

Performance Report-2006

Department of State Accounts

Ministry of Finance and Planning

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1. Introduction

The Department of State Accounts of the Ministry of Finance and Planning is responsible for maintaining a central accounting and financial information system in relation to the implementation of the annual budget, as approved by Parliament with the passage of the Annual Appropriation Act, through Government Ministries and Departments. Accordingly the Department maintains a central computerized Data Base to collect and store all the relevant accounting data from all the Ministries and Departments on a monthly basis.

Collected data are processed monthly and released to user Departments and the Central Bank of Sri Lanka in the required form for monitoring, analytical work and decision making purposes.

After the closure of the Financial Year, the Department is responsible for the preparation of the annual Financial Statements of the Government as prescribed in Government Financial Regulation 430, and also fulfilling the requirement as to the information to be disclosed in this Financial Statement in terms of all other applicable statutory and regulatory provisions and renders them for audit.

After the audit, such audited annual Financial Statements should be tabled in Parliament and published them for the information of the General Public, as a Sessional Paper.

2. Vision, Mission and Major Functions of the Department

- **Vision**

“Be the Centre for Excellence in Government Financial Information”.

- **Mission**

“Presentation of Government financial information for decision making, empower compliance and reporting, for Govt. Ministries and Departments, and perform as the provider of integrated Annual Financial Statements of the Govt. to its all the stakeholders.”

- **Major Functions**

- (i) Perform as the Central Agency of the Govt. to provide necessary instructions, guidelines and other accounting support services like providing required software system and regular training to Govt. Ministries and Departments to maintain a sound accounting system to capture accounting data generated with the implementation of the annual budget and their work programmes, record and compile them in conformity with prevailing rules, regulations and classification coding systems.
- (ii) Take action to get the accounting data compiled in Accounting Units of Govt. Ministries and Departments transmitted to this Department at regular time intervals with least possible delay and at least cost via E-mail.
- (iii) Maintenance of a Central Accounting data-base by making use of the accounting data received from Ministries and Departments for the generation of required accounting and statistical information.
- (iv) Process the accounting data collected to make periodical reports as required for the review of the progress on the implementation of the Budget and the other monitoring and decision making purposes.
- (v) Provide required instructions and guidelines to all Ministries and Departments as to the closure of the accounts at the end of the financial year and provide them with accounting information for the preparation of their Annual Appropriation Account in conformity with prevailing rules and regulations to fulfill their public accountability as to the utilization of the public funds for the implementation of their work programmes as stipulated in the Annual Budget. Similarly, take action to get Revenue Departments to prepare the Annual Revenue Accounts.
- (vi) Collect the copies of Audited Appropriation Accounts of all Ministries and Departments and Audited Revenue Accounts of Revenue Departments for taking action to publish them and also to review the comments made by the Auditor General for taking appropriate action to rectify the system deficiencies, if any.

- (vii) Compile the accounting data on revenue, expenditure and public debt already collected from Ministries and Departments, process them further to have required information for drafting Annual Financial Statements of the Govt. in conformity with Generally Accepted Accounting Principles and Practices and publish them for the information of all stake holders and also take measures to improve the quality of presentation of such financial statements in conformity with International Public Sector Accounting Standard.(IPSAS)

