

The cover features a stylized open book with two light pink pages and a dark purple border. The left page contains the text 'Annual Report' and the right page contains '2020'. Below the pages is a dark purple rectangular base with a light pink center containing the text 'Sri Lanka Atomic Energy Regulatory Council'.

**Annual
Report**

2020

**Sri Lanka Atomic Energy
Regulatory Council**

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Chairman's Message



It is with great pleasure I record this message at the time of completing the Sri Lanka Atomic Energy Regulatory Council's (Council) sixth year of its existence. The year 2020 was significant to the Council as it was possible for the Council to complete preparation of several essential documents for strengthening regulatory infrastructure of radiation safety & nuclear security and to implement effective regulatory program by performing activities related to licensing, inspection, import/export control, waste safety & radiological emergency.

The Council is in the process of reviewing draft regulations on Ionizing Radiation Protection & Safety of Radiation Sources with International Atomic Energy Agency (IAEA) relevant publications to make it compatible with most relevant IAEA publications. An interim committee was also appointed to recommend radioactive wastes clearance levels to be included to these regulations considering the socio-economic situation of the Country. It is expected to finalize these regulations within 2021.

The Council finalized regulations for the security of radioactive sources during manufacture, use and & storage and submitted to Legal Draftsman Department for clearance. After these regulations are enacted the Council will get legal powers to enforce requirements for security of radioactive sources.

The Council also drafted rule on Criteria for Qualification of Radiation Workers and these rules were discussed with relevant stake holders. The final version of this rules prepared incorporating comments of the stakeholders was approved by the Board of Management for submission to Legal Draftsman Department.

It was possible for the Council to arrange all the activities with relevant stakeholders to get approval for the National Nuclear or Radiological Emergency Management Plan from Disaster Management Council. The Council is planning to implement training activities and preparation of institutional emergency plans within 2021-2023

Sri Lanka has become parties to several treaties, conventions & agreements on nuclear safety and security. The Council is responsible for fulfillment of obligations of Sri Lanka of the above treaties and conventions as per section 12(e) of the Sri Lanka Atomic Energy Act No.40 of 2014. Accordingly, the Council is fully committed to fulfil obligations of Sri Lanka on comprehensive safeguards agreement signed by Sri Lanka in connection with the treaty on non-proliferation of nuclear weapons (INFCIRC/320). The Council has sent all required reports to the IAEA in 2020 on nuclear material accounting data.

The Council during the year under review participated in IAEA ConvEx-2b & ConvEx-3 International Emergency Response Exercises which were conducted by the IAEA International Emergency Centre (IAEA-IEC) on 12th May & 09th December 2020. These exercises were useful for our officers to practice use of IAEA emergency communication channels and exchange of information during a real nuclear or radiological emergency.

The Board of Management of the Council has given priority in this year also for recruitments and human resource development as the Council cannot function efficiently without trained and adequate number of persons for scientific and administrative work. Although, it was planned to fill all vacant posts in the cadre, interviewed has to postponed due to COVID-19 situation in the country. Arrangement has been made to conduct interviews for the vacant posts in first quarter of 2021. However, Council was able to recruit 01 Technical Assistant in July 2020.

Although it was planned to train new Scientific Officers in 2020 under IAEA fellowship programme, the training has to be postponed due to global COVID- 19 pandemic situation. However, it was possible for the Scientific Officers to attend virtual regulatory training and workshops conducted by the IAEA and other international organizations to increase their scientific knowledge on nuclear regulatory matters. The knowledge and experiences obtained from the participation of these trainings through webinars by the scientific staff will be immensely beneficial for the Council to develop its regulatory work.

The Board of Management, Director General and the staff of the Council have been instrumental in achieving the remarkable progress in implementation of nuclear regulatory activities of the Council in the year 2020 amidst covid 19 situation in the country.

In conclusion, I wish to thank the Honorable Minister & Secretary to the Ministry of Power and Honorable State Minister & Secretary to the State Ministry of Solar, Wind & Hydro Power Generation Projects Development for providing directions and support to the members of the Board of management for taking their invaluable policy decisions in the endeavors of our Council's work.

Finally, I would like to extend my sincere gratitude to Board members, all the members of the staff of Council led by the Director General, for their dedication, commitment and unwavering support throughout the year in implementing the operational activities of the Council.

I thank and wish them all well.



Sydney Gajanayake

Chairman

Sri Lanka Atomic Energy Regulatory Council

Director General's Message



It is indeed a pleasure for me to write a message for the Council's annual report consecutively for the 6th time. This sixth Annual Report of the Sri Lanka Atomic Energy Regulatory Council (Council) presents activities of the year 2020. As the Director General of the Council, it was possible for me to obtain national and international co-operations to develop radiation protection and nuclear security infrastructure of the country and strengthen the regulatory programme of the Council.

During the year under review, it was possible for the Council to issued 299 licences, 450 import and export approvals, and 150 approvals for irradiation rooms. The Council also issued 904 certificates for clearance of milk foods based on the laboratory reports of the Sri Lanka Atomic Energy Board. The Council also conducted announced and unannounced inspections to verify status of the facilities for regulatory compliance and to locate unauthorized uses of radiation sources. In total 142 inspections were conducted during the year under review. Both safety and security aspects were included in the inspections.

The Council coordinated provision of security for the high activity radioactive sources (Category 1 sources) during transport in collaboration with Special Task Force (STF) and Sri Lanka Police. Arrangements were made to transport three (03) consignments of Cobalt -60 category 1 high activity sources under the supervision of the Council from Colombo Port to Ansell Lanka (Pvt) Ltd located in the Biyagama export processing zone.

The Council has also made arrangements for an IAEA expert mission (Mr. Mamdouh Yassin Osman, Sudan Nuclear & Radiological Regulatory Authority) in 2020 to work with the Council's officers for final review of Regulations on Ionizing Radiation Protection & Safety of Radiation Sources.

The Council conducted 02 training courses during this year to radiation workers of the licensed facilities and to officers of response forces to enhance their knowledge on radiation protection and nuclear security. Due to COVID-19 pandemic situation in the country, one training course was held in virtually.

The Council has prepared & submitted two Technical Corporation Project proposals to IAEA named as "Strengthening Regulatory Infrastructure for the safety of radiation Sources "and "Strengthening the National Capabilities for Responding to Nuclear or Radiological Emergencies". The regulatory infrastructure proposal was approved by the IAEA and it is being implemented by the Council. The other proposal was also accepted and is being assessed by IAEA for approval.

Even under the COVID-19 situation the Council provided the radiation protection & regulatory services to the government and private sector institutions and attended all urgent inspections of new CT scanner facilities which are located in hospitals dedicated for Covid-19

As a whole, it is evident from the activities conducted and progress achieved during the year 2020, the year 2020 was a very successful year for the Council to implement regulatory activities satisfying requirements and mandate given by the Act.

I sincerely express my gratitude to staff of the Ministry of Power & State Ministry of Solar, Wind & Hydro Power Generation Projects and Chairman and the Board of Management of the Council and my staff who provided their assistance in implementing the activities of 2020 for achieving the above progress.



H.L. Anil Ranjith
Director General / CEO,
Sri Lanka Atomic Energy Regulatory Council

VISION

**A country protected from the
potentially harmful effects of
ionizing radiation**

**Protection of general public, patients,
radiation workers and the environment
from potentially harmful effects of
ionizing radiation by implementing an
efficient and effective regulatory
regime**



INTRODUCTION

About Us

The Sri Lanka Atomic Energy Regulatory Council (Council) was established on 01st of January 2015 by the Sri Lanka Atomic Energy Act No. 40 of 2014 (hereinafter referred to as the “Act”), with the mandate of establishing and implementing a regulatory regime for ensuring the protection of public, patients, radiation workers and the environment from potentially harmful effects of ionizing radiation and security of radioactive sources. The fulfillment of the mandate of the Act, the Council requires to establish systems for licensing and inspection of users of radiation and radioisotopes, control of import and export of radioactive materials, management of disused radioactive sources, ensuring physical protection of radioactive materials, developing national capabilities to respond to nuclear or a radiological emergency, meeting the obligations of Sri Lanka under the Safeguards Agreement with the IAEA and the establishment of the legislative and regulatory framework necessary for the above. The Council is also mandated to function as the focal point for international conventions and protocols signed by Sri Lanka in the field of nuclear safety and security.

Board of Management

The Act has provisions to appoint five members to the Board of the Council by the Minister in charge of the subject of Atomic Energy and one of whom shall be ex-officio nominated by the Minister in charge of the subject of Environment, as per Section 14(1) (a) of the Act. The members of the Board shall be consisted with the following persons;

- Three persons who are experts in the field of nuclear science and technology or radiation protection.
- One person who has experience in legal aspects connected with or relating to the objectives of the Council; and
- A senior officer not below the rank of an Additional Secretary or a Director of the Ministry of the Minister assigned the subject of Environment nominated by such Minister.

The members of the Board appointed from 29th January 2020 are as follows;

Name	Designation	Date of Appointment
Dr. D.M.S.Dissanayake	Chairman	2020-01-29
Dr. Lohitha Samarawickrama	Member	2020-01-29
Mr. Tharaka Wickramathunga	Member	2020-01-29
Mr. Sampath Chandrasena	Member	2020-06-20
Mr. M.G.W.T.B. Dissanayake	Member	2020-02-26
Mr. D.P. Wickramasinghe	Observer from Ministry of Power and Energy	2020-03-02
Mr. K.A.D. Kalubogoda	Observer from General Treasury	2020-06-21

In 2020, 08 Board meetings were held even though office was closed time to time more than 4 month due to COVID pandemic. Matters pertaining to operational activities, staff matters, finance and administration were presented to the Board for policy decisions. The Board also reviewed the physical and financial progress of the Council.

Senior Management Committee of the Council

Name	Designation
Mr. H.L. Anil Ranjith	Director General
Mr. T.H.S. Shantha	Director (Authorization)
Mr. U.W.K.H. De Silva	Deputy Director
Mr. K. N. R. Fernando	Deputy Director
Mr. K. K. P. I. K. Kadadunna	Deputy Director
Mr. S. S.K. Kolambage	Deputy Director
Mrs. L.K.A.S. Chandrasekara	Accountant
Mr. W.A.K. Lakshman	Internal Auditor

During the period under review 06 Senior Management Committee/Progress Review meetings were held to discuss the regulatory activities, staff matters & administration matters.

Executive Summery

The year of 2020 is the sixth year of the Council since its inception under the Act. The Council at present functions under the State Ministry of Solar Power, Wind, Hydropower Generation Projects Development.

The Act has delegated a mandate to the Council to ensure the responsibility of the safety of the public, patients, radiation workers and the environment from potentially harmful effects of ionizing radiation by establishing and maintaining a regulatory control system. Further, the responsibility is extended to ensure safety and security of radiation sources. The Council is also responsible for adoption of standards for protection, safety and security of sources.

In order to achieve the objectives of the Act, the Council carries out licencing of users of ionizing radiation and irradiating apparatus, inspection of irradiation facilities, import and export control of

radiation sources, maintenance of a source registry, radioactive waste safety programme, approvals for safe transport of radioactive material, implementation of safeguards and enforcement system.

In the year of 2020, the main focus of the Council was to obtain approvals for the nuclear or radiological emergency management plan from relevant parties and drafting of safety regulations on ionizing radiation protection and security of radioactive sources. The Council also gave more emphasize to submit a technical cooperation project to IAEA to get IAEA assistance to develop infrastructure for response to nuclear or radiological emergency in Sri Lanka.

In order to strengthen the regulatory infrastructure required for licensing of sources, the Council prepared the following regulatory documents.

- The rule on criteria for qualification of radiation workers was already reviewed with the stakeholders.
- Rule on criteria for qualification of radiation workers
- Regulations for the security of radioactive sources during manufacture, use, and storage
- The approval of the Board has been received to the Rule on criteria for qualification of radiation workers and actions have been taken to obtain approvals from Ministry and Legal Draftsman's Department.

Final version of the Safety Regulations on Ionizing radiation has been further reviewed by the senior regulatory staff of the Council incorporating the liquid radioactive waste discharge levels and requirements of IAEA Radiation Safety Information Management System (RASIMS).

During 2020, the Council has taken actions to obtain feedback from the stakeholders for the implementation progress of National Radiological Theft Response Code (NRTRC) prepared and distributed in 2019.

The Council has taken several follow up actions, hold several meetings with the Ministry and Disaster Management Centre (DMC) to obtain approval for the National Nuclear or Radiological Management Plan from the Disaster Management Council.

Although, it was planned to fill all vacant posts in the cadre, interviewed has to postponed due to COVID-19 situation in the country. Arrangement has been made to conduct interviews for the vacant posts in first quarter of 2021 viz: two scientific officers, 02 Technical Officers, 02 Management Assistant. Recruitment of 2 Drivers will be delayed until government approval is given for recruitment of PL grades. However, Council was able to recruit 01 Technical Assistant in July 2020.

Even under the COVID-19 situation the Council provided several radiation protection & regulatory activity services to the government and private sector institutions to achieve safety norms by performing regulatory inspections of premises that use radiation sources and radioisotopes. All the institutes that have applied for the licence for possessing and using radioisotopes or irradiation apparatus (including medical X-rays) were granted licence after proper assessment of compliance with the requirements of the Act and regulations.

Authorizations for import/ export of radioactive materials were carried out in the year under review and approvals were given for irradiation room plans with the recommendations to meet requirements of the Council.

Under the COVID-19 situation, online approval for import/export & building plans were granted for urgent cases.

The Council conducted an online training programme to enhance knowledge of radiation protection of personnel who use ionizing radiation in Government and private sector organizations. Details of regulatory activities carried out by the Council during the year of 2020 can be found under the following areas:

- Legislation and regulations
- Authorization (licencing and approvals)
- Import and export control
- Safety inspections
- Security of Nuclear and other Radioactive Materials
- Transportation of radioactive materials
- Emergency response and planning
- Human resources development
- Coordination with IAEA for technical assistance
- Miscellaneous Activities

It was a challenge to the Council for preparing necessary technical documents for establishment of regulatory system meeting international standards due to lack of adequate number of trained technical experts within the Council and in the Country.

Lack of sufficient number of Scientific Officers was also a challenge for timely discharging planned activities and attending some of request inspections within reasonable time period.

However, the Council has taken its maximum effort to improve regulatory and administrative work of the Council meeting international standards amidst the above constrains due to dedication, commitment and unwavering support of the staff in implementing the operational activities of the Council.

Audit and Management Committee Reviews – 2020

The Audit Committee is constituted in accordance with the Guidelines for Good Governance issued by the Department of Public Enterprises, the Ministry of Finance.

The Council's Audit and management committee for the year 2020 consists of the following members and held two (02) meetings.

Mr. K.A.D.Kalubogoda (Treasury Representative)	Chairman of Audit and Management Committee from 07.07.2020
Dr. Lohitha Samarawickrema (Board Member)	Member of Audit and Management Committee
Mr. Tharaka Wickramathunge (Board Member)	Member of Audit and Management Committee
Mr. R.Karunarathna	Observer to the committee & Audit Superintend of National Audit Office
Mrs. B.A.D.A.Abeywardena	Observer to the Committee & Chief Internal Auditor of Ministry of Power and Energy
Mrs. N.P.N. Karunarathne	Acting Board Secretary acts as the secretary of the Audit Committee from 07.07.2020 as per the Treasury Circular No: PED/55
Mr. W.A.K.Lakshman	Internal Auditor (Convener of Audit & Management Committee)

Objectives of the Committee

Having Considered the objectives defined in the “Guidelines for Good Governance” of the Department of Public Enterprise, the Audit Committee made maximum effort to achieve the following objectives.

- Determine the Scope of the Internal Audit Unit And review the annual Audit Plan.
- Assist Board of Directors to maintain the stewardship responsibilities submitting Its observations to the Board with recommendations for necessary action.
- Monitor Follow up action on the recommendation of the committee.
- Review internal audit/External audit reports and recommendations to management for remedial action.
- Ensure that the Council adhere to the statutory requirements and carry out its activities in accordance with regulatory requirements.
- Evaluate internal control procedures for all activities of the Council and ensure the smooth operation of such procedures.
- Review Quarterly Performance including budgetary reports for cost effectiveness and to eliminate wasteful expenditure etc.
- Review implementations of recommendation of the Committee on Public Enterprise (COPE) of the parliament.

Activities of the Audit Committee during the Year 2020

- Reviewed the draft annual audit plans for the year 2021 and revised with amendments to prepare the final plan.
- Reviewed the Implementation of recommendations of the previous committee meetings which were based on internal, and government audit reports and further recommendations were given for improvement were necessary.
- Recommended to implement recommendations of report on revalued office & scientific equipment which have attained their zero value.

