



Annual Performance Report - 2020

Department of Posts

Expenditure Head - 308

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Content	Page
01. Institutional Profile / Executive Summary	
1.1 Introduction	98-99
1.2 Vision, Mission, Goals of the Institution	100
1.3 Main Functions and Special Priority	101
1.4 Organizational Chart	101
1.5 Main Administrative Divisions of the Department	101-109
02. Progress and the Future Outlook	
2.1 Departmental Annual Progress	110
2.1.1 Progress of Capital Funding	110
2.1.2 Financial Progress up to 31.12.2020	110-112
2.1.3 Special Project Progress (CSR Projects)	112-114
2.2 Challenges	114-115
2.3 Future Goals	115-116
03. Overall Financial Performance for the Year	
3.1 Statement of Financial Performance	117-118
3.2 Statement of Financial Position	119
3.3 Statement of Cash Flows	120-121
3.4 Notes to the Financial Statements	122
3.5 Performance of the Revenue Collection	122
3.6 Performance of the Utilization of Allocation	122
3.7 In terms of F.R. 208, Allocations Granted to this Department as an Agent of the other Ministries/ Department	123
3.8 Performance of the Reporting of Non Financial Assets	123
3.9 Auditor General's Report	123
04. Performance Indicators	
4.1 Performance Indicators of the Institute (Based on the Action Plan)	124
05. Performance of the Achieving Sustainable Developing Goals (SDG)	
5.1 Identified Respective Sustainable Development Goals	125-127
5.2 Challenges to Achieve the Sustainable Development Goals	127
06. Human Resource Profile	
6.1 Cadre management	127
6.2 How the Shortage in Human Resources has been Affected to the Performance of the Institute	128
6.3 Human Resource Development	128-129
07. Compliance Report	
08. Conclusion	
	137

Tables

02. Progress and future Outlook

2.1	Progress from 01 January 2020 to 31 December 2020	110
2.2	Building Repairs and Rehabilitation (308 – 02 – 01 – 2001)	111
2.3	Financial Progress up to 31.12.2020	111

03. Overall Financial Performance for the year ended on 31.12.2020

3.1	Statement of Financial Performance for the Year ended 31.12.2020	117-118
3.2	Statement of Financial Position as at 31.12.2020	119
3.3	Statement of Cash Flow for the Year ended 31 December 2020	120-121
3.5	Performance of the Revenue Collection	122
3.6	Performance of the Utilization of Allocation	122
3.7	In terms of F.R. 208, Allocations Granted to this Department as an Agent of the Ministries/ Department	123
3.8	Performance of the Reporting of Non Financial Assets	123

04. Performance Indicators

4.1	Performance Indicators of the Institute (Based on the Action Plan)	124
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05. Performance of the achieving Sustainable Developing Goals (SDG)

5.1	Identified Respective Sustainable Development Goals	125-127
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06. Human Resource Profile

6.1	Cadre Management	127
6.3	How to Contribute the Trainings Programmes for the Performance of the Institute	128

07. Compliance Report

7.1	Compliance Report	129-136
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Figures

1. Institutional Profile / Executive Summary

Figure 1.1 Outline of Administrative Section	102
Figure 1.2 Outline of Operational Section	103
Figure 1.3 Outline of Development Section	105
Figure 1.4 Outline of Finance Section	107
Figure 1.5 Outline of Stamp Vault	108
Figure 1.6 Outline of Audit Section	109
Figure 1.7 Outline of Provincial Administration	109

02. Progress and the Future Outlook

Figure 2.1 –Modernised Counters Systems	111
Figure 2.2 -Carrying out Drug Distribution Activities	112
Figure 2.3 -Collection of Electronic Wastage	113
Figure 2.4-Planting of Medicinal Plants	113
Figure 2.5-Planting of 200 Mee Plants and Distribution of Plants to Coincide with the World Environment Day	113
Figure 2.6 –Provincial Blood Donation	114
Figure 2.7 –Provide School Equipment to School Children as a CSR program	114

Annexes

Annexe01	-	Organizational Chart
Annexe02	-	Auditor General's Report
Annexe03	-	Programs Implemented for Human Resource Development

01. Institutional Profile / Executive Summary

1.1 Introduction

The Department of Posts (SL Post) is a government agency providing timely, innovative, people-centric digital mail and allied services that have earned the trust of the people of Sri Lanka for over 200 years.

The Department of Posts, that functioning under the Ministry of Mass Media was established in 1798 during the British colonial period with the first five (05) Post Offices (Galle, Colombo, Mannar, Jaffna and Trincomalee) for the purpose of exchanging messages and goods. The most decisive milestones in the history of the Post were the separation of the Post Office Savings Bank in 1972 and the Telecommunications Division in 1980, which severely limited the Department's profit-making opportunities. However, the Sri Lanka Post, as a service-oriented community-based government agency that adapts to changing government policies from time to time and transcends the objective of making a profit and fulfills a great deal of responsibility to the society, grants many of the services fulfilling for the Government to the people regardless of the cost to maintain those services.

Sri Lanka Post, consisting of islands wide 653 Post Offices and 3410 Sub Post Offices, is lined up with a full range of customer value services. With human resources of around 26,000 we cater the local and international goods exchanges needs of publics. We offer a wide range of services to assist with selection of delivery standards. We provide access to important services such as Banking and Financial Services.

Although many of the services provided at Post Offices in urban, rural and remote areas are subject to digital replacement, the Sri Lankan community highly appreciates the friendly, personalized services provided to people at any educational, social and economic level.

By 2020, the percentage of consumers who transact via online has increased significantly during the COVID-19 epidemic. We play a leading role in e-commerce, and will continue to enhance our role in providing essential financial and government services, especially to remote and rural communities.

This Annual Performance Report, compiled according to the format introduced for the Annual Performance Report by the Department of Public Finance, provides a comprehensive report on our financial, environmental and social performance for the financial year 2020.

Services of Department of Posts

The main services of the Postal Department according to its nature can be classified as follows.

Local and foreign Postal items exchange

Postal goods	Specialized services provided for postal goods	Value Added Postal Services
Letters	Registration	SLPost Courier /SLPost COD
Parcel	Small packets	Expedit Mail Service (EMS)
Postcards	Bulk mail	E-Telemail
Telemail	Business Mail	
	V.P.P(Value paybal Post)	
	Admail(Advertizing Mail)	
	Printed Materials– Open Packets	

Financial Transactions

Money transfer	Charging	Payments
Local - Money orders	Examinations fees	Elder's allowance payments
PMT-Electronic Money Order	On the Spot Fine	Public Aids Monthly Allowances
Foreign -Western Union	Insurance services	Disease allowances (Cancer, leprosy, tuberculosis..etc.)
Banking with NSB	Utility Bills Payments (Electricity,Water,Telephone)	Pension Payments
	Acceptance of Social Security Funds	Farmers' Pension
		Fishermen's pension

Issuing Stamps and Related Activities

- Issuance of stamps targeting the national and international stamp market and stamp collectors
- Conducting stamp exhibitions
- Selling all items online (**slpost stamp app**) including stamps, souvenir sheets, first day covers
- Issuance of personalized stamps
- Establishment of school stamp clubs

Other Services

- Issuing Postal Identity cards
- Applying for the Examination Certificates of the Department of Examinations through the online methodology

1.2 Vision, Mission, Goals of the Institution

1.2.1 Vision

Become the partner of excellence in relations, by providing innovative and diverse services

1.2.2 Mission

To provide a highly innovative, efficient and reliable postal service utilizing motivated staff and modern technology in a pleasant work environment to maximize customer satisfaction while adhering to the standards of the Universal Postal Union, and upholding the policies of the Government of Sri Lanka.

1.2.3 Goals

- Increasing value of the existing services and creating innovation services in response to the consumer digital lifestyle.
- Gaining local and international customer trust and thereby numerical growth of stakeholders
- Connecting customers of all levels easily and quickly through the local and international postal distribution network.
- Reducing the adverse pressure made by the department on the treasury through revenue increasing
- Fulfilling a leading role to achieve the Sustainable Development Goals through the Department targets and all activities.

1.3 Main Functions

- Formulation and implementation of a strategic development plan that enables the postal improvement and focuses on new technological market.
- Development, implementation, monitoring and evaluation of development programmes and projects
- Well-positioning, deploying, maintaining and development of the resources of the department to utilize them with maximum efficiency
- Transforming the island wide smart Post Office network into multipurpose service providing commercial centers
- Acceptance, transport and delivery of postal goods efficiently by compiling competitive advantage laws to strengthen the postal network that gained customer loyalty and delivers the services to the door to door on a daily basis
- Making revision of delivery zones to ensure smart postal service for all households on a daily basis
- Following appointments, promotions, transfers and disciplinary actions required to promote human resource and maintain industrial peace.