3. Organizational Structure and Staff Information

3.1 Staff Strength

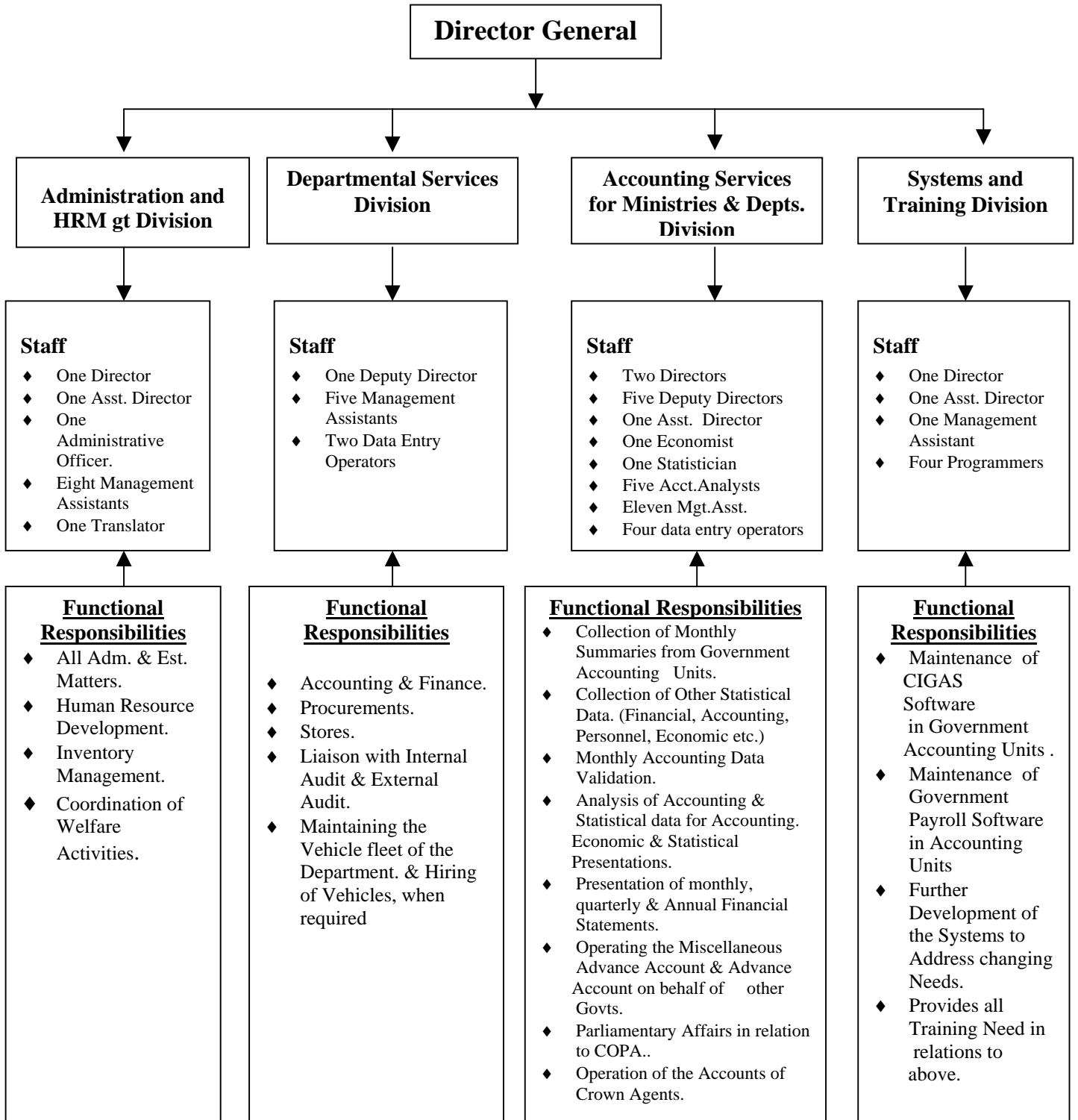
In the year 2006, the approved cadre was reduced from 101 to 78 as a result of reorganization of functions.

