. level up to IWMS |  | Creating a strong organizational structure necessary to maintain all the functions of the organization |
|   |                                                                                                                                                              | Recruitment of suitable staff for the organization                                                                  |  | Establishing an organizational structure with formal specialization                                    |
| 5 | An effective communication method for IWMS                                                                                                                   | Establishment of a formal communication system                                                                      |  | Establishment of a strong communication system down to the ground level                                |
|   |                                                                                                                                                              | A method of continuous operation and improvement                                                                    |  | An unbroken connection with the operating system                                                       |
| 6 | Strengthening of the legal framework with related institutions (Department of Samurdhi, National Secretariat for Elders, General Secretariat for Disability) | Preparing and signing of MoUs between institutions                                                                  |  | Building a formal legal framework between institutions                                                 |
| 7 | Strengthening of infrastructure for IWMS                                                                                                                     | Completion of procurement for                                                                                       |  | Increasing the efficiency of                                                                           |

|  |  |                                                                 |  |                                                                |
|--|--|-----------------------------------------------------------------|--|----------------------------------------------------------------|
|  |  | TAB computers                                                   |  | data acquisition                                               |
|  |  | Distribution of TAB computers to 332 Divisional Secretariats    |  | A trained staff at the ground level in Divisional Secretariats |
|  |  | Continuous management and delivery of distributed TAB computers |  | An unbroken connection with system operations                  |

## Chapter 5 - OVERALL FINANCIAL STATEMENTS FOR THE YEAR

### 5.1 Statements on Financial Performance (Budget)

#### COMPREHENSIVE INCOME STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2022

|                                                               |             |                   |                     |  |
|---------------------------------------------------------------|-------------|-------------------|---------------------|--|
| <b>WELFARE BENEFIT BOARD</b>                                  |             |                   |                     |  |
| <b>MINISTRY OF ECONOMIC POLICIES &amp; PLAN IMPEMENTATION</b> |             |                   |                     |  |
| <b>COMPREHENSIVE INCOME STATEMENT FOR THE YEAR ENDED</b>      |             |                   |                     |  |
| <b>31ST DECEMBER 2022</b>                                     |             |                   |                     |  |
|                                                               |             |                   |                     |  |
| <b>Description</b>                                            | <b>Note</b> | <b>2022</b>       | <b>2021</b>         |  |
|                                                               |             |                   |                     |  |
| <b>Revenue</b>                                                |             |                   |                     |  |
|                                                               |             |                   |                     |  |
| Government Grant                                              | 1           | 7,188,000         | 4,845,000           |  |
|                                                               |             |                   |                     |  |
| <b>Expenses</b>                                               |             |                   |                     |  |
| Personal Emoluments                                           | 2           | 5,672,268         | 4,540,277           |  |
| Other Operating Expenses                                      | 3           | 1,258,933         | 570,244             |  |
|                                                               |             | 6,931,201         | 5,110,521           |  |
|                                                               |             |                   |                     |  |
| <b>Surplus/(Deficit) For the year</b>                         |             | <b>256,799.44</b> | <b>- 265,521.02</b> |  |

## 5.2 Financial Reports on Financial Performance

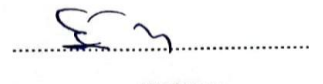
### Statement of financial position for the year ending 31 December 2022

