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இழப்பீடுகளுக்கான அலுவலகம் - இலங்கை

Office for Reparations - Sri Lanka

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வருடாந்த அறிக்கை
ANNUAL REPORT

2025

Office for Reparations - Sri Lanka

Annual Report 2025

No.40, Buthgamuwa Road, Rajagiriya

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1. Chairperson's Message

The year under review marks a period of consolidation, completion, and steady progress for the Office for Reparations (OR), as we continued to fulfil our statutory mandate of providing redress to victims of conflict, civil unrest and enforced disappearances.

During 2025, the Office continued to strengthen its approach to collective reparations through livelihood development and psychosocial support, beyond the financial reparations. Livelihood initiatives implemented and monitored during 2024–2025 demonstrated encouraging outcomes. Projects such as '*Stitching Dreams'*,' *Threads for Hope'*, '*Light for Life'*, *'OceanLeaf"*, traditional food processing, handicrafts, and skills training in solar panel maintenance have shown that such community-based interventions have contributed meaningfully to long-term recovery and resilience of the targeted beneficiaries. New initiatives launched in Mannar during the year, including 'OceanLeaf' project implemented in collaboration with the National Aquaculture Development Authority reflect the Office's commitment to innovation and inter-agency cooperation. Psychosocial support extended to families in Ampara and Mannar further underscored our holistic approach to reparations. Such community-based livelihood initiatives implemented during 2024–2025 demonstrated encouraging outcomes and will contribute meaningfully to long-term recovery and resilience.

In addition to the above collective reparation exercises, the Office placed strong emphasis on completing long-standing financial reparation commitments. I am pleased to note that all approved financial reparation payments to victims of the North-East conflict and the Easter Sunday attacks were successfully concluded within the year. A total of Rs210 million has been disbursed to 2,043 beneficiaries affected by the North-East conflict, while Rs310 million has been distributed among 663 beneficiaries of the Easter Sunday Attacks Victim Fund, bringing these processes to a formal closure within the stipulated timelines.

Support to families of the missing remained a core priority. During the year, 685 families received financial reparations amounting to Rs137 million, bringing the cumulative number of families supported since 2022 to 4,460. These payments represent an important acknowledgment of the long-standing suffering endured by families and reaffirm the State's responsibility to address their needs in a dignified and consistent manner.

Despite financial and operational constraints, the Office has continued to deliver on its mandate with professionalism and sensitivity. I wish to place on record my appreciation of the dedication of the Members of the Board, Director General and the staff of the Office for Reparations, as well as the cooperation extended by line ministries, district administrations, and development partners. Further, I wish to appreciate the exemplary leadership and dedicated service rendered to this organization by the former Chairperson and the Members during their tenure.

As we move into the Budget 2026 cycle, the Office remains committed to strengthening institutional systems, expanding collective reparations, and ensuring that reparations contribute not only to relief, but also to dignity, reconciliation, and sustainable peace.

Wasantha Perera
Chairperson

2. Director General / Chief Executive Officer Review

In 2025, the Office for Reparations strengthened its operations and continued providing victim-centered reparations to those affected by conflict, civil disturbances, and enforced disappearances. Guided by the Office for Reparations Act, No. 34 of 2018, the Office remained committed to transparency, accountability, and good governance. A major achievement was the completion of longstanding compensation payments. The Office disbursed Rs. 210 million to 2,043 beneficiaries affected by the North-East conflict and Rs. 137 million to 685 families of missing persons, bringing total support since 2022 to over 4,400 families. It also administered the 2019 Easter Sunday Attack Victim Fund, disbursing Rs. 310 million to 663 beneficiaries by June 2025. Beyond financial compensation, the Office expanded collective reparations through livelihood development programs. These programs helped beneficiaries improve income generation and economic resilience. Internationally, the Office engaged with the Office of the United Nations High Commissioner for Human Rights and the Committee on Enforced Disappearances in Geneva, demonstrating Sri Lanka's commitment to transparency and international human rights obligations. Despite fiscal constraints and staffing challenges, the Office maintained effective service delivery through improved coordination and efficient resource management. Looking ahead, it will focus on expanding sustainable and transformative reparations, strengthening partnerships, enhancing monitoring systems, and improving stakeholder engagement. In Conclusion, the achievements of 2025 reflect the Office for Reparations' continued commitment to delivering meaningful, accountable, and sustainable reparations. Through financial assistance, livelihood support, and institutional strengthening, the Office has made significant progress in addressing the needs of affected individuals and communities while laying a stronger foundation for reconciliation, resilience, and inclusive development in the years ahead.