- Empowering the staff and maintaining the expected discipline through introducing a continuous training plan and formal performance appraisal system to develop the knowledge, skills and attitudes of the staff
- Actively using the creative contributions of trade unions to promote the organization and create industrial peace.
- Regulating the governance through strengthening of audit and investigation
- Improving the quality and efficiency of the services provided by using rapidly developing infrastructure.
- Entering in to agreements on new business proposals received from the public and private sectors to support for the advancement of the department
- Identifying timely customer needs and market demand by carrying out efficient market analysis
- Providing with revenue targets in accordance with scientific method and follow-up
- Offering high quality stamps and related products under attractive themes
- Dissemination of stamp hobby locally and internationally to bring Sri Lankan identity internationally.
- Maintaining postage that is affordable to every customer in the mail
- Modernizing the existing services and introducing new services to suit the changing market and consumer needs with modern communication technology
- Development and implementation of guidelines for simplifying the systems and streamlining processes to meet changing conditions

Special Priorities

Introduction and implementation of methodologies required for efficient, people-centric, digital postal and related services targeting new opportunities based on new technologies.

(Extraordinary Gazette No.2187/27-August 09,2020)

1.4 Organization chart - Annex 01

1.5 Main Administration Areas of the Department

Main postal functions of the Sri Lanka Posts have been divided into 05 sections for the easiness of the administrative. They are,

- Administration
- Operations
- Development
- Finance
- Internal Audit

Administrative Division

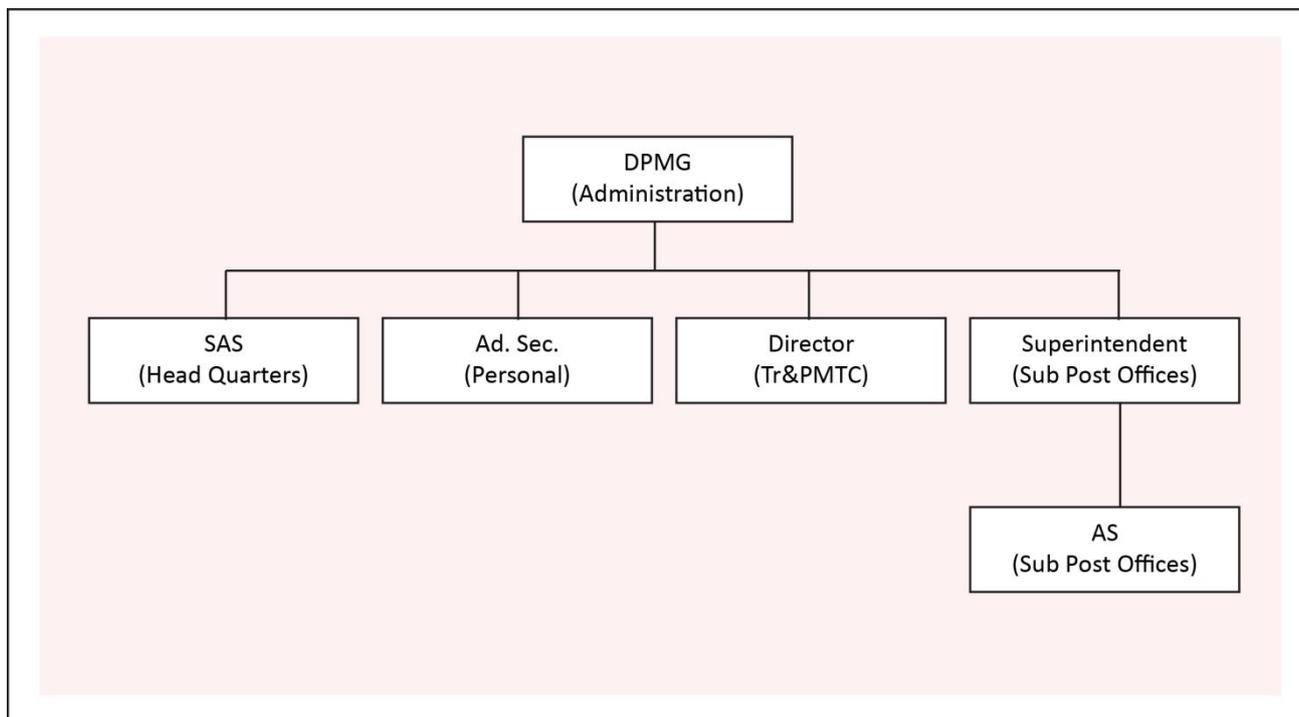


Figure 1.1: Outline of Administrative Division

Sections	Tasks
Personnel I Section, Personnel II and Miscellaneous Section	Carrying out all organizational matters including staff appointments, promotions, transfers of staff grade officers acting appointments, performance Appraisals and appeals. Issuing postal and official identity cards Conducting provincial investigations
Examinations Section	Arrangements for conducting competitive examinations for recruitment (limited / open / seniority / merit streams) and conducting efficiency bar examinations Payment of language incentives
Postal Management Training College	Meeting the training requirement of the staff of the Department by conducting various training programs workshops and Supervising the activities of 07 Postal Training Institutes.As well as conducting training programs with external institutions related to human resource development.
Sub Post Office Section	Carrying out all the institutional activities related to the Sub Post Masters
Recordroom I/II	Collection and keeping of personal files

Operational Division

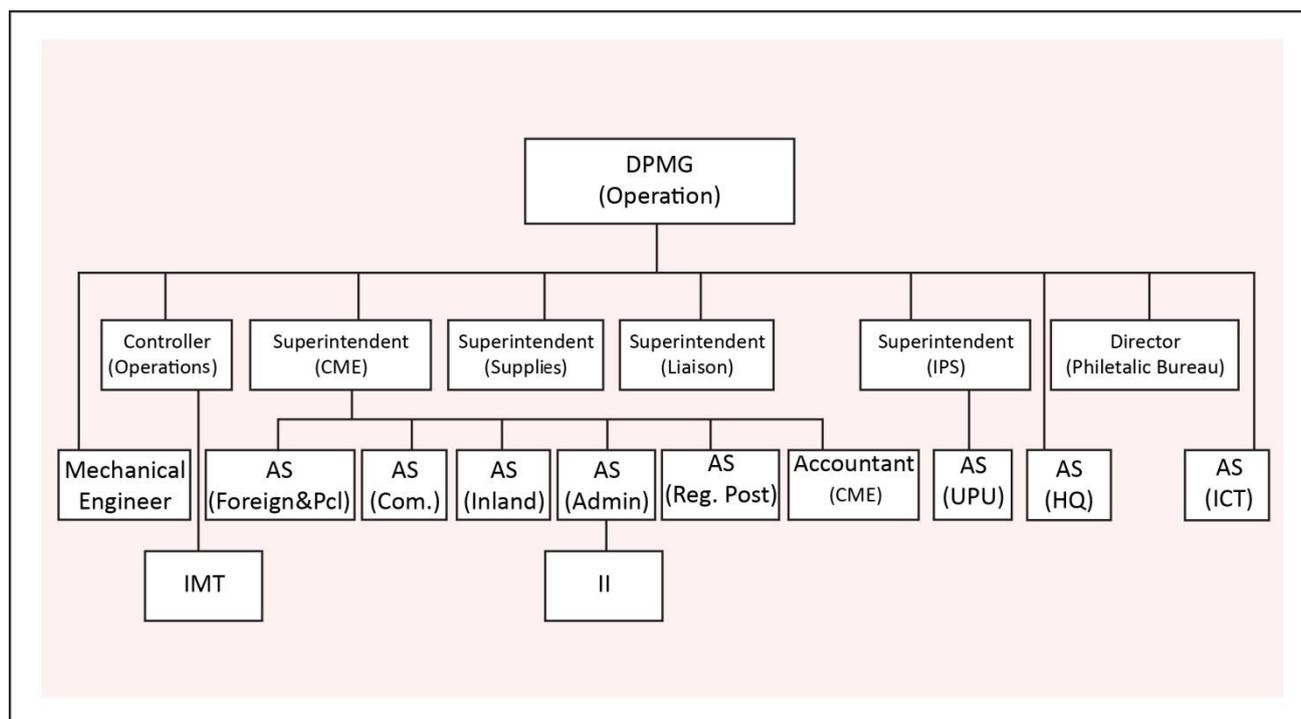


Figure 1.2: Outline of Operations Division

Sections	Tasks
Central Mail Exchange	<p>Inland Mail Section - Despatching of postal items to destination offices. Delivery of postal articles in the CME distribution zone. Maintains business reply Coupen Service.</p> <p>Registered Section-Acceptance of registered articles in bulk.Despatching accepted and received registered articles to destinations.Delivering registered in the CME distribution Zone</p> <p>Foreign Mail and Parcel Section-Acceptance of foreign mail from 120destinations of 73 countries. Despatching received foreign mail to local destinaions Delivery in the CME distribution. Sending EMS items to destinations received from the EMS section counter and other Post Offices Deliver & Dispatch EMS Items received from foreign destinations</p> <p>Commercial Section- Carrying out all activities related to Free Postal Facility, Business Mail, Bulk Mail, Logi Post and SL Post Courier Maintenance of Letter boxes& Franking Machines Works related Return Letter Office (RLO)</p> <p>Administration Division, the Accountancy Division and the Procurement Division contribute to the proper functioning of the internal affairs of the Central Mail Exchange.</p>

Postal Transport Section

Fulfilling the transportation needs of the Department of Posts.

