Annual Report - 2024

National Institute of Co-operative Development
Polgolla

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CHAIRMAN'S MESSAGE.



It is a pleasure for me to add few words to the annual report for 2024. 2024 has been a year of retrospection and transition to a new era. Previous government has had plans to implement a re-structuring process for the NICD, by introducing public-private partnerships for different ventures and transfer the NICD functions to Colombo.

NICD is the sole national organization for cooperative training and development as well as providing consultancy and research services for the cooperative sector. With the inactivity shown in such attempts at the provincial level the NICD has a wider role to be undertaken in serving all provinces and the central cooperative organizations at the central level and the line Department of Cooperative Development.

The activities of the NICD during the year got affected due to uncertainties and also the aftermath of Covid disaster but continued satisfactorily. The management of the NICD was under pressure for continuity of the role of the NICD amidst actions for impending changes. However, the training activities continued to a greater extent. The administration was supported by the income generated from hiring of facilities as well.

NICD was able to achieve a self-generated income of Rs. 59.78 million out of which the contribution of the core business of Education and training has been Rs. 17.68 million. This represents 29.57% of the total income. Only 6 Diploma courses have been conducted and 45 short term courses have been conducted. When the total expenditure of Rs. 90.13 for the year is considered the number of short-term courses should have been 100. Some proposed courses were not conducted for want of sufficient number of trainees. The minimum number required is 40. The other courses included the subject areas of IT as well.

Auditorium has earned an income of Rs. 12.09 million for the year which was the highest during last 10 years.
Residential Division has earned Rs. 14.07 million but the surplus has been Rs. 0.43 million. The income is relatively increased from the previous years in spite of adversity the NICD had to face. This may be a result of the mobility of the people after the clearance from COVID disaster.

However, the NICD has been included in the list of SOEs for re-structuring to become a commercial venture in partnership with the private sector. The new government has declared its strong desire to use cooperatives as a stake holder in national development. It has also declared its Hence, it is expected that the current status of the NICD would change to retain its role in cooperative development within the premises of Polgolla. A new Board of Management has been nominated in December 2024 in preparation to infuse a change in the role of NICD in the future. A new strategic plan has to be prepared with a new outlook in relation to development policies for cooperatives by new government.

W.U.Herath
Chairman

THE MESSAGE FROM DIRECTOR GENERAL



As a partner in the co-operative development mission, the National Institute of Co-operative Development has been shouldering the great responsibility of transforming the co-operative human resources into a group full of knowledge and skills, for nearly two and a half decades in collaboration with its concurrent institutions with fraternity.

Since the co-operative movement has shifted to a competitive approach in the face of global, social, economic and technological transformations and as a matter of fact, in order to adapt to those methods the National Institute of Co-operative Development, as the only state institution at the national level, has taken a challenging approach to innovate knowledge, skills and attitudes of co-operative members and to conduct training programs.

Focusing on alternative strategies according to the needs of the time and identifying the needs to conduct training programs through online methods rather than conducting physical training programs, a team dedicated for that mission conducted institutional functions by developing infrastructure as well as subject knowledge.

As there is a potential market to expand co-operative education in the Northern and Eastern provinces of Sri Lanka, steps are being taken to develop the academic sector, which is the main source of income of the institution, with the aim of conducting courses in Tamil and improving of capacity and scope of the relationship with local and international academic institutions.

It can be stated that providing of library services, conducting of co-operative and non-cooperative training programs, certificate and diploma courses as well as providing of accommodation facilities and hall facilities, etc., are recovering in a satisfactory manner with the gradual receding of economic problems existed in the past period.

Despite the various government reforms, the support extended by the Ministry of Trade, Commerce, Food Security and Co-operative Development, all the Departments of Co-operative Development, Government institutions such as Co-operative Employees' Commissions, Co-operative Societies and co-operative members is a great backing for the effective performance of the institution's functions.

As the only national training institute for the development of the co-operative movement, our sole objective is to dedicate ourselves for the advancement of the co-operative movement by overcoming global, economic and technological challenges.



V.P.K. Pilapitiya
Director General and Chief Executive Officer (Actg.)

1

Introduction

1. Introduction

1.1. Institutional Background

The National Institute of Co-operative Development (NICD) which plays a key role in the development of co-operatives in Sri Lanka, operated as the Sri Lanka Co-operative School under the Department of Co-operative Development from 1943 to 2001, and with the aim of further expanding the functions of the Co-operative School it was restructured as the National Institute of Co-operative Development by the National Institute of Co-operative Development (Incorporation) Act No. 01 of 2001, incorporating it as a more independent institution in order to carry out co-operative development activities.

The environmental condition of this institution, which is located on a fascinating land of about 22 acres close to the Mahaweli Diversion Dam in Polgolla Grama Niladhari Division in Pathadumbara Divisional Secretary's Division in the Kandy district, is most conducive to educational activities.

The primary objective of the National Institute of Co-operative Development is to transform the human resources engaged in the co-operative movement into a group of people equipped with necessary knowledge and skills to effectively and productively engage in those activities. For this purpose, this institute conducts courses, workshops, counseling programs, research programs in order to enhance and update knowledge and maintains the co-operative data system up to date, facilitates information communication, and promotes cooperation among co-operative institutions.

The institution has adequate physical and human resources to effectively carry out these tasks, including the Mahinda Rajapaksa Auditorium with 1120 seats, lecture halls including the main hall, student hostels and residential facilities, catering services, computer laboratories, audio-visual and printing facilities, a well-equipped library, parking facilities and a staff of 71.

The National Institute of Co-operative Development operates under the Ministry of Trade, Commerce, Food Security and Co-operative Development and the administration activities of the Institute are carried out by the Board of Management consisting of the Chairman and 07 members while academic activities are carried out under the supervision of the Academic Board appointed by the Board of Management. The Director General is the Chief Executive Officer of the Institute.

The National Institute of Co-operative Development has been fulfilling its mission for over two decades, working in collaboration with the Department of Co-operative Development, the Cooperative Employees' Commission and the National Co-operative Board, strengthening the mission of the State Ministry of Trade, Commerce, Food Security and Co-operative Development to overcome the current challenges of the co-operative movement.

1.2. Role of the Institution

The role of the National Institute of Co-operative Development, which was established under the Act No. 01 of 2001, is as follows.

i. Functioning as a Centre for promoting and coordinating activities in the field of Co-operative development;

ii. Providing training on co-operative development by utilizing modern technological methods;

iii. Promoting research on co-operative development;

iv. Providing facilities for exchanging information and interacting with persons engaged in the co-operative development field;

v. Acting as a resource center for collecting data related to co-operative development and collating and circulating such collected data through publications;

vi. Conducting academic and training courses related to co-operative development and awarding certificates and other academic distinctions to those who complete such courses and pass the prescribed examinations;

vii. Undertaking and managing cooperative entrepreneurs that require management skills;

viii. Providing vocational instructions to co-operative entrepreneurs;

ix. Establishing model co-operative villages, model co-operative trade centers and provincial centers;

and

x. Working in collaboration with organizations situated within or outside Sri Lanka that perform functions similar to those of the institute.

1.3. Vision, Mission, Goals and Objectives of the Institute

1.3.1. Vision

A sustainably developed Sri Lanka

1.3.2. Mission

Conduct standard academic courses, co-operative research, and knowledge dissemination activities.

1.3.3. Goals

1. Conduct courses;
   - **A** Proposed degree course (SLQF Level-05),
   - **B** Higher National Diploma in Entrepreneurship (SLQF Level-04),
   - **C** Diploma courses (SLQF Level-03),
     - i Diploma in Business Management
     - ii Diploma in Auditing
     - iii Diploma in Bank Management
     - iv Diploma in Human Resource Management
     - v Diploma in Accountancy
     - vi Diploma in Marketing
     - vii Diploma in Microfinance Management
     - viii Diploma in Information Communication Technology (DIP in ICT - NVQ Level 05)
   - **D** Certificate and Short-term Courses
   - **E** Conduct courses on research methods in collaboration with undergraduates of state universities in order to fulfill the requirement of the efficiency bar examination of Class I officers in the Co-operative Development.
2. Preparation of a detailed database for co-operative societies.
3. Conduct mentoring and experience exchange programs by individuals with extensive experience in the cooperative sector to improve co-operative societies.
4. Conduct learning and training workshops in association with national and international institutions, conduct capacity development programs, student exchange programs.
5. Build up the institutional image through social service programs, social media, on site programs for targeted groups and mass media.

1.3.4. Objectives

1. To act as a center for the promotion and coordination of activities related to co-operative development.
2. To provide recognized education and training to those who engage in the fields related to co-operatives through modern technological methods.
3. To promote research on co-operative development.
4. To act as a knowledge center for cooperatives.
5. To provide management consultancy services to co-operative enterprises
6. To work in collaboration with organizations situated within or outside Sri Lanka that performs functions similar to those of the Institute.
7. To increase the income of the Institute.

1.4. Divisions and Functions of the Divisions

The National Institute of Cooperative Development operates under five main divisions as follows.

1.4.1. Establishment Division

This division handles general administrative tasks such as activities of the Board of Management, establishment affairs, examination works, procurement activities, human and physical resources development activities, contracted services such as security and sanitation and website maintenance.

1.4.2. Academic Division

This division carries out planning and development activities related to academic and training courses, conduct such courses, curriculum development, course evaluation activities, co-operative research activities, consultancy services for cooperative enterprises, provision of library services, maintenance of the co-operative information system, etc.

1.4.3. Finance Division

This division is responsible for preparing the annual budget, monthly account summaries, fixed assets, daily accounting activities, annual final accounts responses to audit queries, and all income and expenditure related accounting activities.

1.4.4. Hostel Division

This division handles the activities related to the reservation of lecture halls including the Mahinda Rajapaksa Auditorium, main hall and allocation of hostel rooms, provision of facilities including food and beverages for various seminars, workshops, etc., and earning income from them.

1.4.5. Internal Audit Division

This division is responsible for preparing and implementing the annual internal audit plan and program, and activities related to the Audit Management Committee.

1.5. Staff and Organizational Chart

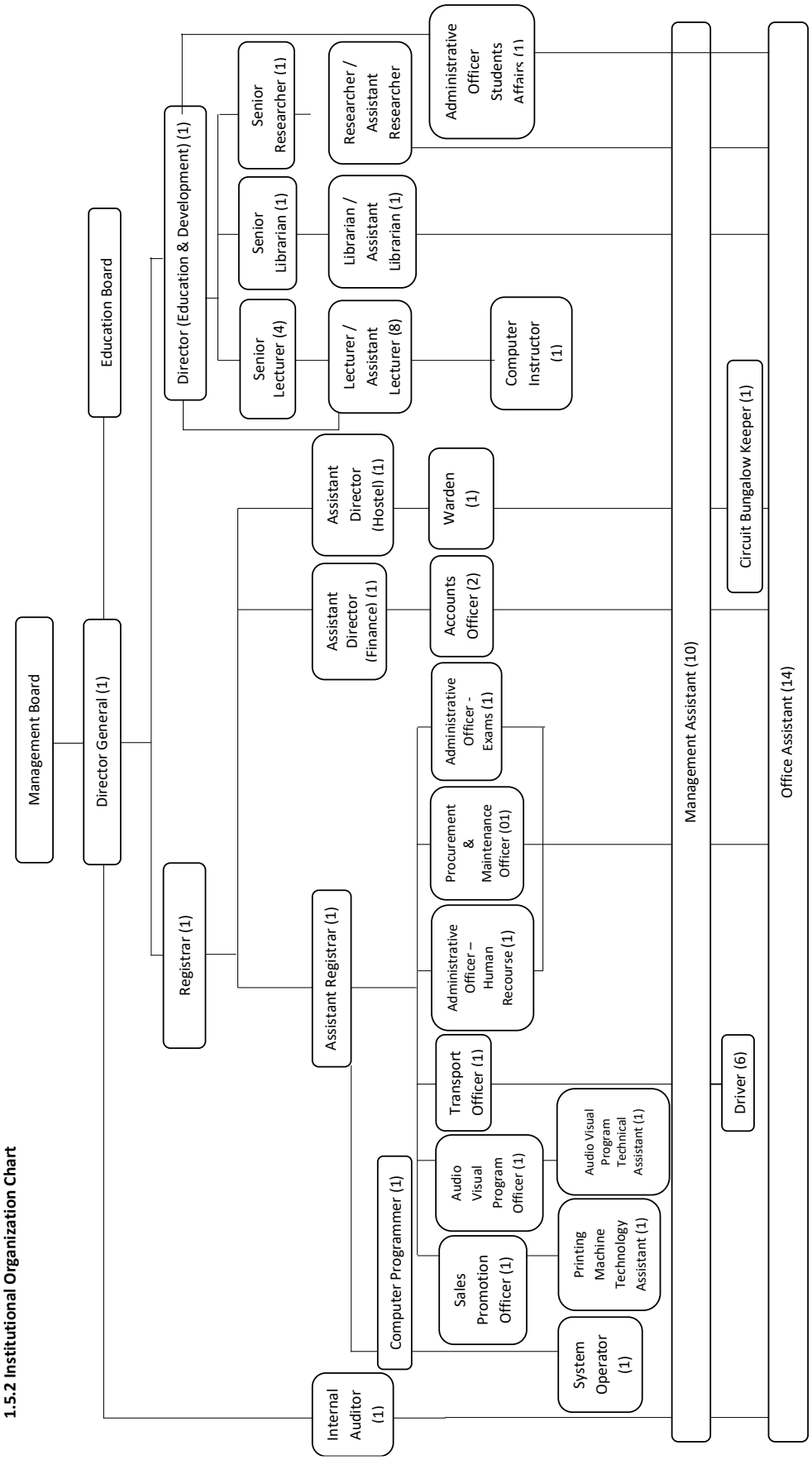
1.5.1. Approved Cadre

The Department of Management Services has approved a staff of 71 individuals for the National Institute of Co-operative Development as follows.

Post Category	Salary Code	Designation	No. of Positions
Senior Manager	HM 2-1	Director General	01
Senior Manager	HM 1-1	Registrar	01
		Director (Academic & Development)	01
Senior Academic and Research	AR – 2	Senior Lecturer	04
		Senior Librarian	01
		Senior Researcher	01
Academic and Research	AR – 1	Lecturer/Assistant Lecturer	08
		Librarian/ Assistant Librarian	01
		Researcher/Assistant Researcher	01
Middle Management	MM 1-2	Assistant Director (Hostel)	01
		Assistant Director (Finance)	01
		Assistant Registrar	01
		Internal Auditor	01
Junior Level Management	JM 1-1	Accounts Officer	02
		Administrative Officer (Examinations)	01
		Administrative Officer (Administration / Human Resources)	01
		Procurement and Maintenance Officer	01
		Administrative Officer (Students Affairs)	01
		Sales Promotion and Printing Officer	01
		Audio-Visual Programming Officer	01
		Warden	01
Empowering / Operating/ Extension Officers	MA 5-3	Computer Programmer	01
Operating/ Extension Officers	MA 4	Computer Instructor	03
Management Assistant (Technical)	MA 2-1	Audio-visual Technical Assistant	01
		Printing Machine Technical Assistant	01
		Technical Assistant	01
		Systems Operator	01
Management Assistant (Non-technical)	MA 1-1	Management Assistant	10
Primary level - Skilled	PL – 3	Driver	06
Primary level – Semi-skilled	PL – 2	Circuit Bungalow Keeper	01
Primary level – Non-skilled	PL – 1	Office Assistant	14
Total			**71**

While the number of approved cadre of the institute was 71, the actual number of employees has been 38 with 33 vacancies as at 31st December 2024. (Two Assistant Lecturers perform the duties of Senior Lecturer position on performing of duties basis)

1.5.2. Organizational Chart of the Institute



1.5.3. Vacancies Existing in the Institute

Even though 71 posts have been approved for the institute, the number of vacancies existed as at 31.12.2024 was 33. This is given as follows.

Details on approved posts and number of employees as at 31.12.2024 is shown below.

Serial No.	Designation	Approved Cadre	Actual Cadre	Vacancies
1.	Director General	01	-	01*
2.	Registrar	01	-	01
3.	Director (Academic and Development)	01	-	01
4.	Senior Lecturer	04	01	03
5.	Senior Librarian	01	01	-
6.	Senior Researcher	01	-	01
7.	Lecturer/ Assistant Lecturer	08	08**	-
8.	Librarian /Assistant Librarian	01	01	-
9.	Researcher /Assistant Researcher	01	01	-
10.	Assistant Director (Finance)	01	01	-
11.	Assistant Director (Hostels)	01	01	-
12.	Assistant Registrar	01	01	-
13.	Internal Auditor	01	01	-
14.	Administrative Officer (Admin./ Human Resources)	01	01	-
15.	Administrative Officer (Student Affairs)	01	01	-
16.	Accounts Officer	02	02	-
17.	Administrative Officer (Examinations)	01	-	01
18.	Procurement and Maintenance Officer	01	01	-
19.	Sales Promotion and Printing Officer	01	-	01
20.	Audio-visual Program Officer	01	-	01
21.	Warden	01	01	-
22.	Computer Programmer	01	-	01
23.	Computer Instructor	03	03	-
24.	Audio-visual Technical Assistant	01	-	01
25.	Printing Machine Technical Assistant	01	-	01
26.	Technical Assistant	01	-	01
27.	System Operator	01	-	01
28.	Management Assistant	10	03	07
29.	Driver	06	04***	02
30.	Circuit Bungalow Keeper	01	01	-
31.	Office Assistant	14	05	09
	Total	71	38	33

* An appointment has been made to the position of Director General on acting basis.