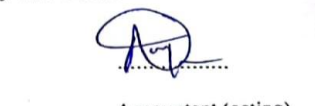
|                                                                              |  |      |  |                   |      |                  |
|------------------------------------------------------------------------------|--|------|--|-------------------|------|------------------|
| <b>WELFARE BENEFIT BOARD</b>                                                 |  |      |  |                   |      |                  |
| <b>MINISTRY OF ECONOMIC POLICIES &amp; PLAN IMPEMENTATION</b>                |  |      |  |                   |      |                  |
| <b>Statement of Financial Position for the year ended 31st December 2022</b> |  |      |  |                   |      |                  |
|                                                                              |  |      |  |                   | 2022 | 2021             |
|                                                                              |  |      |  |                   |      |                  |
|                                                                              |  | Note |  |                   | Rs.  | Rs.              |
| <b>COMPONENT 01</b>                                                          |  |      |  |                   |      |                  |
| Non current assets                                                           |  |      |  |                   |      |                  |
| Property Plant & Equipments                                                  |  | 04   |  | -                 |      | 11,477.75        |
| Current assets                                                               |  |      |  |                   |      |                  |
| Cash & Cash Equivalent                                                       |  | 05   |  | 289,390.74        |      | 56,086.21        |
|                                                                              |  |      |  | <b>289,390.74</b> |      | <b>67,563.96</b> |
| <b>FINANCED BY</b>                                                           |  |      |  |                   |      |                  |
| Net asset/Equity                                                             |  |      |  |                   |      |                  |
| PPE Reserve                                                                  |  |      |  | 4,584,793.00      |      | 4,584,793.00     |
| Accumulated Surplus /(Deficit)                                               |  |      |  | - 4,304,256.38    |      | -4,522,655.82    |
| Total Net assets/Equity                                                      |  |      |  | 280,536.62        |      | 62,137.18        |
| <b>Current liabilities</b>                                                   |  |      |  |                   |      |                  |
| Accrued Expenses                                                             |  | 06   |  | 8,854.12          |      | 5,426.78         |
|                                                                              |  |      |  | <b>289,390.74</b> |      | <b>67,563.96</b> |

Financial Statements presented in pages from 1 -3 and other notes to the accounts presented in pages from 4 - 10 are form integral parts of the Financial statements. We hereby certify that figures in these Financial Statements Notes to accounts have been prepared in accordance with the documents and information maintained by the Board

  
Name & Signature of Secretary  
Ministry of Finance Economic Stabilization  
and National Policies .

28/12/23  
**K.M.M. Siriwardana**  
Secretary to the Treasury and  
Secretary to the Ministry of Finance,  
Economic Stabilization and National Policies  
The Secretariat  
Colombo 01.

  
Chairman  
**B. Wijayarathne**  
Chairman / CAO / Commissioner  
Welfare Benefit Board  
01" floor  
New Building  
Ministry Of Finance

  
Accountant (acting)  
**ACCOUNTANT**  
**WELFARE BENEFIT BOARD**

### STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31ST DECEMBER 2022

|                                                                                 |                                    |                               |                   |
|---------------------------------------------------------------------------------|------------------------------------|-------------------------------|-------------------|
| <b>WELFARE BENEFIT BOARD</b>                                                    |                                    |                               |                   |
| <b>MINISTRY OF ECONOMIC POLICIES &amp; PLAN IMPEMENTATION</b>                   |                                    |                               |                   |
| <b>STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31ST DECEMBER 2022</b> |                                    |                               |                   |
|                                                                                 |                                    |                               |                   |
|                                                                                 |                                    |                               |                   |
|                                                                                 |                                    |                               |                   |
|                                                                                 | Property Plant & Equipment Reserve | Accumulated Surplus/(Deficit) | Total             |
|                                                                                 |                                    |                               |                   |
|                                                                                 |                                    |                               |                   |
| Balance as at 01/01/2021                                                        | 4,584,793.00                       | (4,257,134.80)                | 327,658.20        |
| Audit Fee-2019                                                                  |                                    | (38,400.00)                   |                   |
| Surplus /(Deficit) for the year                                                 | -                                  | (265,521.02)                  | (265,521.02)      |
| Balance as at 31/12/2021                                                        | <b>4,584,793.00</b>                | <b>(4,561,055.82)</b>         | <b>62,137.18</b>  |
|                                                                                 |                                    |                               |                   |
|                                                                                 | Property Plant & Equipment Reserve | Accumulated Surplus/(Deficit) | Total             |
|                                                                                 |                                    |                               |                   |
|                                                                                 |                                    |                               |                   |
| Balance as at 01/01/2022                                                        | 4,584,793.00                       | (4,561,055.82)                | 23,737.18         |
| PPE Reserve for the year                                                        | -                                  |                               | -                 |
| Surplus /(Deficit) for the year                                                 | -                                  | 256,799.44                    | 256,799.44        |
| Balance as at 31/12/2022                                                        | <b>4,584,793.00</b>                | <b>(4,304,256.38)</b>         | <b>280,536.62</b> |
|                                                                                 |                                    |                               |                   |
|                                                                                 |                                    |                               |                   |