- The Audit committee discussed the Internal Audit reports of Internal Auditor submitted for 2020 and inquired about the response of the management and remedial actions for the Internal Audit reports and recommended to take appropriate action as listed below.
- Utilization of method for fuel balancing of vehicles as per circular 30/2016 and checking the vehicle running charts once a week to meet recommendations of audit report.
 - Advice to take necessary action to inform radiation licence holders to take remedial action for incompliances noticed on radiation safety during inspections of the licensed institutes of the Council by the Audit Officers.
 - Review the final Accounts of 2019 before submitting to the Board and observations were given.
 - Advise to up to date maintain register to handover the waste Item to store when replace new spare parts instead old spare parts.
 - Advise to inform all employees from an internal circular to keep file number and page number.
 - Advise to accounting unidentified cash balance debited to bank account as scheduled before the prepare final accounts.
 - Recommended to informing the staff to advise the depositors only in the account division because of couldn't find them which reasons to deposited money and unidentified deposits in the account of the council and recommending the establishment of an online banking facility only to know the transactions in the account.
 - Recommendation to comply with National Archives Circulars 25/2008 and 1973 to dispose of unwanted files.
 - Providing instructions and recommendations to create a Record Room system according to the circular to set up an archive.
 - Advice to Separately prepare and update vehicle inventory sheets.
 - Develop a methodology for assigning serial numbers to identify radioactive machines and recommend for board approval to implement it.
 - Recommendation for maintaining a separate inventory leaflet page in the inventory book when placing the GRN related to the supply of tires and batteries.
 - Advice to checking Board of Survey documents for the year 2020.
 - Study the progress of the past year in the formulation of the Action Plan for the year 2021, recommend the recommendations to the Board for approval after review.
 - Submitting a report containing all the relevant documents of the audit inquiry regarding the issuance of motor vehicle licenses on concessionary duty-free basis to the executive officers to the Board of Directors for discussion and decision making.
 - To bring to the notice of the Board of Directors a suitable methodology for the testing of imported milk powder food material.
 - Instructing the Council to use the leave register book only with the application form as per General Form 190.
 - Recommendation and review to amended Council's Budget of 2020.
 - Recommendation to select and participate in the selection of officers for overseas training and workshops covering all officers in scientific and non-scientific officers.
 - Proposing to formulate an appropriate methodology to prevent the training service of the officers receiving foreign training from being missed by the Council.
 - Recommendation to maintain a Donation Register for recording relevant information and expenditure records for goods and services received from foreign institutions.

- Recommendation for the establishment of a common application form for applying consumer goods.
- To dispose of the disposable items of 2019 as per the panel recommendation, FR and circulars.
- Advice to amend the existing loan application form legally and institutionally as there are shortcomings.

Establishment of Sri Lanka Atomic Energy Regulatory Council

The Council came into existence on the 1st of January 2015, in accordance with the Gazette notification to this effect made by the Minister.

Location of the Council

The Council rented out a part of floor (a space of approximately 6500 square feet on the third floor) of the building of the National Centre for Non-destructive Testing (NCNDT) located in Kandy Road, Bulugaha Junction, Kelaniya, to carry out its operations.

Resources

The Council has 16 Scientific staff including the Director General and 19 Administrative staff as at 31st December, 2020. The Council possesses sufficient number of office equipment to execute functions of the Council successfully. However, existing space for the Council and scientific staff is insufficient to carry out functions of the Council.

Activities of Sri Lanka Atomic Energy Regulatory Council

Legislation and Regulations

The implementation of the Act requires drafting and adoption of a number of regulations, rules and orders in order for the Council to acquire the required legal authority. In the year of 2020, the followings activities with respect to legislations and regulations were done.

Regulations of Ionizing Radiation Protection and Safety of Sources

The draft Regulations on Ionizing Radiation Protection and Safety of Sources was reviewed by an expert of the International Atomic Energy Agency (IAEA) and the senior regulators of the Council to see compatibility with IAEA publications on radiation safety and areas to be further improved in the draft regulations.

The draft regulations covered the following areas which are specified in the Act to make regulations.

- the regulation of the exportation, importation, re-exportation, storage, mining, processing, designing, manufacturing, construction, assembling, acquiring, distribution, selling, leasing, hiring, receiving, siting, locating, commissioning, possessing, decommissioning, disassembling, using or disposing radioactive material or radioactive sources and of designing, manufacturing, selling, locating, possessing, using, exporting or importing of irradiating apparatus;

- the decommissioning of irradiation installations;
- the protection of radiation workers against harmful effects of ionizing radiation, including medical surveillance and occupational exposure of ionizing radiation;
- the protection of general public and the environment against harmful effects of ionizing radiation;
- the regulations of medical practices involving ionizing radiation, including protection of patients;
- the regulation of radioactive waste management, including release of waste into the environment and any practice which may affect public health and safety;

The Council has made arrangements for an IAEA expert mission (Mr. Mamdouh Yassin Osman, Director, Planning & policy and Technical Cooperation Directorate, Sudan Nuclear & Radiological Regulatory Authority) in January 2020 to work with the Council's officers for final review of the above safety regulations.

Regulations of Security of Radioactive Sources

Provision of Security for radioactive sources is very important to protect them from being used for unauthorized activity which may cause detrimental damage to human and the environment. Therefore, promulgation and implementation of regulations is essential for ensuring security of the radioactive sources. The Act under section 86(g) provides powers for the Minister to make regulations of security of radioactive sources and controlled items. The Council reviewed the draft regulations against International Atomic Energy Agency relevant publications and with the assistance of USDOE and final draft of the regulations were prepared. These regulations were introduced to stakeholders during stakeholders' meetings and their comments were obtained. Revised draft was based on the comments made by the stakeholders. This reviewed draft regulation was reviewed by the Legal Draftsman's Department. The final version of the draft was approved by the Board of Directors of the Council and sent to the Legal Draftsman's Department through the Ministry for their approval.

The draft regulations after reviewed by the Legal Draftsman was received for our further comments and few mistakes were found. Final version with corrections were sent back to the Legal Draftsman through the Ministry to get final concurrence for the Cabinet approval.

Rules on Criteria for Qualification of Radiation Workers

Section 87 of the Act provides the Council to powers to make rules on certain matters that are essential for radiation protection of workers, patients and the public.

The above rule was drafted under section 87(1)(d) by a committee appointed by the Council. This rule establishes minimum qualifications and experience of each category of worker to perform respective jobs using ionizing radiation.

This 1st draft of Rule for qualification of radiation workers was prepared and it has been sent to 15 stakeholder organizations to obtain their views and comments. After receiving such information, the final draft was prepared in accordance with the views of stakeholders. Then this prepared document was submitted to the approval for Board of Directors of the Council. The Board of Directors of the Council instructed to prepare a list of workers who are authorized in the licence to operate X ray machines with the qualifications obtained from outside organization without following radiography

school diploma course or Degree on Radiography. The Council collected information from the previous files to prepare this list to make an attachment to the Rule.

The final version of the draft Rule with the list of workers who are authorized in the licence to operate X-ray machines with the qualifications obtained from outside organization without following radiography school diploma course submitted to the Board of Directors and approval has been received to the Rule and the list to send the final version of the draft Rules to Ministry to obtain approval from Legal Draftsman's Department.

Authorization (Licencing and Approvals)

Issuing of licences

Issuance of licences were commenced from 1st January,2016 meeting requirements of the Atomic Energy (Licence) Rules No. 1 of 2015 and the Atomic Energy (Notification of Intention to Conduct a Practice) Rules No. 1 of 2015. The said rules specifies the period of licences as 01, 02 and 03 years depending on the risk associated with the practices. The new licences and renewal of existing license were issued for the following practices.

- Radiotherapy (Tele-therapy, brachytherapy and linear accelerators)
- Nuclear Medicine (Therapy, in-vivo and in-vitro diagnosis)
- Medical radiography (General, dental and interventional)
- Industrial Irradiation Plants (Sterilization of medical products and food irradiation)
- Gamma irradiation chambers (Research, blood irradiation)
- Industrial radiography (Gamma and X-rays)
- Neutron generators, nucleonic gauges, well logging sources and lightening arrestors.
- Analytical x- ray equipment, analytical equipment containing radioactive sources and cabinet x-ray units
- Sealed and unsealed radioactive sources
- Import and export of irradiating apparatus and radioactive materials
- Transportation of radioactive materials
- Servicing and maintenance of irradiating equipment and equipment containing radioactive sources
- Radioactive Waste management and storage
- Disposal and discharge of radioactive sources
- Sale of radioactive sources and Irradiating apparatus
- Human imaging X-ray systems

Revision of the renewal applications for licences

In order to meet current requirements, the Council decided to revise application forms to include these requirements. Accordingly, the licence renewal application forms were revised for the following practices and distributed to the licence holders to renew their licences.

No	Name of the Application	Sources covered	Application Code Number	Period of Renewal /Approval
01	Application for the Renewal of a licence for radioactive waste management and/ Storage	All sources including nuclear and fissionable material	Form RWM-01-R (Revision 0)	01 Year
02	Application for obtaining approval for radioactive iodine therapy and other radionuclide therapy facility plan	Iodine & other radionuclides used for therapy	AERC-PLAN-04 (Revision -01)	Depends on the request made
03	Application for condition of the vehicle use for transport and information of transport personnel Ionizing radiation in Industry, Research & Educations	-	TS-01 (Revision -01)	Depends on the request made

All the applications for renewal of licences which were received by the Council before the deadline of 30th September, 2020 were considered to issue licences after the licence fee was paid. Applications and relevant payments not received after this deadline due to postal delays & financial difficulties under the COVID-19 situation, the Council decided to issue an interim licences for such facilities waiving the surcharge applicable with the approval of the Board of Directors subject to settlement of the relevant licence fee before the expiry date of such interim licences issued.

During the renewal of licences for 2020, the Council considered finding of the previous inspections to access the compliance of the facility with radiation protection requirements of the Council. All new facilities were inspected before issuing licences.

In parallel to review process, arrangements were made to get the application processing fee, licence fee applicable to each category of licence.

Modifications to the licences

Modifications to the licences are required on the happening of any one or more of the circumstances identified in section 27(1) of the Act to continue a practice. Accordingly, modifications to the existing licences were issued for practices that requested modifications.

Issuing of Interim Licence

In terms of the provision given in section 28(2) of the Act, interim licences pending the renewal of the same were issued for the applicants who submitted applications after dead line of 30th September,2020. Due to postal delays and financial difficulties faced by the applicants due to Covid-19 situation surcharge applicable for delay in submission of applications were exempted with the approval of the Board.

Number of licences issued during the period under review

Type of licence	No. of licence issued
Licences & Renewal Licences Issued	254
Modifications issued	45
Total	299

Approval of irradiation rooms

Approvals for irradiation room plans of new facilities were given after carefully assessing the safety and security aspects provided to the rooms. 236 irradiation room plans were approved in 2020 in the following practices.

Practice/Source	No. of room plans approved
Medical facilities (X-ray)	76
Nuclear Medicine facilities	03
Industrial facilities (X-ray)	71
Total	150

Certificates issued for release of imported milk foods to the local market

The certifications were issued to the Food & Drug Inspector to release the imported milk food to the local market based on the results of the laboratory test reports issued by the Sri Lanka Atomic Energy Board for samples of the milk food tested. Due to COVID- 19 situation, all the report was issued online arrangement.

No. of certificates issued was 904.

Maintenance of records

A registry of radioactive sources and the database of licencees were maintained and updated. The name of licence holders and other relevant information were displayed in the official website of the Council and updated periodically for public information.

At present data of the inspection and licensing are being entered to this RAIS software by the trained officers. The information of the radioactive sources was completed and information of X-ray machines are being uploaded to the system.

Import and Export Control

The Council granted its approval for import and export of radioactive materials and irradiating apparatus after reviewing the applications submitted for compliance with regulations. Approvals for custom clearance of radioactive consignments were also issued after verifying the documents submitted for safety and security of the sources during transport.

Number of approvals issued for import and export of sources in 2020 were 450.

In some cases, inspections had to be carried to verify the information given in export authorization forms and the compliance of transport packages for international transport regulations. 06 export related inspections were carried out during the year 2020.

Granting approvals for Importing category 1 radioactive sources and re-exporting the decayed radioactive sources of the same category is done as per the IAEA Code of Conduct on the Safety & Security of Radioactive Sources, and the IAEA Import and Export Guidance document.



**Inspection of radioactive package
for re-export approval**

Safety Inspections and Enforcement

Inspections are carried out by the Authorized Inspectors appointed in terms of section 15 of the Act. The Council has powers to conduct inspections either as announced or unannounced inspections. During the inspections, the inspectors examine the safety and security arrangements provided for facility and sources to check whether the safety and security arrangements provided are in line with the information given in the licence applications. Licence facilities are inspected regularly based on the risk associated with the practice. Inspection periods for licensed facilities are normally as same as licence periods which depend on the facility type (annual, biennial, and triennial). However more inspection in one facility is carried if an inspection is required for safety of public and the workers. Licence for new facilities are issued only after radiation protection inspections. Database containing information of the inspections conducted is maintained and is being updated periodically.

Inspections in Industrial applications.

Practices/sources and no. of inspections carried out in industrial applications are given below.

Period	Practice / Sources	No. of inspections
1 year	- Industrial Irradiators (Pool Type Irradiators) - Industrial Radiography facilities	04

2 year	<ul style="list-style-type: none"> - Self-Shielded Gamma Irradiators/X-ray Machine - Nucleonic Gauges and Well Logging sources - Particle Accelerators - Lightening Arresting Devices - Sealed and Unsealed sources with total activity more than 37 Giga Becquerel (1 Curie) 	05
3 year	<ul style="list-style-type: none"> - Analytical equipment containing radioactive sources - Analytical X-ray equipment - Cabinet X-ray Units - Sealed and Unsealed sources with total activity less than 37 Giga Becquerel (1 Curie) 	32

Total no. of inspection conducted in industrial applications in 2020 were 41.

Inspections in medical applications

Practices/sources and no. of inspections in medical applications are given below.

Period	Practice/source	No. of inspections
1 year	<ul style="list-style-type: none"> - Tele gamma facility - Brachytherapy facility - Nuclear Medicine facilities (therapy using unseal sources) 	-
2 years	<ul style="list-style-type: none"> - CT scanner - Mammography machine - General radiography machine - Interventional radiological X-ray unit/angiography unit - Linear accelerator facility - Tomotherapy facility - X-ray facility - CT simulator for therapy - Nuclear medicine facility (diagnostic imagine & radioimmune assay (RIA)) 	61
3 years	<ul style="list-style-type: none"> - Dental X-ray machine - Veterinary X-ray machine - Bone density scanner 	31

Total no. of inspection conducted in medical applications in 2020 are 94

Total number of both inspections (Medical & Industrial) carried out are- 135

Apart from above planned / announced inspections, the Council has conducted following inspections during the year 2020.

- On request inspections - 05
- Unannounced inspections - 02



Inspecting a Medical C - Arm Machine



Inspecting an Industrial X-ray Inspection System

Security of Nuclear and Other Radioactive Material

Sri Lanka has given a political commitment to IAEA that Sri Lanka is fully committed to implement the of International Atomic Energy Agency (IAEA) Code of Conduct on the Safety and Security of Radioactive Sources and the Guidance on Import and Export of Radioactive Sources.

The “Code of Conduct on the Safety and Security of Radioactive Sources” is a non-legally binding international document to focus on the security of radioactive sources and the Guidance on Import and Export of Radioactive Sources are also a non-binding document which provides requirements for safety and security to be adhered in granting approvals for import and export of radioactive material, in particular IAEA category 1 and 2 radiation sources.

In order to adhere to the requirements of the code, the Council has taken the following steps.

- Introduction of physical protection programme for sites which use high active radioactive sources. Physical security is provided for 13 sites
- Conducting source search programme to locate orphan sources and collection of disused and spent radioactive sources.
- Providing training for stakeholders on security of radiation sources and training of officers of Special Task Force on security incident response.
- Introduction of minimum radiological security requirements for facilities using IAEA category -1 sources for issuing licences.
- Implement requirements of Import and Export guidance document when approval is given for IAEA category 1 sources.
- Drafted Regulations on Security of Radioactive Sources

Implementation of physical protection programme

As Sri Lanka does not have expertise and funds for strengthening the nuclear security at facilities and during transport of high active sources, the assistance from the International Atomic Energy Agency (IAEA) and the US Department of Energy’s Global Material Security (GMS) Programme is taken for strengthening the nuclear security to meet international requirements. The following activities were undertaken during the period under review.

Provision of physical security at irradiation facilities.

The Council in collaboration with GMS programme of USA provided physical protection for the following facilities in which high activity radioactive sources are used.

Name of the facility	Type of facility	No. of rooms with security
Apeksha Hospital, Maharagama	Radiation therapy rooms	04
Radiotherapy unit, Teaching Hospital, Kandy	Radiation therapy rooms	02
Radiotherapy unit, Teaching Hospital, Karapitiya	Radiation therapy rooms	01
Radiotherapy unit, General Hospital, Anuradhapura	Radiation therapy rooms	01
Radiotherapy unit, Provincial General Hospital, Badulla	Radiation therapy rooms	01
Radiotherapy unit, Base Hospital, Tellippalai, Jaffna	Radiation therapy rooms	01
Sri Lanka Gamma Center, Biyagama	Pool type Irradiator	01
Ansell Lanka (Pvt) Ltd, Biyagama	Pool type Irradiator	01
Human Tissue Bank, Colombo 07	Self-shielded Irradiator	01
Horticultural Research and Development Institute (HORDI), Peradeniya	Self-shielded Irradiator	01
Asiri Surgical Hospital, Colombo 05	Blood irradiator	01
Sri Lankan Airlines, Katunayake	Storage Room	01
Disused Source Storage Facility (DSSF), Sri Lanka Atomic Energy Board (SLAEB)	Spent source storage rooms	04

Strengthening regulatory system in security

The Council has taken steps to draft regulations on security of radioactive sources and first draft of this regulations were finalized with the assistance of USDOE. The prepared draft was reviewed by the stake holders and amended accordingly. This reviewed draft regulation was sent to Legal Draftsmen Department for their approval through Ministry of Power & Energy.