** Two Lecturers/Assistant Lecturers perform duties of Senior Lecturer on acting basis and one of them is on with pay foreign study leave.

*** One driver is on no-pay foreign leave.

1.6 Resources of the Institute

1.6.1 Human Resource

The staff of the institution falls into two categories as academic and non-academic. Out of the 71 approved staff, 51 are serving under non-academic staff and 20 are serving under academic staff.

1.6.1.1 Academic Staff

The academic staff consists of the positions as shown below and 05 positions remained vacant in the year 2024.

Serial No.	Designation	Approved Cadre	Existing Cadre	Vacancies
1.	Director (Academic & Development)	01	-	01
2.	Senior Lecturer	04	01	03
3.	Senior Librarian	01	01	-
4.	Senior Researcher	01	-	01
5.	Lecturer/ Assistant Lecturer	08	08*	-
6.	Librarian /Assistant Librarian	01	01	-
7.	Researcher /Assistant Researcher	01	01	-
8.	Computer Instructor	03	03	-
	Total	**20**	**15**	**05**

*** Two Lecturers/Assistant Lecturers perform duties of Senior Lecturer on acting basis, and one of them is on with pay foreign study leave**.

This division carries out the planning and development of academic and training courses, conducts such courses, curriculum development, course evaluation activities, co-operative research activities, consultancy services for co-operative enterprises, provision of library services, maintenance of the co-operative information system, etc.

Efforts are being made to obtain the resource contribution of external resource providers for special subjects and specialized training programs, including vocational courses. Details of the external resource persons those who provided their services in the year 2024 are as follows.

Serial No.	Name /Designation	Subject Area
01.	Mr. Hasthika Niranjana, Visiting Lecturer	Financial Accounting, Management Accountancy, Accounting Standards and Practice
02.	Mr. A.B.Bulathgama, Visiting Lecturer	Co-operative Law and Common Law, Law for Auditing
03.	Mr. P.V.Pathirana, Visiting Lecturer	Banking Management, Micro Finance Management
04.	Mr. A.R.M.Bisthamin, Visiting Lecturer	Finance and Banking Systems
05.	Mrs. D.D.Kanthi Irangani, Visiting Lecturer	Practical Cooperative Accounting, Co-operative Rural Bank Accounting
06	Mrs. K.D.S.G.Kulathunga, Visiting Lecturer	Auditing Principles, Auditing Practice
07.	Mr. W.M.Saminda Wijekoon, Visiting Lecturer	Sales and Distribution Management
08.	Mr.Asanka Weerasinghe, Visiting Lecturer	Microfinance Accounting, Bank Operations Management
10.	Mr.D.M.D.M.Dissanayake, Visiting Lecturer	Financial Management
11.	Mr.I.P.A.Amarakeerthi, Visiting Lecturer	Micro Finance
12.	Mr.A.R.N.S.Dissanayake, Visiting Lecturer	Financial Management and Investment Management
13.	Mr.R.R.V.G.B.U.V.W.A.Hulangamuwa, Visiting Lecturer	Bank Operations Management
14.	Mr.K.R.S.Bandara, Visiting Lecturer	Bank Operations Management
15.	Mr.W.M.Chaminda Aberathne, Visiting Lecturer	Financial Mathematics and Statistics
16.	Mr.Vajira Samarakoon, Visiting Lecturer	Auditing Standards and Practices, Audit Reporting
17.	Mr.Sugath Hettiarachchi	Computerized Accounting Systems and Auditing
18.	Mrs.B.S.Wijerathne, Visiting Lecturer	English
19.	Mr.S.D.B.Jayathunga, Visiting Lecturer	(Computer Hardware & Networking)
20.	Mrs.Nadeeka Kumari, Visiting Lecturer	Graphic Design (Diploma in ICT&ICTT)

1.6.1.2 Non-academic Staff

Out of the approved staff of 71, the number of non-academic staff is 51 and 30 posts in the senior level, tertiary level and secondary level are as follows.

As at 31.12.2024, there were 10 vacancies in the non-academic staff.

Serial No.	Designation	Approved Cadre	Existing Cadre	No. of Vacancies
1.	Director General	01	-	01*
2.	Registrar	01	-	01
3.	Assistant Director (Finance)	01	01	-
4.	Assistant Director (Hostels)	01	01	-
5.	Assistant Registrar	01	01	-
6.	Internal Auditor	01	01	-
7.	Accounts Officer	02	02	-
8.	Administrative Officer (Admin./ Human Resources)	01	01	-
9.	Administrative Officer (Student Affairs)	01	01	-
10.	Administrative Officer (Examinations)	01	-	01
11.	Procurement and Maintenance Officer	01	01	-
12.	Sales Promotion and Printing Officer	01	-	01
13.	Audio-visual Program Officer	01	-	01
14.	Warden	01	01	-
15.	Computer Programmer	01	-	01
16.	System Operator	01	-	01
17.	Audio-visual Technical Assistant	01	-	01
18.	Printing Machine Technical Assistant	01	-	01
19.	Technical Assistant	01	-	01
20.	Management Assistant	10	03	07
	Grand Total	**30**	**13**	**17**

*** An appointment has been made to the position of Director General on an acting basis.**

1.6.1.3 Junior Staff

21 posts have been approved for junior staff and the existing posts and vacancies as at 31.12.2024 are as follows.

Serial No.	Designation	Approved Cadre	Existing Staff	No. of Vacancies
01.	Driver	**06**	**04***	**02**
02.	Circuit Bungalow Keeper	**01**	**01**	**-**
03.	Office Assistant	**14**	**05**	**09**
	Total	**21**	**10**	**11**

* One driver has obtained no pay leave to be spent out of the Island.

1.6.2 Institutional Physical Resources

The National Institute of Co-operative Development is established on a land of nearly 22 acres with adequate facilities. This establishment has all the facilities required for an academic institution, including office premises, auditoriums, lecture halls, computer laboratories, hostels, canteens, library, official residences, circuit bungalow, press, audio-visual facilities, and parking facilities. The details of the facilities available are as follows.

1.6.2.1 Mahinda Rajapaksa Auditorium

This auditorium which is suitable for national and international level workshops, conferences, festivals and concerts is equipped with a state-of-the-art computerized sound system and lighting system, and also it is fully air-conditioned where there are 1120 comfortable seats and there are two separate 72-seat conference halls too.





This auditorium consists of dining facilities where there is modern furniture, and a parking area which facilitates for 250 vehicles at a time, and in the year 2024, an amount of Rs. 12,049,190.00 has been earned.

Description	Space
Area of the whole building	3723.63 square meters
Main Auditorium (Balcony and Ground Floor)	1505.5 square meters
Main Auditorium (Balcony and Ground Floor)	259 square meters
Number of seats in the auditorium	1120
Visitors' Room	1000 square meters
Office Area	240 square meters
Lecture halls and space for artists	719.13 square meters

1.6.2.2 Main Hall (Vincent Subasinghe Hall)

This hall with a main stage and a seating capacity of 450 as well as audio-visual equipment facilities is a suitable venue for conferences, stage dramas, concerts, award ceremonies and workshops with practical activities.

1.6.2.3 Lecture halls

Air-conditioned lecture halls

- **Ratnayake Hall**

This air-conditioned hall, which has 55 comfortable seats with 'U' shaped tables for conferences, is equipped with audio-visual, OHP, White Board, Clip Board, Chart Board, etc. facilitates for training workshops, local and international conferences, etc.



- **Rochdale Hall**

This is an air-conditioned hall with a stage, and accommodates 60 comfortable seats with tables as well as 100 seats without tables. It is equipped with all the facilities required for training workshops, group activities, lectures, etc., including audio-visual, OHP, white board, clip board, chart board, etc.



- **C-1 Hall**

This air-conditioned hall has 40 comfortable seats and consists of multimedia screens, OHPs, white boards, clip boards, chart boards, etc. to conduct training workshops, lectures, etc.

- **C-2 Hall**

This air-conditioned hall has 40 comfortable seats and is equipped with multimedia screens, OHPs, white boards, clip boards, chart boards, etc. to conduct training workshops, lectures, etc.

- **C-3 Hall**

This air-conditioned hall has 20 comfortable seats and is equipped with multimedia screens, OHPs, white boards, clip boards, chart boards, etc. to conduct training workshops, lectures, etc.

- **Multipurpose Building - Lecture Halls No. 04,05 and Ground Floor**

  Steps are being taken to provide these halls and ground floor of the multi-purpose building to external institutions on a lease basis, with an income generation for the institution, in order to fulfill the aims and objectives of the Act of the institution.

Non-air-conditioned lecture halls

- **New Rochdale Hall**

This hall has 60 student desks and seats and is equipped with multimedia screens, OHPs, white boards, clip boards, chart boards, etc., for conducting training workshops, lectures, etc.

- **B Hall**

This hall has 80 student desks and seats and is equipped with audio-visual facilities, OHP, White Board, Clip Board, Chart Board, etc., suitable facilities have been provided for conducting training workshops, lectures, etc.

- **Multipurpose Building - Lecture Hall No. 01**

This hall has 35 comfortable seats and is equipped with appropriate facilities such as white board, clip board, chart board, etc. for conducting training workshops, lectures, etc.

- **Multipurpose Building - Lecture Hall No. 02**

This hall has 30 comfortable seats and is equipped with appropriate facilities including white boards, clip boards, chart boards, etc for conducting lectures and other training programs.

- **Multipurpose Building - Lecture Hall No. 03**

This hall has 40 comfortable seats and is equipped with appropriate facilities including white boards, clip boards, chart boards, etc. for conducting lectures and other training programs.

1.6.2.4 Computer labs



The Information Technology Division in the National Institute of Co-operative Development is one of the best computer centers in the public and private sectors in the Central Province.

The computer unit, which operates under two divisions, has allocated 51 computers at the computer center established in the main premises where courses conducted in order to facilitate students in the co-operative field providing study opportunities.

There are 34 computers for the benefit of students at the Information Technology Center established in the multipurpose building, which conducts courses covering IT subjects of vocational courses targeting children at school education as well as school leavers those who seek for advanced courses with the hope of setting foot in the field of Information Technology.

1.6.2.5 Library



The Library of this institution is considered to be the most advanced library in the cooperative sector in the country. It has about twenty-one thousand books and periodicals of national and international importance written on various subjects. In addition, a separate collection of books related to the cooperative sector is maintained here and a collection of newspaper articles/magazine articles is also maintained. The library index has been computerized and library management is done through Koha software.

Internet facilities are also provided for the readers here.

1.6.2.6. Hostels

The institution has 07 hostels with single and double room facilities with air-conditioned and non-air-conditioned rooms that can accommodate 222 residents at a time. In addition to the hostel facilities, the institution also has a fully equipped holiday home that can accommodate 08 people from the cooperative sector, government sector and the private sector.

- **Ratnayake Hostel**

  This hostel has fully air-conditioned 12 double rooms and 08 of them have attached bathrooms facilities while there are common bathrooms for 04 rooms. The entire hostel can accommodate 24 people at a time.

- **New Ratnayake Hostel**

  This fully air-conditioned hostel consists of 4 double rooms and 16 single rooms, each with en-suite bathroom facilities. The entire hostel can accommodate 24 people at a time.

- **Ratnayake Home**

  There are two houses, each with 3 rooms and bathrooms, and can accommodate 12 people in both houses.

- **D/E/F/G Hostels**

  This hostel, which consists of 76 double rooms in 04 hostel buildings, can accommodate 152 people at a time. Each hostel has its own shared bathroom.

- **H Hostel**

  This hostel consists of 6 triple rooms and a shared bathroom and can accommodate 18 people at a time.

1.6.2.7. Cafeteria



A cafeteria is maintained to prepare and serve hygienic food and beverages for guests participating in training workshops, meetings, seminars and events, as well as for other internal trainees and staff of the institution. An experienced staff is available to provide day and night hospitality services, with local and foreign recipes appealing to the taste of customers. The fully tiled, modern furniture, buffet-style dining rooms are constantly maintained with high cleanliness. About 200 people can be seated and entertained at a time.

1.6.2.8 Circuit Bungalow

This easily accessible resort is located near the Mahaweli Diversion Dam and Mahinda Rajapaksa Auditorium on the Kandy-Madawala-Watthegama road, which is about 8 km away from the historic Temple of the Tooth Relic.

It has an air-conditioned two master bedrooms and two double bedrooms (Double room - with single bed), as well as an air-conditioned lounge with a luxurious sofa and dining table.

The ever-temperate climate of the Dumbara plain and the open, free green plains surrounding the resort are beautifully designed to escape the stresses of life and spend time with family and friends.





1.6.2.9. Press and audio-visual facilities

The press of the institute, which is capable of offset printing and duplo printing, has been built with other necessary machines and facilities, thereby meeting the printing needs of institutional and academic institutions.



Also, the need to expand this to provide printing services for the government, co-operative and private sectors in the future has been identified.

This division provides audio-visual facilities for various courses conducted on the subject of co-operatives and programs conducted by external institutions. Facilities are provided for lecture halls allowing using technologies such as overhead projectors, multimedia machines, audio equipment, etc. Furthermore, facilities can be obtained from this unit for the use of "micro teaching" technology using "videography" and also for exhibition of video films. Maintaining a collection of files of photos covering special moments of various programs and events related to the co-operative sector is another service of this division.

1.6.2.10. Quarters

The number of official residences available for the officers and employees appointed to carry out the functions of the National Institute of Co-operative Development are 19 and those official residences have been classified according to their dimensions and nature.

1.6.2.11. Parking facilities

Parking facilities are available in the premises of Mahinda Rajapaksa Auditorium where 250 vehicles can be accommodated at a time and there are 03 entrance gates with security guards on duty. The main office premises can accommodate about 100 vehicles of visitors those who come to the institute for institutional and office purposes.

In addition, a People's Bank branch and an ATM have been established within the premises of the institution to facilitate transactions.

1.7. Courses of Studies

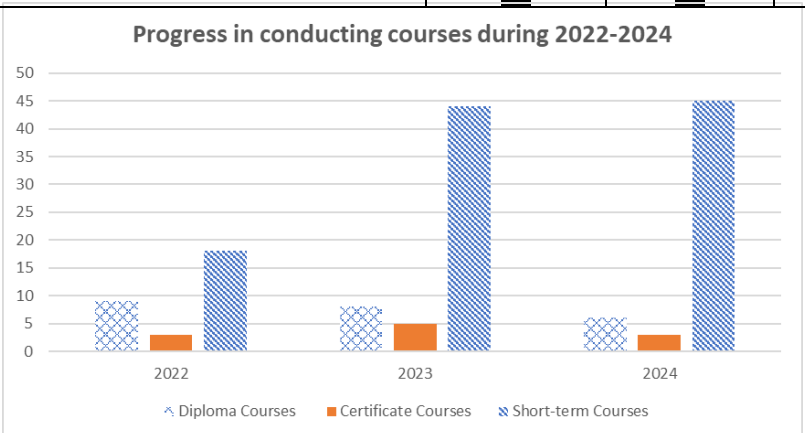
The National Institute of Co-operative Development has planned to conduct 147 courses as follows and 54 courses have been conducted during the year

Advanced Diploma Courses	01
Diploma Courses	13
Certificate Courses	07
Short-term Courses	46
* Free training programs	80
Total	147

* The 80 training programs planned to be held free of charge could not be held as per the Public Expenditure Management Circular and non- receipt of Treasury allocations.

1.7.1 Progress in conducting courses during 2022-2024

		2022	2023	2024
01	Diploma Courses	**9**	**8**	**6**
02	Certificate Courses	**3**	**5**	**3**
03	Short-term Courses	**18**	**44**	**45**
		30	**57**	**54**



Brief notes on each course are presented below.

1.7.2 Diploma Courses

05 diploma courses for officers of the co-operative society and an Information Technology diploma course for co-operatives employees and other external parties were held in the year 2024.