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022**

|                                                                          |  |                   |  |
|--------------------------------------------------------------------------|--|-------------------|--|
| <b>WELFARE BENEFIT BOARD</b>                                             |  |                   |  |
| <b>MINISTRY OF ECONOMIC POLICIES &amp; PLAN IMPEMENTATION</b>            |  |                   |  |
| <b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022</b>         |  |                   |  |
|                                                                          |  | <b>2022</b>       |  |
|                                                                          |  | <b>Rs. Cts</b>    |  |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                               |  |                   |  |
| Surplus or /(Deficit) during the year                                    |  | 256,799.44        |  |
| Incremental Operating Cost                                               |  | -                 |  |
| Adjustment for:                                                          |  |                   |  |
| Depreciation                                                             |  | 11,477.75         |  |
| <b>Operating profit before working capital change</b>                    |  | <b>268,277.19</b> |  |
| Prior year adjustment                                                    |  | (38,400.00)       |  |
| (Increase)/Decrease in trade & other payable                             |  | 3,427.34          |  |
| (Increase)/Decrease in Receivables                                       |  | -                 |  |
| Net cash generated from operating activities                             |  | <b>233,304.53</b> |  |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                               |  |                   |  |
| Purchase of Property, Plant and Equipment                                |  | -                 |  |
| Net cash (used in) investing activities                                  |  | -                 |  |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                               |  |                   |  |
| Lease Paid                                                               |  | -                 |  |
| Net cash used in financing activities                                    |  | -                 |  |
| Net increase in Cash and Cash Equivalents during the Year                |  | 233,304.53        |  |
| Cash and Cash Equivalents at the Beginning of the Year                   |  | 56,086.21         |  |
| <b>Cash and Cash Equivalents at the End of the Year</b>                  |  | <b>289,390.74</b> |  |
| <b>Analysis of Cash and Cash Equivalents at the end of the Year</b>      |  |                   |  |
|                                                                          |  |                   |  |
|                                                                          |  |                   |  |
|                                                                          |  |                   |  |
| The Accounting Policies and Notes annexed form an integral part of these |  |                   |  |
| Financial Statements                                                     |  |                   |  |
|                                                                          |  |                   |  |

## **Analysis of Cash and Cash Equivalents at the end of the Year**

The Accounting Policies and Notes annexed form an integral part of these Financial Statements

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **01. GENERAL**

1.1 Welfare Benefits Board (WBB) was established in July 2016 in terms of Section 3 of Welfare Benefits Act No.24 of 2002, which into operation again on 15<sup>th</sup> February 2016 under the Extraordinary Gazette Notification No.1952/22 of the Democratic Socialist Republic of Sri Lanka.

1.2 The Board comprises Chairman and four members who are appointed in July 2016 by the minister in charge of the subject of finance in consultation with the Constitutional Council as per Section 2 of WBB Act.

1.3 Welfare Benefits Board is located at 1<sup>st</sup> floor New Building in the Ministry of Finance, Economic Stabilization and National Policies situated at the Secretariat, Colombo - 01.

#### **1.4 Objectives of the Welfare Benefits Board**

- The main objective to provide framework for the payment of all welfare benefits.
- setting out a transparent process for identification the recipients of benefits
- setting Provisions for termination of such benefits

The WBB Act also empowers WBB to perform the following main functions for the realization of the aforesaid objectives,

- To exercise, perform and discharge powers, duties and functions conferred on or assigned to it by the Act.
- To delegate powers vested in the Board towards any of the District Secretary, Divisional Secretary or Grama Niladhari or public Officer

- To establish of welfare benefit schemes.
- Develop the criteria for eligibility.
- Specify the financial allocation in terms of a Scheme.
- Specify the date of commencement of the Scheme.
- Specify the financial or other benefits to be granted.
- State the period for which persons are entitled to receive benefits.

## 1.5. Financial Statement

The WBB presents herewith the Financial Statements for the period ended 31<sup>st</sup> December 2022.

## 02. Basis of Preparation Financial Statement

The Financial Statements of Welfare Benefit Board comprise of the Statement of Financial position, Statement of Cash Flows, Comprehensive Income Statement, List of non – current Assets of the WBB, Notes to the Financial Statement. These Financial Statement are prepared in accordance with the Sri Lanka Public Sector Accounting Standards and the financial regulation of the government.

### 2.1 Financial & Presentation Currency

The financial statements are presented in Sri Lanka Rupees.

### 2.2 Going Concern

WBB planned policies set out below have applies the going concern assumption which is an appropriate method to the Welfare Benefits.