J. Krishnamoorthy

Director General / Chief Executive Officer

3. Overview of the Institutional Profile

I. Directors Report



Mrs. Wasantha Perera - SLAS (SP.Grade) - Chairperson
(Appointed with effect from November 06, 2025)

Mrs. Wasantha Perera, a retired Sri Lanka Administrative Service officer, has held senior leadership roles across multiple key Ministries and institutions, including serving as Permanent Secretary to several Ministries and as Director General of SLIDA. Her distinguished career spans public administration, human resource development, and international representation, with achievements recognized by UNESCO, USAID, and GIZ. She currently contributes as a Senior Fellow of the South Asia Foresight Network and serves on the Academic Syndicate of the Bandaranaike Academy for Leadership and Public Policy.



Maj. General (Retd.) Palitha Fernando - Member
(Re-Appointed with effect from August 08, 2024)

Major General Fernando, a retired Sri Lanka Army officer, served from 1971 to 2015, rising to the rank of Major General and holding key command and defence liaison roles. He was the former Secretary to the State Ministry of Wildlife and Forest Conservation & he is currently active in sports administration as a Council Member of Asian Athletics and Vice President of the South Asian Athletics Federation.



Rear Admiral (Retd.) Terence Sundaram - Member
(Appointed with effect from November 06, 2025)

Rear Admiral (Retd.) Terence Sundaram served with distinction in the Sri Lanka Navy, holding several key area commands and leading the Naval and Maritime Academy. Decorated with the Vishista Seva Vibushanaya, he has continued to contribute to national development through senior roles at KDU, the Board of Investment, FAO, and in the energy sector.



Mr.Sanjeewa Wimalagunarathna - Member
(Appointed with effect from November 06, 2025)

Mr. Sanjeewa Wimalagunarathna brings over 18 years of senior management experience across government, international agencies, and the corporate sector. He has led major initiatives in NGO regulation, digital transformation, reparations, and reconciliation, while serving on national committees addressing governance and security. He continues to contribute through leadership in alumni associations and expertise in stakeholder engagement.



Ms.Nazeeha Ansar - Member
(Appointed with effect from November 06, 2025)

Ms. Nazeeha Ansar is a sociologist, researcher, and community development practitioner with over a decade of experience in academia, social research, and grassroots development. She is pursuing a PhD in Sociology at the University of Colombo, serves as a Visiting Lecturer, and is Founder and CEO of the Centre for Psychosocial Support and Research. Her work spans national and international collaborations on women, children, migration, and community empowerment, with a strong commitment to social justice and resilience.

II. Mandate under the Act

The Office for Reparations was established under the provisions of the Office for Reparations Act, No. 34 of 2018 as an independent statutory body mandated to identify and provide appropriate reparative measures to aggrieved persons affected by the conflict and civil disturbances.

The Office for Reparations was established in terms of the Office for Reparations Act, No. 34 of 2018. The aggrieved persons include those who have suffered damage as a result of loss of life or damage to their person or property in the course of, consequent to, or in connection with the armed conflict which took place in the Northern and Eastern Provinces or its aftermath; or due to political unrest or civil disturbances; or to an enforced disappearance. It also includes the relatives of deceased persons or, a person missing in the above circumstances.

In accordance with Section 12 of the Act, the Office is entrusted with the responsibility of recommending and administering reparations, facilitating mechanisms for restitution, compensation, rehabilitation, and guarantees of non-recurrence, while promoting acknowledgment of harm suffered by victims.

The Office is further empowered to formulate and implement policies and programs relating to reparations, receive and process claims, conduct inquiries, engage with affected communities, and advise the Government on measures necessary to uphold the rights and dignity of victims.

Through the discharge of its statutory functions, the Office continues to contribute to reconciliation, restorative justice, and sustainable peace in Sri Lanka.