1. Diploma in Business Management
2. Diploma in Auditing
3. Diploma in Bank Management
4. Diploma in Human Resource Management
5. Diploma in Accountancy

1.7.2.1 Diploma in Business Management

This course has been designed targeting the Chief Executive, middle–level executives and officers in executive levels of Sri Lankan co-operative enterprises in order to empower them with the knowledge, skills, attitudes and practices to manage their cooperative societies and organizations and make decisions related to them in highly dynamic environments.

1.7.2.2 Diploma in Auditing

The Officers engaged in auditing can be introduced as a key measurement in evaluating corporate good governance in Co-operative Movement in Sri Lanka. Accordingly, this diploma course has been designed with the aim of developing the knowledge, skills, attitudes and practices required for the successful performance of external and internal auditors and cooperative development officers engaged in auditing duties.

1.7.2.3 Diploma in Bank Management

This course has been designed with the aim of developing the knowledge, skills and attitudes of the officers of the Department of Co-operative Development and the executive and middle management level officers engaged in rural banking activities of the Co-operative Societies, those who play as a key role in the National Institute of Co-operative Development. Accordingly, this course is expected to provide a necessary foundation for the officers working in Co-operative Rural Banks, Sanasa Banks and other Co-operative Banking Societies and also officers of financial institutions to develop their professional skills.

1.7.2.4 Diploma in Human Resource Management

It is crucial to have a formal human resource management process in place for the effective functioning of cooperative organizations. Accordingly, the Diploma in Human Resource Management course has been designed to provide officers working in co-operative enterprises in Sri Lanka with a very broad practical and subject-specific knowledge of human resource management.

1.7.2.5 Diploma in Accountancy

This Diploma in Accounting course can be introduced as a course which is organized annually with the aim of developing the knowledge, skills and attitudes regarding accounting functions related to improving the quality of the duties of Accountants appointed as Chief Executive Officers in order to implement the financial operations of co-operative societies and organizations of the National Institute of Co-operative Development.

1.7.2.6 Diploma in Information Communication Technology (DIP in ICT - NVQ Level 05)

The Computer Division of the National Institute of Co-operative Development implements this course to provide the necessary information and communication technology knowledge and skills to successfully maintain the operational activities of co-operative societies and institutions, to obtain timely information through various modern information technology methods, and to develop qualifications as a professional qualification.

1.7.3 Certificate Courses

1.7.3.1 Computer Application Assistant - (CAA – NVQ Level 03)

The Computer Division of the National Institute of Co-operative Development implements the Computer Application Assistant Certificate Course under the National Vocational Qualification Level 03. Those who wish to acquire computer knowledge can apply for it. This course is implemented to develop the ability to use computer applications and to develop qualifications as a professional qualification.

1.7.3.2 Certificate Course in English

Those who wish to acquire English proficiency can apply for the Certificate Course in English implemented by the Computer Division of the National Institute of Co-operative Development, which has been designed with all the necessary methods to handle, understand and write the English language well for carrying out daily duties.

1.7.4 Short-term Courses

During the year 2024, 25 courses were conducted out of the 46 short-term courses included in the annual course plan and 20 short-term courses were conducted upon the request of external parties.

1.7.4.1 Short-term Training Workshop on Secretarial Practice

In this workshop, the legal conditions related to the duties and role of a Secretary of a cooperative society, maintaining up-to-date membership registers, maintaining accurate files and records related to the duties of the secretary's position, organizing board meetings and taking minutes, maintaining relationships with members, etc., were conducted by expert resource persons with theoretical and practical activities on the subject areas.

1.7.4.2 Rural Bank Internal Auditor Training Workshop

The Internal Audit Division plays a major role in strengthening the internal control of the rural banking sector of Multi -Purpose Co-operative Societies. In recent times, the Internal Audit Division has a major role to play in minimizing the weaknesses and frauds in the

cooperative rural financial societies. Therefore, this training program has been organized with the aim of strengthening the internal audit and making the human resources engaged in it a group of people with knowledge, attitude and skills. 39 trainees have participated in this workshop and Rs. 261,300.00 has been earned.

1.7.4.3 Legal Representative Training Workshop

In every co-operative society, there are many disputes, such as financial frauds, various disputes, etc., which are increasingly occurring. Many of the statutory duties related to resolving these disputes have been introduced by the co-operative law, and currently the existing number of legal representatives representing the co-operative society is very less. Due to this reason, a lot of time and cost have been spent to resolve the disputes that occur within the society. Furthermore, a difficult situation has arisen in co-operative societies to make future decisions and even to make development decisions.

Accordingly, it is considered a very important thing for co-operative societies to have a competent and honest officer who can act as the legal representatives of the society. Accordingly, this workshop is to be held in the following areas based on the need to create a legal representative who is capable of fulfilling the above-mentioned statutory requirement of the society legally and with maximum responsibility.

1.7.4.4 Training Workshop on Rural Bank Loan Management

The main task of rural financial institutions is to manage member loans. The need to maintain a quality loan portfolio is reflected in every aspect as a factor that mainly affects the sustainability of the institution. For this purpose, the field officers of rural financial institutions should be well-versed and this course is designed to achieve this objective. The goal is to train such officers and release them to the field. Furthermore, this course will discuss the methods by which a financial institution can establish a good credit culture and gain the trust of customers. Accordingly, this course can be described as a course that should be developed by the officers of rural financial institutions to maintain the sustainability of the institution as well as to facilitate the management and control of the institution. 53 trainees have participated in this and the income earned by conducting this course is Rs. 355,100.00.

1.7.4.5 Training Workshop on Mortgage Management

Interest earned from Mortgage can be considered as a major source of income in the rural banking sector. However, since this business activity is faced with various problematic situations, the human resources engaged in the mortgage sector need to be updated with knowledge and skills.

Especially since the rules and circulars for pawning change from time to time, the operational management related to it should also be updated accordingly. Furthermore, when pawning gold, it should be done according to proper standards and if it is not done properly, one will have to face huge financial losses. 21 trainees have participated in this workshop and the income earned by conducting this course is Rs. 140,700.00.

1.7.4.6 Accounting for SANASA Societies

When it comes to the co-operative movement in Sri Lanka, more than 8000 societies represent SANASA enterprise. That is why it is possible to identify at least even one

SANASA Society in every village in the country. Weaknesses in the operational activities of banks can be identified as a common problem in the co-operative societies in this country. This is due to the fact that cooperative societies do not use a proper accounting system and there are shortcomings in bookkeeping as well as accounting reports and documents are not updated while accounts are kept contrary to standard accounting guidelines, etc.

Therefore, it seems that this training program is a timely needed one to improve knowledge and performance of officers who are engaged in practical accounting activities in co-operative societies. 39 trainees have participated in this course and the course income is Rs. 168,550.00.

1.7.4.7 MS Excel

The aim of the above short-term course is to empower the participants with the practical knowledge required to use Microsoft Excel proficiently. It enables them to present accounting reports in a concise manner through graphs. This course has been conducted online and 16 trainees have participated by which Rs. 48,000 earned.

1.7.4.8 Advanced Computer Hardware and Networking for Professionals

It is expected to provide practical knowledge necessary for the correct identification of relevant computer hardware in the use of computers in the office environment, troubleshooting and general use of hardware in computer networking. 18 trainees have participated in this course and the course revenue is Rs. 155,700.00.

1.7.4.9 Training Program for Preparing Budget Estimates and Development Plans of Co-operative Societies

This program has been organized to increase the efficiency of the Multi- Purpose Co-operative Societies by preparing the necessary guidelines for the preparation of annual development plans and budgets for the year 2024. This aims to prepare practical strategic plans and budgets for the co-operative societies. 18 trainees have participated in this course and the course income is Rs. 120,600.00.

1.7.4.10 Training program on practical application of tax policies and tax calculation related to co-operative organizations

The tax concessions given to the cooperative sector has been removed which was in the tax policy that has been introduced as one of the strategies to increase state revenue in the current economic policy. The objective of this program is to provide knowledge on the types of taxes applicable to the taxes introduced under this new tax policy and how to register, income tax calculation and accounting, value added tax and preparation of reports and accounting, social security contribution tax, stamp duty, etc. 17 trainees have participated in this course and the course income is Rs. 170,000.00.

1.7.4.11 Training program on preparing financial statements of co-operative financial service Societies in compliance with accepted accounting standards

This training programme has been conducted to provide knowledge to practically apply the guidelines included in the Sri Lanka Accounting Standards for accounting activities of the co-operative societies in accordance with financial reporting introduced by the Institute of Charted Accounts of Sri Lanka which is the main professional body governing accounting practice in Sri Lanka to strengthen accounting activities of co-operative societies , improve

the quality of financial reports and to protect the compatibility of financial reports. 62 trainees have participated in this course and the course income is Rs. 375,000.00.

1.7.4.12 Practical Workshop on Internal Auditing in the Rural Banks of Multi-Purpose Co-operative Societies

This workshop was conducted for Internal Auditors and Audit Assistants in the rural bank sector of co-operative societies with the aim of providing practical knowledge to perform duties relevant to that subject, to strengthen internal auditing through that practice and to provide practical knowledge on the subject as well as to strengthen internal control division of rural banks. 43 trainees have participated in this course and the course income is Rs. 146,200.00.

1. 7.4. 13 Training Programme on Co-operative Financial Regulation

The National Unit for Cooperative Banking Regulation of the Department of Co-operative Development of the Central Government has introduced a Co-operative Finance Regulation Code, introducing guidelines for the proper and transparent conduct of financial transactions of all registered co-operative societies and for proper reporting. Circular No. බැ/ඒ/2021/05 of the Commissioner of Cooperative Development has been issued to put into practice the regulations of this Financial Regulation Code. 175 trainees have participated in this course, which was conducted online, and the course income is Rs. 251,000.00.

1. 7. 4. 14 Training Workshop on Practical Accounting in Multi-purpose Co-operative Societies

This training workshop was organized with the aim of developing the practical knowledge, skills and practices of the employees of the Accounting Department on the practical accounting process of the Multi-purpose Co-operative Societies This workshop, which was conducted for the staff members of the Accounting Department who needed to receive theoretical and practical training in the practical accounting process of the Co-operative Societies, was attended by 63 trainees and the course income was Rs. 613,250.00.

1.7.4.15 Training workshop on project management

Development projects are considered as a step in the development foundation in any economic structure and as such this is successfully used to intensify the activities of co-operative enterprises that work for the advancement of the co-operative movement. In the co-operative movement member community and the community life as well as institutional development projects are implemented. Project management is a crucial skill to ensure successful results in any organization. This workshop aims to provide an understanding of project management principles, tools and techniques. 13 trainees have participated in this workshop and the course revenue is Rs. 87,100.00.

1.7.4.16 SANASA Committee Member Training Workshop

This course was conducted with the main objective of developing the knowledge, skills, attitudes and practices necessary for the SANASA Society's Honorable Chairman and Honorable Committee Members, who are the main decision-making stakeholders in the Sri Lankan SANASA movement and for the sustainable survival of the society, to perform their duties and responsibilities in accordance with the by-laws. 52 trainees have participated in this workshop and the course income is Rs. 251,169.00.

1.7.4.17 Training workshop on introducing the provisions of the Co-operative Services Code of Conduct to Financial Services Co-operative Societies

The training program aimed at educating officers of co-operative societies on the financial intermediation process of co-operative financial service societies, the fund raising function of the financial intermediation process, fund mobilization and provision of customer services, credit provision and provision of financial services in the financial intermediation process, identifying good internal control systems in co-operative financial service societies, identifying the problems currently faced by financial service co-operative societies and their solutions, identifying proposed solutions and identifying problems related to debt collection and their solutions. 23 trainees have participated in this training program and the course revenue is Rs. 154,100.00.

1.7.4.18 One-day Training Workshop on Stores Management and Inventory Management

In today's business environment, efficient stores management makes a critical impact on business success and as such professional knowledge is required for activities such as storing goods accurately and securely, issuing them on time, controlling inventory, and establishing a balance between production, distribution, and customer attitudes. Inventory control is also an essential process for maintaining fair and reliable financial records, inventory control, and accurate reporting of information in business organizations. An accurate and thorough inventory control improves the efficiency of a business, reduces fraud, and increases confidence in selected management decisions. This course can provide trainees with a strong understanding of the basic concepts, operational methods, legal policies, and modern systems related to inventory control. 46 trainees have participated in this online training program and the course revenue is Rs. 121,000.00

1.7.4.19 Risk and Disaster Management

Risk and disaster management is an area that must be considered at the very basic level to ensure the long-term sustainability and member safety of co-operative organizations. In autonomous, community-based co-operative organizations, systematic risk and disaster management is essential to safeguard contracts, goods, finances, human resources and information. This course is intended to provide individuals and institutional representatives working in the co-operative sector with specific knowledge and skills in identifying, analyzing risks, and planning appropriate practices. 30 trainees have participated in this training program and the course revenue is Rs. 201,000.00.

1.7.4.20 Auditing in Computerized Accounting System

It is essential to identify and understand the weaknesses observed in the operation of the accounting systems of co-operative societies, enter information into that accounting system, prepare financial reports using that information, and identify and understand the process of auditing the accounting system. This training course has been designed with the aim of educating society officers and department officers on how to communicate the weaknesses revealed by that audit to the management. 24

trainees have participated in this training program and the course income is Rs. 160,800.00.

1.7.4.21 Web Development Training Programme

The Advanced Web Development Program is designed to provide students with in-depth knowledge and practical skills to develop and deploy full-stack web applications. This program integrates cutting-edge technologies, industry best practices, and hands-on project development to prepare learners for real-world challenges in web development.

1.8 Expectations of the Institution

In the face of existing challenges, the following expectations must be met in order to fulfill the functions and tasks assigned to the National Institute of Co-operative Development in accordance with the National Institute Co-operative Development (Incorporation) Act No. 01 of 2001.

I. **To develop into a degree-awarding institution by improving the quality of courses**

To enhance the quality of the certificate and diploma courses offered and to upgrade the standard to SLQF level and to make it an approved degree awarding institution in the higher education sector

II. **To become an institute that generates self-funding.**

Taking steps to increase revenue by gradually reducing the allocations provided by the Treasury, through diversification of training programs and increasing the number.

III. **To direct research activities to the Co-operative Sector and utilize its recommendations for the advancement of the co-operative sector.**

To conduct research activities targeting the current problems faced by co-operatives by employing co-operative development officers. The National Institute of Co-operative Development has acted as a facilitator by providing opportunities for undergraduate candidates engaged in entrepreneurship studies to conduct research in association with cooperative societies.

IV. **Increasing the training percentage.**

The number of co-operatives undergoing training annually is relatively low. Adequate financial allocations are not received from the Treasury for this purpose and the institutional earnings to be used for it are also not sufficient. It is expected to increase the training percentage by effectively utilizing distance education methods that can be done at minimum cost and at low cost.

V. **Development of soft skills of trainees.**

Preparation of diversified training programs towards theory and practical knowledge in the co-operative sector and also advancing of soft skills ad personality development of trainees.

VI. **Detailed Database on Co-operative Societies**

As a very important factor for the development of the co-operative movement in Sri Lanka, steps have been taken to establish and maintain a digital database on co-operative societies to carry out research tasks including analysis of information, reports and statistics related to the movement by maintaining accurate data on co-operative societies and to equip human resources with knowledge and skills by improving co-operative knowledge.

2

Institutional Administration and Progress in Administrative Activities

2. Institutional Administration and Progress in Administrative Activities

The main Administrative Unit of the National Institute of Co-operative Development is the Institutional Board of Management. Also, the Academic Committee of the Institute works in relation to educational activities and the Internal Audit Committee monitors the activities of the Institute.

2.1. The Board of Management and the progress of its activities

The Board of Management administers, manages and controls the affairs of the Institute and exercises the powers and functions assigned to the Institute by the Act. Granting of approval for the development plans and annual budget of the institute is done by the Board of Management.

2.1.1 Composition of the Board of Management

The Board of Management consists of the following members;

(a) **Ex-officio Members**

i. The Secretary to the Ministry of the Minister in charge of Co-operative Development, for the time being, or a person nominated by him;

ii. The Commissioner of Co-operative Development, Department of Co-operative Development.

iii. The Chairman of the National Cooperative Board of Sri Lanka.

iv. The Chairman of the Sri Lanka Institute of Co-operative Management; and (this Institute is not in operation at present)

v. The Director General of the Institute appointed under section 16.

(b) **Members appointed by the Minister**

i. Three persons nominated by the Minister in charge of Co-operatives from among persons having extensive experience in the field of co-operatives and experience in management.

ii. A representative of the Ministry of Higher Education nominated by the Secretary of the Minister in charge of Higher Education; and

iii. A representative of the Treasury nominated by the Secretary of the Minister in charge of Finance.

One of the above-mentioned persons appointed to the Board of Management shall be appointed by the Minister as the Chairman of the Board of Management.