	<u>Position</u>	<u>Actual Cadre</u>	<u>Approved Cadre</u>
(a)	Director General	01	01
(b)	Directors	02	04
(c)	Economist	-	01
(d)	Dy./ Asst. Directors	09	09
(e)	Statistician	-	01
(f)	Administrative Officer	01	01
(g)	Translator	-	01
(h)	Accounts Analysts	05	05
(i)	Programmers(Non-Transferable)	04	04
(j)	Management Assistants	19	25
(k)	Data Entry Operators (Non-Transferable)	06	06
(l)	Drivers	04	05
(m)	O.E.S.	12	15
		-----	-----
	Total Cadre	63	78
		=====	=====

3.2 Change of the Head of the Department

The post of the Director General was vacant on 23rd October 2006 since Mr.P.A.Pemathilaka was appointed to the post of Auditor General. Eventually, Mr.D.Widanagamachchi Director /Accounting Services was appointed to cover up duties of the post of Director General of State Accounts w.e.f. 01st November 2006.

Organizational Structure



4. Human Resource Development and General Administration

4.1 General Administration

The following are among the key administrative changes made during the year 2006.

- ❖ In compliance with instructions laid down in Public Administration Salary Circular No. 6/2006, action was taken to install Finger Print Machine in place of the existing time recording system to record daily attendance of the staff effectively and efficiently, reducing clerical work.
- ❖ All payments relating to personal emoluments were decided to be remitted to personnel Bank accounts of the respective staff members instead of payments cash at the shroff counter.

4.2 Skill development and knowledge building

The Department has recognized the importance of continuous training of staff members on skill development and knowledge building in order to achieve departmental goals as per Action Plan. Accordingly local and foreign training opportunities were provided to the staff members based on training need assessment and individual requests.

4.2.1 Local Training

Details of local training provided to staff members during the year in order to enhance their knowledge and professional skills are as follows.

<u>Course title</u>	<u>Staff category and number</u>		<u>Institute</u>
Master Degree in Public Financial Management	Staff officer	01	Sri Lanka Institute of Development Administration
Post-graduate Diploma in Economic Development	Staff officer	01	University of Colombo
Diploma in IT	Staff officer	01	Sri Lanka Institute of Development Administration
Certificate Course in computer applications	Staff officers	03	Institute of Government Accounts and Finance
	Accounts Analysts	01	
	Management Assistants	04	
Certificate Course in English Language	Staff officers	01	Institute of Government Accounts and Finance
Certificate Course in Tamil Language	Staff officers	03	Department of Official Languages
	Accounts Analysts	01	

4.2.2 Foreign Training

Following officers received short-term training under donor funded Technical Assistance Programmes.

	<u>Name of Officer</u>	<u>Designation</u>	<u>Country</u>	<u>Duration</u>	<u>Field of Training</u>
01.	D.Widanagamachchi	Director	Korea	02 weeks	Economics policy
02.	W.A.S.Upananda	Deputy Director	China	02 weeks	Financial Mgt. and budgeting
03.	M.A.S.H.Perera	Assistant Director	India	02 weeks	Government Accounting

5. Financial Performance

Figures in Table-1 indicate that under some object codes recurrent expenditures were lower than expected owing to revision in approved cadre after reassessment of staff requirement and extensive IT usage during the year under review.

However, these cost reductions and under-utilization of recurrent and capital provisions have not hindered the Physical Performance. The Department has effectively performed as per the Action Plan – 2006. (Vide Chart 1)

The Annual Appropriation Account prepared in terms of State Accounts Circular No. 189/2006 and duly signed by Accounting Officer and Chief Accounting Officer was submitted to the Auditor General before the deadline. The reasons for under-utilization of recurrent and capital expenditure have been explained in the Account.