Fulfilling daily island-wide Postal transportation requirements, Executive Officers transportation requirements, Field Duties and Other office transportation requirements

Mechanical Engineering Section

Carrying out minor, medium and large scale repairs to maintain the vehicle pool.

International Postal Service Section

As a member of the Universal Postal Union, which has a membership of 192 countries, Sri Lanka Post operates in accordance with the rules, standards and procedures of the Universal Postal Union in the conduct of international mail with new technology, Introduce new services and new trends in International mail to the Department of Posts in collaboration with the Universal Postal Union. Ex: IPS.POST, IPS.CDS

By the International Postal Operations process and Strategic Development, the International Express Postal Service, International Parcel Service, Registered Mail Service and Ordinary letter mail service are provided to the public. Maintaining standards of International mail according to, LetterPost Manual & ParcelPost Manual.

Liaisons Section

Revision of local postage
 Registration of newspapers and periodicals
 Carrying out registration of bulk postal service and business reply covers,
 Implementing new services and making internal staff aware of all postal services.
 Coordinating the activities related to the payment of farmers' pensions, social security and the activities of the National Savings Bank.

Supplies Section

Printing all types of pads related to money orders from the Government Press, Maintain stock and supplying to all Regional Accountants' Offices.
 Print required printed forms and receipt books to Post / Sub Post / Agency and Accounts Offices, Issuance of barcode labels.
 Issuing of ropes / Rope Balls / Brass / Tin Docket / Lead seals, Envelopes & Plastic Stripes
 Large forms brought from the Government Press are cut to the required size and prepared as books
 Manufacture of Post / Sub Post Name Boards, Steal Cabinets / Safe Key Cutting and Repair, Fixing and issuing of key plates in private mail bags, repairing bags

Philatelic Bureau

Issuance of stamps targeting the national and international stamp market and stamp collectors, Conducting stamp exhibitions and conducting lectures and workshops to popularize this hobby.
 All items including stamps, souvenirs, first day covers are

available online through the **sl post stamp app**. Delivery of the relevant order to the customer through this service within 07 working days of ordering.

Issuing annual stamps for domestic and foreign fixed orders and mailing other items including stamp related products.

Initiation of standing orders for new stamp collectors, Carrying out money deposits of old fixed order account recipient and other cash deposits, accounting, voucher processing.

Providing personalized stamp service through the main counter of the Philatelic bureau and sub counters in Kandy, Nuwara Eliya, Negombo

Assistant Superintendent Headquarters Office

Promotion of holiday homes revenue
Administration of Postal Holiday Homes (Nuwara Eliya, Anuradapura, Trincomalee, Sigiriya, Mihintale, Chullipuram)
1950 Short Phone Number & Call Center Activities

Postal Museum

During the past 200 years of Postal evolution in Sri Lanka nationally & Internationally, valuable apparatus, equipments and tools which were created for the purpose of postal services have been displayed.

The museum is open to local / foreign visitors on weekdays and fees will be collected as follows-

Local student	Rs.	5.00
Local elders	Rs	20.00
Foreign student	Rs.	100.00
Foreign elders	Rs.	200.00

Development Division

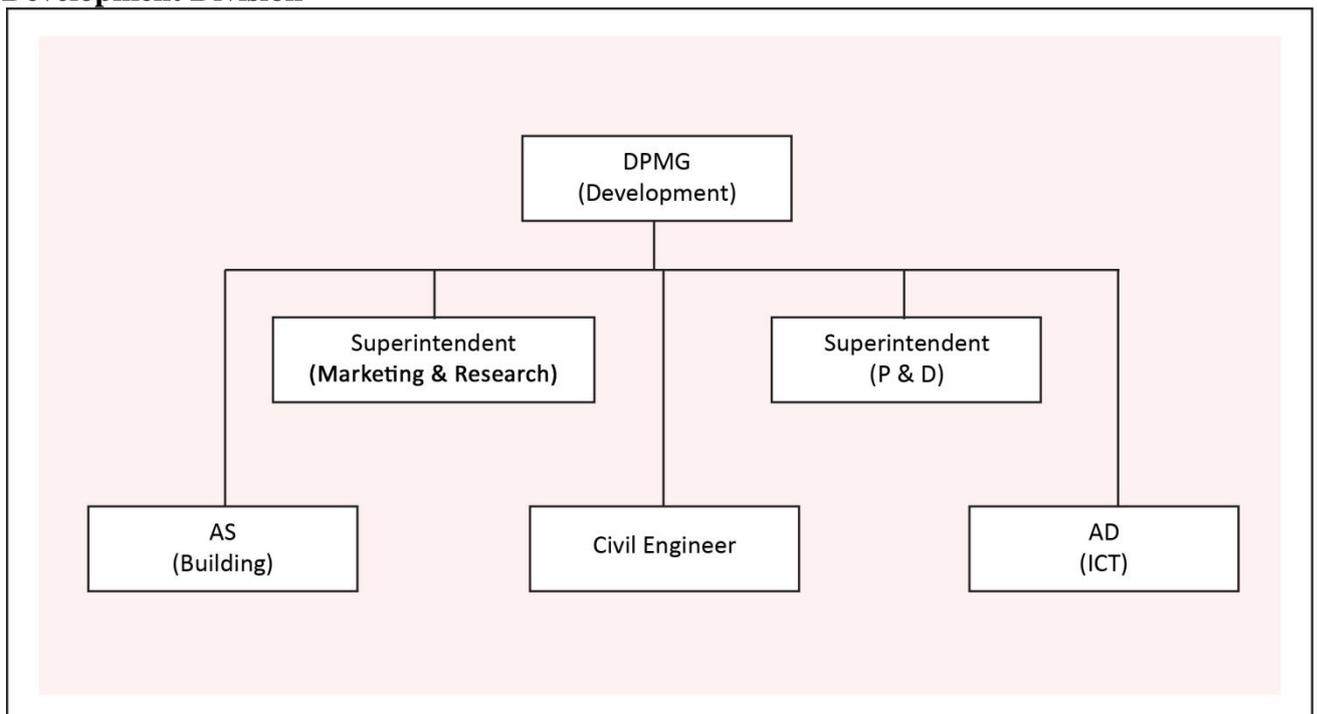


Figure 1.3: Outline of Development Division

Section	Tasks
Planning and Development Section	<p>Preparation of action plans for development Projects in addition to capital expenditure. Programs to improve the quality and efficiency of the postal service.</p> <p>Preparing Agreements with the agency services suppling Institutes and updating those agreements.</p> <p>Preparation of reports as per Public Finance Circular, Submission of Postal Department Data for Annual Central Bank Report and Submission of Quarterly Capital Progress to the Presidential Secretariat.</p> <p>Preparation Progress Reports of Capital Allocation, Provincial Development Programs, Analyse Departmental Revenue Status. Preparing Statistical Reports.</p>
Building Section	<p>Supervision of construction of new buildings and repairs of buildings. Renovation of post office buildings owned by the Department, Land acquisition and payment of assessments.</p>
Information Technology Section	<p>Software Development Unit Software development, design, data storage, protection and updating.</p> <p>Promotional Operations Unit Finding IT solutions by the Promotion Operations Unit and preparation of studies and project required by the Department. Promoting customized software and assisting in the operation of the postal network.</p> <p>Hardware and Networking Unit This unit identifies&provides therequired hardware, Acts on maintenance works and maintains the Postal Department's official email service,the main server system and Disaster Recovery Unit and provides Internet access to maintain the continuity of the postal network .</p>
Marketing Section	<p>Preparing an annual marketing plan, Conducting market surveys, Advertising on printed social media and Introducing new services by giving a distinguished place in the Postal Department for Marketing.</p>

Below Section operates under the direct supervision of the Postmaster General

Section	Tasks
Investigation Division	<p>Providing necessary assistance to the disciplinary authority regarding the disciplinary control of the Departmental staff</p>