2.1.2. Details of the members of the Board of Management as at 31.12.2024

Seral No.	Name	Designation	Whether an appointed member or ex-officio
01	W.U.Herath	Chairman Institute of National Co-operative Development	Appointed member
02	Mr. V.P.K.Pilapitiya	Director General (Actg.) Institute of National Co-operative Development (Ex-officio)	Ex-officio
03	Mrs. Champika Pathirana	Addi. Director General - Department of Management Audit, Ministry of Finance, Economic Stabilization and National Policies	Ex-officio
04	Ms. H.A.Hapuarachchi	Commissioner of Co-operative Development and Registrar of Societies, Department of Co-operative Development (Central Government)	Ex-officio
05	Mr. G.D.S.Weerasiri	Chairman, National Co-operative Board	Ex-officio
06	Mr. Premasiri Vithana Pathirana	Member of the Board of Management	Appointed member
07	Mr. H.M.Nimal Herath Banda	Member of the Board of Management	Appointed member

2.1.3. Progress of Affairs of the Board of Management in the year 2024

The progress of holding meetings of the Board of Management and decision-making in the year 2024 is as follows.

Year	No. of Meetings Conducted	No. of Papers of the Board of Management (KPI)	No. of Decisions and Instruction Provided (KPI)
2022	**08**	**183**	**224**
2023	**11**	**213**	**259**
2024	**09**	**188**	**229**

2.2. Academic Board for the year 2024 and the progress of its affairs

The Academic Board is responsible for preparing the institution's training and research programs, developing courses and syllabus, conducting examinations, making recommendations for the release of evaluation results, and setting conditions for the award of certificates and scholarships, in accordance with the policy decisions taken by the Board of Management.

2.2.1. Composition of the Academic Board

In terms of Section 12(1) of the National Institute of Co-operative Development (Incorporation) Act, No. 01 of 2001, the Academic Board of the Institute consists of the following members appointed by the Board of Management.

The composition of the Academic Board shall be as follows:

i. The Director General of the Institute, who shall be the Chairman of the Academic Board,
ii. A representative of the University Academic Staff nominated by the University Grants Commission established by the Universities Act, No. 16 of 1978,
iii. The Commissioner General of Examinations or his representative,
iv. A representative nominated by the Commissioner of Cooperative Development, and
v. A person selected from the cooperative sector or the private sector who has experience and training in management, in the opinion of the Minister.

2.2.2. Representation of the Board of Directors for the 2024

Serial No.	Name	Designation	Nature of the Appointment
1.	V.P.K.Pilapitiya	Director General and Chief Executive Officer (Acting) National Institute of Co-operative Development	Ex-officio
2.	Prof.R.P.I.R.Prasanna	Department of Economics, Rajarata University of Sri Lanka	A representative of the University Academic Staff nominated by the University Grants Commission
3.	Ms.H.A.Asha Hapuarachchi	Commissioner of Co-operative Development and Registrar of Societies	Ex-officio
4.	Mr.W.V.D.S.M.Warakagoda	Deputy Commissioner of Examinations	Representatives of the Commissioner General of Examinations

2.2.3. Progress of the Academic Board Affairs in the Year 2024

Date	Participants	No. of matters presented	No. of decisions made/instructions provided
06.09.2024	04	11	11

2.3 Audit and Management Committee and the progress of its Affairs

The Audit and Management Committee operates under the co-ordination of the Internal Auditor of the Institute, and the observations made in accordance with the audit inquiries of the institution and the audit inquiries of the Auditor General are discussed in this committee.

2.3.1. Composition of the Audit and Management Committee

i. Three members of the Board of Management
ii. An Audit Superintendent of the National Audit Office
iii. The Chief Internal Auditor of the Ministry to which the institution belongs
iv. The Internal Auditor of the institution - Convener

2.3.2. Representation of the Audit Management Committee in the Year 2024

Serial No.	Name	Designation
01	Mr.M.R.G.A.N.Muthukude	Addl. Director General, Department of Fiscal Policy, Ministry of Finance Economic Stabilization and National Policies
02	Mrs. Champika Pathirana	Addl. Director General, Department of Management Audit, Ministry of Finance, Economic Stabilization and National Policies
03	Ms. H.A.Asha Hapuarachchi	Commissioner of Co-operative Development and Registrar of Societies, Department of Co-operative Development
04	Mr.R.M.P.S.Aberathne	Deputy Director (Planning) Higher Education Division Ministry of Education
05	Mr.P.V.Pathirana	Member of the Board of Management
06	Mr. H.M.Nimal Herath Banda	Member of the Board of Management
07	Mrs. R.P.T.D.Rajapaksha	Audit Superintendent - National Audit Office
08	Mr.W.G.T.S.Fernando	Audit Superintendent - National Audit Office
09	Mrs.K.D.M.Indrani Bisomanike	Audit Superintendent - National Audit Office
10	Mrs.S.M.Rajapaksha	Chief Internal Auditor - Ministry of Trade, Commerce, Food Security and Co-operative Development
11	Ms.R.A.A.H.Premachandra	Internal Auditor – National Institute of Co-operative Development

2.3.3 Progress of the Affairs of the Audit Management Committee in the Year 2024

Date	Participants	No. of decisions made
22.02.2024	05	26
23.08.2024	05	15
01.11.2024	06	37
10.01.2025	05	48
Total		126

2.3.4 Progress of the Internal Audit Division

According to the Internal Audit Plan 2024, all divisions of the institute, including establishment and administration, academics, finance, residential, printing, examinations, libraries, information technology, etc., were audited and the progress of audit inquiries and providing of answers is as follows.

Serial No.	Division	No. of inquiries(No. of reports)	No. of matters	Providing answers
01.	Establishment Administration and Finance Division	03	14	Answers have been given
02.	Academic and Development, Examinations and Library Division	06	23	
03.	Residential Division	03	12	
	Total	12	49	

3.
Progress of the Institute in the Year 2024

03. Progress of the Establishment and Administration Division

This division carries out official duties such as institutional affairs, procurement activities, updating the institutional website, examination activities, activities relevant to vehicles, human resource development activities and management board meetings. The progress of this division is as follows.

3.1.1. Human Resource Development

Approved cadre	71
Staff as at 31.12.2024	38
Vacancies as at 31.12.2024	33

Number of officers sent for foreign training in the year 2024: 01*

Number of staff meetings held in the year 2024: 03

*In the year 2023, one Assistant Lecturer was sent for foreign training and that officer is already engaged in training.

3.1.2. Physical Resources Development and Procurement Activities

	Amount
Minor Procurement	3,139,112.16
Department Procurement	16,328,247.32
	19,467,359.48

3.1.3. Conducting Examinations and Issuance of Results

3.1.3.1 Progress in Issuing Examination Results in the Year 2023

Course	No. of Students (KPI)				
	Appeared	Pass	Weak Passes	Fail	Other
1. Certificate Course in English 2023	17	17	-	-	-
2. Certificate Course in Office Automation	16	10	-	06	-
3. Diploma in Business Management 2023	16	14	02	-	-
4. Diploma in Auditing 2023	37	16	09	03	09
5. Diploma in Auditing 2023	34	23	08	01	02
6. Diploma in Human Resource Management 2023	24	16	07	01	-
7. Diploma in Bank Management 2023	31	18	04	-	09
Total	175	114	30	11	20

3.1.3.2 Issuance of Repeat Examination Results

Course	No. of Students				
	Appeared	Pass	Weak Passes	Fail	Other
Diploma in Co-operative Development-2022/2023	02	02	-	-	-
Diploma in Auditing-2021	02	01	01	-	-

3.1.3.3 Progress of conducting examinations during 2022-2024

	2022	2023	**2024**
No. of examinations conducted	171	121	76
No. of students appeared	5348	3293	2141

3.2 Progress of the Academic Division

This division carries out official duties such as course planning and conducting, research activities, advisory services, library activities and student affairs.

The Academic Division is headed by the Director (Academics and Development) and consists of academic and non-academic posts. Even though it is supposed to consist of a staff of twenty-eight (28) including the Administrative Officer (Student Affairs), ten (10) lecturers and two (02) researchers, during the year 2024, it operated only under the leadership of Senior Lecturer and Assistant Lecturer (08), Administrative Officer (Student Affairs), Senior Librarian, Assistant Librarian, Assistant Researcher, three Computer Instructors, one Management Assistant (P.D) and one Development Officer.

3.2.1. Progress of courses conducting

Progress of courses conducted by the Institute during the year 2023/2024 is as follows.

3.2.1.1. Course progress (Over 03 months)

Courses Commenced in the Year 2024

Serial No.	Course Name	No. of times conducted	Participants	Course Income (Rs.)
Diploma Courses				
1.	Diploma in Business Management 2024	01	34	1,113,500.00
2.	Diploma in Auditing 2024	01	46	1,506,500.00
3.	Diploma in Bank Management 2024	01	32	1,048,000.00

4.	Diploma in Human Resource Management 2024	01	11	360,250.00
5.	Diploma in Accountancy 2024	01	25	818,750.00
6.	Diploma in Information Technology 2024	01	17	2,062,500.00
Certificate Courses				
7.	Certificate Course in Computer Applications	01	04	1,191,150.00
8.	Computer Applications Assistant	01	29	
9.	Certificate Course in English	01	16	256,000.00
	Total	**09**	**223**	**8,356,650.00**

Courses conducted up to 2024 those commenced in the Year 2023

Serial No.	Course Name	Participants	Total income in cash earned from courses (Rs.)
1.	Diploma in Auditing 2023/2024	31	775,000.00
2.	Diploma in Accountancy 2023/2024	32	800,000.00
3.	Diploma in Bank Management 2023/2024	26	650,000.00
4.	Diploma in Business Management 2023/2024	45	1,125,000.00
5.	Diploma in Human Resource Management 2023/2024	24	600,000.00
6.	Diploma in Bank Management - Kuliyapitiya (Distance)2023-2024	37	1,239,500.00
7.	Diploma in Microfinance Management - Matara (Distance) 2023-2024	100	2,500,000.00
8.	Diploma in Co-operative Development 2023-2024	67	1,173,840.00
	Total	**362**	**8,863,340.00**

3.2.1.2 Progress in Conducting Short-term Courses

Serial No.	Name of the Course	No. of times conducted	Participants	Course Income (Rs.)
01	SANASA Society Accounting Training Program (Western and North Western Provinces)	01	39	168,550.00
02	Preparing financial statements of co-operative societies in accordance with accepted accounting standards	01	62	375,000.00
03	Introducing the provisions of the Co-operative Services Code of Conduct for Co-operative Financial Service Societies	01	23	154,100.00
04	Two-day training workshop on secretarial practice	01	26	174,200.00
05	Training Workshop on Rural Bank Credit Management	01	53	355,100.00
06	Introducing formal investment and credit policies for co-operative financial service societies	01	22	147,400.00
07	Legal Representative Training Workshop	01	20	134,000.00
08	Two-day training workshop on auditing computerized accounting systems	01	24	160,800.00
09	Training Workshop Co-operative Rural Bank Mortgage	01	21	140,700.00
10	Two-day training workshop on project management	01	13	87,100.00
11	Two-day training workshop on taxation	01	90	587,950.00
12	One-day training workshop on stores management and inventory management (online)	01	46	121,000.00
13	Short-term Training Workshop on Excel (online)	01	16	48,000.00
14	Training Workshop on Rural Bank Internal Auditing	01	39	261,300.00
15	Two-day Training Workshop on Taxation II	01	55	358200.00
16	Practical workshop on internal audit of Rural Banks of Multi-purpose Co-operative Societies	01	43	146,200.00
17	Advanced Computer Hardware & Networking for Professionals	01	18	155,700.00
18	Risk and Disaster Management	01	30	201,000.00
19	Practical workshop on internal audit of Multi-purpose Co-operative Societies	01	26	130,000.00
20	Training program for preparing budget estimates and development plans for co-operative societies	01	18	120,600.00
21	Training programme on Co-operative Financial Regulation (online)	01	175	251,000.00

22	Taxation policies and tax calculation (for state and private sector officers)	01	17	170,000.00
23	Web Development Training Programme	01	22	94,250.00
24	Training Programme on Practical Accounting	01	63	613250.00
25	Committee Member Training - Galle District SANASA Society Ltd.,	01	52	251,169.52.00
	Total	**25**	**2246**	**5,155,400.00**

3.2.1.3 Progress of courses conducted on the request of external parties

Serial No.	Course name	No. of times conducted	Participants	Course Income (Rs.)
01	Training workshop on development plans for Co-operative Financial Service Societies in the Central Province	01	66	**267,700.00**
02	Workshop on capacity development of the officers of the Paddy Marketing Board	01	157	**1,227,150.00**
03	Performance development training workshop for Honorary Board Members and Chief Executive Officers of Multi-purpose Co-operative Societies	01	37	**233,100.00**
04	Training Workshop on Multi-purpose Co-operative Societies Accounting	02	26	163,800.00
05	Training Workshop on Multi-purpose Co-operative Societies Internal Auditing	01	15	94,500.00
06	Training programme for Audit Officers of Farmer Organization in Moragahakanda Zone of Sri Lanka Mahaweli Authority	01	28	516,358.00
07	Training Program on Psychological Counseling - Menikhinna Rural Bank	01	33	50,000.00
08	Workshop on Attitude Development – Rikillagaskada Multi-purpose Co-operative Society Ltd.,	01	44	66,450.00
09	Training for Development Officers of Line Dept. of Co-operative Development	01	28	214,914.00
10	Training for Committee Members – Kosgahawewa SANASA Society Ltd.,	01	20	138,980.00

11	Training Workshop on By-Laws Amendment – Kosgahawewa SANASA Society Ltd.,	01	12	96,924.40
12	Training on Performance Development of Members – Deiyandara SANASA Ltd.,	01	56	360,651.92
13	Accounting Model Workshop – Katana Multi-purpose Co-operative Society Ltd.,	01	19	136,395.06
14	Training on Attitude Development for Employees – Kotapola Multi-purpose Co-operative Society Ltd.,	01	38	236,897.32
15	Training for the Board of Directors and Executive Officers – Morawakkorale Tea Producers Co-operative Society	01	45	307,749.60
16	Training programme for Audit Officers of Farmer Organization in Welikanda Zone of Sri Lanka Mahaweli Authority	01	25	149,203.78
17	Training Workshop on Internal Auditing of Multi-purpose Co-operative Societies of the Dept. of Co-operative Development, Central Province	01	47	132,150.00
18	Training Workshop for Co-operative Development Officers of the Dept. of Co-operative Development, Central Province - I	01	51	138,750.00
19	Training Workshop on Internal Auditing of Multi-purpose Co-operative Societies of the Dept. of Co-operative Development, Central Province - 2	01	53	132,150.00
20	Training Workshop for Co-operative Development Officers of the Dept. of Co-operative Development, Central Province - 2		50	138,750.00
	Total	**20**	**850**	**4,802,574.08**

3.2.2. Promotion of research in the field of co-operatives

The National Institute of Co-operative Development (NICD) is the premier training and research institution dedicated to the advancement of the co-operative movement in Sri Lanka. The institution currently plays a crucial role in the training and development of the co-operative sector in the country. It also actively plays its role by providing the necessary knowledge and skills to co-operative leaders, members and professionals on order to foster sustainable, democratic and community-oriented co-operative enterprises, with the primary objective of actively contributing to the development of the co-operative sector through quality education, training and research.

The research contribution of the National Institute of Co-operative Development is particularly important in shaping the direction of the co-operative sector in Sri Lanka. Through systematic studies, surveys and

evaluations, it addresses the key challenges faced by co-operatives, including financial sustainability, governance and member participation. Furthermore, these research findings provide sound recommendations that support policy formulation, legal reforms and modernization of co-operative management. Overall, the co-operative sector in Sri Lanka can be empowered by promoting research in the co-operative sector. This strategic role is currently being fulfilled by the Research Division of the National Institute of Cooperative Development.

In accordance with Section 4(c) of the National Institute of Co-operative Development Incorporation Act, the Research Division of the National Institute of Co-operative Development performed the following functions in the year 2025, with the primary responsibility of promoting research in the co-operative sector.

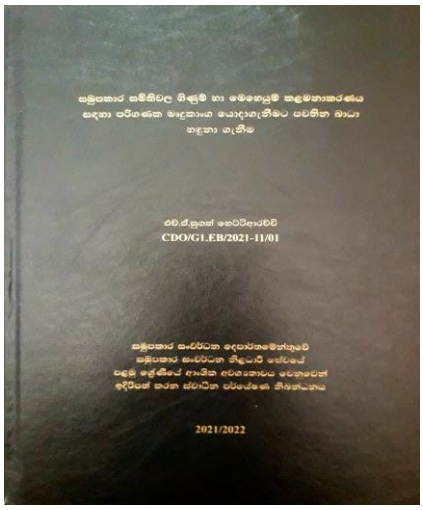
- **To equip Grade I Co-operative Development Officers with theoretical knowledge of research methodology.**

In order to provide the Grade I Co-operative Development Officers with theoretical knowledge and practical application of research methodology to face successfully for their final efficiency bar test, the Research Division of the National Institute of Co-operative Development conducted a three-day residential training workshop on research methodology for 65 officers, where the participated officers were provided with thorough training on preparing a research thesis.