A check list prepared was used during inspections to check compatibility of security systems installed with the requirements of international standards given for IAEA category- I radiation facilities. The Council's radiation protection inspectors were trained to conduct security inspections to verify adequacy of security provided and make recommendations for improvements based on the above check list.

The Council drafted a National Radiological Theft Response Code (NRTRC) in collaboration with USDOE. Two stakeholders' meetings to review the draft were held. This NRTRC will facilities efficient and timely coordination of responses in case of a radiological security incident. This NRTRC Code was revised with stakeholders' nominees' comments and final draft was submitted to the Board of Directors of Council

and arrangements made to send the Code to relevant stakeholders for final consent at the advice of Board. Comments have been received from several stakeholders and final document has prepared in cooperating the comments of the stakeholders. This finalized document was submitted to the Board of Directors of the Council for approval. The approval has received for distribution of the NRTRC among stakeholders for implementation. Therefore, this NRTRC has already distributed to the relevant stakeholders in December 2019 for the implementation process. In the year 2020, implementation progress from stakeholders have been requested and their feedbacks were received to the Council

Security in Transport of Radioactive Materials

The Council coordinated provision of security for the high activity radioactive sources (Category 1 sources) during transportation.

During the year 2020 ,03 consignments of Category I Co-60 high activity sources were transported under the supervision of the Council from Colombo Port to Ansell Lanka (Pvt) Ltd located in the Biyagama Export Processing Zone.

Licences were issued before the above transportation after assessing safety and security information provided by the importer and transport company which include trustworthiness of persons attending transport and safety of vehicle and security provided to the sources during transport.



**Inspection & Supervision of Transport
of Category 1 Radioactive Sources**

Emergency Response

National Warning Point & Action to Increase of Stakeholders Response Capabilities

In terms of section 58 of the Act, the Council is responsible for development of a National Nuclear or Radiological Emergency Management plan for responding to potential nuclear or radiological emergencies at national level and to assist and advice the Disaster Management Centre in the implementation of Emergency Management plan. The Council is also designated as the National Warning Point (NWP) and the national competent authority for communication with the IAEA as the point of contact for the Convention on Early Notification of a Nuclear Accident and the Convention on Assistance in the case of a Nuclear or Radiological Emergency.

2020 training course on Emergency Response and Preparedness was conducted on-line due to Covid 19 situation to develop nuclear or radiological emergency preparedness and response capabilities of the stakeholders and first responders.

Preparation of National Nuclear or Radiological Emergency Management Plan (NREMP)

The final draft prepared in collaboration with IAEA expert and representatives of the stakeholders was sent to Disaster Management Centre (DMC) for their approval in July 2019. DMC informed that this plan will be submitted for approval to their 1st Disaster Management Council which is headed by the President of Sri Lanka.

With the coordination of Ministry and DMC, follow up actions have been taken to obtain approval from the Disaster Management Council.

Participation in the Emergency Exercises of IAEA

Participated in IAEA ConvEx International Emergency Response Exercises. The purpose of the ConvEx exercises is to evaluate ability and preparedness of member countries to responses to a major nuclear or radiological emergency and in particular to identify the strong and the weak areas of the emergency response arrangements and capabilities. The ConvEx (2020) has provided an opportunity to identify areas needing improvements in the national and/or international emergency response systems in events that need close cooperation among nuclear safety and nuclear security authorities.

ConvEx -2b & ConvEx-3 exercises were conducted on 12th May 2020 and 09th December 2020 through IAEA International Emergency Center (IAEA-IEC) web on Nuclear or Radiological Emergencies,

Overall goals of these exercise are:

- To allow States and relevant international organizations to evaluate early response in a severe nuclear or radiological emergency;
- To evaluate the international emergency management system e.g., Operations Manual for Incident and Emergency Communication (IEComm), IAEA's Response and Assistance Network (RANET) and Joint Radiation Emergency Management Plan of the International Organizations (JPLAN) arrangements;
- To test direct bi-lateral/multi-lateral communications between States; and
- To identify good practices as well as areas requiring improvement that cannot be identified in national exercises.

Participation in the 02 exercises were useful for the Council to understand IAEA communication system, and method of communication with IAEA and other countries through established IAEA - IEC WEB base communication system in case of a nuclear or radiological emergency.

SRL- 9011 TC project Implementation

The IAEA has approved Technical Cooperation project RAS9011 "Strengthening Regulatory Infrastructure for the safety of radiation Sources" for the 2020/2021 cycle. Implementation of activities planned for 2020 under the project was not possible as scheduled due to COVID-19 global pandemic situation. However, applications for Fellowship Trainings (FTs) and Scientific Visits (SVs) for regulatory staff of the Council have been submitted to the IAEA & 02 sets of instruments have been requested to procure. IAEA was in the process of finding suitable places for FTs & SVs and to purchase instruments in 2021 and 2022.

In addition, a project progress review webinar meeting was held with IAEA Programme Management Officer and Technical Officer. As a result of the meeting, information on preparation of a Rule for

regulatory requirements for Mining and Processing has been communicated to receive an expert assistance for the same.

Necessary documents have been sent to the relevant authorities to receive the approval from the Department of National Budget to the project and allocation of funding to release instruments from Customs to be received for the year 2021.

Implementation of IAEA Safeguards Activities

Sri Lanka has signed comprehensive safeguards agreement in connection with the treaty on non-proliferation of nuclear weapons (INFCIRC/320) which entered into force on 06th August 1984. This is a legally binding agreement and in accordance with the agreement, parties to the agreement shall declare the nuclear materials to the IAEA within their territories. Several institutes in Sri Lanka use industrial radiography cameras and radiotherapy machines containing depleted uranium (DU) as shielding material which is under a control item under this agreement and subject to declaration by the state parties. Therefore, Council already declared locations which use / store industrial radiography cameras & radiotherapy machines with depleted uranium.

To fulfilment of obligations of the above Agreement Sri Lanka has sent a report to the IAEA in 2020 on nuclear material accounting data

Additional Important Activities conducted which were not planned for 2020

Submission of project proposal to IAEA under Technical Corporation (TC)

A TC project proposal on “Strengthening the National Capabilities for Responding to Nuclear or Radiological Emergencies” was prepared and submitted to the IAEA to receive IAEA assistance under technical corporation for 2022/2023.

Proposal was accepted and is being assessed by IAEA for approval. Under this project, the Council can get expert missions, training for stakeholders and instruments for development of nuclear or radiological emergency management programme.

Site Inspection

Site inspection at Alchemy Heavy Metal (Pvt) Ltd. Kandalama, Dambulla was carried out on 02nd October 2020 to collect mineral sand & environmental samples from the site and to conduct a radiation survey. This inspection was specially conducted to verify whether any radioactive release to the environment or any radiation hazards to the workers of the above company and the residents around the site due to mineral processing activities of the site.

Based on the preliminary results and observations of the inspection, a preliminary report was prepared and sent to relevant parties on 15-10-2020. Samples collected are being analyzing in the laboratory facility available at the Council and final report will be prepared after all samples collected are analyzed.

The Council represents the committee appointed by the Secretary, Ministry of Industry to submit a report to Honorable Minister of Industry on possible threats of public due to work of this facility.



Technical Advices on Nuclear Security

Technical advice provided to the Ministry of Defense and STF for preparation of a report on "Action plan for response to threat of security at 13 sites which use high activity (Category I) radioactive sources".

Donation of Radiation Detection Instruments

Handed over a set of radiation measuring instrument to the Sri Lanka Air Force which was received to the Council by IAEA to strengthen nuclear security at International Airports in Sri Lanka.

Urgent Inspections of CT machines

At the urgent requests of Base Hospital, Homagama and Base Hospital, Wathupitiwala, newly installed 02 CT machines were urgently inspected during COVID-19 curfew situation and issued approvals to hospitals to use these CT machines. These hospitals were specially facilitated to treat COVID-19 patients in Colombo & Gampaha districts.

Meetings Attended

Council attended a meeting Chaired by Hon'ble State Minister on establishment of Cyclotron Facility for production of radioisotopes in Sri Lanka for medical imaging

Performance on Achievements of Sustainable Development Goals (SDG)

Identified Sustainable Development Goals

Serial No.	Number and Target for the Sustainable Development Program	Target	Success Indicators	Progress of Achievement to date		
				0% - 49%	50% - 74%	75% - 100%
01.	03. Healthy Lives and Well-being	Protecting patients, the public and radiation staff from radiation disasters when using radiation in Sri Lanka.	<p>To this end, the Regulatory Council issues licenses to all radioactive institutions, radiation machines and radiation sources, conducts inspections, and provides protection against highly radioactive sources to ensure the safety of the sources.</p> <p>Indicators for the year 2020</p> <ul style="list-style-type: none"> • Number of licenses issued = 299 • Number of radiation testing = 142 • Locations verified for the security of Sources = 13 			√
02.	16. Quality Education	<p>Training of all Radiation Workers and Radiation Protection Officers for Radiation Protection and granting licenses only to those who pass an examination which will be held from 2023 onwards.</p> <p>Training the officers of the Council according to the training policy of the Council.</p>	<p>A training course for radiation workers was implemented under the online system during the year 2020. Forty (40) employees were trained under this program. International training has been provided to 4 officers attached to the Science Division of the Council. Also, two employees have been given local training under the Council's human resource development program. Eighty (80) foreign training has been provided to 15 officers under the online system.</p>		√	

03.	11. Sustainable Cities and Communities	<p>Taking action to protect the environment from radiation hazards.</p>	<p>A licensing system has been introduced to protect sustainable cities and communities from radiation hazards.</p> <p>Further, all institutions that use radiation must have their plans approved by the Regulatory Council before installing the machines.</p> <p>In addition, granting approval to release milk powder imported to Sri Lanka to the market after testing.</p> <ul style="list-style-type: none"> • Number of licenses issued = 299 • Number of plans approved = 150 • Number of approvals granted for imported milk powder = 904 			v
04.	15. Life on Land	<p>Carry out regulatory inspections in the coming years in line with the licensing period for radiation sources and comply with the approved National Nuclear or Radiological Disaster Management Plan</p>	<p>The Regulatory Council has conducted about 80% of regulatory inspections on radiation sources in the public and private sectors in line with the license period.</p> <p>A project document has been submitted to the International Atomic Energy Agency (IAEA) for obtaining technical assistance for the years 2022-2023 in order to train stakeholders, procure the necessary equipment and train institutional personnel in accordance with the Nuclear or Radioactive Disaster Management Plan.</p>		v	

Successes and Challenges in Achieving the Sustainable Development Goals:

The Council has taken a number of measures to achieve the Sustainable Development Goals by 2020. In order to achieve the identified goals which, set out in the above table, these measures had to face many successes as well as challenges. Also, due to the Covid-19 pandemic, it was unable to complete its activities properly since the office was closed for most of the period in 2020

However, with dedication to our work and maximum effort we were able to achieve around 80% of the goals.

Accordingly, the achievements can be shown as follows.

1. The licensing process for the protection of cities and communities has been improved to the present level by implementing through scientific officers and 299 licenses and 450 import and export approvals have been issued during the year.
2. Training was given to 40 outsiders through a workshop under the quality education. Also, 80 international training programs were conducted for 15 persons under the online system.
2. Facilities belonging to radioactive sources were inspected at 142 locations during the year as regulatory tests under land and life.
4. 904 Certificates have been issued for food testing for healthy lives and well-being.

Also, the challenges faced by the Council for sustainable development have been identified as follows.

1. Lack of adequate scientific and other staff.
2. Lack of proper building premises.
3. Lack of adequate office and scientific equipment.

Accordingly, I would like to inform you that we look forward to working hard in the coming year to achieve the Sustainable Development Goals optimally.

Human Resources Development

In order to strengthen the regulatory system, it is essential to have trained and skilled persons at both licensed facilities and regulatory authority. The success of any institute also largely depends on the expertise of the employees involved in its functions. With the above intentions, 02 training courses were planned to conduct during the year by the Council to radiation workers of the licensed facilities and to officers of response forces to enhance their knowledge on radiation protection and nuclear security.

Due to COVID-19 pandemic situation in the country during the year under review it was not possible to arrange trainings for local stakeholders as planned. However, one training course was held on-line and one training course was postponed.

In addition, officers of the Council attended for the following trainings/meetings conducted locally and internationally over the year.

Due to global pandemic situation, officers of the Council have participated in the on-line webinar training courses/ meetings arranged by the IAEA & other international organizations.

The details of the training programmes organized and attended are given below.

National Training Courses organized by the Council for stakeholders

No.	Topic	Venue	Date Scheduled	No. of Participants	Remarks
01	National Training course on Emergency Preparedness and Response for First Responders	Sri Lanka Atomic Energy Regulatory Council	15.12.2020 to 18.12.2020	40	Conducted as scheduled virtually
02	National Training Course on Radiation Protection and Quality Assurance in Diagnostic Radiology for Radiological Technologists working in Private Hospitals	Sri Lanka Atomic Energy Regulatory Council	05.10.2020 to 09.10.2020	32	Postponed due to curfew affected in Gampaha district due to COVID-19 situation

Local Training courses on skill development attended by staff of the Council

Name of the officer	Name of the Programme	Period	Venue	Sponsor
Mr. A.B.A.S. Nishantha (Driver)	Enhancing skills of drivers	17-09-2020 to 18 -09-2020	Skills Development Fund Ltd	Council
Ms. K.L.T. Thilini (Management Assistant)	Stores Management, Annual Store Verifications & Disposal Procedures	24-09-2020 to 25 -09-2020	Skills Development Fund Ltd	Council

Foreign Seminars / training programmes / workshops / meetings / conferences attended by the staff of the Council:

Name of the officer	Name of the Programme	Period	Venue	Sponsor
Mr. H.L. Anil Ranjith Director General	Regional Seminar on Developing Effective State Authorities for Nuclear Safeguards Implementation	13-01-2020 to 17-01-2020	Singapore	US DOE
Mr. U.W.K.H. De Silva Deputy Director (Authorization-Industrial Applications, Import & Export)	Regional Seminar on Developing Effective State Authorities for Nuclear Safeguards	13-01-2020 to 17-01-2020	Singapore	USDOE
	International Conference on Nuclear Security, Sustaining and Strengthening Efforts	10-02-2020 to 14-02-2020	Austria	IAEA
Mr. H.J. Premakumara Scientific Officer	Regional Training Course on Computer Security Incident Response for Nuclear Facilities	02-03-2020 to 06-03-2020	Australia	IAEA
Mr. L.H.J. Kumara Scientific Officer	Technical Meeting on Topical Issues in the Development of Nuclear Power Infrastructure	28-01-2020 to 31-01-2020	Austria	IAEA

Numbers of webinars attended by the officers of the Council in 2020

Name of the officer	No. of webinars attended
H.L. Anil Ranjith	05
T.H.S. Shantha	02
U.W.K.H. De Silva	01
K.K.P.I.K. Kadadunna	17
K.N.R. Fernando	02
C.S. Herath	01
K.G.K.U. Gamage	04
N.P.N. Karunaratne	08
H.J. Premakumara	01
D.W.M.E.T. Dissanayake	03
W.W.R.L. Medis	05
N.P.W.D.D.D. Rodrigo	06
A.P. Madushanka	05
L.H.J. Kumara	10
W.M.D.M. Piyrathna	13



Sydney Gajanayake
Chairman,
Sri Lanka Atomic Energy Regulatory Council



H.L. Anil Ranjith
Director General,
Sri Lanka Atomic Energy Regulatory Council


**Financial Statement of
Sri Lanka Atomic Energy Regulatory Council (Council)
2020**

SRI LANKA ATOMIC ENERGY REGULATORY COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2020
(ALL AMOUNTS ARE IN SRI LANKAN RUPEES)

	Notes	2020	2019
<u>ASSETS</u>			
<u>Current assets</u>			
Cash and cash equivalent	3	7,989,664	13,257,953
Receivables	4	2,405,371	2,926,138
Inventories	5	759,644	474,309
Prepayments	6	662,505	568,175
		11,817,184	17,226,575
<u>Non – Current assets</u>			
Property, plant & equipment	7	69,735,484	59,266,927
Intangible Assets	7.1	20,202	273,510
		69,755,686	59,540,437
Total assets		81,572,870	76,767,012
<u>LIABILITIES</u>			
<u>Current liabilities</u>			
Trade payables	8	(3,935,488)	(2,521,345)
Advanced income for license fees	9	(14,922,850)	(11,091,768)
		(18,858,338)	(13,613,113)
<u>Non – Current liabilities</u>			
Advance income for license fees	10	(1,261,950)	(8,640,934)
Retirement benefit obligations	11	(16,429,875)	(13,550,155)
		(17,691,825)	(22,191,089)
Total Liabilities		(36,550,163)	(35,804,202)
Total net assets		45,022,707	40,962,810
<u>NET ASSETS / EQUITY</u>			
<u>Capital & Reserves</u>			
Government grant – capital	12	28,427,219	32,108,068
Revaluation reserves	13	13,847,526	3,454,450
Accumulated Fund (related to asset & liabilities received from AEA)	14	(3,821,793)	(3,463,512)
Accumulated Fund (Council)	15	28,806,014	26,347,423
Deficit	16	(22,236,259)	(17,483,619)
Total net assets / equity		45,022,707	40,962,810

The accounting policies and notes on Pages 1 to 24 form an integral part of these Financial Statements.