Financial Division

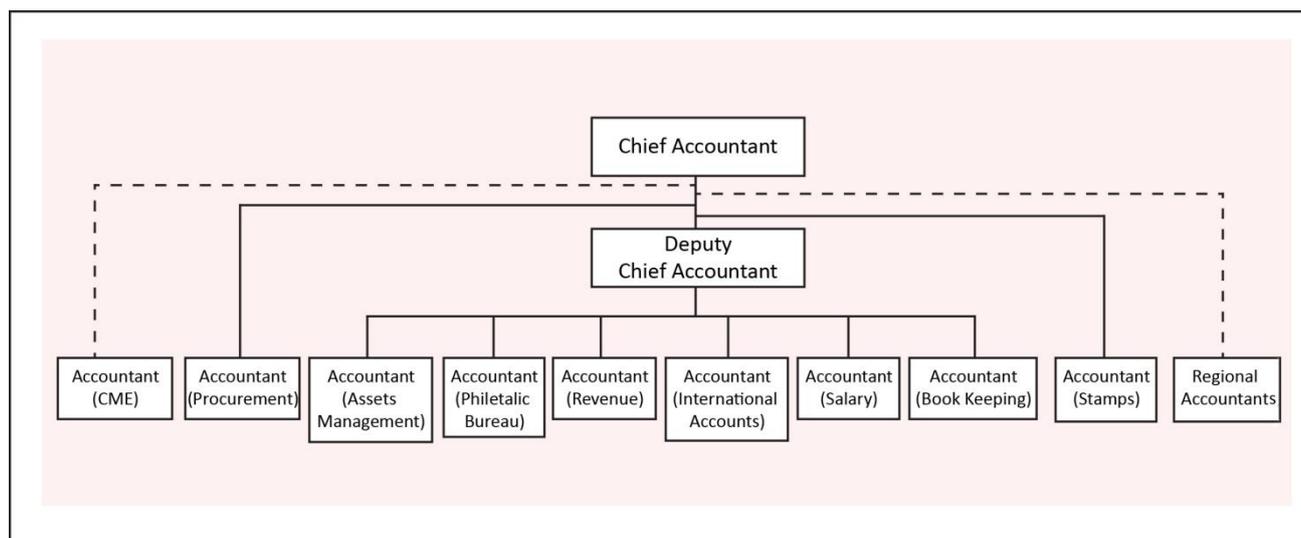


Figure 1.4: Outline of the Financial Sector

Division	Tasks
Deputy Chief Accountant	Administration and supervision of all departmental Bank accounts Making payments to the agents contracted with the Department. Administration of the imprest
Procurement Section	Supply of services and procurement of goods in accordance with the Annual Procurement Plan under the provisions of the Government Procurement Guidelines and the Procurement Manual.
Asset Management Section	Duly updating and maintaining the fixed assets of the Department.
Revenue Section	Taking actions to accounts of all receivables due to the Postal Department, Maintaining Western Union Bank account. Preparation of Monthly, Semi-annual, Annual reports to be sent to the Inland Revenue Department, Treasury&Central Bank.
Salary &Other Payments Section	All related duties including preparing of salaries of all staff in all divisions of the Staff. Payment of vouchers received from the Procurement Division and Payment for purchases made from other divisions, dealing with the advance B account of Public Officers and carrying out the activities related to submission of W &OP contribution details.

International Accounts Section

Making payments for the transportation of mail bags,
Preparing accounts related to foreign Postal
Administrations

Book Keeping Section

Submitting Departmental monthly account summary
to the Treasury
Coordinating with the Treasury
Preparation of Annual Accounts
Comparison with departmental account books and
Treasury accounts
Comparison and coordination with District Accounts
Offices

Stamp Vault

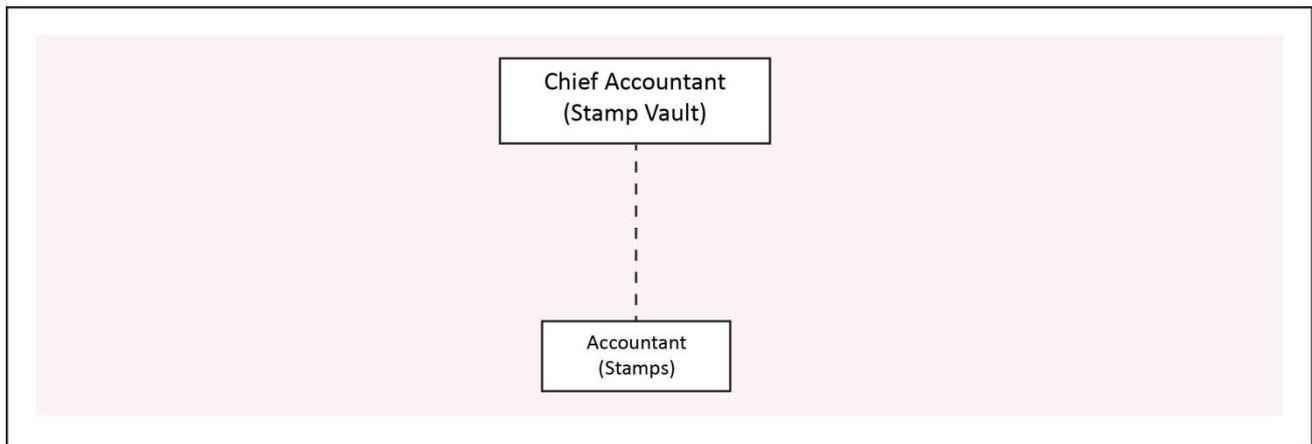


Figure 1.5: Outline of the Stamp Vaults

Division	Tasks
Stamp Vault	Supervision of receiving and issuing of Stamp bulk. Stamp bulk management and computerization of stamp bulk data

Audit Division

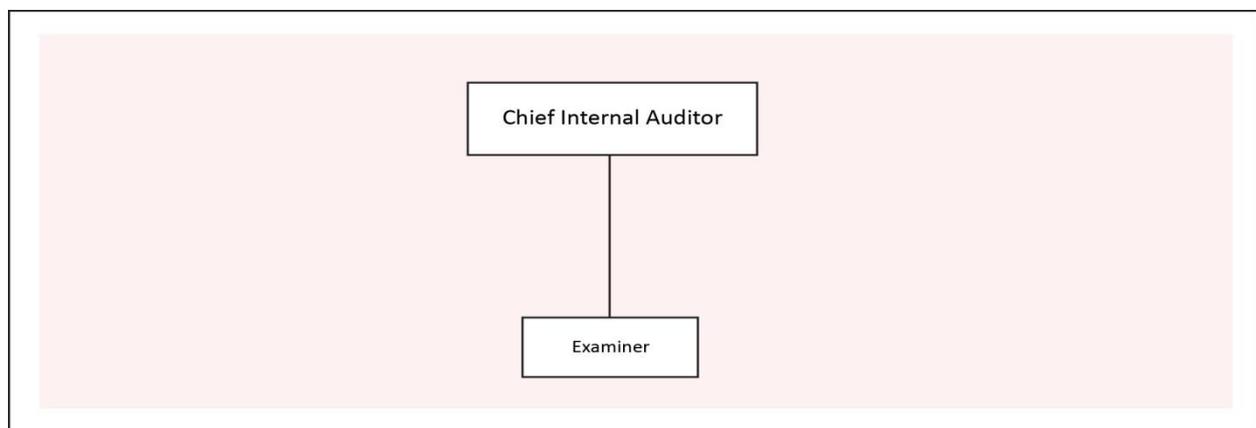


Figure 1.6: Outline of the Audit Division

Division	Tasks
Audit Division	Conducting Departmental internal audit process

Provincial Administration

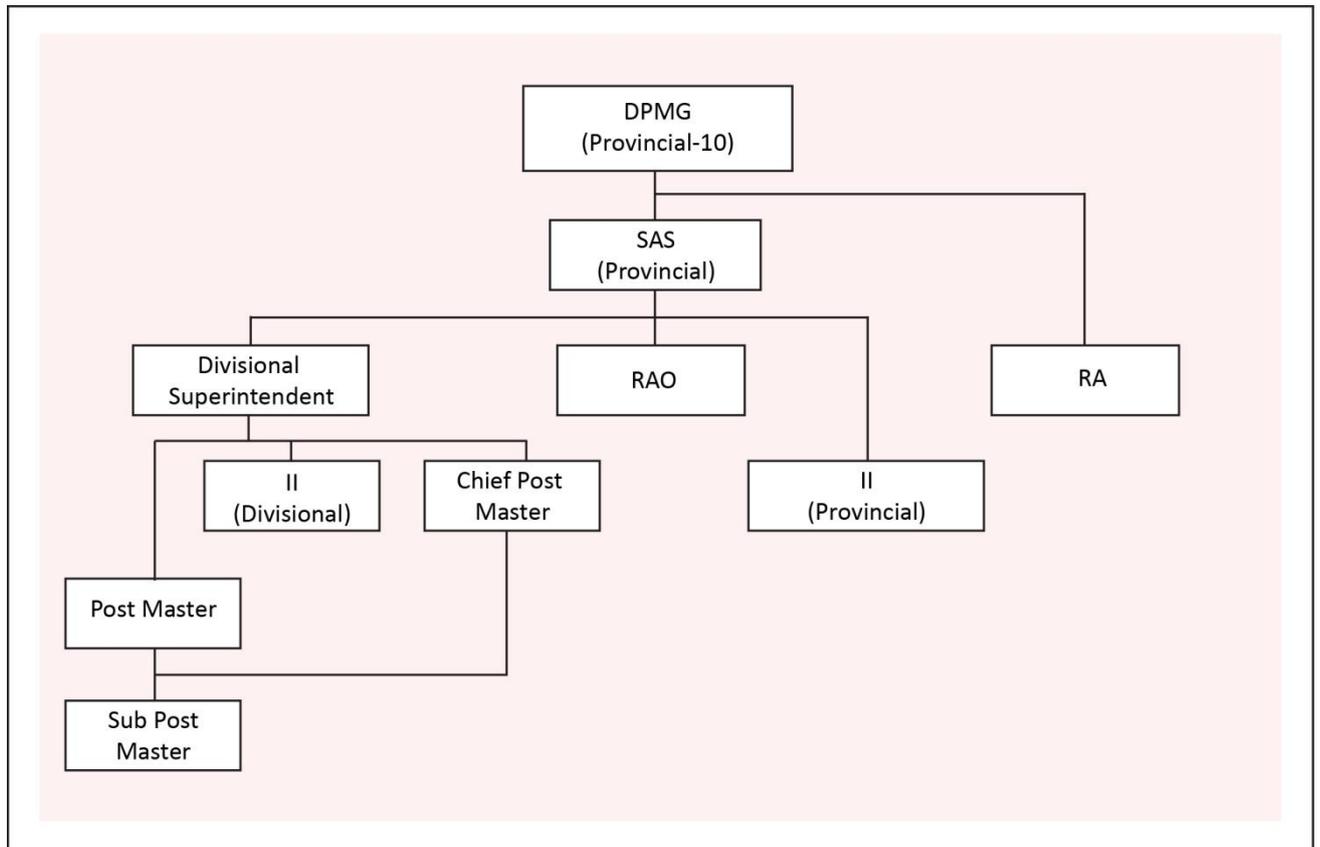


Figure 1.7 Provincial Administrations

The Provincial Administration of Sri Lanka Post has been decentralized to provide maximum service to the customers who obtain postal and postal related services covering the entire country and 10 Postal Administration Divisions carry out their postal operations under the full supervision of 10 Deputy Postmasters.