- **Conducting research in the field of co-operatives by Grade I Co-operative Development Officers.**

During the year 2024, with the aim of promoting research in the co-operative sector, as well as to face the efficiency bar examination and to practically apply the professional knowledge of Co-operative Development Officers, Grade I Co-operative Development Officers were able to conduct 52 research papers on co-operative theory, co-operative practice and its new trends under a topic selected related to the co-operative sector. By these research papers it has been covered the fields of co-operative management and philosophy, finance, accounting and auditing of co-operative enterprises, human resource management of co-operative enterprises, co-operative marketing management, cooperative law and practice.





• Conducting Research to Promote Research in the Co-operative Sector by the Research Division of the National Co-operative Development Institute.

In accordance with the provisions of the Act established the National Co-operative Development Institute, the National Institute of Co-operative Development, conducted the following research in the year 2024 with the main objective of promoting research in the field of co-operatives, raising professional standards in the co-operative sector, bridging knowledge gaps through research and continuous education, and supporting economic development by empowering co-operatives at the grassroots level.

- **Study on the contribution that the Udunuwara Multi-purpose Co-operative Society Ltd., can make to empower entrepreneurs related to household production, cultivation and the brass industry in the Udunuwara region.**

Under this, a primarily study was conducted to find out about the contribution that can be made by the Udunuwara Multi-purpose Co-operative Society to empower entrepreneurs in the Udunuwara region. Under this, the sub-objectives were to identify the products made by entrepreneurs in the Udunuwara region related to household products, cultivation and the brass industry, to identify ways in which the

Udunuwara Multi-purpose Co-operative Society can contribute for the development of entrepreneurs in the Udunuwara region, and to provide recommendations for empowering entrepreneurs in the Udunuwara region related to household products, cultivation and the brass industry. Accordingly, the products of the entrepreneurs were identified in three types as household products, agricultural and cultivation and brass industry related products, and several ways in which the Udunuwara Multi-purpose Co-operative Society can contribute for the development of entrepreneurs were also identified. A multi-method approach was used to collect data for the study, including face-to-face interviews, group discussions, and field observations. The objectives of the study were achieved through systematic analysis of the data, and at the end of the study, several recommendations were made to empower entrepreneurs in these industries. Among the recommendations the main purposes were to enlist entrepreneurs involved in household products, cultivation and brass industry in the Udunuwara region as members of the Udunuwara Multi-purpose Co-operative Society, to market the products under a co-operative brand with the help of the Entrepreneurial Production Society, to encourage members of the society for new products, to conduct training programs for entrepreneurs through the intervention of the Udunuwara Multi-purpose Co-operative Society, to provide microfinance credit facilities for entrepreneurs through the intervention of the Udunuwara Multi-purpose Co-operative Society, to start a brass manufacturers' co-operative society, to improve the places of entrepreneurs who produce these traditional products for the promotion of the tourism industry, and to formulate a system to market these products to foreigners.

- **Conducting a survey to identify the training needs of Multi-purpose co-operatives in Sri Lanka**

Based on the registered Multi-purpose Co-operative Societies presently in Sri Lanka, it was identified the required training programs for these Societies by which all the nine provinces can be covered in the future. Thus, a large number of training programs such as induction training, training workshops on strategic marketing, employee motivation and personality development, legal relevance of common law principles related to financial affairs of Co-operative Societies and sources of co-operative law relevant for the regulation of the co-operative banking system, training programs to raise awareness on current co-operative circulars, policies and new government policies, training program on co-operative law and co-operative enterprise for the Chairpersons and the Board of Directors of SANASA Co-operative Societies, training program on consumer protection law, training programs on state and co-operative procurement procedure, training programs on planning and strategic management, training programs on budgeting, project monitoring and project control, training courses on human resource auditing, training workshops on accounting standards, training workshops on asset revaluation, training on basic accounting (separately for Multi-purpose Societies and SANASA Societies as well as for the manufacturing and services societies), training workshops on the use, analysis and interpretation of the final set of the financial statement, training workshops on the analysis and interpretation of the F 28 operational report, training programs on salary calculation, the intervention of the Employees' Commission, training programs on inland revenue taxes, training programs on identifying the trends through loan portfolio analysis, training programs on modern bank operational management techniques, training for new Board of Directors, training workshops on development plan preparation, training workshops on documents related to providing manpower assessment, programs on project report preparation, office management training (EDCS special), English and Tamil language training programs, workshops on by-law amendments were identified as the requirements in this sector.

- **Conducting Research Conferences by National Institute of Co-operative Development**





With the aim of popularizing the research findings conducted in the local co-operative movement and identifying the direction in which the current co-operative movement should go, the National Institute of Cooperative Development was able to successfully hold its first National Research Conference in 2024. Professor Ariyaratne Herath of the Department of Economics and Statistics, University of Peradeniya, delivered the guest lecture at this conference and discussed how to overcome the ongoing economic crisis through the development of co-operative movement as an entrepreneurial enterprise. Also, at this conference, research papers were presented on co-operative finance and banking, administration and law of co-operative society, networking and digitalization the operation of co-operative societies, rural economy and development, and a scholarly discussion too was held based on its recommendations.

- **Publication of the Sri Lanka Journal of Co-operative Studies (Research Journal)**

The Sri Lanka Journal of Co-operative Studies, the annual research journal which is published by the National Institute of Cooperative Development, was also published in the year 2024 too and this research journal has been uploaded as an online research journal on the website of the National Institute of Co-operative Development. It has also been provided with the opportunity to use it free of charge for parties interested in research in the field of co-operatives.



3.2.3. Progress in library facilities

The Library of the National Institute of Co-operative Development is a subject-specific academic library. This library is rich with a valuable collection of knowledge materials issued on the subject of co-operatives as the main subject and a large number of knowledge materials belonging to other subjects such as accounting, management, statistics, auditing, economics, banking, law, marketing, sociology, computers, research, positive thinking, philosophy, communication, etc.

The library of the National Institute of Co-operative Development is the main library that provides the necessary knowledge and information for the studies of trainees those who pursue various diploma and certificate courses which have been organized to promote the knowledge of human resources in the co-operative movement.

At present, there are nearly 24,000 books published in Sinhala and English on various subjects. The library also has a collection of various Acts, Ordinances, Bills, Committee Reports, Sessional Papers, Annual Reports, Administrative Reports belonging to the co-operative sector, and Central Bank Reports, Parliamentary Publications, Research Reports, Encyclopedias, Glossaries on various subjects, and a collection of reference sources consisting of local and foreign magazines, newspapers, translated articles, literature, indexes, electronic publications, etc,.

The library consists of two sections i.e. the Lending Section and the Reference Section, and the contents of the library have been organized according to the internationally accepted Dewey Decimal Classification (DDC). A special collection of information related to the co-operative movement has been maintained separately.

In the year 2021, steps were taken to automate the library and as a result, by the year 2024, this library has started its automation program using the "Koha" software. Also, computing of the annual book stock is maintained by the "Kadia" software.

Further, a book publishing project is also being maintained and necessary steps are being taken to publish works on the subject of co-operative. Through this, valuable writings on the co-operative movement in different dimensions have been endowed to this sector.

Members of the Library

- All the students those who follow courses in the National Institute of Co-operative Development
- Academic staff of the National Institute of Co-operative Development
- Non-academic staff of the National Institute of Co-operative Development
- Visiting lecturers of the National Institute of Co-operative Development
- Providing reference facilities for those who represent different fields in the Island based on the approval of the Director General of the National Institute of Co-operative Development

Other Services

Conduct awareness programs at the beginning of each course regarding the use of the library and its resources.

3.3. Progress of the Residential Division

The Residential Division is managed by the Assistant Director (Residential Division). This division has provided facilities including residential and dining services for the educational and training programs of the institution as well as for seminars and workshops conducted by external institutions at this institution.

The activities of the Mahinda Rajapaksa Auditorium, which has 1120 seats and modern facilities, are also carried out under this division.

3.3.1. Progress in outsourcing of residences and auditorium in the year 2024

	Income Rs.
Providing residential facilities	9,352,835.00
Remittance for catering (commission)	2,565,717.00
Circuit Bungalow	891,500.00
Auditorium (with tax)	12,049,190.00
Audio-visual	1,111,236.00
Others	371,279.00
Total	**26,341,757.00**

3.3.2 Progress of the Residential Division during 2022-2024

Description	Income up to 31.12.2022 (Rs.)	Income up to 31.12.2023 (Rs.)	Income up to 31.12.2024 (Rs.)	Difference between 2023 and 2024 (Rs.)
Auditorium	4,877,250.00	11,152,340.00	11,152,340.00	12,049,190.00
Providing residential and lecture hall facilities	10,224,240.00	15,362,468.00	15,362,468.00	14,911,710.00
Commission for food and beverages	1,656,165.00	2,531,078.00	2,531,078.00	2,565,717.00
Audio-visual facilities	831,275.00	1,451,525.00	1,451,525.00	1,111,236.00

3.4. Progress of the financial sector

The Accounting Division of the Institute operates under the supervision of the Assistant Director (Finance) and its functions were performed with a staff of 04 in the year 2024.

The Accounting Division performs activities including financial planning, financial management, reporting, provision of financial information, taxation and statutory affairs related to the Finance Division in order to facilitate the sustainability and improvement of the functions and duties of the Institute. The financial summary for the last 05 years is presented below.

Financial Performance Report

Description	2020	2021	2022	2023	2024	2024 (Estimated .)
Revenue						
Income of the Institute						
Income earned by conducting courses	7,935,390	10,685,718	10,462,717	16,668,286	19,658,289	19,291,304
Income earned from lecture halls, residences, rentals of buildings and residential division	6,103,677	6,711,731	15,463,412	21,401,875	22,273,783	20,502,500
Income earned by the Mahinda Rajapaksha Auditorium	1,687,500	480,000	4,685,250	11,152,340	12,049,190	9,400,000
Other earnings	2,197,898	2,345,751	5,671,281	8,516,787	5,802,402	6,000,000
Total income of the institute	17,924,465	20,223,200	36,282,660	57,739,288	59,783,664	55,253,804
Recurrent Grants -						
Treasury provisions	30,348,055	45,729,500	55,995,000	55,650,000	49,097,021	51,921,550
Co-operative Fund provisions	72,000	150,000	648,409	290,000	-	-
Total revenue	48,344,520	66,102,700	92,926,069	114,100,248	108,880,685	107,175,354
Expenses						
01Employees remuneration						
a) Salaries and wages	26,200,636	33,187,238	46,714,634	49,109,454	46,321,925	45,337,751
b) Overtime and days pay	909,197	1,062,218	1,542,463	1,803,045	1,155,910	1,000,000
c) Lectures and payments and other expenses	4,463,735	5,293,246	4,344,882	3,643,489	2,770,863	3,714,957
02.Travelling expenses	113,725	136,459	286,873	219,426	89,329	100,000
03.Supply of stationaries and other materials	2,684,933	3,839,580	9,798,777	12,135,848	10,405,734	10,702,730
04.Maintenance expenditure	1,611,279	3,159,966	4,511,011	3,869,340	5,087,940	6,932,150
05.Contractual services	18,398,395	16,541,409	20,157,670	25,660,407	23,204,021	25,951,702
06.Other expenses					1,099,288	1,132,700

	722,994	1,153,276	1,016,508	1,521,718		
Total expenditure	55,104,894	64,373,392	88,372,818	97,962,727	90,135,010	94,871,990
Capital grants	13,000,000	5,000,000	11,500,000	6,470,000	-	-

Report on Financial Position **(Rs. million)**

Description	**2020**	**2021**	**2022**	**2023**	**2024**
Assets					
Non-current Assets					
Property , plant and equipment	813.35	793.59	770.57	750.74	724.44
Other finance and non-financial assets	6.02	5.99	5.71	5.72	5.40
	819.37	799.58	776.28	756.46	729.84
Current Assets					
Current Investment	16.26	27.48	25.87	39.97	66.00
Trade and other debtors	38.02	38.15	37.71	37.14	5.12
Stock	1.89	1.17	1.74	1.96	2.11
Cash at Bank	37.46	32.76	15.70	15.77	11.17
Total Assets	**913.00**	**899.14**	**857.30**	**851.30**	**814.25**
Capital	137.53	136.19	130.26	132.30	441.65
Reserves	673.96	658.45	662.71	654.20	315.28
Non-current liabilities	27.77	9.8	11.23	11.73	14.49
Current liabilities	73.74	94.70	53.11	53.07	42.83
Total Equity and Liabilities	**913.00**	**899.14**	**857.30**	**851.30**	**814.25**

4.

Final Accounts as at 31.12.2024

NATIONAL INSTITUTE OF CO-OPERATIVE DEVELOPMENT

STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER 2024

	NOTE	AS AT 31.12.2024 Rs.	AS AT 31.12.2023 Rs.	SCHEDULE No. Rs.
ASSETS				
NON CURRENT ASSETS				
Property, Plant & Equipment	2	724,448,186	750,741,380	
Other non-current financial assets	3	2,488,750	2,582,500	
		726,936,936	753,323,880	
Other Receivable	4	276,519	396,549	
Differed expenditure on Transformer		2,741,150	2,845,045	
Less: Amotisation of differed expenditure		(103,895)	(103,895)	
Balance differed expenditure	5	2,637,255	2,741,150	
CURRENT ASSETS				
Current Investment	6	66,008,841	39,973,475	
Trade & other Receivable	7	5,120,394	37,137,749	
Stock	8	2,105,783	1,967,673	
Cash at Bank	9	11,172,692	15,779,772	
		84,407,709	**94,858,669**	
TOTAL ASSETS		**814,258,418**	**851,320,248**	
EQUITY & LIABILITIES				
CAPITAL & RESERVES				
Capital	10	233,254,215	233,254,215	
Accumulated Profit / (Loss)	11	208,393,248	(100,953,649)	
		441,647,463	**132,300,566**	
RESERVES				
Capital Grant from Treasury	12	-	334,610,883	
Capital Grant from Ministry	13	-	13,512,611	
Revaluation Reserve		303,645,236	295,447,205	
Publication Fund		11,635,377	10,633,273	
		315,280,613	**654,203,971**	
NON CURRENT LIABILITIES				
Provision for Gratiuty		14,497,975	11,730,348	
Loan From Co-operative Fund				
		14,497,975	**11,730,348**	
CURRENT LIABILITIES				
Creditors & Accrued Expences	14	15,768,149	20,620,006	
Loan From Co-operative Fund		19,000,000	19,000,000	
Retention Money		8,064,218	13,465,357	1
		42,832,368	**53,085,364**	
TOTAL EQUITY & LIABILITIES		**814,258,418**	**851,320,248**	

Note: Submission of the financial statements is responsibility of the management of the Institute, and certify that the Annual financial statements are true and correct.