2.3. The accounting policies set out below have been applied for preparing financial statements and WBB expects to apply it consistently to all three years' periods presented in these financial statements, unless stated otherwise.

- **Statement of Financial Position**

All office equipment is initially recorded at cost. The cost of equipment is the cost of acquisition with VAT incurred at the purchasing.

- **Comprehensive Income Statements**

- (a) **Revenue Recognition**

Imprest Received from Government treated as Revenue.

**(a) Expenditure Recognition**

Expenses are recognized in the statement of expenditure as Administrative & General Expenses, Welfare Benefits expenses and communication expenses. All expenditure incurred in the running of the WBB have been charged to the statement of expenditure.

**(c) Depreciation**

Depreciation provision has not been made for the assets assigned by the Ministry of Finance, Economic Stabilization and National Policy. Depreciation was calculated only on assets purchased by the Welfare Benefit Board.

Depreciation on the assets are calculated using straight line basis over their estimated lives as follows.

|                              |        |
|------------------------------|--------|
| Furniture & Office Equipment | 20%    |
| Machinery                    | 33.33% |

**(d) Taxation**

Payee Tax is based on the Table 01 of the Inland Revenue Act.

### 5.3 Auditor General's Report.

#### NATIONAL AUDIT OFFICE

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My No } TPD/C/WBB/ 2022/FA/01

Your No }

Date } 06<sup>th</sup> July 2023

The Chairman  
Welfare Benefits Board

**Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of Welfare Benefits Board for the year ended 31 December 2022 in terms of the Section 12 of the National Audit Act No: 19 of 2018**

#### **1. Financial Statements**

##### **1.1 Opinion**

The audit of the financial statements of the Welfare Benefits Board for the year ended 31 December 2022 comprising the statement of financial position as at 31 December 2022 and the statement of comprehensive income, statement of changes in net assets and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, 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 and Finance Act No. 38 of 1971. My report in terms of the Article 154 (6) of the Constitution will be tabled in the Parliament in the due course.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Board as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

##### **1.2 Basis for 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 opinion.

##### **1.3 Other information included in Annual Report-2022 of the Commission**

Other information means the information that is included in the Annual Report-2022 of the Board which is expected to be obtained by me after the date of this Audit report, but is not included in the financial statements and my audit report regarding it. The management is responsible for this other information.

other information is not disclosed through my opinion on financial statements and, I do not express any assurance or opinion on that.

In relation to my audit of financial statements, it is my responsibility to read the other information identified above when available and, to consider whether other information in accordance with my knowledge obtained with the financial statements or in the audit or otherwise, is quantitatively inconsistent.

At the time of reading the Annual Report of the Board for the year 2022, if it is concluded by me that it contains quantitative errors, those matters should be communicated to the governing parties for correction. If there are any further uncorrected errors, they will be included in the report which I will table in Parliament in due course in accordance with Article 154 (6) of the Constitution.

#### **1.4 Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Public Sector Accounting Standards, and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

As per Section 16 (1) of the National Audit Act No. 19 of 2018, the Board 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 of the Board.

#### **1.5 Auditor's Responsibility in Auditing 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 an auditor's report 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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 will inform those charged with governance of significant audit findings, major internal control weaknesses, and other matters identified during my audit.

## **2. Report on Other Legal and Regulatory Requirements**

2.1. The National Audit Act No.19 of 2018 includes specific provisions for following requirements.

- 2.1.1. I have not obtained all the information and explanation that were required for the Audit, and I was unable to decide whether proper accounting records have been kept by the Board, as per the requirements of Section 12 (a) of the National Audit Act No.19 of 2018.
- 2.1.2. The financial statements presented is consistent with the preceding year as per the requirements of Section 6 (i) (d) (iii) of the National Audit Act No.19 of 2018.
- 2.1.3. The financial statements presented includes all the recommendations made by me in the previous year as per the requirements of Section 6 (i) (d) (iv) of the National Audit Act No.19 of 2018.
- 2.2 Based on the procedures performed and evidence obtained were limited to matters that were material nothing has come to my attention to make the following statements.
- 2.2.1. – that any member of the governing body of the Board has any direct or indirect interest in any contract entered into by the Authority which are out of the normal cause of business as per the requirements of Section 12 (i) (d) of the National Audit Act No.19 of 2018.
- 2.2.2. that the Board has not compiled any applicable written law, general and special directions issued by the governing body of the Board, as per the requirements of Section 12 (f) of the National Audit Act No.19 of 2018, except for following observations.