2. Progress and the Future Outlook

2.1 Progress

2.1.1 Progress of Deploying the Postal Department Capital Funding

Progress from 1st January 2020 to 31st December 2020

Table 2.1

Code	Object	Allocation 2020 Rs Mn.	Expenditure	Financial Progress %	Physical Progress %
Rehabilitation & Improvement					
308-02-01-2001	Building Repair and Rehabilitation	119.308	103.791	85	90
308-02-01-2002	Office Equipment Repair	12.414	6.922	56	80
308-02-01-2003	Vehicles Repair	11.867	11.395	96	98
Acquisition of Capital Assets					
308-02-01-2102	Purchase of office equipment	55.855	49.773	89	95
308-02-01-2104	New Building	109.574	62.399	57	38
308-02-01-2103	Purchase of Plant Machinery	15.100	1.651	10	65
308-02-01-2401	Training & Capacity Building	13.610	7.765	57	68
308-02-01-2509	Other Investments	2.328	0.427	18	60

*Purchase of 50 Francking Machines by 2020 as a result of the requests made for many years to remove dilapidated stamp Francking Machines older than 15 years and purchase new ones.

** Purchase of 300 new desktop computers to meet the urgent computers need of the Department.

***Annex 03

2.1.2 Building Repair and Rehabilitation (308 – 02 – 01 –2001)

Progress from 1st January 2020 to 31st December 2020

Table 2.2

Project	Allocated Provisions (Rs.Mn.)	Financial Progress (Rs.Mn.)	Financial Progress %	Physical Progress%
Southern Province	9.458283	7.007173	99	100
Western North	6.005005	3.841164	63	70
Western -South	14.836895	11.219687	76	85
Central Province	19.431392	19.377062	99	100
Eastern Province	6.775440	6.503614	96	100
Uwa Province	6.220180	6.220124	100	100
North- Central	14.100000	14.088670	100	100
North Western	7.825433	3.715515	47	60
Northern Province	3.932362	3.810589	97	100
Sabaragamuwa Province	11.287435	7.943059	70	65
Central Mail Exchange	17.456223	16.885198	97	100
Postal Headquarters	1.946647	1.685867	87	90



Figure 2.1: Modernized Counters

These provisions have also been used to modernize the Post Office Counter System to make it more attractive

Financial Progress up to 31.12.2020

Table 2.3

2020 Annual Revenue Target (Rs, million) (Amended)	Revenue collected up to 31.12.2020 (Rs, million)	Progress %
6,500	6,360	97.59

It is a great achievement for the Department of Posts to be able to achieved 98% of its revenue target by the year 2020, despite the disruption of normal postal operations due to the global Covid epidemic. The progress of capital expenditure is 71% and recurrent expenditure is 97%. Despite the disruption of railway and SLTB transport during challenging times, the Department of Posts was able to manage essential services by using its limited transport facilities.

2.1.3 Special Project Progress (CSR Programs)

Conducting Distribution of Essential Medicines to Clinical Patients

At the request of the Presidential Task Force on Corona suppression National economic revival and poverty alleviation and the Director General of Health Services, the Department of Posts has distributed 1,247,328 essential medicines to clinically ill patients who have been inconvenienced due to the reduction of travel restrictions in the country due to the Covid global epidemic situation by obtaining it from the hospitals to their doorstep.



Figure 2.2: Carrying out Medicine Distribution Activities

In the event of an emergency, by fulfilling its social responsibility well, distribution of goods was made to the customers who have ordered the goods by the Sathosa and distribution of telephone recharge cards was also made in collaboration with the telephone companies to facilitate the communication of the people in the isolated areas.

Another step in fulfilling the Environmental Welfare Responsibility of the Department of Posts is the program to collect and dispose of e- waste, which is harmful to the environment and human health, through the island wide network of post offices throughout the island. While the Postal Department is performing the assigned duties, by giving the full support of the entire staff, during the **Postal Week** named in line with the **World Post Day 2020**, collection of e- waste discharged into the environment without proper management was made from **05th day of October 2020 to 10th day of October 2020** at post offices island wide. Subsequently, nearly **100 tons** of e- waste was handed over to the District Offices of the Central Environmental Authority for handing over to the e- Waste Collection Agencies registered with the Central Environmental Authority from **12th October 2020 to 16th October 2020**.



Figure 2.3: Electronic Waste Collection

Planting of Indigenous Herbal Plants

In line with the Indigenous Herbal Development and Conservation Project launched with the objective of guiding the community for the expansion and conservation of medicinal plants to meet the indigenous medicinal needs of Sri Lanka, Indigenous Herbal Planting Programme was carried out at the post offices and sub post offices level and its inauguration ceremony was held at the Galgamuwa Post Office premises with the participation of Post Master General & its staff.



Figure 2.4: Planting Medicinal Plants



Figure 2.5: Conducting a program to plant 200 Mee seedlings and distribute plants in line with the World Environmental Day

Conducting CSR (Community Social Responsibilities) Programs

Various CSR programs have been implemented at the provincial level by reaching out the strong branch network of the Postal Department to the heart of the people closely.



Figure 2.6: Provincial Blood Donation Programs



Figure 2.7: Provide school equipment to school children as a CSR program

Sri Lanka Post is service oriented government institute with island wide network. We therefore believe that we are committed to the well-being of the community and the environment. Accordingly, we have launched various community based projects to uplift the living standards of the people as well as protect the environment.

2.2 Challenges

2.2.1 Impact and competitiveness having focused from market concurrent services supplying institutes.

E.g. Local and Foreign Postal Courier Service Companies

2.2.2 Inadequate allocations to the Postal Department to develop the infrastructure required to provide IT based services in line with the competition from market concurrent service providers. Inability to expand the Post Office Networking works up to 3410 Sub Post Offices which are the service facilities providing centers for the rural masses up to now.

- 2.2.3 Non receiving of adequate provision for the physical development activities of the Postal Department - A large number of post offices located in the buildings belonging to the Postal Department are in a very old state. Therefore, those post offices should be renovated as attractive service stations with modern facilities providing qualitative services through the repair.
- 2.2.4 Lack of cost-based pricing method
Since the Sri Lanka Postal Service is operating as a service oriented government organization and the pricing structure is not controlled on the market effect and but it is fully controlled by the Treasury and Parliament, the cost truly expended for the services is not included to the pricing mechanism for the services. As a result, the Treasury has to cover the difference in the current prices and actual costs of postal services through its annual accounts.
- 2.2.5 Departmental vehicles and public transport services are mainly used for postal transport. More than 50% of the departmental vehicles used for transportation are over 15 years old. There are also weaknesses and disruptions in the public transport service (Railways and SLTB). This too has had a severe adverse effect on the quality of the postal service. But this is a phenomenon beyond the control of the post office.
- 2.2.6 Inadequate provision for staff training.
Since the annual provisions to plan capacity development and attitude development programs for nearly 27,000 staff belonging to various grades in the Department is insufficient, it has been a very difficult task to prepare the Human Resource Plan to provide at least 12 hours of training per year to each staff member as per the Public Administration Circular 02/2018
- 2.2.7 Trade union activities
Due to the lack of proper solutions to the demands made to improve their working conditions over a long period of time, the constant impact of trade unions on institutional development and goal attainment has been more impacted.
- 2.2.8 Lack of provisions to follow the methods for advertising activities
The Department of Posts has not limited only provide its traditional postal services to the public, but has also introduced innovative and value-added services that are adapted to the new technology. But there are no adequate provisions for giving a wide advertising.