W. U.Herath
Chairman

V.P.K.Pilapitiya
Director General/CEO

K.D.Anil
Asst.Director -Finance

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NATIONAL INSTITUTE OF CO-OPERATIVE DEVELOPMENT

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2024

REVENUE	NOTE	ACTUAL 2024 Rs	ACTUAL 2023 Rs	Revised Budget 2024 Rs
REVENUE FROM NON EXCHANGE TRANSACTIONS -CURRENT				
GOVERNMENT GRANT FOR RECURRENT EXPENDITURE	15	49,097,021	55,940,000	51,921,550
AMORTIZATION ON CAPITAL GRANT		-	19,163,141	-
TOTAL REVENUE FROM NON EXCHANGE TRANSACTION-		**49,097,021**	**75,103,141**	**51,921,550**
REVENUE FROM EXCHANGE TRANSACTION-CURRENT				
Income Earned By NICD	16	60,039,656	58,160,248	55,298,804
Other Income	16-I	32,319,198	-	-
TOTAL REVENUE FROM EXCHANGE TRANSACTIONS-CURRENT		**92,358,854**	**58,160,248**	**55,298,804**
TOTAL REVENUE - CURRENT		**141,455,875**	**133,263,389**	**107,220,354**
OPERATING EXPENSES - CURRENT				
Personnel Emoluments	17	50,466,668	54,976,948	50,052,708
Travelling & subsistence	18	89,329	219,426	100,000
Supplies & Consumables	19	10,405,734	12,135,848	10,702,730
Maintenance Expenses	20	5,087,940	3,869,340	6,932,150
Contractual Servises	21	23,204,021	25,660,407	25,951,702
Other Recurrent Expenses	22	60,884,033	1,596,978	1,132,700
TOTAL OPERATING EXPENSES -CURRENT		**150,137,724**	**98,458,947**	**94,871,990**
CURRENT SURPLUS /(DEFICIT) FOR THE PERIOD		**(8,681,849)**	**34,804,442**	**12,348,364**
REVENUE FROM NON EXCHANGE TRANSACTIONS-CAPITAL				
Government Grant for Capital Expenditure		-	-	
Gift, Donations, Goods In-Kind		8,000,000	-	
Total Revenue from Non Exchange Transaction -Capital		**8,000,000**	-	
Revenue from Exchange Transaction - Capital		-	-	
Total Revenue -Capital		8,000,000	-	
OPERATING EXPENSES-CAPITAL				
Depreciation	2	34,436,483	31,697,113	-
Amortization		*103,895*	*103,895*	-
Total Operating Expenses-capital		***34,540,378***	***31,801,008***	-
Capital Surplus/(Deficit) for the period		**(26,540,378)**	**(31,801,008)**	-
Total Surplus or (Deficit) for the period		**(35,222,227)**	**3,003,434**	**12,348,364**
Less: Taxation		-	-	-
Net Surplus or (Deficit) for the period		**(35,222,227)**	**3,003,434**	**12,348,364**
Other Comphrensive Income				
-Gain/(loss) on Revaluation of property ,plant and equipment		-	6,915,295	0
- Actuarial Gain/(Loss) on defined benefit plans			0	0
- Gain /(loss) on available -for-sale financial assets			0	0
-Other comprehensive income for the year			0	0
Total comprehensive income for the year		**(35,222,227)**	**9,918,729**	**12,348,364**
Current Surplus /(Deficit) for the Period		(8,681,849)	34,804,442	
Capital Surplus/(Deficit) for the period		(26,540,378)	(31,801,008)	

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NATIONAL INSTITUTE OF CO-OPERATIVE DEVELOPMENT
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

				2024		2023
Net Surplus /(Deficit) for the period				(35,222,227)		3,003,434
Adjustments for						
Add: Depreciation		34,436,483		31,697,113		
Amortization of differed expenditure		103,895		103,895		
Prior year Adjustment -Addition	348,718,753			64,759		
Treasury Grant that tranfer to Accu. Profit	(334,610,883)					
Ministry Grant that transferred to Accu. Profit	(13,512,611)					
		595,259				
Profit on sale of Fixed Assets		-		-		
Write back of Vat recevable	59,784,745					
Removal of provided bad debt from vat Receivable	1,651,339	61,436,084				
Provision for Bad debtors		-		68,760		
Depreciation -prior year adjustment -Building		-		316,640		
Provision for gratiuty	3,250,995			1,226,893		
Add:Gratiuty payment charged to P/L	55,000					
Distress Loan recovery from Gratiuty	50,000	3,355,995				
			99,927,716			
Less:						
Profit on sale of Fixed Assets		-		-		
Amortisation of Capital grant		-		(19,163,141)		
Interest Income		(3,854,281)		-		
Gratuity Payment		(538,368)		(604,145)		
Retention		-		-		
Depreciation -prior year adjustment		-		(12,470)		
Prior year Adjustment -Deduction	(4,149,622)			(1,029,574)		
Error correction	4,018,094	(131,528)				
Depreciation -prior year adjustment -Building		(106,409)				
Write off of Vat VAT Payable		(32,319,198)				
Capital grant received in goods (Vehicle)		(8,000,000)				
Over Provision for doubtful debts		(38,022.37)		-		
			(44,987,806)			12,668,730
Operating Profit/(loss) before working capital changes			**19,717,683**			**15,672,164**
Changes in working capital						
Decrease/(Increase) in debtors, & Receivables	32,017,356			498,897		
Increased in Interest Receivable	76,971					
Vat Receivable- Debited amt to P&L	(59,784,745)					
- Removal from bad debts prov.	(1,651,339)					
- Over provision for bad debtors	38,022					
- error Correction	(3,909,889)					
Vat Payable - Credited Amount to P&L	32,319,198	(894,426)				
(Decrease) /Increase in cred:& accrued expences		(2,026,029)		1,499,331		
Decrease/(Increase) in stock		(138,110)	(3,058,565)	(219,311)		1,778,917
Net cash flow from operating activities			16,659,119			17,451,081
Cash flows from investing activities						
Retention money		(137,148)				
Purchase of - property , plant & equipment		(36,880)		(1,345,293)		
- Land Development		-		(91,350)		
-Building		-		-		
- Furniture & Fittings		-		(2,923,838)		
- Vehicle Addition		-		-		
- Library books		-		(9,995)		
- Other Equipment		-		(3,950)		
Investment in capital work - in - progress		-		-		
(Net Investment)/ withdrawal - Fixed Deposit		(26,035,366)		(14,012,317)		
Sale proceeds on Fixed Assets		-				
(Recovery of E.P.F) Other Receivable		120,030		205,317		
Interest receipt		3,777,310	(22,312,054)			(18,181,426)
Net cash flow from investing activities						
Cash flows from financing activities						
Capital grant Received from treasury		-				
Capital grant Received from Ministry		-				
Distress loan		43,750		(521,875)		
Publication Fund		1,002,104		1,327,771		
Repayment of Co-op Fund loan		-				805,896
Net cash flow from financing activities			1,045,854			
Net Increase in cash flows within the Year			(4,607,081)			75,551
Cash & cash equivalents at the beginning of the period			15,779,773			15,704,222
Cash & cash equivalents at the end of the period			11,172,692			15,779,773

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NICD-POLGOLLA

STATEMENT OF CHANGES IN NET ASSETS / EQUITY

DESCRIPTION	CAPITAL	PROFIT/(LOSS)	CAPITAL RESERVE-TREASURY	REVALUATION SERPLUS	CAPITAL RESERVE MINISTRY	FUNDS	TOTAL
Balance as at 01.01.2023	233,254,215	(102,992,269)	353,134,234	288,531,910	11,746,650	9,305,501	792,980,241
Less: Dep. On F/A purchased from Govt. Grant	-	-	(18,523,350)	-	(639,791)		(19,163,141)
Profit/(Loss) for the period	-	3,003,434	-	-	-	1,327,771	4,331,205
Adjustment-Addition	-	64,759		6,915,295	2,405,750	-	9,385,804
Adjustments - Deduction		(1,029,574)	-	-		-	(1,029,574)
Invested within the period		-			-	-	-
							-
Balance as at 31.12.2023	**233,254,215**	**(100,953,650)**	**334,610,884**	**295,447,205**	**13,512,609**	**10,633,272**	**786,504,535**
Balance as at 01.01.2024	233,254,215	(100,953,650)	334,610,884	295,447,205	13,512,609	10,633,272	786,504,535
Less: Expenses made &Dep. on F/A purchased from Govt. Grant	-	-	-	-	-	-	-
Profit/(Loss) for the period	-	(35,222,227)	-			1,002,104	(34,220,123)
Adjustment-Addition		348,718,746	-	-	8,000,000	-	356,718,746
Adjustments - Deduction	-	(4,149,622)	-	8,198,031	-	-	4,048,409
Tranfer to Accumulated profit			(334,610,884)		(13,512,609)		(348,123,493)
Tranfer to profit & Loss Accounts Invested within the period			-	-	(8,000,000) -	-	-
							-
Balance as at 31.12.2024	**233,254,215**	**208,393,248**	**-**	**303,645,236**	**-**	**11,635,376**	**764,928,075**

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NOTES TO THE ACCOUNTS AS AT 31ST DECEMBER 2024

NOTE : 01

ACCOUNTING POLICIES

1.1 GENERAL ACCOUNTING POLICIES

1.1 Accounting Conventions

The Financial statements of the Institute comprise Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Equity, Cash Flow statement, Presentation of Budget information in financial statement, Accounting Policies and Notes to the Accounts. The financial statements of the Institute prepared on the historical cost basis and in accordance with Sri Lanka Public Sector Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka. According to the circular No:265/2018 & dated on 10.05.2018 issued by the department of Public Accounts, Ministry of Finance of Mass Media. These standards are applying w.e.f.01.01.2019 .

1.2. . Format of Accounts

The Financial Statements are presented in accordance with the format issued by the Institute of Chartered Accountants of Sri Lanka. Previous year figures and phrases are re-arranged wherever necessary to conform to the current year's presentation.

1.3. Post Balance Sheet Events

All material events occurring after the date of Financial Position are considered and where necessary adjustments and disclosures are made in the Financial Statements.

2 ASSETS AND BASES OF THEIR VALUATION

2.1 Property, Plant & Equipment

The cost of Property, Plant & Equipment is the cost of purchased or constructed value together with any incidental expenses thereon. These are accounted at cost or revalued amount less accumulated depreciation which is provided on the basis specified below.

Land and Building have been revalued in 2018 by the Department of Valuation. Motor vehicle, Plant & Machinery, Audio Visual Equipment, Computers, Printers & Accessories, Office Equipment have been revalued in 2019 by the committee including an officer of the Department of Valuation appointed by Director General of National Institute of Co-operative Development.

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In addition to that ,06 Nos. of Motor vehicle have been revalued in December 2023 & their valuation amount has been taken into Accounts in 2023 and also KW-6872 Land cruiser prado has been acquired from Ministry, and it's valuation amount has been taken into Accounts in 2024

All the values of Revalued Assets have been taken into the Accounts. Furniture and Fittings Library books, Cutlary items are not revalued and their values have been shown in the Account at their cost. .

2.2 Depreciation

The provision for depreciation is calculated on the cost or re-valued amount of the Property, Plant & Equipment so as to write off such cost over the estimated useful lifetime of the assets by equal annual installments as follows.

Asset	Useful Lifetime
Building & Structures	40 years
Motor Vehicles	04 years
Furniture & Fittings	10 years
Books and Manuals	04 years
Plant & Machinery - Generators	20 years
Plant & Machinery - Auditorium A/C plant	10 years
Plant & Machinery - other than above	05 years
Cutlery items & others	03 years
Revalued Fixed Assets	Estimated useful lifetime

Depreciation is provided for the fixed assets on periodical bases.
Expenditure made on 2 Nos of Transformer worth of Rs. 4,155,818.00 provided by C.E.B. has been differed and written off the cost over a period of 40 years.

Depreciation is not calculated in the year of Assets purchased or Re -valuation, but in the year of sale of the assets, depreciation is calculated for the entire year.

3 LIABILITIES AND PROVISION

3.1 Provision for Gratuity

Provision is made for the payment of retirement gratuities payable under the Gratuity Act No. 12 of 1983 in respect of all eligible employees, whose service periods are more than one year at the Balance Sheet date.

Employees are eligible for Employee's Provident Fund contributions and Employee's Trust Fund contributions in line with the respective statutes and regulations. The Institute contributes 15% for the employees who engaged before 01.01.2020 and 12%

for employed after 2020.01.01 and 3% on their basic salary, cost of living allowance and holiday payment to EPF and ETF respectively.

3. 2 Provisions for Bad Debtors

5% provision has been made for Bad Debtors.

3.3 Other Liabilities

3.3.1. Legal action has been taken to recover the due house rent with penalty sum of Rs.645,122.00 from ex– employee who occupied the quarters. However he has passed away on 10th October 2016 and hence there is a suspicion if NICD could recover the 3.3.2. outstanding house rent. Ex- employees have filed 02 cases against the institute.

4 INCOME & EXPENDITURE ACCOUNT

4.1 Revenue Recognition

- All Fees for services rendered are accounted on accrual basis
- Fees for Diploma courses, certificate courses and Interest earned on Investment are accounted on periodical basis that services rendered (accrual basis on basis of services rendered)

4.2 Expenses

All expenses except premium of Insurance and motor vehicle license fee and Maintenance agreement charges are accounted on accrual basis and those expenses are accounted on periodical basis.

5.GOVERNMENT GRANTS

5. 1 Capital Grants

Government grants received in the capital nature are treated as reserves in the statement of Financial Position and Depreciation made on the Fixed Assets purchased out of the grant is deducted from the reserves and credited to statement of Financial Performance as amortization on capital grant.

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5.2 Recurrent Grants

Treasury grant is treated as an Income in the year in which it was received, in the Statement of Financial Performance and unused recurrent grant other than Treasury grant is shown as a liability in the statement of financial position.
No grant received during the year under review from People's Bank. But Rs.150,608/= received as a grant from People's Bank for the Training Programs in previous year was remained in the account as unutilized grant as at 31.12.2024 and Unutilized grant has been mentioned under creditors.

6. Preparation and submission of financial Statements is the responsibility of the Management of the institute.
7. Balances of goods in the stores as at 31.12.2024 were calculated according to "Average Method" while the balance of publications for sale/printing were valued according to their cost.
8. Cash Flow Statement was prepared according to Indirect Method.

9. 38 Nos of permanent employees were there in this institute as at 31st December 2024 in addition to that 02 Nos of Development officers from Line Ministry had been assigned to the NICD.
One Lecturer of the institute is abroad on study leave, and a driver is abroad on no pay leave. Multi-tasking officers who assigned to the Institute has been recruited as a driver in the NICD permanent staff.

10 Line Ministry has given a grant sum of Rs. 3.4 Mn. Initially to form a fund for publishing the publications related to the Co-operative subject.

11 And formulated this fund is to be published the publications on Co-operative subject. Line Ministry has been given the advice to maintain the separate set of books to carry out this works. Accordingly kept the records separately for this purpose and Financial Performance for the year 2024 and Statement of financial Position as at 31.12.2024 are attached herewith.

12 During the year 2024, Interest earned from the investment of the Publication Fund is Rs.1,043,020.03 This interest has been credited to the same Funds through the Financial Performance

13 Line Ministry and NICD jointly conducted the consultancy programs with volunteer consultants to the Co-operative Societies during the year 2021,2022 and 2023.
Volunteer Consultants were selected by the Line Ministry by publishing advertisement on newspaper and they pay to meet their expenses incurred to the consultancy service given by them such as transport cost, accommodations, meals, stationaries, etc.
Department of Co-operative (Central Government) has given Rs. 5.00 Mn as an advance from Co-operative Development fund reimburse their expenses. And this advance has been credited to consultancy services control A/C and payments are being made through this control account.
During the year 2021 and 2022 Rs.5.00Mn have been received as an advance, and sum of Rs 4,923,028.00 has been spent as the balance amount is Rs.76,972.00. This is shown under the creditors in the Final Accounts.

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14 Payable VAT to IRD as at 31.12.2024 sum of Rs..32,319,198/- as at was written back to the profit & Loss Account and Receivable VAT from IRD as at 31.12.2024 sum of Rs. 59,784,745/- was written off to the Profit & Loss Account

15 Remaining Amount of Captital grant as at 31.12.2023 respectively sum of Rs.334,610,884/- and Rs.13,512,609/- Received from General Treasury & Line Ministries from 2001 to 2023 has been tranfered to the Accumulated profit

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NOTE:02
PROPERTY,PLANT & EQUIPMENT -2024

Cost / Valuation	Balance As 01.01.2024	Removed Items	Prior Year		Balance After Adjustments	Additions during the year	Adjustments Addition	Adjustments (Deduction)	ACTUAL 31.12.2024 RS	Schedule
			Additions	Deductions						
Land	201,536,976.69	-	-	-	201,536,976.69	-		-	201,536,976.69	
Building & Structures	620,761,911.70	-	-	-	620,761,911.70	-	-		620,761,911.70	2
Plant,Machenary & Equi:	99,019,816.32	-		(74,250)	98,945,566.32	-		(60,370)	98,885,196.32	3
Vehicles	14,329,588.00	-	-	-	14,329,588.00	8,000,000			22,329,588.00	4
Furnitures	44,411,881.27	-		-	44,411,881.27	-		(40,450)	44,371,431.27	5
Library Books	3,136,185.80	-	-	-	3,136,185.80	13,000.00			3,149,185.80	6
Curtain ,Cutlary items & Others	2,197,469.25	-	-		2,197,469.25	23,880.00		-	2,221,349.25	7
Total	**985,393,829.03**	-		**(74,250)**	**985,319,579**	**8,036,880**	-	**(100,820)**	**993,255,639.03**	
Accumulated Depreciation	**Balance As AT 01.01.2024**	**Removed Items As At (01/07/01)**	**Prior Year Adjustments**		**Balance After Prior Year Adjustments**	**Additions during the year**	**Adjustments Addition**	**Adjustments (Deduction)**	**ACTUAL 31.12.2024 RS**	
			Additions	Deductions						
Building & Structures	111,616,640.75	-	-	(106,409)	111,510,231.75	20,493,718		-	132,003,949.75	8
Plant,Machenary & Equipment	78,196,014.56	-	-	(74,250)	78,121,764.56	6,173,059		(60,370)	84,234,453.56	9
Vehicles	4,587.00	-	-	-	4,587.00	4,525,833			4,530,420.00	10
Furnitures	39,996,789.91	-	-	-	39,996,789.91	3,044,054		(40,450)	43,000,393.91	11
Library Books	2,715,476.09	-	-	-	2,715,476.09	167,319			2,882,795.09	12
Cutlary items & Others	2,122,941.00		-	-	2,122,941.00	32,500			2,155,441.00	13
Total	**234,652,449**	-	-	**(180,659)**	**234,471,790**	**34,436,483.00**	-	**(100,820)**	**268,807,453**	
Gross Book Value	**985,393,829**		-	**(74,250)**	**985,319,579**				**993,255,639**	
Accumulated Depreciation	**234,652,449**			**(180,659)**	**234,471,790**				**268,807,453**	
Net Book Value	**750,741,380**			**106,409**	**750,847,789**				**724,448,186**	
Capital work-in- Progress Contract No:	**Balance As AT 01.01.2024**	**Removed Items As At (01/07/01)**	**Prior Year Adjustments**		**Balance After *Prior Year Adjustments**	**Additions during the year**	**Adjustments Addition**	**Adjustments (Deduction)**	**ACTUAL 31.12.2024 RS**	
			Additions	Deductions						
		-								
Transfer the WIP to Fixed Assets	0	-	-	-		-		-	-	
Work in Progress - Quarers	0								-	
	0	-		-	-	-	-	-	-	
Carrying Value	**750,741,380**			**106,409**	**750,847,789**				**724,448,186**	