Table -1

Financial Performance - 2006 with Comparative Figures - 2005


	Object Code	2005		2006		Increase/ (Decrease)	% In (De ove
		Estimate	Actual	Estimate	Actual		
		Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	over 2005	
	Total Recurrent Expenditure	24,731	23,353	27,115	23,175	(178)	
	Personal Emoluments	17,035	16,433	19,525	16,151	(282)	
1001	Salaries & Wages	12,985	12,863	15,000	13,790	927	
1002	Overtime & Holiday Pay	593	592	750	412	(180)	(3)
1003	Other Allowances	3,407	2,929	3,100	1,816	(1,113)	(3)
1004	Pension Fund Contribution	50	49	98	95	46	9
1006	Property loan interest			577	38	38	
	Travelling Expenses	657	619	246	175	(444)	(7)
1101	Domestic	100	62	100	75	13	2
1102	Foreign	557	557	146	100	(457)	(8)
	Supplies	1,498	1,187	1,175	1,046	(141)	(1)
1201	Stationary & Office requisites	843	634	700	624	(10)	(
1202	Fual & Lubricants	525	446	400	373	(73)	(1)
1203	Uniforms	40	31	40	26	(5)	(1)
1206	Mechanical & Electrical goods	15	9	15	12	3	3
1207	Other	75	67	20	11	(56)	(8)
	Maintanance Expenditure	1,624	1,572	1,612	1,480	(92)	(5)
1301	Vehicle	404	355	300	251	(104)	(2)
1302	Plants Machinary & Equipment	1,220	1,217	1,312	1,229	12	
	Contractual Service	1,695	1,615	1,348	1,265	(350)	(2)
1401	Transport	5	0	5	0	(0)	(6)
1402	Telecommunication	1,439	1,418	1,230	1,185	(233)	(1)
1403	Postal Chages	50	37	65	38	1	
1407	Other	5	0	5	-	(0)	(10)
1408	Hire Charges	196	160	43	42	(118)	(7)
	Transfers	1,179	1,137	1,195	1,124	(13)	(
1502	Overseas Pensions	1,004	982	1,020	961	(21)	(3)
1507	Subscriptions,Contribution,membership fees	175	155	175	163	8	
	Other Recurrent Expenditure	1,043	790	2,014	1,934	1,144	14
1902	Losses & Write-offs	65	13	1,389	1,384	1,371	10,54
1903	Holiday Warrent	50	39	71	34	(5)	(1)

1904	Implementation of the official languages policy	10	10	24	24	14	14
1905	Newspapers & others	40	21	30	25	4	1
1907	Training Services local	878	707	500	467	(240)	(3)
	Total Capital Expenditure	5,431	3,287	2,900	636	(2,651)	(8)
	Rehabilitation & Improvement of capital Assets	1,571	1,008	900	124	(884)	(8)
2001	Buildings	300	300	-	-	(300)	(10)
2002	Plant Machinery & Equipment	300	66	525	52	(14)	(2)
2003	Vehicles	786	617	375	72	(545)	(8)
2004	Other capital assets	185	25			(25)	(10)
	Aquisition of capital assets	3,860	2,279	2,000	512	(1,767)	(7)
2102	Furniture & Office Equipment	1,500	1,257	1,000	365	(892)	(7)
2103	Machinery	2,000	1,001	1,000	147	(854)	(8)
2106	Other	360	21	-	-	(21)	(10)
	Total Project Expenditure	30,162	26,640	30,015	23,811	(2,829)	(10)

Progress on Implementa

Main Fuction: System & Training

Activities		Jan	Feb	Mar	
1	Providing technical assistance and operation of Appropriation software used for recording and accounting of transffers wit regard to implementation of the Annual Budget				
		Target Achieved			
		Actual			
2	Help disk service for Ministries and Departments to resolve Technical issues				
		Target Achieved			
		Actual			
3	Conducting Training Programmes for Accounting Staff of Ministries & Departments om Computerized Accounting System				
		Target Achieved			
		Actual			

 Target Achived

 Actual

6. Physical Performance for the year 2006

6: 1 Collection, Processing and Storing of Accounting data pertaining to Implementation of Annual Budget and Accounting and Financial Reporting

6.1.1 Collection of Accounting Data monthly from Ministries and Departments and Release of Accounting Statements.

During the year 2006, accounting data were collected monthly from 61 Ministries and 139 Departments including 25 District Secretariats through electronic data transmission. These data are validated, compiled and stored in the database after processing. Monthly Accounting statements were released to the respective Ministries and Departments through intranet. In this process, the Ministries and Departments were required to reconcile figures in the accounting statements released to them and to rectify the accounting errors if any, within a reasonable time period.