We the undersigned, being the Accountant and the Director General of Sri Lanka Atomic Energy Regulatory Council certify jointly that these Financial Statements are in compliance with the requirement of the Finance Act.


Accountant


Director General

The Board of Directors is responsible for the preparation and presentation of these financial statements, the accounting policies and notes and integral part of these financial statements. Approved and signed for and on behalf of the Board of Directors of Sri Lanka Atomic Energy Regulatory Council.


Chairman


Board member

SRI LANKA ATOMIC ENERGY REGULATORY COUNCIL
STATEMENT OF FINANCIAL PERFORMANCE
AS AT 31ST DECEMBER 2020
(ALL AMOUNTS ARE IN SRI LANKAN RUPEES)

	Notes	2020	2019
Revenue	17	64,591,260	64,492,343
Other revenue	18	163,329	148,846
Total revenue		64,754,589	64,641,189
Wages, salaries and employee benefits	19	(39,997,102)	(37,619,220)
Supplies & consumable used	20	(2,561,673)	(1,963,529)
Depreciation of assets	21	(10,957,959)	(14,628,434)
Impairment of property, plant & equipment	22	(3,200,977)	(2,103,820)
Other recurrent expenditure	23	(12,789,518)	(17,200,835)
Finance Cost	24		(53)
Total expenditure		(69,507,229)	(73,515,891)
Deficit for the year		(4,752,640)	(8,874,702)

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Chairman



Board member

SRI LANKA ATOMIC ENERGY REGULATORY COUNCIL
STATEMENT OF CHANGERS IN NET ASSETS / EQUITY
AS AT 31ST DECEMBER 2020
(ALL AMOUNTS ARE IN SRI LANKAN RUPEES)

	Capital grant	Reserves	Accumulated fund related to asset & liabilities transferred from AEA	Accumulated fund of the Council	Accumulated deficit	Total
Balance at 31st December 2018	31,057,647	4,311,624	(1,771,986)	22,557,943	(8,608,917)	47,546,311
Opening balance adjustments made						
Received for the year	7,628,800	444,050		8,852,250		16,925,100
Adjustments made for current year	(6,578,379)	(1,301,224)	(1,691,526)	(5,062,770)	(8,874,702)	(23,508,601)
Deficit for the year						
Balance at 31st December 2019	32,108,068	3,454,450	(3,463,512)	26,347,423	(17,483,619)	40,962,810
Opening balance adjustments made						
Received for the year	2,231,000	11,084,475		13,865,552		27,181,027
Adjustments made for current year	(5,911,849)	(691,399)	(358,281)	(11,406,961)		(18,368,490)
Deficit for the year					(4,752,640)	(4,752,640)
Balance at 31st December 2020	28,427,219	13,847,526	(3,821,793)	28,806,014	(22,236,259)	45,022,707

The accounting polices and notes on Pages 1 to 24 form an integral part of these Financial Statements.

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Chairman


Board member

SRI LANKA ATOMIC ENERGY REGULATORY COUNCIL
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2020
(ALL AMOUNTS ARE IN SRI LANKAN RUPEES)

	2020	2019
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
<u>Receipt</u>		
Sales of goods and services	18,603,328	29,203,100
Receipt of recurrent grant	31,800,000	29,431,000
Other income	72,446	42,438
Receipt of loan interest	90,883	106,408
<u>Payment</u>		
Employee cost	(34,634,885)	(33,322,327)
Suppliers	(2,653,445)	(2,092,038)
Other payments	(17,635,149)	(19,428,562)
Net cash flow from operating activities	(4,356,822)	3,940,019
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Receipt of capital grant	2,231,000	7,628,800
Property, plant & equipment	(3,633,713)	(4,788,410)
Net cash flow from investing activities	(1,402,713)	(2,840,390)
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
Recovery of loans	1,441,754	1,975,558
Payment of loans <i>(Please see schedule 5)</i>	(932,292)	(2,557,271)
Net cash flow from financial activities	509,462	(581,713)
Net increase / decrease in cash & cash equivalent	(5,250,073)	6,198,696
Cash & cash equivalent at the beginning of the year		
Cash at bank	13,237,400	7,038,704
Stamp stock	20,553	15,473
Cash & cash equivalent at the end of the year		
Cash at bank	7,987,327	13,237,400
Stamp stock	2,337	20,553

The accounting policies and notes on Pages 1 to 24 form an integral part of these Financial Statements. We the undersigned, being the Accountant and the Director General of Sri Lanka Atomic Energy Regulatory Council certify jointly that these Financial Statements are in compliance with the requirement of the Finance Act.


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Director General

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Chairman


Board member

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 General

1.1.1 Basis of preparation

The financial statements comprise the statement of financial position, statement of financial performance, and statement of changes in net assets/equity, cash flow statement, statement of comparison on figures of budget and the actual amounts and notes to the financial statements. These statements have been prepared in accordance with Sri Lanka Public Sector Accounting Standards (SLIPSAS) and internally accepted policies for accrual basis of accounting. The measurement base applied is historical cost adjusted for revaluation of assets. The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

1.1.2 Functional and presentation currency

The functional statements are presented in Sri Lankan Rupees which is the functional and presentation currency of the Sri Lanka Atomic Energy Regulatory Council (Council). All functional information presented in Sri Lankan Rupees has been given to the nearest thousand unless state otherwise.

1.1.3 Comparative information

The Sri Lanka Atomic Energy Regulatory Council applied the accounting practices with those used in the previous year's figures and phrases have been rearranged where ever necessary to confirm to the current year's presentation.

1.1.4 Changes in accounting policies

Accounting policies adopted are constant with those in the previous financial year.

1.1.5 Events occurring after the balance sheet date

All material events occurred after the balance sheet date has been considered and where appropriate adjustments or disclosures have been made in the financial statement.

1.1.6 Taxes

The council has not registered for VAT and hence do not collect VAT from their customers for the financial year 2020. Payee tax, Stamp duty, NBT and Income tax have been paid to the department of Inland Revenue under the TIN number which has been obtained by the council. Pay As You Earn (PAYE) tax is deducted from relevant officials from monthly earnings as per the respective circulars and remitted to DIR.

1.2 Assets and basis of their valuation

Assets classified as current assets and non-current assets in the statement of financial position. Assets classified as current assets in the balance sheet are cash and those which are expected to realize in cash, during the normal operating circle of the council within one year from the statement of financial position.

Assets other than current assets (Non- current assets) are those which the Council intends to hold beyond a period of one year from the statement of financial position.

1.2.1 Plant & equipment

The Plant & equipment are recorded at cost revaluation less accumulated depreciation. Cost of tangible property, plant & equipment is shown at cost of acquisition or constructions together with any incidental expenditure incurred in bringing the assets to its working condition for its intended use. An internal committee has been appointed by the Director General for revaluation of equipment which are fully depreciated and Board approval for the revaluation was taken. Funds for acquisition of non-current assets are mainly provided by the General Treasury.

1.2.2 Intangible assts

The computer software is shown at cost less depreciation under the intangible assets.

1.2.3 Depreciation

Provision for depreciation is calculated using the straight-line method on the cost or revaluation of all property, plant & equipment, in order to write-off such amount over the estimated useful economic life of such assets. Providing depreciation from the date of purchase to the date of dispose on the plant & equipment was the depreciation policy of the Council.

The rate of depreciation used on straight line methods as follows.

Office equipment, furniture & fittings	Over 10 Years	10 %
Electronic equipment	Over 04 Years	25 %
Computers, software & accessories	Over 03 Years	33.33 %
Motor vehicles	Over 04 Years	25 %
Scientific equipment	Over 10 Years	10 %
Library books	Over 10 Years	10 %

1.2.4 Inventories- basis of valuation

The cost of each category of inventory is determined on the following basis. Stock of consumables- at actual cost on first in first out method (FIFO)

1.2.5 Cash & cash equivalents

Cash flow statement has been prepared by using the direct method. Cash & cash equivalents are defined as cash at Bank and stamp stock which are easily convertible.

1.3 Liabilities and provisions

1.3.1 Retirement benefit to employees

a) Defined benefit plan

The Council policy for contribution to Employee's Provident Fund is 15% and Employee's Trust Fund is 3% as per the Act for provident fund and trust fund respectively.

Gratuity provision is made according to the gratuity Act No.12 of 1983. The liability for payment to an employee arises only after the completion of 5 years continued services. The gratuity liability is not externally funded but in order to meet this liability, a provision is carried forward in the statement of financial position, based on half month's salary and cost of living. Total liability is calculated on the basis of half month initial salary + half month cost of living as at 31st December for each employee.

1.3.2 Trade and other payable

Trade and other payables are stated at their cost and relevant taxes

1.3.3 Capital commitment and contingent liabilities

All material capital commitments of the Council are disclosed in the respective notes in the account.

1.3.4 Provisions

Provisions are recognized as Sri Lanka Atomic Energy Regulatory Council's present obligation

1.4 Differed income

1.4.1 Grant and donations

Grants and donations are credited to the income statement over the periods necessary to match them with related cost, which they are intended to be compensated in a systematic basis. Grants related to property plant & equipment, including non-monitory grants at fair values is differed in the statement of financial position and credited to the statement in financial performance over the useful life of the related assets and their remaining lease period.

1.4.2 Government grant

Government grant for recurrent & capital has been identified separately. Recurrent grant is the major income source & credited to the income and expenditure statement while grant for capital expenditure is taken to capital fund with due adjustment for depreciation component of fixed assets. Capital grant received from other sources are shown as differed income under non-current liability.

1.5 Statement of financial performance

Income and expenditure accounts are prepared in accrual basis.

1.5.1 Revenue and expenditure recognition

Major source of revenue is internally generated income from the services specified in the Act no 40 of 2014.

1.5.1.1 Revenue

Revenue received from operating activities was comprised with net income from regulatory services with respect to room plan approval, Import & export approval fees, miscellaneous income, license application processing fees, licence fees, transport & inspection charges, interest on loans and other receipts base on accrual concept.

1.5.1.2 Expenditure

Expenses are recognized in the statement of financial performance on the basis of a direct association between the cost incurred and the earning of the specific items of income where appropriate. All operational expenditure incurred by the Council are accounted on accrual basis.

2. CORPORATE INFORMATION

The Council was established by the Sri Lanka Atomic Energy Act No.40 of 2014. The Council is located at No.977/18, Kandy Road, Bulugaha Junction, Kelaniya.

NOTES TO THE ACCOUNTS

AS AT 31ST DECEMBER 2020

(ALL AMOUNTS ARE IN SRI LANKAN RUPEES)

		2020	2019
	<u>Current assets</u>		
3	Cash at bank		
	A/C No. 055-1001-70027110	7,987,327	13,237,400
	Stamp stock	2,337	20,553
	Balance at the end of the year	7,989,664	13,257,953
4	Receivables	2,405,371	2,926,138
	<u>Trade receivable</u>		
4.1	Debtors		
	Trade debtors - related to current year		2,000
	Balance at the end of the year		2,000
	<u>Staff & non trade receivables</u>		
4.2	Staff debtors	13,448	18,001
	(Please see schedule 1) Balance at the end of the year	13,448	18,001
4.3	Other debtors	34,930	39,682
	(Please see schedule 2) Balance at the end of the year	34,930	39,682
4.4	Advances & Loans		
	Festival advance		10,000
	Distress loan	2,256,993	2,756,455
	(Please see schedule 3) Balance at the end of the year	2,256,993	2,766,455
4.5	Refundable deposits (receivable)	100,000	100,000
5	Inventories		
	Office, consumable, stationary & vehicles spare stock	759,644	474,309
	Balance at the end of the year	759,644	474,309

NOTES TO THE ACCOUNTS

AS AT 31ST DECEMBER 2020

(ALL AMOUNTS ARE IN SRI LANKAN RUPEES)

	2020	2019
6 Prepayments		
Western Provincial Council	21,630	21,979
Sri Lanka Insurance Co. Ltd	465,364	378,874
Gestetner of Ceylon	14,420	
Office Network (Pvt) Ltd	4,089	3,096
Metropolitan Office (Pvt) Ltd	35,103	49,645
Soft Vision Technologies (Pvt) Ltd	29,071	28,984
Ceylon Business Applications (Pvt) Ltd	4,820	2,104
National Insurance Trust Fund		21,323
Laugfs Eco Sri (Pvt) Ltd	2,875	1,361
E-W Information System Ltd	42,331	15,233
Abans PLC	42,802	45,576
Balance at the end of the year	662,505	568,175
7 Property plant & equipment		
Property plant & equipment	69,735,484	59,266,927
7.1 Intangible Assets	20,202	273,510
(Please see note 7 details)	69,755,686	59,540,437
8 Trade payable	3,935,488	2,521,345
8.1 Creditors & Accruals		
Balance at the beginning of the year	2,506,894	2,168,116
Settlement during the year	(1,940,233)	(2,168,116)
Provision for the year	3,039,376	2,506,894
(Please see schedule 4) Balance at the end of the year	3,606,037	2,506,894
8.2 VAT payable from debtors	14,451	14,451
	14,451	14,451
Advance income for training course	315,000	
9 Advance income for license fees	14,922,850	11,091,768
(Over 1 year less than 2 years)	14,922,850	11,091,768
10 Advance income for license fees	1,261,950	8,640,934
(Over 2 years & up to 3 years)	1,261,950	8,640,934
11 Retirement benefit obligations		
Balance at the beginning of the year	13,550,155	11,147,412
Less: Cash paid		(108,706)
Add: Provision for the year	2,879,720	2,511,449
Balance at the end of the year	16,429,875	13,550,155

NOTES TO THE ACCOUNTS**AS AT 31ST DECEMBER 2020***(ALL AMOUNTS ARE IN SRI LANKAN RUPEES)*

		2020	2019
	<u>Capital & Reserves</u>		
12	Capital grant		
	Balance at the beginning of the year	32,108,068	31,057,647
	Capital grant received for the year	2,231,000	7,628,800
	Disposal of equipment	(14,975)	
	Giving to air force	(739,084)	
	Application of depreciation policy	(5,157,790)	(6,578,379)
	Balance at the end of the year	<u>28,427,219</u>	<u>32,108,068</u>
13	Revaluation reserve		
	Balance at the beginning of the year	3,454,450	4,311,624
	Revaluation reserve for the year	11,084,475	444,050
	Disposal of equipment	(529)	(5,161)
	Application of depreciation policy	(690,870)	(1,296,063)
	Balance at the end of the year	<u>13,847,526</u>	<u>3,454,450</u>
14	Accumulated Fund (related to asset & liabilities from AEA)		
	Balance at the beginning of the year	(3,463,512)	(1,771,986)
	Adjustment made for the year	(8)	(9)
	Application of depreciation policy	(358,273)	(1,691,517)
	Balance at the end of the year	<u>(3,821,793)</u>	<u>(3,463,512)</u>
15	Accumulated Fund (Council)		
	Balance at the beginning of the year	26,347,423	22,557,943
	Received for the donation	13,865,552	8,852,250
	Given to Air force	(6,655,934)	
	Application of depreciation policy	(4,751,027)	(5,062,770)
	Balance at the end of the year	<u>28,806,014</u>	<u>26,347,423</u>
16	Deficit		
	Balance at the beginning of the year	(17,483,619)	(8,608,917)
	Deficit for the year	(4,752,640)	(8,874,702)
	Balance at the end of the year	<u>(22,236,259)</u>	<u>(17,483,619)</u>

NOTES TO THE ACCOUNTS**AS AT 31ST DECEMBER 2020***(ALL AMOUNTS ARE IN SRI LANKAN RUPEES)*

	2020	2019
17 Revenue		
Government grant recurrent	31,800,000	29,431,000
Differed revenue	10,957,959	14,628,434
Room plan approval fee	1,199,100	2,121,800
Import & export approval fee	3,385,600	4,532,700
License application processing fee	354,000	1,159,000
License fees	16,149,901	11,721,909
Transport & inspection charges	18,000	86,400
Training course	514,500	750,000
Surcharges fees	212,200	61,100
	<u>64,591,260</u>	<u>64,492,343</u>
18 Other revenue		
Interest on loan	90,883	106,408
Other income	72,023	29,000
Disposal profit	423	13,438
	<u>163,329</u>	<u>148,846</u>
19 Wages, salaries and employee benefits		
Salaries	22,814,566	20,861,630
Employees Provident Fund	3,905,728	3,641,376
Employees Trust Fund	780,809	728,275
Adjustment allowance		214,120
Cost of living	3,204,515	3,381,395
Chairman allowance	808,836	803,226
Trainee allowance	212,250	201,500
OT & holiday allowance	503,299	467,167
Encashment of medical leave	2,109,702	1,643,673
Incentive	163,767	
Gratuity for the year	2,879,721	2,556,895
Fuel allowance (Chairman, DG & Director)	1,252,870	1,777,303
Professional allowance	1,361,039	1,342,660
	<u>39,997,102</u>	<u>37,619,220</u>
20 Supplies & consumable used		
Fuel	801,608	552,787
Stationary & office consumable	1,662,692	1,289,405
Uniforms	97,373	121,337
	<u>2,561,673</u>	<u>1,963,529</u>
21 Depreciation of asset		
Depreciation on acquisition of assets	<u>10,957,959</u>	<u>14,628,434</u>