III. Vision & Mission

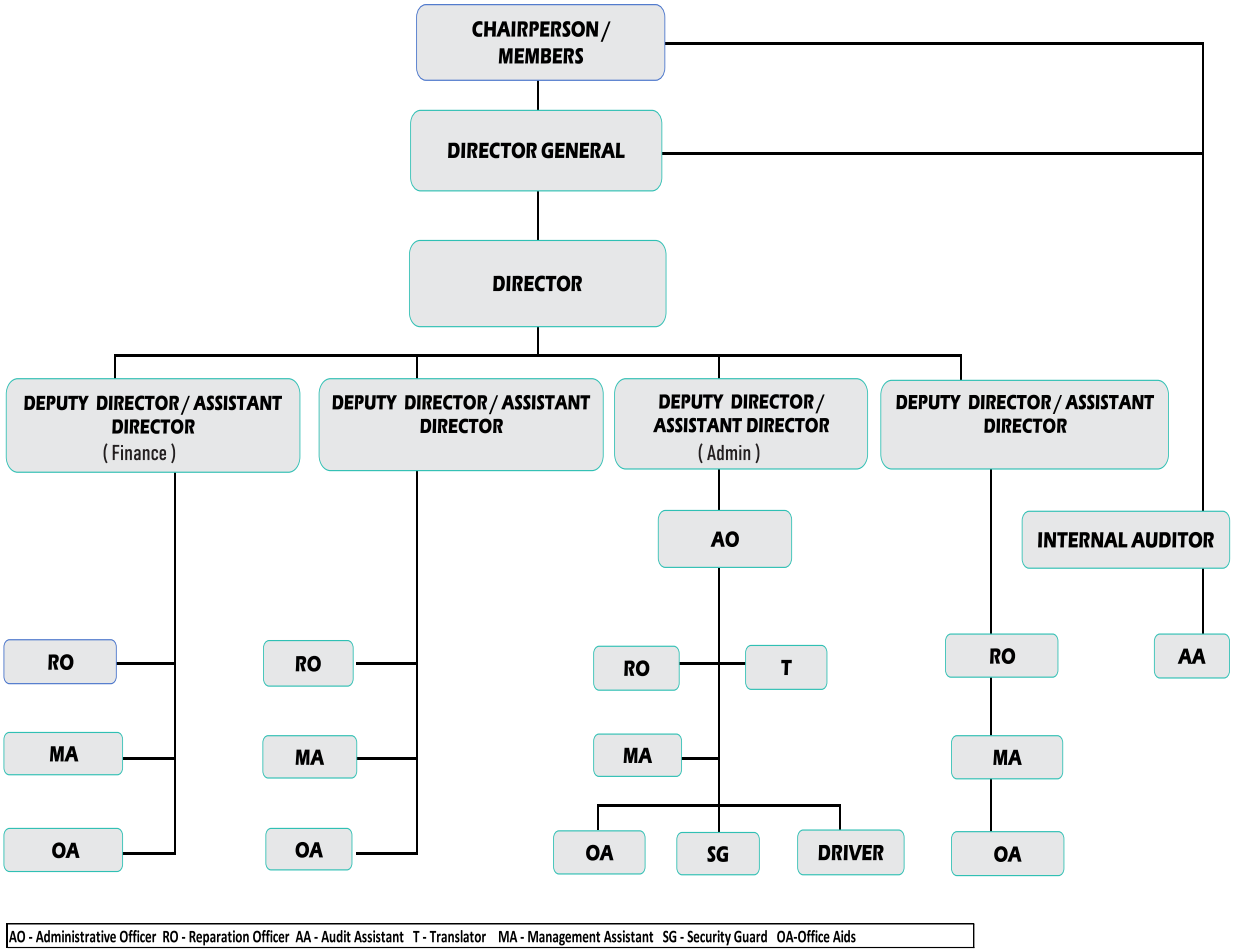
Vision.....

"Strengthening National Reconciliation through Just and Transformative Reparations"

Mission.....

"To design and implement comprehensive Reparations scheme to promote reconciliation for wellbeing and security of all Sri Lankans including future generations"

IV. Organizational Structure



AO - Administrative Officer RO - Reparation Officer AA - Audit Assistant T - Translator MA - Management Assistant SG - Security Guard OA-Office Aids

V. Governance Structure

The Office for Reparations is established under the Office for Reparations Act, No. 34 of 2018, as Statutory Institution mandated to identify, assess, and recommend appropriate reparations for aggrieved persons as described in the ACT in the country. The governance structure of the Office ensures independence, accountability, transparency, and responsiveness to affected communities.

The strategic direction and overall governance of the Office are vested in the Members of the Board

- The Board consists of five Members appointed by His Excellency the President of Sri Lanka upon the recommendation of the Constitutional Council.
- The Chairperson provides leadership to the Board and oversees policy direction and institutional performance.
- Members collectively determine policy frameworks, approve operational plans, and ensure alignment with the mandate set out in the Act.
- The Board meets regularly to review progress, approve programs, and provide strategic guidance.

The Board functions independently and is accountable to Parliament through the submission of Annual Reports and audited financial statements.