This Department monitored the reconciliation process through the monthly Returns sent by the Ministries/Departments. As a result, excesses of expenditure were minimized to two in the year under review.

All Ministries and Departments have been divided into two groups depending on complexity of functions, volume of transactions and size of the Institution. Target dates for submission of monthly summaries were fixed accordingly. In order to improve the timeliness of reporting, these target dates were advanced w.e.f.01.01.2006. But due to reasons beyond the control of this Department, reporting gap could not be narrowed as anticipated.

The position with regard to release of monthly Accounting Statements is shown in the following Table.

Table – 2 Release of Accounting Statements

	Month	Date on which Accounting Statements were released to the Web
1	January	2 nd March
2	February	24 th March
3	March	15 th May
4	April	31 st May
5	May	23 rd June
6	June	24 th July
7	July	22 nd August
8	August	21 st September
9	September	19 th October
10	October	21 st November
11	November	21 st December

6.1.2 Annual Financial Statements of the Government.

The formats used for Cash Basis Financial Reporting under IPSAS upto the year 2004, were further improved to make advanced presentation consistent with classification and presentation of Annual Budget of the Government. These formats adopted in presenting the Annual Financial Statements of the Govt. for the 2005 in Parliament in order to discharge public accountability and for the information of all its stakeholders have assured the advanced and meaningful presentation of Financial Information.

Accordingly, Financial Statements of the Democratic Socialist Republic of Sri Lanka for the financial year 2005 comprising the following were prepared in newly designed format, and submitted to the Auditor General on 24.04.2006. The following Audited Financial Statements along with the Report of the Auditor General thereon were forwarded to the Parliament on 04/01/2007 for tabling, in terms of the Treasury Circular 1/2004.

- Statement of Financial Performance for the year ended 31st December, 2005
- Statement of Cash Flows for the year 2005
- Statement of Financial Position as at 31st December, 2005
- Statement of Accounting Policies
- Statement of Changes in equity
- Detailed, comprehensive and analytical schedules and Notes to Financial Statements to make all the necessary disclosures by maintaining all the necessary audit trail in order to ensure the important fundamentals of Good Governance in terms of transparency and accountability.

6.1.3 Expansion of the Coverage of Financial Reporting

The present Annual Financial Statements of the Government only cover the financial operation of Govt. Ministries and Departments and transfers and grants provided to Provincial Councils and Public Enterprises. However, it is accepted in principle to accommodate the financial performance of Sub-National Level Governments such as Provincial Councils and Local Authorities in the Consolidated Financial Statements of Central Government, prepared in terms of Financial Regulation 430. Accordingly, actions were initiated with the anticipation of consolidating the financial performance of Provincial Councils with the Financial Statements of the Government in 2006.

In association with the Ministry of Provincial Councils and Local Government, a Steering Committee comprising all Deputy Chief Secretaries (Finance) of Provincial Councils was set up under the Chairmanship of Director General of State Accounts with the view to taking initiatives to work out modalities for consolidating process and accelerating the same. Further, arrangements were made to conduct a workshop for Senior Financial Management Staff in Provincial Councils in order to prepare Financial Statements of Provincial Councils for the year 2006, in the formats introduced by the Government. Financial Statements of all Provincial Councils for the year 2006 would be

in the same formats with harmonized revenue and Expenditure codes, facilitating amalgamation of Financial Information.

6.2 Accounting Services to Ministries and Departments

In order to strengthen accountability framework, reporting formats of the Annual Appropriation Account and the Annual Revenue Account were further improved in 2006. Accordingly, financial reporting pertaining to fixed assets and liabilities were required to be furnished as Notes to the Appropriation Account – 2006.