**Reference to Laws/Direction**

**Observation**

Section 16 (2) of the National Audit Act No. 19 of 2018

The annual performance report should be submitted to the Auditor General along with the annual financial statements, but the annual performance report for the year 2022 had not been submitted to the Auditor General even by the date of June 30, 2023

Section 2 of the Welfare Benefits Act No.24 of 2002

The Welfare Benefits Board should consist of the Chairman and 4 members appointed by the Minister, but there was no Chairman from January to July 2022 and, the Board had carried on their activities without two board members from January to October.

- 2.2.3 In accordance with the requirements of Section 12 (h) of the National Audit Act No. 19 of 2018, the Board has acted in a manner inconsistent with its powers, duties and functions, except for the following observations:

As of 2022, the Welfare Benefits Board has been established for more than 06 years but still its main role, the Social Safety Net Project (SSNP) and its result of integrated welfare management, formulation for IT policy, preparation index &

common criteria to identify beneficiary and recruitment of proper skilled staff had not been completed by the December 31, 2022.

- 2.2.4. The Board's resources have not been efficiently and effectively utilized within the time limits in accordance with the relevant rules and regulations, as per the requirement of Section 12(h) of the National Audit Act No. 19 of 2018.

### **2.3 Other Audit Observations**

- (a) The primary sustainable development purpose of the Welfare Benefit Board is to Preparation an integrated welfare management system to eradicate poverty in Sri Lanka, and to select & pay the benefits to people who are eligible for welfare benefits. But by 31st December, 2022, the programs & system needed to accomplish those purpose had not been implemented.
- (b) As per staff information on 31st December 2022, approved posts were 17 and out of which 03 posts, 05 vacancies and 01 surplus posts.

Sgd./ W.P.C.Wickramaratne

Auditor General

## 5.4 Explanation on the matters as per the Audit Report

### 5.4 Explanation on the matters as per the Audit Report

#### WELFARE BENEFITS BOARD

**Ministry of Finance a, Economic Stabilization and National Policies**  
The Secretariat, Colombo 01, Sri Lanka

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|         |                       |           |        |            |
|---------|-----------------------|-----------|--------|------------|
| My No } | MF/WBB/ACCT/AU.Q/2023 | Your No } | Date } | 21.06.2023 |
|---------|-----------------------|-----------|--------|------------|

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Senior Assistant Auditor General  
National Audit Office

Report of the Auditor General, on the Financial Statement and Other Legal and Regulatory Requirements of the Welfare Benefits Board for the Year ended 31 December 2022 in terms of Section 12 of the National Audit Act. No 19 of 2018

This is with reference to your letter No: TDP/C/WBB/2022/FA/01 dated 20.06.2023 on the above subject.

Accordingly, I kindly inform you that my opinions and the steps taken in relation to the audit observations mentioned therein are presented to you as attached hereto.

Sgd./ B.Wijayarathna  
Chairman/ Commissioner

2.2.2. With regard to the matters mentioned under (a), (b), (c), (d) it was noted to pay due attention and make relevant adjustments while preparing the accounts in the coming years.

(e) It has not been able to prepare the performance report for the year 2022 by 28<sup>th</sup> February 2023 and, by now, it has been prepared and submitted to the Auditor General.

2.2.3. (a) I agree with your observations.

2.3. (a) Due to the non-appointment of a Chairman and Board of Directors for the Welfare Benefits Board till July 2022 and the Board was not fully staffed, and consequently, the provisions allocated for the year 2022 had been saved.

(b) Mr. G.I.C. Perera (KKS) who performed the duties of the social Safety Nets Project had been attached to the Welfare Benefits Board with effect from 27.09.2022 and, with regard to the amount of overtime he performed during the period from 27.09.2022 to 30.09.2022, Rs. 1701.00 has been reimbursed by this Board to the Ministry of Finance.

By a mistake, travel expenses had been covered by using salary and wages expenses and, it was noted to correct it in the future .

(c) Due to a error occurred in recording of these expenses, it has been recorded under stationery and, it has been noted to correct this while preparing the accounts for the next year.

(d) Actions have been taken to correct this.