2.3 Future Goals

- 2.3.1 Implementation of the Business Development Plan prepared under 11 strategies with a view to achieving the balance between income and expenditure within a period of five (05) years to mitigate the adverse impact of the Postal Department on the annual budget.
- 2.3.2 Achieving a 10% revenue growth for the year 2021 compared to the year 2019
- 2.3.3 Reducing departmental operating expenses by 5% by taking measures to maintain expenditure management and financial discipline as per National Budget Circular 04/2019.
- 2.3.4 Attractive Business Centers – (SMART POST OFFICE)

Convert all the post offices as the Commercial Centers to provide multiple self-services to maximize customer satisfaction by creating an attractive environment in all Post Offices.

- 2.3.5 Improving the standard of delivery of courier items – Creating a growth to deliver the postal goods received to deliver in major cities within 12 hours in some delivery areas and other within 24 hours.
- 2.3.6 Human Resource Development– Organizing required training programs to motivate the staff by developing their knowledge, skills and attitudes as required to achieve the future goals of the department..
- 2.3.7 Instead of competing with other institutions in the field of e-commerce, conquering a competitive market by following the participatory methodology
Ex. Identification of e-commerce active international companies (Ex-amazon/ebay/alibaba /other) and acting as a local distribution agent in those institutions (Last Mile Delivery& Pickups).
- 2.3.8 Implementation of Productivity Programs
- 2.3.9 Carrying out the Programs to implement the policies in the Declaration of the Ten Commandments Policies implemented unger the theme of "Surakshitha Deshayak – Saubhagyamath Ratak”
- 2.3.9.1 Sustainable environmental management.
- Implementing programs in line with the Government Policy for Sustainable Environmental Management.
 - Converting all premises into non-perishablewaste disposal sites
 - Implementation of planting programs
- 2.3.10A technology-based society
- Upgrading existing software systems.
 - Creating new software.
 - Preparation of project proposals to obtain funds required for procurement of hardware.
 - Making post offices as hubs for people in rural areas to access online services
- 2.3.11. Utilizing digital technology for existing goods and services to upgrade and improve as value added services


.....
Ranjith Ariyaratne
Postmaster General

03.Overall Financial Performance for the year ended 31.12.2020

3.1 Statement of Financial Performance

ACA-F

Statement of Financial Performance for the year ended 31.12.2020

Table 3.1

Rs.,000

Budget (Current year)	Note	Actual		
		Current year 2020	Previous Year 2019	
-	Revenue receipts			
-	Income taxes	1	-	-
-	Local goods and services tax	2	-	-
-	Tax on international trade	3	-	-
-	Non tax revenue and others	4	6,360,685,035.00	8,396,064,408.00
	Total Revenue receipts			
-	(a)		6,360,685,035.00	8,396,064,408.00
-	Non-Revenue receipts		-	-
-	Treasury imprest		5,605,000,000.00	2,916,000,000.00
-	Deposits		198,890,551.00	160,389,977.00
-	Advance Accounts		574,788,769.00	787,438,669.00
-	Receipts for services related to contracting agencies		153,494,419,698.00	170,556,272,936.00
-	Receipts to Stamp Bulk Account		2,763,666,763.00	3,438,668,413.00
-	Receipts of E.P.F.		-	210,560.00
-	Other receipts		4,405,898,260.00	5,905,655,779.00
-	Total Non-Revenue receipts (b)		167,042,672,041.00	183,764,636,334.00
-	Total Revenue receipts and Total non-Revenue receipts		173,403,357,076.00	192,160,700,742.00
	c= (a) + (b)			
	Less :Expenses			
13,226,564,000.00	Recurrent expenditure			
	Wages, salaries and other employees benefit	5	13,060,906,999.00	12,422,583,387.00
1,117,271,000.00	Other goods and services	6	865,702,663.00	1,199,366,234.00
94,266,000.00	Subsidies, Subsidies grants and transfers	7	92,338,628.00	89,622,526.00
-	Interest payments	8	-	-
2,383,000.00	Other Recurrent expenditure	9	2,101,906.00	9,221,609.00
14,440,484,000	Total Recurrent expenditure (d)		14,021,050,196.00	13,720,793,756.00
	Capital expenditure			
143,589,000.00	Renovation and	10	122,109,430.00	114,195,180.00

	improvements of capital assets				} ACA 2 (II)
181,228,000.00	Acquisition of capital assets	11	115,663,584.00	168,209,550.00	
-	Capital transfers	12	-	-	
	Acquisition of financial assets	13	-	-	} ACA-4 ACA-5
13,610,000.00	Capacity building	14	7,765,028.00	16,573,573.00	
2,328,000.00	Other Capital expenditure	15	427,500.00	2,871,435.00	
340,755,000.00	Total Capital expenditure (e)		245,965,542.00	301,849,738.00	
	Capital ledger expenditure (f)		156,704,356,922.00	175,173,674,410.00	
	Deposits payments		156,400,698.0	165,208,358.00	
	Advance payments		514,778,922.00	843,463,156.00	
	Paying money to contracting agencies for the related Services		153,384,375,561.00	170,029,867,824.00	
	Payment to Stamp Bulk Account		2,648,801,741.00	3,534,924,512.00	
	Payment to E.P.F.		-	210,560.00	
	Payment of imprest to the treasury		-	600,000,000.00	
	Total Expenditure g =(d+e+f)		170,971,372,660.00	189,196,317,904.00	
	Imprest balance as at 31 December 2020h=(c-g)		2,431,984,416.00	2,964,382,838.00	
-					

3.2 Statement of Financial Position

Statement of Financial Position as at 31.12.2020

ACA-P

Table 3.2

Rs.,000

	Note	Actual	
		Current year 2020	Previous Year 2019
<u>Non-Financial Assets</u>			
Property, Plant and Equipment	ACA -6	3,043,872,601.00	2,957,700,464.00
<u>Financial Assets</u>			
Advance account	ACA-5/5(a)	1,898,358,447.00	1,958,368,294.00
Stamp bulk account		1,338,635,765.00	1,453,500,787.00
Cash and cash equivalent	ACA -3	367,525,559.00	354,796,533.00
Total assets		6,648,392,372.00	6,724,366,078.00
<u>Net assets/equity</u>			
Net assets		2,222,389,924.00	2,549,806,783.00
Property, Plant and Equipment Reserve		3,043,872,601.00	2,957,700,464.00
Rent and works advance reserve	ACA -5(b)	-	-
<u>Current liabilities</u>			
Deposit accounts	ACA -4	71,792,885.00	29,295,032.00
Money payable to contracting agencies for the related Services		942,811,403.00	832,767,266.00
Imprst balance	ACA -3	367,525,559.00	354,796,533.00
Total Liabilities		6,648.392,372.00	6,724,366,078.00

Accounts information presenting in the formats from ACA 1 to ACA 6 mentioned from page 15 to page 16 and accounts notes included from page 15 to page 16 are included parts of this final account. As revealed by the notes in these financial statements, most suitable accounting policies have been used. It is hereby certified that the figures mentioned in the following final accounts, relevant accounts notes and other accounts information have been compared with the Treasury accounts books and those agreed with that futures.


 Chief Accounting Officer
 Name:
 Designation:
 Date:
Jagath P. Wijeweera
 Secretary
 Ministry of Mass Media
 Asidisi Medura, No. 163, Elvitigala Mawatha,
 Polhengoda, Colombo 5


 Accounting Officer
 Name: **Ranjith Ariyaratne**
 Designation: **Registrar General**
 Date: **2021.06.15**


 Chief Accountant
 Name:
 Designation:
 Date: **2021.06.10**
R. V. A. L. Rajapaksha
Chief Accountant
Department of Posts
Colombo 10

3.3 Statement of Cash Flow

Statement of Cash Flow for the year ended 31 December 2020

ACA -C

Table 3.3

	Actual Rs.000	
	Current year 2020	Previous year 2019
Cash flows generating from operational activities		
Total taxes receipts		
Fees, Surplus, fines and licenses		
Profit		
Non-revenue receipts	4,487,401,478.00	5,749,524,631.00
Revenue collected for other Heads	4,405,898,260.00	5,905,655,779.00
Imprest receipts	5,605,000,000.00	2,916,000,000.00
Receipts for services related to contracting agencies	153,494,419,698.00	170,556,272,936.00
	2,763,666,763.00	3,438,668,413.00
Receipts to Stamp Bulk Account E.P.F	-	210,560.00
Total Cash flows generating from operational activities (a)	170,756,386,199.00	188,566,332,319.00
Less Cash disbursed for ;		
Personal emoluments and operational expenses	13,972,540,207.00	13,666,963,038.00
Subsidies and transfers expenses	38,550,697.00	39,661,617.00
Expenses incurred for other heads	559,052,095.00	441,413,373.00
Imprest settled to the Treasury	-	600,000,000.00
Paying money to contracting agencies for the related Services	153,384,375,561.00	170,029,867,824.00
Payments to stamp bulk accounts	2,648,801,741.00	3,534,924,512.00
PSPF	-	210,560.00