6.3 Maintenance and upgrading, providing help desk services and training on Government Accounting Software Systems.

The Systems & Training Division is responsible for providing implementation support to Computer Software Systems for Government Accounting in the entire country. The two main systems implemented by the department at national level in the year were;

1. Computerized Integrated Government Accounting System (CIGAS) and
2. Government Payroll System (GPS)

CIGAS and GPS packages have been implemented in many thousands of accounting units. CIGAS is in operation in 1,175 main accounting units of the Ministries and Departments of the Central Government, around 1000 such accounting units in nine Provincial Councils and Foreign Funded Projects and in a few Municipal Councils. Most of the above accounting units use the GPS package also for the preparation of salaries.

Facilities that the department provided to implementing agencies in this regard are the installation and implementation support, further development of the software compliant to the prescribed circular instructions from time to time and training of relevant officers for the purpose of implementation and maintenance.

The operatives of the accounting units often reached this department for help with their day to day problems in using computers for processing their accounts and payroll. Accordingly the following services were provided to the needy during the year 2006.

- Provide necessary instructions, guidelines and other accounting support services for maintenance of the system.
- Assist in the recording and compilation of accounts in conformity with prevailing rules, regulations and classification and coding system at the accounting units and transmit them to central accounting units.
- Help central accounting units to accept data validate, combine together, convert to acceptable format and transmit to the Department of State Accounts at regular time intervals with least possible delay and at least cost.
- Maintain the software systems at the Department of State Accounts established to collect, monitor, validate, convert to acceptable format and transmit data for the Maintenance of a Central Accounting data-base for the generation of required accounting

and statistical information by making use of the accounting data received from Ministries and Departments..

- Release an updated user Manual for the CIGAS and GPS Accounting Software for the year 2007 for the use of about 1175 individual installations in accounts unit functioning under Ministries and Departments of the Central Government and around another 1000 units in the Provincial Councils.
- Provide regular training to Government Ministries and Departments to maintain a sound accounting system to capture accounting data generated with the implementation of the Annual Budget.

6.3.1 Help Desk Services

The following were the reasons for the necessity of the Help Desk services

- Frequent transfers of experienced and trained officers away from the subject and replaced by fresh officers.
- Creation of new accounting units such as new Ministries requiring break down of budgets and settling of accounts.
- Policy changes introduced during the year such as recovery of withholding tax, allowing loans from banks instead of advance account.
- Failing to follow the instructions given for using the software resulting faults which had to be corrected.
- Replacement of unserviceable computers with new computers with later versions of hardware and systems software in accounting units necessitating the installation of application software and data.
- Virus attacks damaging or destroying accounting databases.
- Complex accounting problems like accounting for tsunami, accounting for foreign aid etc. which required expert advice to operatives.
- Non-availability of training opportunities to some officers.
- Requirements to enter new government account codes.
- Difficulties in supervision of technical operatives by senior officers.

Help desk services were obtained during the year by thousands of accounting units covering almost all ministries, departments and provincial councils to resolve technical and accounting issues in the follow nature.

- Help in understanding how to correct errors leading to non-balancing of
 - a. Imprest Accounts
 - b. Summary of Accounts
 - c. Bank Reconciliations
 - d. Cash books
 - e. Vote ledger accounts
 - f. Advance Accounts
 - g. Deposit Accounts
- Help to amalgamate electronic monthly accounts collected from sub units into central CIGAS system with validation errors.

- Help to start computerizing sub unit accounts maintained manually so-far due to non availability of computers of trained staff.
- Help in breaking down account database in a single computer into many computers so that many operators can feed in transactions together to expedite the accounting process.
- Help for upgrading the accounts or payrolls maintained in the previous versions of software in to new versions. During the year the division has issued 344 copies of the new version of the payroll software, on the request of Ministries and Departments.
- Help to amalgamate GPS Payroll with CIGAS in special cases like reading from more than one payroll computer to a single CIGAS computer.
- Help in adjusting cheque printing sizes when banks supply cheque leaves of slightly different size.
- Help in making changes necessary to built in chart of accounts due to approval of new budgets, new imprest accounts or new deposit accounts.
- Help to account for Bank Loans introduced in place of Advance Account Loans.
- Help to account for Contributory Pension Scheme introduced for new recruits.