NOTES TO THE ACCOUNTS**AS AT 31ST DECEMBER 2020***(ALL AMOUNTS ARE IN SRI LANKAN RUPEES)*

	2020	2019
22 Impairment of property, plant equipment		
Maintenance of office building	304,019	391,458
Maintenance of office equipment, furniture & fitting	621,926	383,494
Maintenance motor vehicle & insurance	2,275,032	1,039,868
Calibration of measuring instruments		289,000
	<u>3,200,977</u>	<u>2,103,820</u>
23 Other recurrent expenditure		
Payment for Board Members	300,000	498,000
Traveling for Board Members	150,000	252,000
Refreshment for Board Members	33,387	43,417
Staff local training programme	17,000	171,500
Incidental expenses for visiting scientist	12,488	60,879
Training programme, workshop & seminar	936,683	614,393
Inspection charges	42,400	182,000
Medical test for radiation workers	490,050	444,800
Travelling	96,214	203,735
Travelling foreign (IAEA General Conference)		917,213
Transportation	127,728	152,233
Postal charges	140,712	217,965
Water	63,898	62,350
Building rent	5,772,739	6,178,500
Telephone	875,853	902,726
Internet & Fax	296,951	296,950
Electricity	538,415	1,029,601
Insurance	1,448,645	1,805,248
Audit fees	500,000	1,723,338
Advertisement & Publicity	170,343	277,438
Subscription newspapers	22,240	28,850
Printing & Publication	555,905	198,093
Staff welfare	135,608	384,098
Stamp duty	5,225	10,225
Miscellaneous expenses	44,714	72,192
Income tax	12,320	37,247
Nation Building Tax		435,844
	<u>12,789,520</u>	<u>17,200,835</u>
24 Finance Cost		
Bank charges		53

PROPERTY PLANT & EQUIPMENT – NOTE NO 7

TANGIBLE ASSETS NOTE

(ALL AMOUNTS ARE IN SRI LANKAN RUPEES)

	Life of the asset	Balance as at 01.01.2020	Adjustment made	Revaluation	Additions	Transfer	Disposal	Balance as at 31.12.2020
PROPERTY, PLANT & EQUIPEMT								
Scientific equipment	10	38,964,001	(2,475,200)	200,000	1,328,000			38,016,801
Scientific equipment donation	10	45,938,955			12,423,987	(7,395,018)		50,967,924
Office equipment / furniture & fittings	10	5,488,880	(55,965)	3,800	561,230		(32,289)	5,965,656
Motor vehicles	4	22,140,000	(9,700,000)	10,600,000	2,750,000			25,790,000
Library books	10	5,361						5,361
Computer items & software package	3	3,738,129	(1,444,470)	64,725	423,042			2,781,426
Electronic items	4	3,805,330	(2,439,738)	215,950	13,006		(2,000)	1,592,548
TOTAL ASSETS VALUE		120,080,656	(16,115,373)	11,084,475	17,499,265	(7,395,018)	(34,289)	125,119,716

INTANGIBLE ASSET – NOTE NO 7.1

Software package	3	760,000						760,000
TOTAL ASSETS VALUE		760,000						760,000

DEPRECIATION

	%	As at 01.01.2020	Adjustment made	Revaluation	Depreciation for the year	Transfer	Disposal	As at 31.12.2020	WDV as at 31.12.2020
DEPRECIATION									
Scientific equipment	10	13,454,487	(2,475,199)		3,663,451			14,642,739	23,374,062
Scientific equipment donation	10	20,171,543			3,454,439			23,625,982	27,341,942
Office Equipment / furniture & Fittings	10	2,180,095	(55,962)		548,842		(16,852)	2,656,123	3,309,533
Motor vehicles	25	19,600,332	(9,699,997)		1,943,613			11,843,948	13,946,052
Library books	10	1,929			536			2,465	2,896
Computer items & software package	33.33	2,423,176	(1,444,459)		780,708			1,759,425	1,022,001
Electronic items	25	2,982,168	(2,439,722)		313,061		(1,958)	853,550	738,998
TOTAL DEPRICIATION		60,813,730	(16,115,339)		10,704,651		(18,810)	55,384,232	69,735,484

INTANGIBLE ASSET

Software package	33.33	486,490			253,308			739,798	20,202
TOTAL DEPRICIATION	33.33	486,490			253,308			739,798	20,202

BOOK VALUE

	2020
INTANGIBLE ASSET-NOTE NO 7.1	20,202
PROPERTY PLANT & EQUIPMENT-NOTE NO 7	69,735,484
	69,755,686

DISCLOSURE TO ACCOUNTS

1. Advance income for license fees

The income received in 2020 on account of license fee of 2021 and onward has been accounted as advance income for license fees. Income received in advance for a period over one year but not exceeding two years should be shown as current liability and income received in advance for a period over two years but not exceeding three years as non-current liability. Total advance income for licenses fee accounted as under the statement of financial position.

2. Unsettled Commitments at the end of the year 2020

Items	Reference	Amount
Table for training room	P.O. 535	24,300.00
Podium	P.O. 540	73,440.00
Four drawer lockable wooden cupboard	P.O. 560	65,610.00
Wall fans	P.O. 555	72,000.00
Core i5 laptop computer with licensed OS and anti-virus software	P.O. 556	602,712.00
Laser Printers	P.O. 557	78,800.00
MS office Licensed software (nonprofessional)	P.O. 558	190,080.00
Electric Oven	P.O. 541	17,999.00
Analytical Balance	P.O. 559	54,625.00
Partition for Room	P.O. 561	234,090.00
Total amount (Rs.)		1,413,656.00

3. Issuing invoices

As per the decision taken in the Audit and Management committee meeting held on 28.04.2016 the Council does not provide services on credit basis. Service income has been accounted base on Tax invoices. As per the Board decision Pro – forma invoice is being issued at the beginning of the service with effect from June 2016.

4. Income tax

The computation of income tax is based on the interest income received from loans for the taxable period.

5. Property, plant & equipment

Fully depreciated equipment value amounting to Rs.16,115,373.00 which were included in the tangible asset have been revaluated by the committee of three internal officers appointed by the Director General on 10th August 2020. At the revaluation committee considered the purchased cost, market price and future economic life time of the assets. The revaluation report was submitted to the Board of Management and its meeting held on 07.10.2020. The Board approved the revaluation report and instructed to implement with effect from 27.11.2020. The revalued asset amounting to Rs.11,084,475.00 and revaluation reserve amounting Rs.11,084,475.00 have been shown under property plant and equipment and revaluation reserve respectively in the financial position statement. Revaluation of asset and fully depreciated asset are as follows.

List of revaluation of assets

Item No	Item	AERC code	Qty	Revalue amount	Total
<u>Office Equipment, Furniture, Fittings</u>					
1	Fax Machine	AERC/C8/BFM/1	1	4,000.00	
2	Laser Printers	AERC/E/C2/HP/LJ/1	1	1,750.00	
3	Laser Printers	AERC/E/C2/HP/LJ/2	1	1,750.00	
4	Canon Laser Printers	AERC/C2/LP/Ca/1	1	2,150.00	
5	Canon Laser Printers	AERC/C2/LP/Ca/2	1	2,150.00	
6	Canon Laser Printers	AERC/C2/LP/Ca/3	1	2,150.00	
7	Canon Laser Printers	AERC/C2/LP/Ca/4	1	2,150.00	
8	Canon Laser Printers	AERC/C2/LP/Ca/5	1	2,150.00	
9	Canon Laser Printers	AERC/C2/LP/Ca/6	1	2,150.00	
10	Canon Laser Printers	AERC/C2/LP/Ca/7	1	2,150.00	
11	Canon Laser Printers	AERC/C2/LP/Ca/8	1	2,150.00	
12	Canon Laser Printers	AERC/C2/LP/Ca/9	1	2,150.00	
13	Canon Laser Printers	AERC/C2/LP/Ca/10	1	1,750.00	
14	Canon Laser Printers	AERC/C2/LP/Ca/11	1	2,400.00	
15	Canon Laser Printers	AERC/C2/LP/Ca/12	1	2,400.00	
16	Canon Laser Printers	AERC/C2/LP/Ca/13	1	2,400.00	
17	Canon Laser Printers	AERC/C2/LP/Ca/14	1	2,400.00	
18	Canon Laser Printers	AERC/C2/LP/Ca/15	1	2,400.00	
19	Laser Printers	AERC/C2/LP/1	1	1,900.00	
20	Laser Printers	AERC/C2/LP/2	1	1,900.00	
21	Laser Printers	AERC/C2/LP/3	1	1,900.00	
22	Laser Printers	AERC/C2/LP/4	1	1,900.00	
23	Multifunctional Printers	AERC/C2/MUCA/1	1	13,000.00	
24	Franking Machine	AERC/C/PFS/1	1	17,000.00	
25	Calculators	AERC/C10/CA/1	1	250.00	
26	Calculators	AERC/C10/CA/2	1	250.00	
27	Calculators	AERC/C10/CA/3	1	250.00	
28	Calculators	AERC/C10/CA/4	1	250.00	
29	Epson LQ310 Dot matrix Printers	AERC/E/C2/DM/1	1	3,500.00	
30	Epson LQ310 Dot matrix Printers	AERC/E/C2/DM/2	1	3,500.00	
31	Small refrigerator	AERC/C/3/MRI/1	1	2,400.00	
32	Refrigerator-LG Door	AERC/C3/RI/1	1	7,500.00	
33	Photocopy Machine	AERC/C8/PCM/CA/1	1	100,000.00	
34	Photocopy Machine IR 2520 canon	AERC/C8/PCM/CA/2	1	14,000.00	
35	LED television	AERC/C/LED/TV/01	1	5,850.00	
36	Wireless Mouse	O-C-26	1	50.00	
37	Wireless Mouse	OC/13/IV-i	1	100.00	
38	Wireless Mouse	OC/13/IV-li	1	100.00	
39	Wireless Mouse	OC/13/IV-iii	1	100.00	
40	Wireless Mouse	OC/13/IV-iv	1	100.00	
41	Wireless Mouse	OC/13/IV-v	1	100.00	
42	Wireless Mouse	OC/13/IV-vi	1	100.00	
43	Wireless Mouse	OC/13/IV-vii	1	100.00	
44	Wireless Mouse	OC/13/IV-viii	1	100.00	
45	Wireless Mouse	OC/13/IV-ix	1	100.00	

46	Keyboard	AERC/C1/KB/01	1	25.00	284,475.00
47	Laptop	AERC/C1/LTC/22	1	7,400.00	
48	Touch Screen Laptop Computers	AERC/C1/LTC/9	1	6,000.00	
49	Touch Screen Laptop Computers	AERC/C1/LTC/10	1	6,000.00	
50	Touch Screen Laptop Computers	AERC/C1/LTC/11	1	6,000.00	
51	Touch Screen Laptop Computers	AERC/C1/LTC/12	1	2,000.00	
52	Touch Screen Laptop Computers	AERC/C1/LTC/13	1	6,000.00	
53	Touch Screen Laptop Computers	AERC/C1/LTC/14	1	6,000.00	
54	Touch Screen Laptop Computers	AERC/C1/LTC/15	1	6,000.00	
55	MS Office	AERC/C1/S08/01	1	2,000.00	
56	MS Office	AERC/C1/S08/02	1	2,000.00	
57	MS Office	AERC/C1/S08/03	1	2,000.00	
58	MS Office	AERC/C1/S08/04	1	2,000.00	
59	MS Office	AERC/C1/S08/05	1	2,000.00	
60	MS Office	AERC/C1/S08/06	1	2,000.00	
61	MS Office	AERC/C1/S08/07	1	2,000.00	
62	Pen drive	OC/13/III	1	75.00	
63	Pen drive	OC/13/III	1	75.00	
64	Pen drive	OC/13/III	1	75.00	
65	Pen drive	OC/13/III	1	75.00	
66	Pen drive	OC/13/III	1	75.00	
67	Pen drive	AERC/C1/KB/1	1	75.00	
68	Hard Disk	AERC/C1/EHD/2	1	800.00	
69	Wooden File Rack (Big)	AEA/B5/HD/01	1	1,250.00	
70	Executive Table	AEA/B12/EX/MS/02	1	2,000.00	
71	Executive Chair	AEA/B4/ERS/26	1	550.00	
72	Laptop	AEA/BA/LTC/2	1	2,000.00	
73	CPU Monitor	AEA/C10/142/201	1	600.00	
74	CPU Monitor	AEA/C10/106	1	500.00	
Scientific Equipment					
75	Portable Neutron Survey Meter	AERC/SC/1/6/21	1	200,000.00	200,000.00
Vehicle					
76	Isuzu Trooper Motor Jeep 65-4530	AERC/MV/2	1	2,900,000.00	10,600,000.00
77	Micro Ssangyon Motor Jeep KI-0563	AERC/MV/1	1	3,000,000.00	
78	Toyota Double Cab PA-3473	AERC/MV/3	1	4,700,000.00	
Total					11,084,475.00

List of fully depreciated assets

Item No	Item	AERC code	Qty	Fully depreciation amount	Total
Office Equipment, Furniture, Fittings					
1	Fax Machine	AERC/C8/BFM/1	1	41,070.00	
2	Laser Printers	AERC/E/C2/HP/LJ/1	1	13,900.00	
3	Laser Printers	AERC/E/C2/HP/LJ/2	1	13,900.00	
4	Canon Laser Printers	AERC/C2/LP/Ca/1	1	24,000.00	
5	Canon Laser Printers	AERC/C2/LP/Ca/2	1	24,000.00	
6	Canon Laser Printers	AERC/C2/LP/Ca/3	1	24,000.00	
7	Canon Laser Printers	AERC/C2/LP/Ca/4	1	24,000.00	
8	Canon Laser Printers	AERC/C2/LP/Ca/5	1	24,000.00	
9	Canon Laser Printers	AERC/C2/LP/Ca/6	1	24,000.00	
10	Canon Laser Printers	AERC/C2/LP/Ca/7	1	24,000.00	
11	Canon Laser Printers	AERC/C2/LP/Ca/8	1	24,000.00	
12	Canon Laser Printers	AERC/C2/LP/Ca/9	1	24,000.00	
13	Canon Laser Printers	AERC/C2/LP/Ca/10	1	25,900.00	
14	Canon Laser Printers	AERC/C2/LP/Ca/11	1	22,000.00	
15	Canon Laser Printers	AERC/C2/LP/Ca/12	1	22,000.00	
16	Canon Laser Printers	AERC/C2/LP/Ca/13	1	22,000.00	
17	Canon Laser Printers	AERC/C2/LP/Ca/14	1	22,000.00	
18	Canon Laser Printers	AERC/C2/LP/Ca/15	1	22,000.00	
19	Laser Printers	AERC/C2/LP/1	1	21,000.00	
20	Laser Printers	AERC/C2/LP/2	1	21,000.00	
21	Laser Printers	AERC/C2/LP/3	1	21,000.00	
22	Laser Printers	AERC/C2/LP/4	1	21,000.00	
23	Multifunctional Printers	AERC/C2/MUCA/1	1	144,300.00	
24	Franking Machine	AERC/C/PFS/1	1	188,700.00	
25	Calculators	AERC/C10/CA/1	1	1,950.00	
26	Calculators	AERC/C10/CA/2	1	1,950.00	
27	Calculators	AERC/C10/CA/3	1	1,950.00	
28	Calculators	AERC/C10/CA/4	1	1,950.00	
29	Epson LQ310 Dot matrix Printers	AERC/E/C2/DM/1	1	31,500.00	
30	Epson LQ310 Dot matrix Printers	AERC/E/C2/DM/2	1	31,500.00	
31	Small refrigerator	AERC/C/3/MRI/1	1	16,465.00	
32	Refrigerator-LG Door	AERC/C3/RI/1	1	84,822.00	
33	Photocopy Machine	AERC/C8/PCM/CA/1	1	1,221,000.00	
34	Photocopy Machine IR 2520 canon	AERC/C8/PCM/CA/2	1	143,190.00	
35	LED television	AERC/C/LED/TV/01	1	65,691.00	
36	Wireless Mouse	O-C-26	1	900.00	
37	Wireless Mouse	OC/13/IV-i	1	1,850.00	
38	Wireless Mouse	OC/13/IV-ii	1	1,850.00	
39	Wireless Mouse	OC/13/IV-iii	1	1,850.00	
40	Wireless Mouse	OC/13/IV-iv	1	1,850.00	
41	Wireless Mouse	OC/13/IV-v	1	1,850.00	
42	Wireless Mouse	OC/13/IV-vi	1	1,850.00	