Total cash flow expended for operational activities (a)	170,603,320,301.00	188,313,040,924.00
Total net Cash flows generating from operational activities (c) =(a)-(b)	153,065,898.00	253,291,395.00
<u>Cash flows from investing activities</u>		
Interest	-	-
Dividends	-	-
Title removing provisions and sale of physical assets	-	-
Recovery of sub loans	-	-
Recovery of advances	575,668,449.00	786,156,928.00
<u>Cash flows generating from financial activities</u>		
Local borrowings	-	-
Foreign borrowings	-	-
Grants receipts	-	-
Deposit receipts	198,868,481.00	160,389,977.00
Total Cash flows generating from financial activities(h)	198,868,481.00	160,389,977.00
<u>Less – Money Expenses;</u>		
Re-paying of Local borrowings	-	-
Re-paying of Foreign borrowings	-	-
Deposit payments	156,370,628.00	165,208,358.00
Total cash flow expended for financial activities (i)	156,370,628.00	165,208,358.00
Cash flowa generationg from Financial activities (j)=(h)-(i)	42,497,853.00	-4,818,381
Net changes in money (k) = (g) - (i)	12,729,026.00	-101,157,768
Opening cash balance as at 01 January	354,796,533.00	455,954,301.00
Final cash balance as at 31 December	367,525,559.00	354,796,533.00

3.4 Financial Statement Notes

Basis of Reporting

- Reporting Period**
 The reporting period for these financial Statements is from 01st January to 31st December 2020.
- Basic of Measurement**
 The financial statements have been prepared on historical cost and historical cost of certain assets has been increased to re assessed value. Preparing of accounts are made on modified cash basis, unless otherwise specified.
 Financial statements have been presented in Sri Lankan rupees rounded to the nearest rupee.
- Recognition of Revenue**
 Exchange and Non exchange revenues are recognized on the cash receipts during the accounting period irrespective of relevant revenue period
- Recognition and Measurement of prosperity, Plant and equipment**
 Property, Plant and equipment are recognized when it is probable that future economic benefit associated with the assets will flow to the entity and the cost of the assets can be reliably measured. Property, Plant and equipment are measured at a cost and revaluation model is applied when cost model is not applicable.
- Property, Plant and Equipment Reserve**
 These reserves account is the corresponding account of Property, Plant and Equipment.
- Cash & Cash equivalents**
 Cash & cash equivalents include local currency notes and coins on hand as at 31st December 2020

3.5 Performance of the Revenue Collection

Table 3.5

Rs.000

Revenue Code	Description of the Revenue code	Revenue Estimate		Collected Revenue	
		Original Estimate	Final Estimate	Amount	As a % of final revenue
2001.02.00	Postal revenue	8,650,000	6,500,000	6,360,685	97.86

3.6 Performance of the utilization of Allocation

Table 3.6

Rs.000

Type of Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
	Original Allocation	Final Allocation		
Recurrent	14,440,484	14,439,337	14,021,050	97.1
Capital	340,755	341,902	245,965	71.94

3.7 In terms of F.R. 208, grant of Allocations to this Department as an agent of the other Ministries/ Department

Table 3.7

Rs.,000

Serial No.	Allocation Received from which Ministry Department	Purpose of the Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
			Original Allocation	Final Allocation		
1	Ministry of Finance, Economic & Policy Development	Payment of Graduate Trainees' Allowance	-	3512	3512	100
2	Ministry of Public Service & Local Government	Payment of Graduate Trainees' Allowance	-	1840	1840	99.9

3.8 Performance of the Reporting of Non Financial Assets

Table 3.8

Rs,000

Assets code	Code description	Balance as per Board of Survey Report as at 31.12.2020	Balance as per financial position Report as at 31.12.2020	Yet to be Accounted	Reporting Progress as a.%
9151	Buildings and Structures	340,824,300	340,824,300	-	100
9152	Machinery	1,842,988,062.11	1,842,988,062.11	-	100
9153	Lands	705,043,700	705,043,700	-	100
9154	Intangible Assets	-	-	-	-
9155	Biological Assets	-	-	-	-
9160	Work in progress	143,016,539.68	143,016,539.68	-	100
9180	Lease Assets	12,000,000.0	12,000,000.0	-	100

3.9 Auditor General's Report– Annexure02

04. Performance Indicators

4.1 Performance Indicators of the Institute (Based on the Action Plan)

Table 4.1

Specific Indicators	Actual output as a percentage(%) of the expected Output		
	100% - 90%		100% - 90%
Achieving 100% of the estimated revenue target	97.8% The estimated revenue target for 2020 is Rs. 6,500Mn. The revenue earned by the Department in 2020 is Rs. 6,360.68 Mn. The revenue target has been achieved by 97.8% due to the disruption of postal operations in the wake of the Covid epidemic situation in the country		
Total revenue growth by 10% over the previous year	It was unable to achieve the target Disruption of postal operations works in the wake of the Covid epidemic situation in the country		
2.Renovation of administrative and post office buildings projects under the Head of Capital and Improvement Expenditure	Physical Progress 90%	Financial progress 86%	
3.Increasing of revenue by 10% compared to the previous year growth by operating of the philatelic bureau as a business institute on a business plan.	It was unable to achieve the target. Even though there was a disruption of Postal operations works in the wake of the Covid epidemic situation in the country, revenue of 6,411,979.00 has been earned for the year 2020.		
4.Minimising the negative impact to the Treasury by 5% through recurrent expenditure compared to the previous year .		It was unable to achieve the target	
5. Improving Speed Post Courier service and revenue by 10%	It was unable to achieve the target. Even though there was a disruption of postal operations works in the wake of the Covid epidemic situation in the country, Revenue of 93,974,092.00 has been earned for the year 2020.		

	recycling. Awareness of all by 2030 on knowledge and information on sustainable development and eco-friendly lifestyles.	to the District Offices of the Central Environmental Authority for giving them to collection agencies.			
4. Goal 15 Protect, restore and promote sustainable use of terrestrial ecosystems,sustainably manage forests,combatsdesertification,and halt and reverseland degradation and halt biodiversity loss	Raising tree planting	In line with Indigenous Herbal Development and Conservation Project implemented by the Ministry of Indigenous Medicine Promotion, Rural and Ayurvedic Hospital Development and Community Health (As per the instructions of the letter No: 02/03/60/0203 and dated 02.09.2020 of that Ministry and as per the instructions of the letter No: 02/03/60/0203 and 02.092020 of the Ministry of Local Ayurveda) Implementation of programs in postal premises.Accordingly Planting of Indigenous herbal plants island wide at post and sub post office level			✓
5. Goal 09 Build resilient infrastructure,Promote inclusive and sustainable industrialization and foster innovation	Creating access to the Internet and new technology for all by 2020	For the year 2020, 56 sub post offices have been provided with new internet facilities.	✓		
6. Goal 04 Ensure inclusive and equitable quality education and promote loifelong learning opportunities for all	Providing lifelong learning opportunities for all	Conducting training courses covering the entire staff of the Postal Department Providing maximum contribution in selecting post office premises for field studies of school		✓*	✓ ✓

		children Providing postal museum services at the headquarters			
7. Goal 16 Promote peaceful and inclusive societies for sustainable development, Provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	Minimizing all forms of corruption and bribery and developing institutions with efficient transparency in everywhere	Maintain a strong internal audit system. Carrying out urgent investigations and annual Investigations by the decentralized investigation in division wise, controller (investigations) Office and regional level and dealing with reported irregularities			✓

*The Covid global epidemic has hampered the continuation of internal training.

5.2 Challenges in Achieving the Sustainable Development Goals (SDGs)

The Department of Posts utilizes existing resources more efficiently and with better management in achieving the Sustainable Development Goals. However, the lack of adequate funding for the implementation of certain projects is a challenge.

Vacancies in various grades existing in the Department of Posts and the cost incurred for services such as Elderly Allowances, Public Allowances, Government Pensions, Disease Payments, Displaced Public Allowances, etc., which are operated free of charge, have increased significantly.

The physical resources of the department (eg buildings, vehicles) become obsolete. New provisions are required to change them to suit the sustainable development objectives

The Department does not pursue a specific Sustainable Development Goal, but directly or indirectly assists in achieving many of the Sustainable Development Goals. However, despite the challenges, Sri Lanka Post is committed to achieving the Sustainable Development Goals for the benefit of the people of Sri Lanka by utilizing its limited resources.

06. Human Resource Profile

6.1 Cadre Management

Table 6.1

	Approved Cadre	Existing Cadre	Vacancies / (excess)**
Senior	125	64	62
Territory	147	89	164
Secondary	8,865	7,254	1611
Primary	13,279	13,150	129

6.2 How the Shortage or eExcess of Human Resources has Affected the Performance of the Organization

There are about 1,965 vacancies in various grades in the Postal Department and that shortage has adversely affected the efficiency and quality of the operational process. The number of vacancies for Level II / III Officers in the Postal Operating System is around $\frac{1}{4}$ of approved cadre. This has had an impact on the release of officers for operating system affairs as well as training programs.

At present, although there has been a decline in the circulation of personal letters, there has been a significant increase in the capacity of business letters, packets and parcels.

Due to population growth and urbanization, there is an urgent need for the replacement of the delivery staff through a formal work study, the approval of new posts, the provision of facilities for the delivery system such as bicycles, pedestrians instead of motorcycles and the easing of restrictions on distribution.