Help desk services were obtained from the officers who have expertise attached to the systems and training division by

- face to face interviews,
- telephone inquiries and
- e-mail

To economize on travel expenses and security issues in parking vehicles, extensive use of e-mail and telephone was promoted and utilized in providing help desk services.

6.3.2 Training

- In the year 2006, one day training was provided to 1,215 officers at the end of the year so that they could start the New Year's accounts successfully. The officers were also given training on the national budget figures for the year 2007 and relevant changes in accounting for it. Reading in the national budget to their accounts electronically was demonstrated. A CD containing CIGAS software for the year 2007, National Budget in electronic format, User manual for CIGAS and GPS was distributed.
- In addition 435 officers were provided a six days training course in usage of CIGAS through the Institute of Government Accounting and Finance utilizing comprehensive training materials prepared by the Department of State Accounts for the year covering the answers to most relevant problems to users.

6.3.3 Improvement of capability in CIGAS software

In addition to the above, improvements to the existing CIGAS software were made during in year under review.

- **Software for Payments by Bank Transfer**

A system was introduced to the entire state service to generate electronic payments through the Sri Lanka Inter-bank Payments System (SLIPS) instead of present method of paper cheques in payment of salaries. Payment by SLIPS is extremely helpful to government to ease its cash flow burden. It will also save millions of rupees by reducing the overdraft interest and cost of printing and processing paper cheques. The necessary software for this system was developed in-house with no additional cost. Instructions for use it was written, distributed island-wide and training was given.

- **Creation of a Consolidated Chart of Accounts with 14,000 line items**

Entire Government Budget of the year 2007 and all other related account codes such as Deposit Accounts, Imprest Accounts, and Advance Accounts etc. were collected, verified and electronic Chart of Accounts for the Government for the year 2007 was compiled as a basis for a necessary Chart of Accounts for future accrual accounting. This chart was updated with codes for the New Year for budget, advance accounts and imprest accounts. Imprest Accounts relevant to last years with balances to be recovered from agencies was carefully selected and entered. This chart has to be continuously maintained adding new accounts and removing unused accounts and distributed to needy Ministries and Departments.

- **Software for Validation of Accounts**

The electronic Chart of Accounts was built into the CIGAS system so that to avoid opening of errors due to opening non existent accounts by users. Each account is now validated against this chart of accounts at the opening and non existent account is disallowed and error message is displayed. The software also allows user to view all the account codes to verify the attempted error.

- **Electronic Read-in of 2007 budget**

A system was introduced to electronically read in the 2007 budget to accounting software, used island-wide without manual feeding in.

- **Electronic Sub Budgets Creation at Central Office and Read in at Sub Office**

Facilities were introduced to break the budget lines into sub budgets and distribute in soft copies to reduce errors in typing at the sub accounting units. Written instruction for use was distributed island-wide and required training was provided.

6.4 Auxiliary Functions Performed

6.4.1 Operation of Advance Accounts

- **Treasury Miscellaneous Advance Account**

The Accounting Services Division is responsible for the Operation of Treasury Miscellaneous Account. Since the year 2000, this account has been mainly operated for the release of advances to District Secretaries for purchase of Paddy under Price Stabilization Programme. During the year under review, a sum of Rs. 2,676.6 million was released to 18 District Secretaries and Commissioner of Agrarian Services. Total amount of Rs. 2,593.2 million was recovered in the year as against outstanding balance of Rs. 2,032.8 million at the beginning of the year and the advances released during the Yala session. The break-up of above figures are shown in the following Table.