Note- 5 **Deffered Expenditure for the year 2024**

Year	Description	Deffered Expenditure (Opening	Amount of amortised upto the year 31.12.2023	B/F balance deffered Exp. As at 01.01.2024	Amount of amortization for 2024	Accumilated amortized amount as at 31.12.2024	C/F Balance deffered Exp as at 31.12.2024
2013	Payment for expansion of Transformer	758,000	189,500	568,500	18,950	208,450	549,550
2009	Tow Nos. of transformer	3,397,818	1,225,168	2,172,650	84,945	1,310,113	2,087,705
	Total	**4,155,818**	**1,414,668**	**2,741,150**	**103,895**	**1,518,563**	**2,637,255**

	ACTUAL 2024 Rs.	ACTUAL 2023 Rs.	SCHEDULE No.
NOTE : 03.			
Other non-current financial assets			
Deposit with Electricity board	813,750	813,750	14
Distress Loan -staff	1,675,000	1,768,750	15
	2,488,750	2,582,500	
NOTE : 04			
Other Receivable			
E.P.F Receivable from Employees	276,519	396,549	16
	276,519	396,549	
NOTE: 06			
Current Investment			
Investment in Fixed deposit	65,090,091	39,054,725	17
Distress Loan - staff	918,750	918,750	15
	66,008,841	39,973,475	
NOTE: 07			
Trade and Other Receivable			
3501-3512 Course Fee Rceivable (Schedule: 7A)	1,343,182	220,115	18
3504 Receivable on Programme Fee-Out Side	1,144,410	2,362,360	19
3513 Receivable on Printing Service	14,499	252,153	20
3514 Receivables on Other services	46,167	94,969	21
3402 Advances to Contractors		-	
3403 Deposit with supplier	78,000	78,000	22
3515 Interest Receivable on Investment	1,320,915	1,332,011	23
3518 Hostel fee Receivable	-	41,440	
3520 House rent receivable	645,122	652,173	24
3522 Library Fee & Exam Fee	15,990	-	
3523 Advance to suppliers		-	
3524 Staff food supply control A/C	14,200	6,770	
3526 Receivable Fine		3,437	
3527 Festival advance receivable		3,750	
3532 Advance to staff	8,000	16,824	
3533 over payment		-	
3538 Recoverable of salary & EPF,ETF		90,148	
3537 Fund transfer Receivable		-	
3539 Vat	0	33,026,774.48	
3540 WHT payment	-	-	
3544 NICD Distress Loan		481	
3545 Cheque Return Control A/C		-	
3547 Pre-paid insuarance Premium & Other payments	435,650	452,183	25
3548 Receivable bus hire	-	-	
3549 Building & Land rent receivable	-	130,000	
3551 Receivable Income from Garden	-	135	
3552 Receivable of election duty payment	30,926	-	
3553 E.P.F Receivable from employees	212,134	252,188	16
3554 Research evaluation fee receivable	-	-	
3555 Receivable Co-op Fund	-	-	
4072 Dayasiri Bakers	-	-	
3556 ReceivableCo-op Fund - Province	-	-	
Publication II Trade & Other Receivables	-	-	
Less: Provision for bad debts -Shedule 07 B	(188,801)	(1,878,162)	26
Specific Provision for bad debtor		-	
	5,120,394	**37,137,749**	
NOTE:08			
Inventories			
3301 Stationery stock	720,580	843,249	
3302 Printing Material stock	119,219	69,842	
3303 Building Material	391,064	182,703	
3304 Audio visual	6,552	6,552	
3305 Sundry stock	572,252	563,938	
Publication ii - Book Stock	**296,115**	**301,390**	
Publication ii - printing Material Stock	-	-	
	2,105,783	**1,967,673**	
NOTE:09			
CASH AT BANK (People's Bank katugastota)			
Training & Education 0089-1001-32648143	106,014	4,621,506	
Savings Accounts	947,870	634,926	
Government 0089-1001-92648140	8,274,660	8,643,539	
Service Charge Account 0089-1001-50002158	282,350	128,385	
Gratiuty Fund Account 0089-2001-90030993	1,064,220	1,037,097	
Publication Account ii 0089-1001-50018442	497,578	714,320	
	11,172,692	**15,779,772**	

	ACTUAL 2024 Rs.	ACTUAL 2023 Rs.	SCHEDULE No.
NOTE:10			
CAPITAL	233,254,215	233,254,215	
Add/Less:Adjustments to statement of affairs	-	-	
	233,254,215	**233,254,215**	
NOTE: 11			
ACCUMULATED PROFIT/(LOSS)			
Balance as at 01st of January of the year	(100,953,649)	(102,992,269)	
Add/Less: adjustments			
Others - Addition	348,718,745.90	64,759	27
Others - (Deduction)	(4,149,622.01)	(1,029,574)	28
	344,569,124	**(964,815)**	
Accumulated profit after prior year adjustment	**243,615,474**	**(103,957,083)**	
Add: Surplus / (Defecit) for the year	(35,222,227)	3,003,434	
	(35,222,227)	**3,003,434**	
Balance as at 31st of December of the year	**208,393,248**	**(100,953,649)**	
NOTE: 12			
CAPITAL GRANTS FROM TREASURY			
Balance on 01.01.	334,610,883	353,134,233	
Add:Adjustment	-	-	
	334,610,883	**353,134,233**	
Add:Received for the Year	-	-	
	334,610,883	**353,134,233**	
Less:Depreciation of Assets purchased from capital grants	-	(18,523,350)	
Transfer to the Accumulated profit	(334,610,883)	-	
	-	**334,610,883**	
NOTE: 13			
CAPITAL GRANTS FROM MINISTRY & CO-OPERATIVE FUND & OTHERS			
Balance on 01.01.	31,737,509	29,331,759	
Add:Received for the Year	8,000,000	2,405,750	
	39,737,509	**31,737,509**	
Less:Depreciation of Assets purchased from capital grants	(18,224,898)	(18,224,898)	
Tranfer to the Income & Expenditure Accounts	(8,000,000)	-	
Transfer to the Accumulated profit	(13,512,611)	-	
	-	**13,512,610.56**	

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NOTE :14	ACTUAL 2024 Rs.	ACTUAL 2023 Rs.	SCHEDULE No.
CREDITORS & ACCRUED EXPENCES			
4001 Telecommunications	72,929	72,512	
4002 Water	-	3,703	
4003 Electricity	375,653	546,555	
4004 Lecture Fees	105,575	60,100	31
4005 Other accrued expences	1,749,911	475,743	32
4008 Subsistance Control A/c	-	-	
4015 Govt. Audit Fee payable	850,000	880,000	
4016 Payable to Treasury	31,600	11,841	
4018 Advance received for programme - Outside	407,927	870,306	33
4019 Security Services	338,905	373,798	
4020 Janitorial Services	1,954,709	726,658	
4021 Laundry services	-	-	
4022 Building Constructors -(CECB & Others)	7,098,096	9,923,923	34
Course fee Received in Advance as per (Schedule: 14A)	523,673	3,276,310	35
4027 Payable to suppliers	75,579	-	36
4028 Advance for bus hire	-		
4029 Transfer funds Received	-	-	
4035 Salary control a/c Casual	-	-	
4040 Refundable course fee	88,200	34,500	37
4041 Productivity Control A/C	110,811	110,811	
3901 Other Retention	-	-	
3902 Security Deposit	671,060	656,960	38
3906 Key Money	153,000	243,000	
4043 VAT payable Account	-	-	
3903 Refundable Tender Deposit	140,000	180,000	39
4069 Payable to food supplier	-	-	
4049 Fuel bill payable-	-	-	
4057 People bank grant received	150,608	150,608	
4059 Payable to aat on publication	-	-	
4062 NBT Payable	-	-	
4063 Received in advance for Hostel Fee	2,450	2,450	40
4065 Payable WHT	-	-	
4064 Payable Consultancy Fee	-	108,451	
4068 Payable Stamp Charges	100	7,275	
4070 Hostel fee payable	306,743	429,930	41
4071 Consultancy Service Control A/c	76,972	76,972	
4072 Dayasiri bakers	56,390	56,390	
4073 Our Nation Food supplier	47,018	1,089,058	
4074 Kanthi Mangala Mandiraya	365,742		
Publication II Creditors	14,499	252,153	
	15,768,149	**20,620,006**	

NOTE: 15			
RECURRENT GRANTS			
1021 From Treasuary	49,097,021	55,650,000	51,921,550
1020 From Co-op Dept. - Co-operative fund	-	290,000	-
1030 From People's Bank Co-operative fund	-	-	-
	49,097,021	**55,940,000**	**51,921,550**

NOTE: 16 OTHER INCOME GENERATED FROM	ACTUAL 2024 Rs.	ACTUAL 2023 Rs.	REVISED BUDGET-2024 Rs.	SCHEDULE No.
1001 -1011 Course Fee - (Shedule 16-A)	19,450,477	16,502,548	19,136,304	42
1012 Room Charges	10,244,335	9,973,558	9,460,000	43
1014 Lecture hall Fee	4,667,375	5,388,910	4,000,000	44
1014 Auditorium hall Charges	12,049,190	11,152,340	9,400,000	45
1015 House rent	915,838	864,570	900,000	
1023 Printing Service	94,064	294,449	85,000	
1024 Library Fees	76,500	100,500	70,000	
1025 Exam .Fees	131,312	65,238	-	
1026 Fixed Deposit,Savings Interest & Security Deposit Interest	3,743,983	3,830,533	4,600,000	46
1027 Interest on staff Loan	110,298	111,901	100,000	
1035 Non Rufundable Tender Deposit	33,000	91,750	40,000	47
Opportunity cost Interest on concessionary staff Loan	217,970	420,960	-	
1036 Sales of Fixed Assets	-	274,935	-	
Other income - (Shedule 16-B)	3,981,576	5,369,308	3,595,000	48
1043 Commission on food supply	2,565,717	2,531,078	2,500,000	
1069 Rent Income on Building	1,420,000	1,187,669	1,367,500	49
1063 N.B.T	-			
1092 Encash of perfomance deposits	300,000	-	-	
Over provisions for doubtful debtors	38,022	-	-	
	60,039,656	**58,160,248**	**55,253,804**	

NOTE: 16.1 OTHER INCOME				
Write back of payable Vat to IRD	32,319,198	-		
	32,319,198	-		

NOTE:17 PERSONNEL EMOLUMENTS				
101 Salaries & Wages	36,538,356	40,974,547	38,048,271	
104 Allowance	1,141,000	1,352,082	675,000	
105 E.P.F.(Institution Contribution)	4,318,766	4,126,635	4,407,364	
106 E.T.F.Contribution	939,700	897,191	957,716	
114 Acting pay	-	-	-	
118 Gratiuty	3,355,995	1,318,868	1,200,000	50
119 Pension Contribution	28,107	440,131	49,400	
	46,321,925	49,109,454	45,337,751	
Overtime & Holiday pay				
103 Over Time	461,535	1,079,751	400,000	
112 Holiday Pay	694,375	723,294	600,000	
	1,155,910	1,803,045	1,000,000	
Lecture Fee & Other Allowance				
151 Lecture Fees	1,618,775	2,389,340	2,149,767	51
153 Exam Supervision Fees	93,300	143,050	159,480	
154 Course Cordinating Fee	-		-	
110 Sitting allowance for Board of Directors	168,000	300,000	300,000	
115 Allowance for Audit Committee	78,000	120,000	120,000	
155 Question Paper preparing	251,645	384,835	265,000	
156 Paper Marking Fee	199,143	56,777	174,010	
158 Instructing fee	22,500	55,688	-	
159 Course Administrative fee	-	-	-	
161 Research Report Evaluation	211,000	57,000	200,000	
162 Assignment Evaluation Fee	96,800	86,750	127,700	
533 Question paper Type Setting Charges	31,700	50,050	19,000	
534 Curriculum Development	-	-	200,000	
Employement benefit on concessionary staff Loan	217,970	420,960		
	2,988,833	**4,064,449**	**3,714,957**	

NOTE-18 TRAVELLING EXPENCES			
201 Domestic	89,329	219,426	100,000
202 Foreign	-	-	
	89,329	**219,426**	**100,000**

NOTE-19	ACTUAL 2024 Rs.	ACTUAL 2023 Rs.	REVISED BUDGET-2024 Rs.
SUPPLIES & OFFICE REQUISITION			
301 Stationary & Office Requisition	706,971	969,844	991,045
302 Fuel & Lubricants	4,053,527	6,237,571	4,525,480
303 Printing Materials	437,185	862,354	691,045
304 Newspapers & Periodicales	82,560	84,070	80,000
306 Meals for Training programme	4,397,847	2,935,568	3,415,160
307 Mechanical & Electrical goods	184,066	214,114	400,000
310 Other supplies	342,979	549,167	400,000
313 Cost of water bottle	200,599	283,160	200,000
	10,405,734	**12,135,848**	**10,702,730**
NOTE 20			
MAINTENANCE EXPENCES			
401 Vehicle	1,442,965	1,984,162	1,384,150
402 Plant ,Machinary & Equipment	1,924,974	503,013	2,155,000
403 Building & Structures	1,197,161	1,273,745	1,373,000
404 Furniture	2,950	57,270	600,000
405 Computer Item	-	-	-
406 Motor Vehicle Licence	99,024	51,150	100,000
408 Land Maintaining	420,866		1,320,000
	5,087,940	**3,869,340**	**6,932,150**
NOTE-21			
CONTRACTUAL SERVICES			
501 Transpotation	424,945	1,313,999	626,420
502 Telecommunications	1,360,943	1,520,442	1,536,200
503 Postal Charges	347,220	287,977	400,000
504 Electricity	4,538,563	5,102,066	5,620,000
505 Water	1,212,370	733,957	1,250,000
506 & 511 Hire Charges & tax charges	25,685	265,506	30,000
508 Audit Fee	762,960	880,000	750,000
509 Consultancy Fee	-	70,000	-
510 Advertisement/Publicity	328,043	583,193	1,230,000
512 Security Services	4,181,582	4,353,605	4,333,575
513 Janitorial Services	7,892,518	7,750,803	7,535,507
514 Laundry Services	789,325	773,742	800,000
515 Gardening	25,217	42,930	50,000
516 Insuarance	602,246	758,606	650,000
517 Translations fee	89,363	90,788	100,000
519 Uniform allowance	16,000	20,000	30,000
520 Staff Training (Local / Foreign)	2,600	84,736	50,000
521 Subcription & Membership fees	9,000	348,432	-
523 Other Expenses (Miscellanious)	94,372	216,530	150,000
524 Printing - (Printing Section,Audio Visual Section)	353,685	280,732	425,000
525 Charges -Audio Visual	-	31,000	
526 Stamp charges	11,825	7,875	15,000
530 Hall charges	100,000	40,000	90,000
531 Accomadation charges	-	21,000	30,000
535 Research fee	10,000	32,250	200,000
536 Valuation charges	25,560	50,240	50,000
	23,204,021	**25,660,407**	**25,951,702**
NOTE-22			
OTHER EXPENCES			
601 Legal fees	-	109,500	100,000
605 Compensation	-	-	-
607 Entertainment - Staff & Visitors	879,765	1,168,524	792,700
703 Bank Charges	31,163	42,429	40,000
705 Loan interest of Staff	-	-	-
707 N.B.T & WHT payment	188,360	201,265	200,000
610 Provision for bad debts	-	75,260	-
713 Write-off of Receivable VAT from IRD	59,784,745	-	-
	60,884,033	**1,596,978**	**1,132,700**