(e) This situation has arisen due to an oversight in not recognizing mobile phones as a fixed asset and , this has been noted for correct adjustment in preparing the accounts of the next year.

(f) From the beginning of the year 2022, there was not a Commissioner and a Board of Directors for the Welfare Benefits Board and, after the appointment of a Commissioner and Board of Directors in July 2022, a programme was prepared to select the eligible persons for the payment of welfare benefits. The necessary acts for that process were passed after that. The next step was to call for applications from the public to get the benefits and, on two

occasions the application period was extended. And, since this is a process that is fully implemented through a computer system, the officers have to be trained for it and as some government officials left without giving support this programme , The program could not be implemented within the stipulated time. Currently, this programme is being implemented successfully.

(g) The Chairman of the Welfare Benefit Board and the members of the Board of Directors have been appointed as follows.

| Name             | Designation           | Date of Appointment | Date of assumption of duties |
|------------------|-----------------------|---------------------|------------------------------|
| B.Wijayarathne   | Chairman/Commissioner | 07.07.2022          | 26.07.2022                   |
| A.Deshapriya     | Member                | 07.07.2022          | 25.07.2022                   |
| H.T.K.Pathmasiri | Member                | 07.07.2022          | 25.07.2022                   |
| K.Dunusinghe     | Member                | 16.09.2022          | 21.09.2022                   |
| K.H.J.Malar      | Member                | 22.09.2022          | 23.09.2022                   |

(h) Agreed. With effect from 16.07.2018, the two posts of Deputy Commissioner have been suppressed and, one post of Additional Commissioner and a post of Assistant Commissioner has been created.

## Chapter 6 - HUMAN RESOURCES PROFILE

| <b>Employment Category</b> | <b>Designation</b>      | <b>Approved Number of employees</b> | <b>Existing number of Employees</b>                                                   |
|----------------------------|-------------------------|-------------------------------------|---------------------------------------------------------------------------------------|
|                            | Chairman/Commissioner   | 1                                   | 1                                                                                     |
| HM 1-1                     | Additional Commissioner | 1                                   | 1 (Acting)                                                                            |
| MM 1-1                     | Deputy Commissioner     | 1                                   | -                                                                                     |
| MM 1-1                     | Assistant Commissioner  | 1                                   | 1 (Acting)                                                                            |
| HM 1-3                     | Accountant              | 1                                   | 1 (Acting)                                                                            |
| MA - 3                     | Development Officer     | 1                                   | 1 (Attached by the Ministry of Finance, Economic Stabilization and National Policies) |
| MA 1-2                     | Management Assistant    | 2                                   | 3 (Attached by the Ministry of Finance, Economic Stabilization and National Policies) |
| PL-1                       | Office Assistant        | 2                                   | 2 (Attached by the Ministry of Finance, Economic Stabilization and National Policies) |
| PL-3                       | Driver                  | 2                                   | 1                                                                                     |
|                            | Software Developer      | 1                                   | 1 (Recruited on contract basis)                                                       |
|                            | System Administrator    | 1                                   | 1 (Recruited on contract basis)                                                       |
|                            | IT Executive            | 2                                   | 1 (Recruited on contract basis)                                                       |
|                            | Helpdesk Operator       | 3                                   | -                                                                                     |

| <b>Organization level</b> | <b>Number of approved employees</b> | <b>Existing number of Employees</b> |
|---------------------------|-------------------------------------|-------------------------------------|
| Senior                    | 4                                   | 4                                   |
| Secondary                 | 3                                   | 4                                   |
| Primary                   | 4                                   | 3                                   |
| Software development      | 1                                   | 1                                   |
| System Administrator      | 1                                   | 1                                   |
| IT Executive              | 2                                   | 1                                   |
| Help Desk Operator        | 3                                   | 0                                   |
| total                     | <b>18</b>                           | <b>14</b>                           |

## **Chapter 7- Challenges and problems faced in the performance of the role**

In carrying out the role of Welfare Benefit Board,

- Non-recruitment of enough employees
- Lack of human resources with technical knowledge to cope with technical problems encountered in introducing and implementing the IWMS system.
- Lack of awareness on the part of the community and the census officers regarding *Aswesuuma* program in obtaining data during the implementation of the census.
- Objections raised by various parties data towards the officials of Divisional Secretariat and District Secretariat during the data collection Can be pointed out.