43	Wireless Mouse	OC/13/IV-vii	1	1,850.00	3,940,172.73
44	Wireless Mouse	OC/13/IV-viii	1	1,850.00	
45	Wireless Mouse	OC/13/IV-ix	1	1,850.00	
46	Keyboard	AERC/C1/KB/01	1	500.00	
47	Laptop	AERC/C1/LTC/22	1	109,200.00	
48	Touch Screen Laptop Computers	AERC/C1/LTC/9	1	151,390.00	
49	Touch Screen Laptop Computers	AERC/C1/LTC/10	1	151,390.00	
50	Touch Screen Laptop Computers	AERC/C1/LTC/11	1	151,390.00	
51	Touch Screen Laptop Computers	AERC/C1/LTC/12	1	151,390.00	
52	Touch Screen Laptop Computers	AERC/C1/LTC/13	1	151,390.00	
53	Touch Screen Laptop Computers	AERC/C1/LTC/14	1	151,390.00	
54	Touch Screen Laptop Computers	AERC/C1/LTC/15	1	151,390.00	
55	MS Office	AERC/C1/S08/01	1	29,970.00	
56	MS Office	AERC/C1/S08/02	1	29,970.00	
57	MS Office	AERC/C1/S08/03	1	29,970.00	
58	MS Office	AERC/C1/S08/04	1	29,970.00	
59	MS Office	AERC/C1/S08/05	1	29,970.00	
60	MS Office	AERC/C1/S08/06	1	29,970.00	
61	MS Office	AERC/C1/S08/07	1	29,970.00	
62	Pen drive	OC/13/III	1	950.00	
63	Pen drive	OC/13/III	1	950.00	
64	Pen drive	OC/13/III	1	950.00	
65	Pen drive	OC/13/III	1	950.00	
66	Pen drive	OC/13/III	1	950.00	
67	Pen drive	AERC/C1/KB/1	1	950.00	
68	Hard Disk	AERC/C1/EHD/2	1	11,000.00	
69	Wooden File Rack (Big)	AEA/B5/HD/01	1	18,803.57	
70	Executive Table	AEA/B12/EX/MS/02	1	28,980.80	
71	Executive Chair	AEA/B4/ERS/26	1	8,180.36	
72	Laptop	AEA/BA/LTC/2	1	20,000.00	
73	CPU Monitor	AEA/C10/142/201	1	6,000.00	
74	CPU Monitor	AEA/C10/106	1	5,000.00	
Scientific Equipment					
75	Portable Neutron Survey Meter	AERC/SC/1/6/21	1	2,475,200.00	2,475,200.00
Vehicle					
76	Isuzu Trooper Motor Jeep 65-4530	AERC/MV/2	1	2,700,000.00	9,700,000.00
77	Micro Ssangyong Motor Jeep KI-0563	AERC/MV/1	1	2,900,000.00	
78	Toyota Double Cab PA-3473	AERC/MV/3	1	4,100,000.00	
Total					16,115,373.73

6. Donations

The three sets of equipment worth Rs. 7,395,017.64 which were received as a donation by the International Atomic Energy Agency for the year 2019/20 have been handed over to the Sri Lanka Air Force.

No	Name of the item	Instrument Cost		Total Local Expenses (Rs.)	Total value for the instrument (Rs.)
		In Euro (EUR)	In Rupees (Rs.)		
1	Personal radiation detector set <ul style="list-style-type: none">• Rad Eye GN+(PRD)-3 pc• User Software for Rad Eye GN+(PRD)-1 pc• Desktop Holder for Rad Eye GN+(PRD)-1 pc• Test Adapter Kit for Rad Eye GN+(PRD)-1 pc• Data cable 2m USB for Rad Eyedesktop Holders-3 pc	7,205.00	1,572,991.28	215,254.33	1,788,245.61
2	Radio Isotope Identifier- 1 PC	10,455.00	2,132,192.70	220,890.67	2,353,083.37
3	Backpack Radiation Detector- 1 PC	14,500.00	2,950,750.00	302,938.66	3,253,688.66
Total Cost for 3 sets of Instrument		32,160.00	NA	739,083.66	7,395,017.64

7. Regarding Vehicle Number JZ 6200

The Secretary of the Ministry of Power and Energy handed over the Toyota Prado vehicle bearing number JZ 6200 belonging to the Ministry to the council by the letter dated 16.06.2020

Even though a court case is pending in the Kandy Court regarding this vehicle and the case has not been decided yet, our council has been given permission to carry out maintenance and repair work related to the vehicle through the same letter dated 16.06.2020.

This vehicle has not been accounted as an asset as a court case is pending and only expenses for the vehicle have been accounted.

All the expenses incurred in connection with the above vehicle are given below.

Vehicle Number	Amount (Rs.)
Toyota Prado Jeep - JZ 6200	525,946.15

8. Advance Income from training course 2021

The training course organized by our council which was planned to be held in October 2020 had to be canceled due to the lockdown of the country due to the covid situation. This training course is scheduled to be held in 2021. The amount of Rs. 315,000.00 paid by the participants as charges has been accounted as advance income received for 2021.

SCHEDULE – 1
STAFF DEBTORS

No.	Name	Amount
1	Mr.W.A.K.Lakshman	1,312.15
2	Mr.H.L.Anil Ranjith	1,715.18
3	Mr.E.R.Premasiri	183.90
4	Mrs.A.I.Dunusinghe	4,479.83
5	Mr.T.H.S.Shantha	1,132.63
6	Mr.U.W.K.H.de Silva	979.57
7	Mrs.N.N.Baduge	1,023.71
8	Mr.K.N.R.Fernando	239.07
9	Mr.K.K.P.I.K.Kadadunna	1,341.24
10	Mrs.K.G.K.U.Gamage	1,040.87
Total		13,448.15

SCHEDULE – 2
OTHER DEBTORS

No.	Name	Amount
1	Election Commission	34,930.07
Total		34,930.07

SCHEDULE – 3
LOANS – DISTRESS LOAN

No.	Name	Amount
Distress loan		
1	Mrs.N.P.W.D.D.D. Rodrigo	26,041.65
2	Mr.N.S.A. Piyatissa	31,249.98
3	Mrs.K.T.T. Dilrukshi	69,494.47
4	Mr.A.P. Madushanka	88,541.61
5	Mrs.N.P.N. Karunarathne	130,208.25
6	Mrs.K.G.K.U. Gamage	145,833.24
7	Mr.K.A.D.T. Jayaruwan	156,249.90
8	Mrs.P.G.R.S. Geethani	166,666.56
9	Mr.W.A.K. Lakshman	171,874.89
10	Mr.K.K.P.I.K. Kadadunna	171,874.89
11	Mr.K.N.R. Fernando	182,291.55
12	Mr. J.M.C. Ekanayaka	213,541.53
13	Mrs. K.L.T. Dilhani	223,958.19
14	Mrs.A.I. Dunusinghe	239,583.18
15	Mr. W.W.R.L. Mendis	239,583.18
Total		2,256,993.07

SCHEDULE – 4**TRADE PAYABLE – CREDITORS & ACCRUALS**

No.	Name	Amount
1	R.A.C.A. Rajapaksha - Subscription Newspapers	2,560.00
2	Trainee - Trainee Allowance	24,000.00
3	S. Batagoda - Fuel & Lubricant	121,004.40
4	Sri Lanka Telecom PLC – Telephone	59,672.57
5	Mobitel (Pvt) Ltd – Telephone	23,726.55
6	Dialog Axiata PLC – Telephone	9,490.69
7	Dialog Broadband Networks– Telephone	14,766.80
8	Office Staff – Travelling expenses	700.00
9	Office Staff – Transportation	900.00
10	Office Staff - Holiday payments & Overtime	116,912.00
11	Office Staff - Encashment of Medical Leave	2,109,701.50
12	Mrs. E.D.R. Prabani - Encashment of Medical Leave	66,661.00
13	Commissioner of Inland Revenue-Stamp Duty	725.00
14	Sri Lanka Atomic Energy Board - Electricity	19,316.75
15	Sri Lanka Atomic Energy Board - Internet	17,245.91
16	Sri Lanka Atomic Energy Board - Cleaning	18,654.30
17	Auditor General Department - Audit Fees	1,005,000.00
Total		3,606,037.47

SCHEDULE – 5**PAYMENT OF LOANS – DISTRESS LOAN**

No.	Name	Amount
Distress loan		
1	Mr. J.M.C. Ekanayaka	250,000.00
2	Mrs.K.L.T. Dilhani	250,000.00
3	Mr.A.I. Dunusinghe	182,291.71
4	Mr. W.W.R.L. Medis	250,000.00
Total		932,291.71

SRI LANKA ATOMIC ENERGY REGULATORY COUNCIL

Statement of comparison figures of budget and the actual amounts – 2020

Code	Description	Budget (Rs.)		Expenditure as at 31.12.2020 (Rs.)		Variation (Rs.)	Remarks
	Recurrent Expenditure						
	Personal emoluments		27,715,000		27,713,353.46		
02/01	Salaries	22,815,000		22,814,565.96		434.04	
02/01A	Trainee allowance	213,000		212,250.00		750.00	
02/02	Employees Provident Fund	3,906,000		3,905,728.09		271.91	
02/03	Employees Trust Fund	781,000		780,809.41		190.59	
	Other allowances		7,650,000		7,647,858.53		
02/05	Cost of living	3,205,000		3,204,514.87		485.13	
02/06	Chairman allowance	809,000		808,835.57		164.43	
02/08	Encashment of medical leave	2,110,000		2,109,701.50		298.50	
02/09	Incentive	164,000		163,767.12		232.88	
02/11	Professional allowance	1,362,000		1,361,039.47		960.53	
	Overtime & Holiday payments		504,000		503,299.33		
02/07	OT & Holiday allowance	504,000		503,299.33		700.67	
	Travelling Expenses		97,000		96,213.50		
03/01	Travelling	97,000		96,213.50		786.50	
03/02	Travelling foreign (IAEA General Conference)						
	Supplies & Requisites		3,816,000		3,814,543.13		
03/03	Stationary & Office consumables	1,663,000		1,662,692.45		307.55	
03/04	Fuel	802,000		801,607.68		392.32	
03/04A	Fuel allowance (Chairman, DG & Director)	1,253,000		1,252,870.00		130.00	
03/05	Uniforms	98,000		97,373.00		627.00	
	Repairs and maintenance Expenditure		3,203,000		3,200,977.11		
03/06	Maintenance of motor vehicle & insurance	2,276,000		2,275,031.81		968.19	
03/07	Maintenance of office building	305,000		304,019.10		980.90	
03/07A	Maintenance of office equip., furniture	622,000		621,926.20		73.80	
	Contractual Services		11,651,000		11,643,588.69		
03/08	Transportation	128,000		127,728.14		271.86	

03/09	Postal charges	141,000		140,712.00		288.00	
03/10	Telephone	876,000		875,853.47		146.53	
03/11	Internet & Fax	297,000		296,950.92		49.08	
03/12	Electricity	539,000		538,415.11		584.89	
03/13	Water	64,000		63,898.46		101.54	
03/14	Building rent	5,773,000		5,772,739.44		260.56	
03/15	Insurance	1,449,000		1,448,644.55		355.45	
03/16	Audit fees	500,000		500,000.00		-	
03/18	Advertisement & Publicity	171,000		170,343.00		657.00	
03/19	Subscription for newspapers	23,000		22,240.00		760.00	
03/20	Printing & Publication	556,000		555,905.00		95.00	
03/22	Staff welfare	136,000		135,607.95		392.05	
03/23	Stamp duty & Income tax	20,000		17,544.64		2455.36	
03/24	Miscellaneous expenses	45,000		44,714.30		285.70	
05/02	Loan & Advance	933,000		932,291.71		708.29	
	Other Payments		1,984,000		1,982,008.16		
01/01	Payment for board members	300,000		300,000.00		-	
01/02	Traveling for board members	150,000		150,000.00		-	
01/03	Refreshments for board members	34,000		33,387.00		613.00	
01/04	Staff local training programe	17,000		17,000.00		-	
01/05	Incidental expenses for visiting scientist	13,000		12,488.20		511.80	
01/06	Training programe workshop seminar	937,000		936,682.96		317.04	
01/07	Inspection charges	43,000		42,400.00		600.00	
01/08	Medical test for radiation workers	490,000		490,050.00		(50.00)	Due to charges escalation
	Total recurrent expenditure		56,620,000		56,601,841.91		

The accounting polices and notes on Pages 1 to 24 form an integral part of these Financial Statements.

We the undersigned, being the Accountant and the Director General of Sri Lanka Atomic Energy Regulatory Council certify jointly that these Financial Statements are in compliance with the requirement of the Finance Act.


Accountant


Director General

The Board of Directors is responsible for the preparation and presentation of these financial statements, the accounting policies and notes and integral part of these financial statements. Approved and signed for and on behalf of the Board of Directors of Sri Lanka Atomic Energy Regulatory Council.


Chairman


Board member

Auditor General's Report



POE/B/SLAERC/FA/2020

13 August 2021

The Chairman
Sri Lanka Atomic Energy Regulatory Council

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Sri Lanka Atomic Energy Regulatory Council for the year ended 31 December 2020 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

The above-mentioned report together with audited financial statements is sent herewith

Sign: W.P.C. Wickramaratne
Auditor General

Copies: 1. Secretary, State Ministry of Solar, Wind & Hydro Power Generation Projects – for Information
2. Secretary, Ministry of Finance – for Information

POE/B/SLAERC/FA/2020

13 August 2021

The Chairman
Sri Lanka Atomic Energy Regulatory Council

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Sri Lanka Atomic Energy Regulatory Council for the year ended 31 December 2020 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Sri Lanka Atomic Energy Regulatory Council (“Council”) for the year ended 31 December 2020 comprising the statement of financial position at 31 December 2020 and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 and Finance Act, No. 38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the Council as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Opinion

The assets worth Rs. 14,044,902 and liabilities worth Rs. 5,414,755 had been handed over to the Council by the Atomic Energy Authority when establish Sri Lanka Atomic Energy Regulatory Council in 2015. Accordingly, it was recognized Rs. 8,630,147 as net capital grant received from the government in that year. However, as result of over recognition of revenue annually (amortization of government grant) by exceeding this grant, the value of accumulated fund relating to the Atomic Energy Authority shown in the financial statements as at 31 December 2020 has become a debit balance of Rs. 3,821,793

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the **Auditor’s Responsibilities for the Audit of the Financial Statements** section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.



1.3 Other information included in the Council's 2020 Annual Report.

The other information comprises the information included in the Council's 2020 Annual Report but does not include the financial statements and my auditor's report thereon, which is expected to be made available to me after the date of this auditor's report, Management is responsible for the other information.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

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

When I read the Council's 2020 Annual Report, if I conclude that there are material misstatements therein, I am required to communicate that matter to those charged with governance for correction. If further material uncorrected misstatements are existed those will be included in my report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution that will be tabled in due course.

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

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

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

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

As per Section 16(1) of the National Audit Act No. 19 of 2018, the Council is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Council.

1.5 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but

is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. Report on Other Legal and Regulatory Requirements

2.1 National Audit Act, No. 19 of 2018 include specific provisions for following requirements.

2.1.1 Except for the effects of the matters described in the basis for Qualified Opinion section of my report, I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Council as per the requirement of section 12(a) of the National Audit Act, No. 19 of 2018.

- 2.1.2 The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.
- 2.1.3 The financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.
- 2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention;
- 2.2.1 to state that any member of the governing body of the Council has any direct or indirect interest in any contract entered into by the Council which are out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018;
- 2.2.2 to state that the Council has not complied with any applicable written law, general and special directions issued by the governing body of the Council as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018 except for;

Reference to Law/ Direction		Description
-----		-----
(a)	Financial Regulations of the Government of the Democratic Socialist Republic of Sri Lanka.	
	(i) Financial Regulation 128(1)(o)	It has been pointed out in my previous two years audit report that five officers of the Council had obtained their first Motor Vehicles Permit on Concessionary Terms before completing the service period of approximately 01 to 06 years which to be completed for the entitlement of such permit. However, the Accounting Officer of the Council had not taken actions to rectify this matter yet.
	(ii) Financial Regulation 880(1)	Officers who are administratively responsible for, or who under delegation are entrusted with, the receipts or custody of public money, revenue stamps or stores, or the disbursement of public money or the issue of stamps or stores and those who certify vouchers or sign cheques on Government Account will be required to give security in accordance with Chapter 612 of the Public Officers Security Ordinance for the faithful discharge of their duties. However, the Council had not acted as referred above.
(b)	Establishments Code of the Democratic Socialist Republic of Sri Lanka.	
	Paragraph 15:1 (ix) of Chapter II	The Appointing Authority/ Administrative Authority/ Head of the Organization is binned with the responsibility to conduct the Efficiency Bar Examination in time and accordingly the Efficiency

Bar Examination should be conducted annually or when the necessity arisen in accordance with the Recruitment and Promotion Scheme of the Council. However, the Council had not acted accordingly. Therefore, in contrary to the provisions in the Establishment Code, the Council had taken action to grant the salary increments to the officers who are failed to pass the Efficiency Bar Examination.

