



STRENGTHENING PUBLIC FINANCIAL MANAGEMENT



CA Sri Lanka's Public Sector wing APFASL takes the lead in strengthening public financial management practices

- Public Sector Wing of CA Sri Lanka established in 2012 continues to play a pioneering role by launching several initiatives to strengthen the Public Financial Management Practices in Sri Lanka to help the government to enhance transparency, accountability and good governance in the public sector
- Launching of CPFA Qualification
- Adoption and implementation of SLPSAS
- Best Annual Reports and Accounts Awards Competition
- Developing a comprehensive website to provide online resources to its members
- Capacity building programmes for public sector accounting and finance managers

New Professional Qualification

- New Internationally recognized CPFA Qualification launched under an MOU with CIPFA (London) in February 2015 with the blessings of the Hon. Minister of Finance and the Secretary to the Treasury
- This will help to raise the bar of the professionals from the public sector, while also enhancing their standing in the professional world
- The first examination leading to this qualification will be conducted in December 2015
- Student registrations has already commenced
- Applications for December examination entry closed on 17th October 2015
- APFASL members are exempted from Executive Level and they can straight away sit the Business level Examination
- Study Material required for the business level examination could be obtained from CA Sri Lanka Sales Center

Adoption and implementation of Public Sector Accounting Standards

- In addition to the ten standards already adopted and published, additional 10 standards are in the process of being adopted on a priority basis
- These standards are accrual based and will initially be made applicable to the government entities which are already under accrual system of accounting
- Rest of the government entities are now in the process of migrating to accrual system
- Once they migrate the accrual system, these standards would be applicable to them as well
- The application of accounting standards will ensure high quality financial statements reflecting fair view of financial performance, financial position and cash flows promoting uniformity and comparability ensuring transparency, accountability and good governance
- Public sector wing is conducting a series of training programmes to educate financial management personnel from the public sector to facilitate the implementation of these standards

Best Annual Reports and Accounts Awards Competition

- Public sector wing is organizing the inaugural Best Annual Reports and Accounts Awards competition for the public sector in collaboration with the Ministry of Finance and the Auditor General's Department
- A circular in this regard has already been sent by the Treasury encouraging the Government entities to take part in the competition
- The main objective is to bring about excellence in financial reporting preparing and presenting financial statements in compliance with SLPSAS
- This will improve the quality of annual reports and accounts issued by the public sector, thereby helping improve transparency and accountability of ministries, departments, statutory boards, local authorities' as well foreign funded projects

Best Annual Reports and Accounts Awards Competition

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- Those Government entities finalized their financial statements and annual reports for the year ended 31st December 2014, can apply for the competition
- Closing date extended until 15th November 2015 to enable more participation
- The first Awards Ceremony will be held in December this year
- Each categories (Ministries, Departments, Provincial Councils, Universities, Statutory Boards, Municipal Councils, Pradeshiya Sabhas, Foreign Funded Projects) can apply for the honors
- A total of 3 awards will be given under each category, namely the Best Annual Report, followed by two runners up, while there will also be an Overall Winner at the awards ceremony for complying with all the requirements as per the guidelines issued for this purpose

Capacity Building Programs

- The Public Sector Wing has conducted several capacity building programmes to update the working knowledge of the public sector financial management personnel.
- For this purpose a prospectus identifying training programmes on key areas has been published on the website.
- As and when the programmes are scheduled, institutions will be communicated for them to participate
- They also could request for training of specific programmes required by them provided they have sufficient number to participate

A comprehensive website for the Public Sector Wing

- A comprehensive website is being developed on the same lines as that of CA Sri Lanka website
- It will have the same features and will form part of it
- This will facilitate online resources to the members who could interact with the public sector wing
- Members could make maximum use of the activities handled by the Public Sector Wing
- Those who have not become members so far are encouraged to enroll as members and derive the benefits accruing to them

Financial Assistance from ADB

- The above activities aim to bring best practices and strengthen public financial management in the country.
- The Asian Development Bank (ADB) has been providing financial support to handle the above activities.
- We are very grateful to the ADB for the timely assistance provided by them in this regard

Budget Proposal for 2016

- We have made the following proposal to the government for inclusion in the 2016 budget
 - Expedite the enactment of Public Finance Act and to repeal the outdated Finance Act No. 38 of 1971
 - Transformation of Archaic age old Financial Regulations into a user-friendly guide
 - Implementation of Code of Best Practice in Corporate Governance for Public Enterprises
 - Fast tracking the migration to accrual system of accounting
 - Implementation of Sri Lanka Public Sector Accounting Standards
 - Encourage all the public sector agencies to participate in the Best Annual Reports/Performance Reports and Accounts Awards Competition
 - Expedite enactment of Public Audit Bill
 - Amendment to standing orders of Parliament to strengthen Performance Review by COPA and COPE and to establish Budget Committee to review National Budget

Budget Proposal for 2016

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- Expedite the enactment of Right to Information bill
- Re-establish National Review Committees
- Expedite the amendment to Accounting and Auditing Standards Act No. 15 of 1995 to monitor compliance of Sri Lanka Public Sector Accounting Standards.
- Recognizing the new professional qualification (Chartered Public Finance Accountancy) introduced by CA Sri Lanka and encourage professionalism in financial management in the public sector providing the required financial support
- We are planning to work very closely with the government
- We have already met the Hon. Minister of Finance and the Secretary to the Treasury who have been very positive in this regard

THANK YOU