Table – 2 District-wise Compositions of Payments, Settlements and Advance Balances

District	Outstanding Balances as at 01.01.2006	Payments	Settlements	Outstanding Balance as at 31.12.2006
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Kandy	28,230	45,300	65,970	7,560
Matale	29,199	27,500	50,849	5,850
Matara	6,773	14,458	12,773	8,458
Hambantota	59,838	120,742	182,327	(1,748)
Mannar	20,843	20,000	39,398	1,445
Vavuniya	47,096	25,000	48,971	23,125
Mulativu	75,000	25,000	99,373	627
Kilinochchi	30,400	50,000	52,127	28,273
Batticaloa	34,060	42,000	76,060	-
Ampara	384,888	503,081	418,174	469,795
Trincomalee	45,610	107,297	62,844	90,063
Kurunegala	75,776	136,000	171,575	40,201
Puttalam	36,670	36,500	69,289	3,881
Anuradhapura	319,909	515,000	480,984	353,925
Polonnaruwa	746,320	828,800	570,562	1,004,558
Badulle	26,265	40,000	65,533	732
Monaragala	41,662	38,000	71,652	8,010
Rathnapura	24,359	27,000	42,836	8,523
Dept. of Agri. Dev.	-	75,000	12,000	63,000
	2,032,899	2,676,678	2,593,299	2,116,278

Limits of the advance account had to be revised during the year to accommodate funding for anticipated purchases of paddy. The reconciliation statement confirming balances in terms of FR. 503, was submitted to the Audit before the deadline.

- **Advance Accounts for Payments on Behalf of Other Governments**

This account operated by the Department serves the following purposes;

- Foreign pension payments on behalf of other Governments for their ex-employees residing in Sri Lanka (Singapore, Malaysia, and United Kingdom) through operating an Advance Account.
- Reimbursement of Pension pa
- yment to the Government of India on behalf of payment made to Sri Lanka Pensioners who live in India.

6.4.2 Operation of the Current Account with the Crown Agents

The Department of Sate Accounts has been operating this account for the following purposes:

- For purchase of items in special nature.
- Payment of Pensions to Sri Lankan pensioners living in foreign countries where there are no Sri Lanka missions.

6.5 Representation of the General Treasury at Deliberations of Committee on Public Accounts (COPA)

One of the activities of this Department is to represent the Treasury in the Examination of performance of Government Ministries and Departments by COPA in consequent to the report of the Auditor General to Parliament of Sri Lanka. During the year the Department represented the Committee examinations through Director of the department. In performing this duty the Department collected copies of Audit Queries issued to all Accounting Officers and took necessary action to rectify matters as pointed out by the Auditor General.

7. Conclusion

The following were the major achievements in relation to the performance of the Department of State Accounts during the year 2006.

- Clarifying the strategic direction of the Department, allocate resources and drawing of a comprehensive Action Plan based on the same for the year 2006 as well as for the year 2007.

- Preparation of Financial Statements on monthly basis for the period ended in each month with cumulative and comparative figures.
- Making the office environment pleasant clean and comfortable to increase the efficiency of the staff.
- Presentation of Annual Financial Statements for the year 2005.
- Setting up of a Steering Committee comprising Deputy Chief Secretary (Finance) of Provincial Councils to work out modalities for Consolidation process for Provincial Financial Statements.
- Providing financial and accounting information to base policy decision using the accounting information database of the department during the year.
- Introducing formats for additional Notes to disclosure information needed under accrual based accounting.
- Maintenance and further development of government accounting software systems in country.
- Developing Human Resources for the operation of the accounting information system by providing training.
- Developing printing and distribution of user manual and training material and providing on the job help and advice to operatives.
- Payment to foreign pensioners and obtaining re-imburement in time.
- Facilitating the process necessary for certain Departments for procurements from Crown Agents.
- Managing the resources of the Department including the human resources efficiently and effectively.