(c) Assets Management Circular

- (i) Assets Management Circular No. 01/2017 dated 28 June 2017

The information with regard to 152 assets items valued at Rs.33,100,727 purchased during the years from 2018 to 2020 had not been provided to the Comptroller General. Out of that, the assets worth Rs.15,057,003 had been purchased from the ministry's financial provisions and the assets worth Rs.18,043,724 had been received as donations.

- (ii) Assets Management Circular No. 02/2017 dated 21 December 2017

The Council is being used a Prado vehicle No. JZ-6200 belongs to the Ministry of Power and Energy since 16 June 2020 and this vehicle had not been properly acquired by the Council to date despite the Council has spent Rs.526,546 for the repairs, maintenance, and service of this vehicle.

(d) Sri Lanka Atomic Energy Act, No. 40 of 2014 Section 82(1)

Even though every members of the Committees, an Advisory Committee and Appeals Committee of the Council, and every expert, Authorized Inspector and all officers of the relevant authority, shall, before entering upon his duties, sign a declaration pledging himself, to observe strict secrecy respecting all matters connected with the working of the relevant authority, the Council had not complied with this provision.

2.2.3 to state that the Chamber has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018 *except for*;

- (a) According to Section 11 (f) of the Sri Lanka Atomic Energy Act, No. 40 of 2014, it was stated that make recommendations to the Minister on the formulation of a national policy and strategy on protection against ionizing radiation, the safety and security of sources and nuclear and other radioactive material and on radioactive waste management is one of the main function of the Council. However, the activities with regard to the preparation of this policy is still in the primary drafting stage.

- (b) In terms of Section 12 (l) of the Act, the Council shall establish procedures and mechanisms to grant approval to institutes or individuals involved in issuing certification on radiation measurement and calibration of radiation measuring equipment. Further, the recommendations with regard to this were also provided by the professional radiation safety evaluation services conducted by the International Atomic Energy Agency. However, the Council had not granted the approval till to the Atomic Energy Board which acting as a supplier of the radiation security services, and procedures and mechanisms for this purpose had also not been created.
- (c) In terms of Section 49 of the Act, nuclear material, equipment and technologies which import into and export from Sri Lanka shall be subject to control under this Act and a list of such material, equipment and technologies should be prepared by the Council. Further, the Council shall give adequate publicity to the list so prepared, in such manner as shall be determined by the Council, and that list shall be published in the Gazette. However, the Council had not been acted accordingly yet.
- (d) In terms of Section 86(1) of the Act, the Minister may make regulations in respect of all matters which are prescribed under this Act and in respect of which regulations are authorized to be made. Further, the recommendations with regard to this were also provided by the professional radiation safety evaluation services conducted by the International Atomic Energy Agency as referred above. However, the Council had not been acted in complying with this.
- (e) In terms of Section 87(1) of the Act, the Council may make rules in respect of all or any matter for which rules are authorized or required to be made under this Act, and in particular in regard to the requirements to be complied with for the transport of radioactive material and radioactive waste to, from and within the Republic of Sri Lanka, preparedness and response to nuclear or radiological emergency situations; criteria for qualifications of radiation workers; the establishment of concentration levels of radioactivity in food and any other material used by the general public; the establishment of concentration levels of radioactivity above which food and other items used by the general public shall

be prohibited to be imported to or produced or marketed in Sri Lanka; the development of policies, standards and codes of conduct in regard to radiation protection, safety and security of sources, including peaceful use of nuclear technology; and requirements deemed necessary to give effect to the Safeguards Agreement, in respect of which no specific provisions are made by or under this Act. However, the Council had not been acted in complying with this.

- 2.2.4 to state that the resources of the Chamber had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018;

3. Other Matters

According to Section 71 (1) (b) of the Sri Lanka Atomic Energy Act, No. 40 of 2014, the present Director General of the Council was appointed by the Minister on 03 November 2015, and in terms of paragraph 9:1 of Chapter II of the Establishments Code of the Democratic Socialist Republic of Sri Lanka and paragraph 9:10 of the Public Enterprises Circular No. PED/12 of 02 June 2003, he should be get retired on 01 March 2021 since completing 60 years of age. Nevertheless, contrary to that it has been granted 6 months service extension with effect from 01 March 2021.

Sign: W.P.C. Wickramaratne
Auditor General

Comments on Report of the Auditor General

on the Financial Statements and Other Legal and Regulatory Requirements of the Sri Lanka Atomic Energy Regulatory Council for the year ended 31 December 2020 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

First of all, I would like to thank you for the audit report No. POE/B/SLAERC/FA/2020 dated 13/08/2021 in relation to the above matter. I would also like to mention that the following serial numbers are comparable to the serial numbers in the above audit report.

2. Report on Other Legal and Regulatory Requirements

2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention;

2.2.2 to state that the Council has not complied with any applicable written law, general and special directions issued by the governing body of the Council as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018 *except for*;

(a) **Financial Regulation of the Government of the Democratic Socialist Republic of Sri Lanka**

(i) **Financial Regulation 128(1)(j)**

It has been pointed out in my previous two years audit report that five officers of the Council had obtained their first Motor Vehicles Permit on Concessionary Terms before completing the service period of approximately 01 to 06 years which to be completed for the entitlement of such permit. However, the Accounting Officer of the Council had not taken actions to rectify this matter yet as per the Financial Regulation 128(1)(j)

This matter was discussed at the Audit and Management Committee meeting of the Ministry and at the Audit and Management Committee meeting of the Council, where it was decided to act on the decision given by the court and the explanations given by the Attorney General's Department. I kindly inform you that we are not in a position to act outside that top level order.

(ii) **Financial Regulation 880(1)**

Officers who are administratively responsible for, or who under delegation are entrusted with, the receipts or custody of public money, revenue stamps or stores, or the disbursement of public money or the issue of stamps or stores and those who certify vouchers or sign cheques on Government Account will be required to give security in accordance with Chapter 612 of the Public Officers Security Ordinance for the faithful discharge of their duties. However, the Council had not acted as referred above.

I kindly inform you that we will be working to fix it from this year.

(b) **Establishments Code of the Democratic Socialist Republic of Sri Lanka.
Paragraph 15:1 (ix) of Chapter II**

The Appointing Authority/ Administrative Authority/ Head of the Organization is binned with the responsibility to conduct the Efficiency Bar Examination in time and accordingly the Efficiency Bar Examination should be conducted annually or when the necessity arisen in accordance with the Recruitment and Promotion Scheme of the Council. However, the Council had not acted accordingly. Therefore, in contrary to the provisions in the Establishment Code, the Council had taken action to grant the salary increments to the officers who are failed to pass the Efficiency Bar Examination.

Delays in taking necessary action regarding the conduct of efficiency bar examinations are correct. The Council has acted accordingly in the year 2020 and all those activities have already been completed.

(c) Assets Management Circular

(i) Assets Management Circular No. 01/2017 dated 28 June 2017

The information with regard to 152 assets items valued at Rs.33,100,727 purchased during the years from 2018 to 2020 had not been provided to the Comptroller General. Out of that, the assets worth Rs.15,057,003 had been purchased from the ministry's financial provisions and the assets worth Rs.18,043,724 had been received as donations.

The information is sent only as per the instructions given by the Comptroller General. We have already acted on the instructions given. Institutional information will be updated with regard to the items purchased from 2018 to 2020 when the Comptroller General updates its form in the future under the online system.

(ii) Assets Management Circular No. 02/2017 dated 21 December 2017

The Council is being used a Prado vehicle No. JZ-6200 belongs to the Ministry of Power and Energy since 16 June 2020 and this vehicle had not been properly acquired by the Council to date despite the Council has spent Rs.526,546 for the repairs, maintenance, and service of this vehicle.

The Ministry of Power and Energy has informed in writing that this vehicle will be handed over as soon as the case is over as the case is being heard in the Kandy High Court. Action will be taken accordingly.

(d) Sri Lanka Atomic Energy Act, No. 40 of 2014

Section 82(1)

Even though every members of the Committees, an Advisory Committee and Appeals Committee of the Council, and every expert, Authorized Inspector and all officers of the relevant authority, shall, before entering upon his duties, sign a declaration pledging himself, to observe strict secrecy respecting all matters connected with the working of the relevant authority, the Council had not complied with this provision.

This fact has been clearly stated in paragraph 16 of all appointment letters issued to date by the Council from the inception of the Regulatory Council. It is signed and bound by the employees accordingly.

However, everyone has signed a declaration under Section 82 (1) of the Act, pledging to maintain separate confidentiality.

2.2.3 to state that the Council has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018 *except for*;

- (a) According to Section 11 (f) of the Sri Lanka Atomic Energy Act, No. 40 of 2014, it was stated that make recommendations to the Minister on the formulation of a national policy and strategy on protection against ionizing radiation, the safety and security of sources and nuclear and other radioactive material and on radioactive waste management is one of the main function of the Council. However, the activities with regard to the preparation of this policy is still in the primary drafting stage.**

The draft policy is uploaded on the council's web page for public comment. Following those public comments, the policy will be expedited.

- (b) In terms of Section 12 (l) of the Act, the Council shall establish procedures and mechanisms to grant approval to institutes or individuals involved in issuing certification on radiation measurement and calibration of radiation measuring equipment. Further, the recommendations with regard to this were also provided by the professional radiation safety evaluation services conducted by the International Atomic Energy Agency. However, the Council had not granted the approval till to the Atomic Energy Board which acting as a supplier of the radiation security services, and procedures and mechanisms for this purpose had also not been created.**

The Board is empowered by the Act to provide these services. The Board can act accordingly. A mechanism will be set up in the future to make it available for use when there are other radiation protection service providers in terms of Section 12 (o) of the Act.

- (c) In terms of Section 49 of the Act, nuclear material, equipment and technologies which import into and export from Sri Lanka shall be subject to control under this Act and a list of such material, equipment and technologies should be prepared by the Council. Further, the Council shall give adequate publicity to the list so prepared, in such manner as shall be determined by the Council, and that list shall be published in the Gazette. However, the Council had not been acted accordingly yet.**

This list can be prepared after the signing of the Additional Protocol to the Security Agreement which currently signed by Sri Lanka. The government must decide to sign the additional protocol.

- (d) In terms of Section 86(1) of the Act, the Minister may make regulations in respect of all matters which are prescribed under this Act and in respect of which regulations are authorized to be made. Further, the recommendations with regard to this were also provided by the professional radiation safety evaluation services conducted by the International Atomic Energy Agency as referred above. However, the Council had not been acted in complying with this.**

Regulations on Radiation Safety and Precautions have been already drafted and finalized by an expert from the International Atomic Energy Agency. The final draft is being prepared. The draft Radiation Safety Bill is currently being sent to the Legislature for approval.

- (e) In terms of Section 87(1) of the Act, the Council may make rules in respect of all or any matter for which rules are authorized or required to be made under this Act, and in particular in regard to the requirements to be complied with for the transport of radioactive**

material and radioactive waste to, from and within the Republic of Sri Lanka, preparedness and response to nuclear or radiological emergency situations; criteria for qualifications of radiation workers; the establishment of concentration levels of radioactivity in food and any other material used by the general public; the establishment of concentration levels of radioactivity above which food and other items used by the general public shall be prohibited to be imported to or produced or marketed in Sri Lanka; the development of policies, standards and codes of conduct in regard to radiation protection, safety and security of sources, including peaceful use of nuclear technology; and requirements deemed necessary to give effect to the Safeguards Agreement, in respect of which no specific provisions are made by or under this Act. However, the Council had not been acted in complying with this.

Currently uses radioactive material transport regulations issued by the International Atomic Energy Agency for the transport of radioactive materials. In the future, we will use only the part of these regulations that are suitable for Sri Lanka and to take action to make rules in the future.

2.2.4 to state that the resources of the Council had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018;

Although quotations were called for purchase of 04 computers in the year 2020, the allocation for these capital items was only Rs. 602,712/=. However, due to the Covid-19 pandemic situation, it has delayed receiving goods from suppliers due to import restrictions of the government. Inquiries were made about this and all items have now been received. Inventory has been recorded and the relevant amount has been paid and all the payments has been settled. Apart from that, all our procurement activities have been carried out properly without any delay in procuring and utilization.

3. Other Matters

According to Section 71 (1) (b) of the Sri Lanka Atomic Energy Act, No. 40 of 2014, the present Director General of the Council was appointed by the Minister on 03 November 2015, and in terms of paragraph 9:1 of Chapter II of the Establishments Code of the Democratic Socialist Republic of Sri Lanka and paragraph 9:10 of the Public Enterprises Circular No. PED/12 of 02 June 2003, he should be get retired on 01 March 2021 since completing 60 years of age. Nevertheless, contrary to that it has been granted 6 months service extension with effect from 01 March 2021.

Although appointed by the Minister as required, action has been taken to obtain the approval of the Cabinet of Ministers for this purpose. Cabinet Approval is effective for a period of one year from 1st March 2021.

Thank you.

Yours Faithfully



Sydney Gajanayake

Chairman

Sri Lanka Atomic Energy Regulatory Council

Performance Report – 2020 Sri Lanka Atomic Energy Regulatory Council

Introduction

Establishment of Sri Lanka Atomic Energy Regulatory Council

Sri Lanka Atomic Energy Regulatory Council (the Council) was established on the 1st of January 2015 under the Sri Lanka Atomic Energy Act, No. 40 of 2014 and functions under the Ministry of Power and Renewable Energy. According to the provisions in the Act, the Council has the responsibility for regulation of practices involving ionizing radiation &, ensuring the safety & security of radiation sources and taking action to ensure the obligations of Sri Lanka under the international agreements on nuclear safety, nonproliferation and safeguards are met.

Objectives of the Council

The main objectives of the Council are;

- (a) Protection of persons and the environment against risks associated with exposure to ionizing radiation
- (b) Ensuring the physical protection of radiation sources, nuclear materials and other radioactive material and ensuring the security of facilities that use such materials
- (c) Ensuring compliance with international standards and obligations in the field of nuclear energy, in accordance with international agreements Sri Lanka has entered into

Key Functions of the Council

- (a) Licensing of the practices involving the use of ionizing radiation that meet safety and security requirements.
- (b) (b) Conducting inspections to ensure compliance with the requirements imposed under the Act and conditions specified in the licenses issued.
- (c) Taking appropriate measures to ensure due compliance with the provisions of the Act and enforcement of noncompliance.
- (d) Maintenance of a national register containing information on all radiation sources used within Sri Lanka.
- (e) Promulgation of national policies and strategies on protection against ionizing radiation, on the safety and security of sources and nuclear and other radioactive material and on radioactive waste management.

- (f) Formulation of regulation, rules, codes and standards relating to radiation protection and the application of ionizing radiation, which reflects best practices enunciated by the International Atomic Energy Agency and any other similar International Organizations.
- (g) Taking necessary steps to fulfill the obligations of Sri Lanka under the international treaties, conventions, relevant protocols and agreements relating to safety & security of sources to which Sri Lanka is a party.
- (h) Conducting public awareness programmes in relation to nuclear science and technology and training of radiation workers on radiation safety and security aspects.
- (i) Supervising radioactive waste management and transport of radioactive materials.
- (j) Granting approvals for the plans of the buildings for the construction of radiation facilities.
- (k) Authorization of import/export of radioactive materials

1. Performance -2020

Activity	Performance up to 31 st December, 2020
1. Drafting Rules and Orders	<ul style="list-style-type: none"> ➤ Drafting a test procedure to be used by authorized inspectors. ➤ Submission of National Radiation Theft Response Code to the relevant stakeholders for execution. ➤ Obtaining approval for a Nuclear or Radioactive Emergency Management Plan from the Disaster Management Council.
2. Drafting licensing procedure, license applications and license formats	<ul style="list-style-type: none"> ➤ Actions have been taken, continued to be used the license renewable application forms prepared in relation to 12 areas from 2018 onwards.
3. Issuing license for the use and possession of ionizing radiation facilities and granting approvals for import and export of sources	<ul style="list-style-type: none"> ➤ The total number of licenses issued in the year 2020 was 253 and 450 approvals were granted for import and export.
4. Issuance of certificates for food testing	<ul style="list-style-type: none"> ➤ 904 certificates were issued.
5. Conducting regulatory inspections on facilities involving ionizing radiation	<ul style="list-style-type: none"> ➤ Number of safety inspection conducted was 135. ➤ A database containing information of the inspections conducted is maintained with updates.