Schedule: 7-A Course Fee Rceivable	ACTUAL 2024 Rs.	ACTUAL 2023 Rs	REVISED BUDGET-2023 Rs.	SCHEDULE No.
3501 Diploma in Co-Operative	352,775	60,167		18-I
3502 Coopative Certificate course	-	-		
3503 Workshop	20,000	34,365		18-II
3505 Short term IT Training programme	9,750	-		18-III
3506 Short term Others Courses	716,257	-		18-IV
3507 Professional courses	-	-		
3508 NICD IT Diploma	228,400	118,833		18-V
3509 Diploma in business Management	-	-		
3511 Course fee receivable for English course	16,000	6,750		18-VI
	1,343,182	**220,115**		
Schedule: 14-A **Course Fee Received in Advance**				
4023 Diploma Courses in Co-Operative	437,973	2,624,435		35-i
4024 Work shop	-	37,167		
4025 Others Courses	85,700	614,708		35-ii
4042 Professional courses	-	-		
	523,673	**3,276,310**		
Shedule: 16-A **Course Fee Income**				
1001-1 Diploma - Co-operatives	7,473,792	6,363,071	6,362,729	42-I
1001- 2 Diploma - Business Development	-	-		
1002 NICD IT Diploma	872,917	441,833	881,500	42-II
1003 Certificate course - Computer	719,808	1,283,792	606,375	42-iii
1004 -iCertificate in English	134,400	531,250	330,000	42-iv
1004-ii Japan Language course	-	70,000		
1005 Professsional Course	-	-	-	
1005-01 Course fee for AAT	-	-		
1005-02 Chartered Course fee	-	-		
1005-06 Higher Diploma in Accountancy	-	-		
1007 Certificate Courses - Co-operative	-	-	-	
1008 Short Term Courses - Workshop	6,088,000	3,146,070	7,292,000	42-V
1009 Short Term Courses - IT	393,367	413,533	413,700	42-VI
1010 Short Term Courses -	3,768,193	4,252,998	3,250,000	42-vii
	19,450,477	16,502,548	19,136,304	
Shedule: 16-B **Other Income**				
1016 Income from Garden	52,050	83,420	100,000	
1018 Service Charges	561,756	630,744		
1032 Staff Allowance	379,700	472,000	800,000	
1034 Hostel Manager fee		-		
1038 Photocopy charges	310	-		
1040 Hire of Equipment	1,111,236	1,461,274	1,075,000	
1044 Water bottle	371,270	353,346	400,000	
1045 Registration of suppliers	221,000	192,000	150,000	
1047 Fines/Fanalty	34,355	63,613	5,000	
1048 Book Binding	1,800	1,225	5,000	
1051 Miscellanious Income	113,642	873,621	200,000	
1056 Income from bus	939,657	706,240	825,000	
1061 Additional income	36,556	56,242	-	
1062 Unclaimed Deposit	83,244	444,808	-	
1080 Commission on aat publications		-	-	
1071 Sale of News papers & other unserviseable Item		24,875	35,000	
1086 Recoveries for damages/Losses		5,900	-	
1087 Unrecognised Deposit	-	-		
1088 Research Evaluation Charges	-	-		
1089 Course awareness Programme	-	-		
1093 Donation	75,000			
	3,981,576	5,369,308	3,595,000	

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PUBLICATION FUND - NATIONAL INSTITUTE OF CO-OPERATIVE DEVELOPMENT
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2024

	2024			2023
ASSETS				
NON CURRENT ASSETS			-	
CURRENT ASSETS				
Current Investment		10,474,508		9,399,975
Trade & Other receivables	-		-	
Interest Receivable	381,674		469,741	
Stock - Row Materials				
- Publication	296,115		301,389.55	
Cash at Bank	497,578	1,175,367	714,319.81	1,485,451
TOTAL ASSETS		**11,649,875**		**10,885,426**
EQUITY & LIABILITY				
Publication Fund as at 01.01.2014		3,417,039		3,417,039
Accumulated Profit /(Loss) as at 01.01	7,216,234		5,888,463	
Adjustment	-		-	
Proft for the year	1,002,104		1,327,771	
Accumulated Profit /(Loss) as at 31.12.		8,218,338		7,216,234
Accumulated Fund as at 31.12		11,635,377		10,633,273
CURRENT LIABILITIES				
Creditors & Accrued Expenses	14,499		252,153.00	
Received in Advance	-	14,499	-	252,153
Total Equity & Liabilities		**11,649,875**		**10,885,426**

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PUBLICATION FUND - NATIONAL INSTITUTE OF CO-OPERATIVE DEVELOPMENT
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2024

	2024			2023
Revenue				
Sales of Publications	36,560			99,645
Less:				
Cost of Goods sold	(19,773)			(41,006)
Gross Profit		16,787		58,640
Add: Other Revenue				
Commission				
Interest on Fixed Deposit	1,043,020		1,463,237	
Unclaimed dues		1,043,020	26,660	
				1,489,897
Total Revenue		1,059,807		1,548,537
Less: Expenditure				
Royalty			76,800	
Discount			3,470	
WHT payment	56,557		85,525	
Evaluation of publication			30,000	
Donations			14,971	
Bank charges	1,146			
Type setting charges		57,703	10,000	220,766
Net Profit		1,002,104		1,327,771

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5.
Auditor General's Report

NATIONAL AUDIT OFFICE

My No.:- CPCG/KD/B2/NICD/FA/2024/A/29 Your No.:- Date:- 09 June 2025.

The Chairman
National Institute of Co-operative Development

Report of the Auditor General in pursuant to Section 12 of the National Audit Act No. 19 of 2018 regarding the financial statements and other legal and regulatory requirements of the National Institute of Co-operative Development for the year ending 31 December 2024

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1. Financial Statements

1.1 Qualified Audit Opinion

The Audit of Financial Statements of the National Institute of Co-operative Development for the year ended 31st December 2024 comprising the Statement of Financial Performance, the Statement of Changes in Ownership and the Cash Flow Statement for the year ended on that date including the notes relating to information on significant Accounting Policies was carried out under my direction in pursuance of provisions in Section 22 of the National Co-operative Development Institutions (Incorporation) Act No. 01 of 2001, Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read together with the provisions of the National Audit Act No 19 of 2018 and the Finance Act No. 38 of 1971. My report will be tabled in the Parliament in due course as per Article 154 (6) of the Constitution.
In my opinion, except for the effects of the matters described in the section " Basis for the Qualified Audit Opinion" of this report, the Financial Position of the Institution as at 31st December 2024 and its Financial Performance and the cash flows for the year then ended give a true and fair view of in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Qualified Opinion

a) In the comparison of the values of machines and machinery in the financial statement of the year under review and the schedules submitted for audit, the cost or recalculated value of the assets is Rs.25,013,510, the accumulated depreciation is Rs.41,617,125 and a mismatch in the net value of Rs.15,174,310 was observed and a mismatch of Rs.324,187 was observed in the accumulated depreciation account of forks and other equipment as per the financial statements and schedules.

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NATIONAL AUDIT OFFICE

b) Due to non-submission of fixed asset documents, balance confirmation letters, related files and documents related to 08 asset subjects totaling Rs.17,193,681, 02 liability subjects totaling Rs.8,193,720 and a claim balance of Rs.20,392,820, could not be verified satisfactorily in the audit.

I have conducted my audit following the Sri Lanka Auditing Standards (SLAS). My responsibility under these Auditing Standards has been further explained under the section the responsibility of the auditor for the Audit of Financial Statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Other information included in the 2024 Annual Report of the Institution

Other information means the information included in the 2024 annual report of the institution expected to be delivered to me after the date of this audit report but not included in the financial statements and my audit report thereon. Management is responsible for this other information.

My opinion on the financial statements does not cover other information and I do not express any assurance or opinion with regard to this.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with my knowledge obtained during the audit or otherwise.

If, while reading the 2024 annual report of the Institution, I conclude that there are material misstatements, the same should be communicated to the parties of administration for correction. If there are any further uncorrected misrepresentations, they will be included in the report tabled by me in Parliament in due course in terms of Article 154(6) of the Constitution.

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1.4 Responsibilities of the parties of Management and administration on Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Public Sector Accounting Standards and for determining the internal controls necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In the preparation of financial statements, it is the responsibility of management to determine the ability of the institution to continue its existence, and unless management intends to liquidate the institution or cease operations in the absence of any other option, it is also the responsibility of management to set accounts on a going concern basis and to disclose matters related to the continued existence of the institution.

NATIONAL AUDIT OFFICE

Parties of administration are responsible for examining the financial reporting process of the institution.

In terms of sub-section 16 (1) of the National Audit Act No. 19 of 2018, the institution must maintain proper books and records of its income, expenditure, assets and liabilities so as to be able to prepare annual and periodic financial statements.

1.5 Responsibility of the Auditor concerning the Auditing of the Financial Statements

My objective is to provide reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue the audit report that includes my opinion. Reasonable assurance is a high level of assurance, but it will not always be an assurance that material misstatements will be detected when performing an audit in accordance with Sri Lanka Auditing Standards. The effect of fraud and error, individually or collectively, can result in material misstatements, the materiality of which depends on the effect on the economic decisions made by users on the basis of these financial statements.

I exercised professional judgment and professional skepticism in the audit as part of the audit in accordance with Sri Lanka Auditing Standards. In addition to this,

- Appropriate audit procedures were planned and performed to suit the occasion to identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, in providing a basis for the audit opinion expressed. The effect of fraud is stronger than the effect of material misstatements due to misrepresentation because they are caused by negligence, falsification, intentional omission, misrepresentation or circumvention of internal controls.

- Although not with a view to expressing an opinion on the effectiveness of internal control, an understanding of internal control was obtained in order to plan appropriate audit procedures as appropriate.

- Appraised the appropriateness of accounting policies used, reasonableness of accounting estimates and related disclosures made by management.

- The applicability of using the going concern basis of accounting was determined based on the audit evidence obtained as to whether there is material uncertainty about the going concern of the entity due to events or conditions. If I conclude that there is sufficient uncertainty, I should focus my audit report on the related disclosures in the financial statements, and if those disclosures are inadequate, I should modify my opinion. However, the continuance may terminate upon future events or circumstances.

- Assessed the overall presentation of the financial statements including the appropriate and fair inclusion and disclosures of the underlying transactions and events for the structure and content of the financial statements.

NATIONAL AUDIT OFFICE

I inform parties of administration about significant audit findings, key 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 special provisions regarding the following requirements.

2.1.1 In accordance with the requirements of Section 12 (a) of the National Audit Act No. 19 of 2018, I have obtained all the information and explanations necessary for the audit, except for the effect of the matters described in the Basis for the Qualified Opinion section of my report, and the proper financial reporting was maintained by the institution as shown by my investigation.

2.1.2 According to the requirement mentioned in Section 6(1)(d)(iii) of the National Audit Act No. 19 of 2018, the financial statements of the institution are consistent with the previous year.

2.1.3 According to the requirement mentioned in Section 6(1)(d)(iv) of the National Audit Act No. 19 of 2018, the recommendations made by me last year are included in the presented financial statements.

2.2 In confining the proceedings followed and the evidence obtained to factual and material facts, nothing has come to my attention so much as to make the following statements.

2.2.1 According to the requirement mentioned in section 12 (d) of the National Audit Act No. 19 of 2018, any member of the governing body of the institution has a relationship, directly or otherwise, out of the ordinary course of business in relation to any agreement with the institution.

2.2.2 As per the requirement mentioned in Section 12 (f) of the National Audit Act No. 19 of 2018, except for the following observations, that it has not acted in accordance with any relevant written law or other general or special directives issued by the governing body of the institution.

Reference to rules, regulations / directives	The value Rs.	Description
(a) Asset Management Circular No. 04/2018 dated December 31, 2018 issued by the Ministry of Finance and Mass Media and Guidelines for Valuation of Non-Financial Assets	822,298,888	Although a reassessment should be done for lands and buildings once in every 05 years the institute had last assessed the land and buildings on August 1, 2018, although 06 years had passed, the assessment was not done in the year under review.
(b) Section 3.1 of the Circular of the Director General of Library and Documentation Services Board No. 2004/Kusa/1(2016-Revised) dated 22 December 2016.		As per the circular procedure, the library stock survey of the institute was not conducted in the year under review and in the two previous years.

NATIONAL AUDIT OFFICE

2.2.3 According to the requirement mentioned in Section 12(g) of the National Audit Act No. 19 of 2018, apart from the following observations, the powers, duties and functions of the institution have not been acted upon.

a) In the inspection of the action plan of the year 2024 set to fulfill the tasks indicated in Section 04 of the National Institute of Co-operative Development (Incorporation) Act No. 01 of 2001, and its progress at the end of the year 2024 18 courses/sessions and 06 activities were not fully implemented out of 46 training courses/sessions that were planned to fulfill 10 objectives of establishing the institute.

b) In the year under review, the attention of the Institute was not focused on undertaking and managing cooperative enterprises requiring management skills overall and achieving the objectives of establishing model cooperative villages, model cooperative trade centers and regional centres.

c) The Institution has not updated its membership of the International Cooperative Organization from the year 2021, even though it is stated that the purpose of the Act establishing the Institute is to maintain the membership of the "International Cooperative Organization" in order to cooperate with organizations in or outside Sri Lanka that perform similar tasks to the tasks of the Institute.

2.2.4 According to the requirement mentioned in Section 12 (h) of the National Audit Act No. 19 of 2018, apart from the following observations, the resources of the institution have not been procured and used in accordance with the relevant rules in a timely, efficient and effective manner.

a. Rs.305,589 from the money received for the construction of the multi-purpose building in 2009, Rs.744,921 left from the money received from the National Budget Department for the project of developing the standard of training courses in the year 2014 and Rs.619,355 unspent from the money received in 2014 and 2015 for the construction of the auditorium totaling to an amount of Rs.1,669,865 was kept dormant in a bank current account even by the end of the year under review without being utilized effectively.

b. It was observed that the two-storied Mahaweli building complex and its guardhouse, which had been constructed at a cost of Rs. Rs.2,368,359 by the institution 1999 In the year were kept without being utilized effectively for more than 20 years since the year 2002.

c. 03 computer laboratories consisting of 40 computers within the premises of the institution of 2025 square feet are idle and underutilized since the end of 2023 and it was also observed that some of the computers installed there are not in working condition.

d. 04 floors of 10839 square feet of the 05 floors of 14,403 square feet multi-purpose building which was handed over to the institution in the year 2010 remained idle as of 03 April 2025 without being utilized for a period of 02 to 04 years.

e. According to the action plan of the institution for the year 2024, the diplomas related to a period of one year planned for the officers of the supervisory management assistant non-technical service category, the course had not been implemented due to lack of expected applicants for the course. Due to the inclusion of diploma courses in the action plan without prior evaluation of the courses, 720 hours of lectures by lecturers of the institute on this non-implemented course had been idle for a period of 720 hours.

f. The estimated cost for the 98 activities included in the 2024 action plan of the institution was not included.

g. Although the action plan of the year 2024 should be revised within a reasonable period, the action plan of the institution was revised on December 30, 2024 by including only the implemented tasks.

h. It was observed that the examination department had delayed between 01 and 05 months in handing over the examination answer sheets of about 70 subjects related to 16 courses to the examiner, even though it was stated in the examination procedure (3) 3.1 adopted by the management board for the year 2022 that in relation to the internal and external courses conducted in the institution the first assessment of the answer sheets should be done within 04 weeks after conducting the examinations.

i. It was observed that although the lecturers were supposed to complete the evaluation of the answer sheets of the examinations held in relation to the courses implemented in the years 2023/2024 of the institution in time according to the examination procedure, it was observed that it took 06 months to 01 year to complete the evaluation of the answer sheets of 19 examinations.

j. Without paying attention to the terms of the recruitment procedure as stipulated in Section 13.1.2 and Section 13.4 of Chapter II of the Establishments Code and the regulation 5.1.1 of the Recruitment Procedure for the post of Director General in the Senior Management Service Category of the National Institute of Co-operative Development, two officers who do not have the degree qualification and have not completed the work experience prescribed in the recruitment procedure had been appointed by the Ministry Secretary on the basis of covering duties on 2 occasions in the year under review for the position of Director General.

k. It was observed that about 34 rooms amounting to 12 percent of the 115 rooms in 09 hostels and a resort were used in the year 2024.

2.3 Other matters

a. The total of receivable balances of 03 accounts as on December 31 of the year under review was Rs.922,726, of which a credit balance of Rs.11,424 relating to the period between 01 and 05 years and a credit balance of Rs.790,462 relating to a period of more than 05 years had not been recovered till the end of the year under review.

b. No action had been taken to pay the total of 04 accounts payable as on December 31 of the year under review was Rs.15,314,815, of which the total for 01 and 05 years was Rs.364,895 and the total for more than 05 years was Rs.14,949,920.

Signed illegibly.

G. H. D. Dharmapala
Auditor General (Acting)