6.3 Human Resource Development - Annex 3

How Training programs have contributed to the Performance of the Organization

Training programs are implemented under an annual training plan in the department and for which an annual budget allocation is made. The data in the table below show the provisions allocated annually.

Provision Expenditure under Training Head

Table 6.3

Year	Annual Provisions (Rs. M.)	Revenue (Rs. Mn.)
2010	5.5	4,572
2011	5	4,408
2012	5.5	4,952
2013	9	5,908
2014	10	6,557
2015	17	6,711
2016	11	6,578
2017	15	6,996
2018	20	7,709
2019	17.0(20)*	8,396

*Before reducing the 25% allocation

Being able to implement qualitative training programs contributes to the development of staff attitudes and capacity building for the performance of the organization. It is also observed that the promotion of services and revenue collection has increased due to the training programs designed to change the attitude of the postmen in particular. It was a challenge to continue the training programs due to the Covid global epidemic in 2020.

07. Compliance Report

Table 7.1

No.	Applicable Requirement	Compliance status	Brief explanation for Non Compliance	Corrective actions proposed to avoid non compliance in future
		(complied/ Not complied)		
1	The following financial statements/accounts have been submitted on due date			
1.1	Annual Financial statements	Complied		
1.2	Advance to public offers account	Complied		
1.3	Trading and manufacturing Advanced Accounts (commercial Advance Accounts)	Not applicable		
1.4	Store advance Accounts	Not applicable		
1.5	Special Advance accounts	Not applicable		
1.6	others	Not applicable		
2	Maintenance of books and registers(F.R.445)			
2.1	Fixed Assets register has been maintained and update in terms of public Administration circular 267/2018	Complied		
2.2	Personal emoluments register / Personal emoluments cards has been maintained and updated	Complied		
2.3	Register of Internal Audit queries has been maintained and updated	Complied		
2.4	Register of Internal Audit reports has been maintained and updated	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied		
2.6	Register for cheques and money orders has been maintained and updated	Complied		

2.7	Stock Register has been maintained and updated	Complied		
2.8	Stock Register has been maintained and updated	Complied		
2.9	Register of losses has been maintained and updated	Complied		
2.1	Liability Register has been maintained and updated	Complied		
2.11	Register of counter foil books(GA – N20) has been maintained and updated	Complied		
3	Delegation of functions for financial control (F.R.135)			
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial authority has been communicated\within the institute	Complied		
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied		
3.4	The controls has been adhered to by the accountants in terms of state Account Circular 171/2004 date 11.05.2014 in using the government payroll software package	Complied		
4	Preparation of Annual Plans			
4.1	The annual action plan has been prepared	Complied		
4.2	The annual procurement plan has been prepared	Complied		
4.3	The annual internal audit plan has been prepared	Complied		
4.4	The annual estimate has been prepared and submitted to the National Budget Department (NDB on due date	Complied		
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied		
5	Audit Queries			
5.1	All the audit queries have been replied within the specified time	Complied		

	by the auditor General			
6	Internal Audit			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of financial Regulation 134(2)DMA/1-2019	Complied		
6.2	All internal audit reports have been replied within one month	Not complied	As per the current organizing structure, there will be a delay when getting the regional information to the Head Office. Replies have been provided to 85% within one month.	
6.3	Copies of all the internal audit has been submitted to the Management Audit Department in terms of sub-section 40(4)of the National Audit ActNo.19 of 2018	Complied		
6.4	All the copies of internal audit reports have been submitted to the Auditor General in term of F.TR. 134(3)	Complied		
7	Audit and Management Committee			
7.1	Minimum 04 meetings of the Audit and Management committee has been held during the year as per the DMA Circular 1-2019	Not complied	According to the DMA / AMC / M / 2020 / S-4 Circular, even though it is mentioned that 02 audit and management committee meetings are required to be held for at least the 3rd and 4th quarters, The audit committee was held only for the 3rd quarter as the quarantine curfew was imposed in the 4th quarter.	
8	Asset Management			
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's office in terms of paragraph 07 of the Asset Management Circular No.01/2017	Complied		

8.2	A suitable liaisons officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the Comptroller General's office in terms of paragraph 13 of the aforesaid circular	Complied		
8.3	The board of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 05/2016	Complied		
8.4	The excesses and deficits that were disclose through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular	Complied		
8.5	The disposal of condemn articles had been carried out in terms of FR 772	Complied		
9	Vehicle Management			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the auditors General on due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Not complied	Identifying the recommendations of the various investigating committees and disposal methods takes more time.	
9.3	The vehicle logbooks had been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 103,104,109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re-tested in terms of in terms of the provisions of paragraph 3.1 of the Public Administration Circular No.30/2016 of 29.12.2016	Complied		

9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term	Complied		
10	Management Bank Accounts			
10.1	The bank reconciliation statement had been prepared, got certified and made ready for audit by the due date	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous year settled	Complied		
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and those balances been settled within one month	Complied		
11	Utilizations of provisions			
11.1	The provisions allocated had been spent without exceeding the limit	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the F.R.94(1)	Complied		
12	Advances to the public officers account			
12.1	The limit has been complied with			
12.3	The loan balances in arrears for over one year had been settled	Not complied	Failure to identify borrowers, difficulty to finding people (Dying) and not finalizing the Investigation works.	Efforts are being made to collect and recover the information required to recover the loan. . At present, an internal system has been set up to maintain the officer's internal information in granting loans.
13	General Deposit Account			
13.1	The action had been taken as per F.R. 571 in relation to disposal of lapsed deposits	Complied about 95%	Problems at the local level due to the time taken to settle the overdue transactions	Instructed has been given to act in accordance with Financial Regulation 571.

13.2	The control account for general deposits had been updated and maintained	Complied		
14	Imprest Account			
14.1	The balance in the cash book at the end of the year under review was remitted to the Treasury Operations Department	Complied		
14.2	The ad-hoc sub imprests issued as per F.R. 371 was settled within one month from the completion of the task	Complied		
14.3	The ad-hoc sub imprests had been issued as not exceeding the limit approved as per F.R. 371	Complied		
14.4	The balance of imprest account had been reconciled with the treasury books monthly	Complied		
15	Revenue Account			
15.1	The refunds from the revenue had been made in terms of the relevant regulations	Complied		
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account	Complied		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR176	Complied		
16	Human Resource Management			
16.1	The staff had been maintained within the approved cadre	Not complied	Granting appointments to those who have completed 180 days of service as per Circular No. 25/2014 and granting unrestricted promotions to Grade I according to the scheme of recruitment.	
16.2	All members of staff have been issued a duty list in writing	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied		

17	Provision of information to the public			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right to Information Act and Regulations	Complied		
17.2	Information about the institution to the public have been provided by website or alternative measures and it has been facilitated to appreciate /allegation to public against the public authority by the website or alternative measures	Complied		
17.3	Reports have been submitted twice a year or once a year as per section 08 and 10 of the Right to Information Act.	Complied		
18	Implementing citizens charter			
18.1	A citizens /clients charter has been formulated and implemented by the institution in terms of the Circular No.05/2008 and 05/2018(1) of Ministry of Public Administration and Management	Not complied	Due to the high number of vacancies, as it has arisen practical problems to fulfill the relevant functions within the stipulated time, Implementation of this has been suspended.	
18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of citizens/clients charter as per paragraph 2.3 of the circular	Not complied	Due to the high number of vacancies, as it has arisen practical problems to fulfill the relevant functions within the stipulated time, Implementation of this has been suspended.	
19	Preparation of the Human Resource Plan			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018	Complied	Programs have been implemented at the regional level.	Arrangements have been made to update the master plan.

19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan	Complied	It was disrupted due to the Covid epidemic in the country Programs have been implemented at the regional level Number of programs -114 Number of trainees -9144	
19.3	Annual Performance Agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular	Not complied	Forms have been prepared.Actions are being made to implement this works by regional officers	
19.4	Having appointed a senior officer with the responsibility of preparing of human resource development Plan, development of capacity development Programs, implementation of skills development programs as per paragraph 6.5 of the above Circular.	Complied		
20	Response toAudit Paras			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified	Not complied	The complexity of the organizational structure	Action has been taken to rectify the financial shortcomings. Actions will being taken on the instructions gove to regularize the operational process

08. Conclusion

Sri Lanka Post is committed to playing the leading role in providing logistics services to a competitive market with the objective of providing a wide range of services, not limited to letter correspondence, in line with the aspirations and needs of the people. The Sri Lanka Posts was a source of strength to the government during the Corona epidemic.

Today, even people in rural areas are accustomed to ordering and selling goods online. Significant quantities of goods ordered online are also returned to the supplier. Infrastructure development is essential to further strengthen the contribution of the postal service in this ever-growing field and this trend is being observed in the Sri Lanka Postal Department.

In modern Sri Lanka, postal demand is centered on barter and financial exchange to meet customer needs.

- Virtual Post Offices
- Track & Trace Facilities
- Maintain a strong postal transport network for an expedited mail delivery service

Rapid developments in above areas are isessential. Accordingly, the empowered postal workforce and Post Office network will be a huge strength to the country.