6. Approval of building plans of radiation facilities on radiation safety and security aspects	<ul style="list-style-type: none"> ➤ Approvals for 148 building plans were granted.
7. New recruitment activities of the Council	<ul style="list-style-type: none"> ➤ Plans are afoot to obtain the approval from the Department of Management Services to increase the number of employees. ➤ To take required preliminary activities to recruit a new legal officer in accordance with the procedure approved by the Department of Management Services. ➤ Action have been taken to calling of applications externally for the post of Technical Assistant. After that the interview was held and appointment was granted. ➤ Taking action to make appointments for 02 Management Assistants and a Director during the particular year.
8. Purchase of capital items	<ul style="list-style-type: none"> ➤ Items were purchased as per the Annual Procurement Plan. The office and scientific equipment were purchased out of the provisions made for the year 2020. ➤ A sum of Rs. 2.23 million out of budgeted estimate of Rs. 2.23 million for the year 2020 had been spent for the purchase of capital equipment.
9. Establishment of a computerized data base for accounting and stores activities	<ul style="list-style-type: none"> ➤ After establishment of computerized data base, it was successfully used for the Accounts & Finance, and Supplies and Stores activities by those Divisions. Further it is updated and properly maintained.
10. Conducting training courses/ seminars and workshops of the Council	<ul style="list-style-type: none"> ➤ The following programs were organized and conducted. <ul style="list-style-type: none"> • National Training course on Safe & secure use of radiation sources in industry & research – Number of employees who participated 50. • National Training Course for First Responders and Team Members of Radiological Emergencies - Number of employees who participated 90.
11. Revaluation of fixed assets items with zero value	<ul style="list-style-type: none"> ➤ The revaluation for 78 items has been updated and accounted for in the year 2020 by obtaining the approval of the Board of Directors after duly acting on the relevant circulars.
12. Monitoring of transportation of radioactive sources within the country.	<ul style="list-style-type: none"> ➤ Preliminary arrangements were made to transport the following radioactive sources. <ul style="list-style-type: none"> • Transporting 03 radioactive sources to the Ansel Lanka (Private) Ltd.

<p>13. Preparation and updated the computerized data base by included the information of licensees when issuing the licenses.</p>	<ul style="list-style-type: none"> ➤ 253 Licenses were issued. Prepared a computerized data base by including the information of licensees and included the data thereto inline to issue of licenses.
<p>14. Preparing a National List by including all information about the radioactive sources in Sri Lanka.</p>	<ul style="list-style-type: none"> ➤ A national list by including all the radioactive sources in Sri Lanka have been prepared by using MS word and maintaining in updated manner. ➤ Necessary actions have been taken to obtain software and required equipment from the International Atomic Energy Agency and after obtaining that equipment, a regulatory information system for the Council was established. The facility for the preparation of a national list is also made available in this system and related data are being continuously included to that national list at present.
<p>15. Provide training to Officers</p>	<ul style="list-style-type: none"> ➤ The officers have been sent for the participation of several local training programs conducted in various field. 04 officers have been participated in overseas training programs. ➤ Scientific Officers have been trained by providing local training in the field of safety and protection of radioactive sources. ➤ Newly recruited 06 Scientific Officers are being continuously provided training under the senior Scientific Officers. ➤ An office driver was provided the required training.
<p>16. Additional important Activities conducted which were not planned for 2019</p>	<ul style="list-style-type: none"> ➤ According to the request made by the Ministry, National Audit Office and other institutions, the progress reports and financial statements have been prepared and submitted. ➤ According to the request made by the Government Training Institutes, 01 relevant officers were sent for training and they were successfully completed those training programs. ➤ 34 modification licenses have been issued and 05 enforcement inspections, 05 on-demand inspections and 02 unannounced inspections were also carried out. ➤ Irradiator operator qualifying examination was held for Sri Lanka Gamma Center officers on 09th December 2019.

	<p>Relevant question papers have been prepared for this examination and examination was conducted.</p> <ul style="list-style-type: none"> ➤ Efficiency Bar Examination has been conducted for the staff. ➤ Maintain an up-to-date database containing licensee data and other relevant information. ➤ Updating Registered Sources in the Regulatory Authority Information System (RAIS). ➤ Publishing the information on licensed facilities through the Council's web page. ➤ Carrying out radioactive material transport inspections, on-demand testing and radiation protection services. ➤ Scientific officials of the Council participated in 83 online meetings held by the International Atomic Energy Agency.
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2. Implementation of Steps taken to mitigate the shortcoming indicated in the Queries and Audit Report

Serial No.	Audit Ref No.	Major issues and problem identified	Action taken or to be taken to rectify quarries /comments
01	2.2.2	<p><u>Report on other Legally and Regulatory Requirements.</u></p> <p>(a) Financial Regulation of the Government of the Democratic Socialist Republic of Sri Lanka</p> <p>-----</p> <p>i. Financial Regulation 128(1)(j)</p> <p>-----</p> <p>It has been pointed out in my previous two years audit report that five officers of the Council had obtained their first Motor Vehicles Permit on Concessionary Terms before completing the service period of approximately 01 to 06 years which to be completed for the entitlement of such permit.</p>	<p>This matter was discussed at the Audit and Management Committee meeting of the Ministry and at the Audit and Management Committee meeting of the Council, where it was decided to act on the decision given by the court and the explanations given by the</p>

		However, the Accounting Officer of the Council had not taken actions to rectify this matter yet as per the Financial Regulation 128(1)(j)	Attorney General's Department. I kindly inform you that we are not in a position to act outside that top level order.
	ii.	Financial Regulation 880(1) ----- Officers who are administratively responsible for, or who under delegation are entrusted with, the receipts or custody of public money, revenue stamps or stores, or the disbursement of public money or the issue of stamps or stores and those who certify vouchers or sign cheques on Government Account will be required to give security in accordance with Chapter 612 of the Public Officers Security Ordinance for the faithful discharge of their duties. However, the Council had not acted as referred above.	I kindly inform you that we will be working to fix it from this year.
	(b)	Establishments Code of the Democratic Socialist Republic of Sri Lanka.	
		Paragraph 15:1 (ix) of Chapter II ----- The Appointing Authority/ Administrative Authority/ Head of the Organization is binned with the responsibility to conduct the Efficiency Bar Examination in time and accordingly the Efficiency Bar Examination should be conducted annually or when the necessity arisen in accordance with the Recruitment and Promotion Scheme of the Council. However, the Council had not acted accordingly. Therefore, in contrary to the provisions in the Establishment Code, the Council had taken action to grant the salary increments to the officers who are failed to pass the Efficiency Bar Examination.	Delays in taking necessary action regarding the conduct of efficiency bar examinations are correct. The Council has acted accordingly in the year 2020 and all those activities have already been completed.

	(c)	Assets Management Circular	
	i.	<p>Assets Management Circular No. 01/2017 dated 28 June 2017</p> <p>-----</p> <p>The information with regard to 152 assets items valued at Rs.33,100, 727 purchased during the years from 2018 to 2020 had not been provided to the Comptroller General. Out of that, the assets worth Rs.15,057,003 had been purchased from the ministry's financial provisions and the assets worth Rs.18,043,724 had been received as donations.</p>	<p>The information is sent only as per the instructions given by the Comptroller General. We have already acted on the instructions given. Institutional information will be updated with regard to the items purchased from 2018 to 2020 when the Comptroller General updates its form in the future under the online system.</p>
	ii.	<p>Assets Management Circular No. 02/2017 dated 21 December 2017</p> <p>-----</p> <p>The Council is being used a Prado vehicle No. JZ-6200 belongs to the Ministry of Power and Energy since 16 June 2020 and this vehicle had not been properly acquired by the Council to date despite the Council has spent Rs.526,546 for the repairs, maintenance, and service of this vehicle.</p>	<p>The Ministry of Power and Energy has informed in writing that this vehicle will be handed over as soon as the case is over as the case is being heard in the Kandy High Court. Action will be taken accordingly.</p>
	(d)	Sri Lanka Atomic Energy Act, No. 40 of 2014	
	i	<p>Section 82(1)</p> <p>-----</p> <p>Even though every members of the Committees, an Advisory Committee and Appeals Committee of the Council, and every expert, Authorized Inspector and all officers of the relevant authority, shall, before entering upon his duties, sign a declaration pledging himself, to observe strict secrecy respecting all matters connected with the working of the relevant authority, the Council had not complied with this provision.</p>	<p>This fact has been clearly stated in paragraph 16 of all appointment letters issued to date by the Council from the inception of the Regulatory Council. It is signed and bound by the employees accordingly.</p> <p>However, everyone has signed a declaration under Section 82 (1) of the Act, pledging to maintain separate confidentiality.</p>

	2.2.3	<p><u>The Council has not performed according to its powers, functions and duties</u></p> <p>(a) According to Section 11 (f) of the Sri Lanka Atomic Energy Act, No. 40 of 2014, it was stated that make recommendations to the Minister on the formulation of a national policy and strategy on protection against ionizing radiation, the safety and security of sources and nuclear and other radioactive material and on radioactive waste management is one of the main function of the Council. However, the activities with regard to the preparation of this policy is still in the primary drafting stage.</p> <p>(b) In terms of Section 12 (l) of the Act, the Council shall establish procedures and mechanisms to grant approval to institutes or individuals involved in issuing certification on radiation measurement and calibration of radiation measuring equipment. Further, the recommendations with regard to this were also provided by the professional radiation safety evaluation services conducted by the International Atomic Energy Agency. However, the Council had not granted the approval till to the Atomic Energy Board which acting as a supplier of the radiation security services, and procedures and mechanisms for this purpose had also not been created.</p> <p>(c) In terms of Section 49 of the Act, nuclear material, equipment and technologies which import into and export from Sri Lanka shall be subject to control under this Act and a list of</p>	<p>The draft policy is uploaded on the council's web page for public comment. Following those public comments, the policy will be expedited.</p> <p>The Board is empowered by the Act to provide these services. The Board can act accordingly. A mechanism will be set up in the future to make it available for use when there are other radiation protection service providers in terms of Section 12 (o) of the Act.</p> <p>This list can be prepared after the signing of the Additional Protocol to the Security Agreement which currently signed by Sri Lanka. The</p>
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		<p>such material, equipment and technologies should be prepared by the Council. Further, the Council shall give adequate publicity to the list so prepared, in such manner as shall be determined by the Council, and that list shall be published in the Gazette. However, the Council had not been acted accordingly yet.</p>	<p>government must decide to sign the additional protocol.</p>
	(d)	<p>In terms of Section 86(1) of the Act, the Minister may make regulations in respect of all matters which are prescribed under this Act and in respect of which regulations are authorized to be made. Further, the recommendations with regard to this were also provided by the professional radiation safety evaluation services conducted by the International Atomic Energy Agency as referred above. However, the Council had not been acted in complying with this.</p>	<p>Regulations on Radiation Safety and Precautions have been already drafted and finalized by an expert from the International Atomic Energy Agency. The final draft is being prepared. The draft Radiation Safety Bill is currently being sent to the Legislature for approval.</p>
	(e)	<p>In terms of Section 87(1) of the Act, the Council may make rules in respect of all or any matter for which rules are authorized or required to be made under this Act, and in particular in regard to the requirements to be complied with for the transport of radioactive material and radioactive waste to, from and within the Republic of Sri Lanka, preparedness and response to nuclear or radiological emergency situations; criteria for qualifications of radiation workers; the establishment of concentration levels of radioactivity in food and any other material used by the general public; the establishment of concentration levels of radioactivity above which food and other items used by the general public shall be prohibited to</p>	<p>Currently uses radioactive material transport regulations issued by the International Atomic Energy Agency for the transport of radioactive materials. In the future, we will use only the part of these regulations that are suitable for Sri Lanka and to take action to make rules in the future.</p>

		be imported to or produced or marketed in Sri Lanka; the development of policies, standards and codes of conduct in regard to radiation protection, safety and security of sources, including peaceful use of nuclear technology; and requirements deemed necessary to give effect to the Safeguards Agreement, in respect of which no specific provisions are made by or under this Act. However, the Council had not been acted in complying with this.	
	2.2.4	The resources of the Council had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws	Although quotations were called for purchase of 04 computers in the year 2020, the allocation for these capital items was only Rs. 602,712/=. However, due to the Covid-19 pandemic situation, it has delayed receiving goods from suppliers due to import restrictions of the government. Inquiries were made about this and all items have now been received. Inventory has been recorded and the relevant amount has been paid and all the payments has been settled. Apart from that, all our procurement activities have been carried out properly without any delay in procuring and utilization.
	3.	Other Matters According to Section 71 (1) (b) of the Sri Lanka Atomic Energy Act, No. 40 of 2014, the present Director General of the Council was appointed by the Minister on 03 November 2015, and in terms of paragraph 9:1 of Chapter II of the Establishments Code of the	Although appointed by the Minister as required, action has been taken to obtain the approval of the Cabinet of Ministers for this purpose.

		Democratic Socialist Republic of Sri Lanka and paragraph 9:10 of the Public Enterprises Circular No. PED/12 of 02 June 2003, he should be get retired on 01 March 2021 since completing 60 years of age. Nevertheless, contrary to that it has been granted 6 months service extension with effect from 01 March 2021.	
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3. Medium Term Measures are being taken for Improvement of Performance

Programmes for improvement	Activities planned
Drafting regulations, rules and procedures	<ul style="list-style-type: none"> ➤ The national nuclear or radiological emergency preparedness and response plan have been completed and approval has obtained thereof. After that approval, it will be translated to Sinhala and Tamil languages in the year 2021. ➤ After submitting the drafted Rule for Qualification of Radiation Workers to the respective parties, it will be submitted for approval in the year 2022. ➤ Drafting the regulation on protection of radioactive sources and radiation safety is completed and speedup the activities to legalized the same before December 2022.
Licensing & inspections	<ul style="list-style-type: none"> ➤ Increase the field inspection in order to find out the x-ray machines which are using without obtaining licenses and bring those places under the purview of the Council. ➤ Take legal actions against the palaces which are in operation without obtaining licenses as per the provisions in the Act after find out such palaces. ➤ By increasing number of inspections, provide instructions to the facilities which are not in standard and take legal actions against the palaces which are not followed those instructions. ➤ Continue to take necessary action to record the serial numbers of the radiation machines in the licenses which are not recorded appropriately in the particular licenses.
Trainings & awareness	<ul style="list-style-type: none"> ➤ Provide further training to newly recruited 06 scientific officers under the senior scientific officers on conducting regulatory activities. ➤ Establishment of Nuclear or Radiological Emergency Response teams in the Council and other organizations which related to

	<p>Emergency Response, and continue to maintain those teams with further improvements.</p> <ul style="list-style-type: none"> ➤ Conduct the National Training course in every two years on the possibility for occurrence of emergency in industrial and research. ➤ Conduct a training course on radiative safety and security for the medical and industrial field officers who using the radioactive sources. ➤ Awareness of relevant parties regarding the use of TLD cards and taking action to pay further attention to it. ➤ Planning to conduct publicity campaigns to make the public aware of the current and future activities of the Regulatory Council.
Granting approvals, supervision of transport of radioactive materials	<ul style="list-style-type: none"> ➤ Granting approvals for transport of radioactive materials & further supervision of transport of radioactive materials. ➤ It is an activity of the Council to grant the approval for all x-ray machine imported to Sri Lanka. Take actions to instantly provide such approvals for those machine. ➤ Transport the highly active radioactive sources to the respective palaces in the future with the assistance of the Special Task Force of Sri Lanka Police. ➤ Take actions to update and maintain the Council's information through computerized database which received from the International Atomic Energy Agency. ➤ Taking action to make the public aware of information about licenses and facilities through the website of the Council.
Maintenance of computerized databases	<ul style="list-style-type: none"> ➤ A database has been established and maintain for the purpose of regularize the financial and administrative activities of the Council and actions are being taken for further improvement of it.
Issuing certificates & granting approvals	<ul style="list-style-type: none"> ➤ Under granting approvals for building plans of radiation facilities, it was planned to grant 160 approvals in the year 2021. ➤ Efficiently maintain the issuing the certificates for food testing.

New recruitment activities	<ul style="list-style-type: none"> ➤ Take actions to fill the post of Technical Assistants in the year 2021. ➤ Take actions to fill the post of Legal Officer in the year 2021. ➤ Since the request made for fill the post of Director (Administration & Finance) was not approved, making another request to obtain the approval for establishment of a new post of Deputy Director (Administration) in the year 2021. ➤ Commencing initial step in the year 2021 to recruit 02 Drivers and 02 Scientific Officers. ➤ Prepare proposals to increase the staff of the Council and report to the Board of Directors and forward it to the Treasury. ➤ Inform the Board of Directors for future vacancies and take necessary action to fill them.
Human Resources Management (Local and Foreign)	<ul style="list-style-type: none"> ➤ Sending Scientific Officers for subject specific training under International Atomic Energy Agency and United States Department of Energy's training programmes. ➤ Sending Administrative and Accounts staff for relevant training conducted by local and foreign training institutes. ➤ Continue to training the newly recruited scientific officers under the supervision of the senior scientific officers. ➤ Continuous to send the newly recruited management assistant for internally and externally training programmes. ➤ Providing local and foreign training for all other officers according to the financial allocations received. ➤ Implementing the activities of the Radiation Protection Regulatory Infrastructure Strengthening Project approved in collaboration with the International Atomic Energy Agency and training the specific officers therein.
Obtaining office space facilities.	<ul style="list-style-type: none"> ➤ According to the instruction given by the Ministry, to make a request for obtaining a building on rental basis from 3rd stage of the Sethsiripaya Project and take further action to make financial provision in the budgetary estimates. ➤ Further action will be taken to draw the attention of the Ministry on the requests for office space.
Obtaining the Capital and Physical Resources	<ul style="list-style-type: none"> ➤ Taking action to purchase physical resources including computers which are not sufficient for the Regulatory Council.



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Director General

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