The Current members of the Board are appointed on 24.10.2025. The term of the previous four Members of the Board, was concluded on mid-2025. The previous members of the Board are as follows,

1. Mrs. Dhara Wijayatilake Attorney-at-Law - Chairperson, (re- appointed June 12, 2022 to 12.06.2025)
2. Dr. Azeez Mubarak - Member (06.07.2022 to 05.07.2025)
3. Mr. Rasika Dissanayake Attorney-at-Law - Member (06.07.2022 to 05.07.2025)
4. Mrs. Priya Sivagananathan Attorney-at-Law - Member (05.08.2022 to 05.08.2025)
5. Major General (Retd.) Palitha Fernando - Member (re-appointed August 12, 2024)

Executive Management

The day-to-day administration of the Office is managed by the Director General/Chief Executive Officer, who is responsible for implementing decisions of the Board and overseeing operational functions.

The Executive Management Team supports the Director General and includes heads of key divisions such as:

- Monetary Relief Division
- Finance Division
- Administration Division
- Livelihood Support Division
- Psychosocial Support Division

This structure ensures effective coordination, timely delivery of services, and proper stewardship of public funds.

4. Operating Environment

i. Sector Trends and Developments

In 2025, the operating landscape of the Office for Reparations was influenced by evolving transitional justice priorities and increasing expectations for victim-centered service delivery. There was greater emphasis on collective reparations, livelihood restoration, psychosocial support integration, and gender-sensitive programming, particularly for war-affected communities in the Northern and Eastern Provinces. Strengthened monitoring and evaluation frameworks, digital record management, and results-based planning became important sector trends, reflecting broader public sector reforms and the need for transparency, accountability, and measurable impact. Development partners continued to advocate for sustainability, community participation, and alignment with national reconciliation objectives.

ii. Key Stakeholders

The Office engaged with a diverse group of stakeholders throughout 2025. Primary stakeholders included victims and survivors of conflict, families of the missing, internally displaced persons, and marginalized communities eligible for reparations. Institutional stakeholders comprised line ministries, the Ministry of Finance, Provincial Councils, District and Divisional Secretariats, and oversight bodies such as Parliament and the Auditor General. Civil society organizations, community-based organizations, women's groups, and faith leaders played a critical role in outreach and trust-building. International development partners and diplomatic missions also remained key collaborators in providing technical assistance and potential financial support for livelihood and psychosocial initiatives.

iii. Economic and Political Environment

The economic and political environment in 2025 remained complex and reform-oriented. Fiscal consolidation measures, public finance management reforms, and cost-of-living pressures continued to affect budgetary allocations and project timelines. Inflationary trends and constrained public expenditure required the Office to prioritize high-impact and cost-effective interventions. Politically, the year was marked by governance reforms and heightened public

scrutiny of Statutory institutions, reinforcing the need for neutrality, transparency, and institutional credibility. In this context, the Office operated with careful alignment to national policy directions while maintaining its mandate to deliver reparative justice in a fair and impartial manner.

5. Performance Overview

I. Reparations Programs

Reparations are provided both individually and collectively, guided by policies and frameworks developed under the OR Act. The National Policy on Reparations identifies eight thematic areas of intervention, The Office for Reparations follows ten (10) guidelines, as mentioned in its policies and guidelines, when providing relief and reparations to affected persons.

1 Livelihood Support
2 Compensation and Financial Support
3 Restitution of Land rights
4 Provision of Housing
5 Development of Community Infrastructure
6 Administrative Relief
7 Psychosocial Support
8 Measures to advance unity, reconciliation and non-recurrence of violence

Among the above policy areas, OR currently prioritizes three: **(i) Compensation and Financial Support, (ii) Livelihood Support, and (iii) Psychosocial Support.**

i. Granting Financial Reparations.

A. Granting Financial Assistance to Families/Dependents of Missing Persons.

Financial assistance of Rs. 200,000 each has been provided to 685 families/dependents (including 122 recommendations received in 2024) since January 2025, based on the recommendations received from the Office on Missing Persons (OMP). The Office for Reparations received 563 recommendations from the Office on Missing Persons during the year 2025. Accordingly, financial assistance has been granted to 4,456 families of missing persons from the year 2022 up to 31.12.2025

B. Granting Financial Assistance to Persons Affected by the North-East Conflict.

Financial assistance has been provided to 2,043 victims who suffered death, injury, and property damage due to the North-East conflict. The Office for Reparations was able to complete all compensation payments for the North-East victims by September 2025. Providing financial relief from January - December 2025.

Scheme	No. of Beneficiaries	Amount Paid (Rs.Mn)
Families of the Disappeared	685	137
North - East Conflicts	2,043	210

The Office for Reparations successfully completed all outstanding compensation payments by September 2025, clearing the entire backlog of applications received over the past four decades since 1989

C. Making payments through the 2019 Easter Sunday Attack Victim Fund.

The Office for Reparations established the Easter Attack April 2019 – Victim Fund to comply with the Orders made by the Supreme Court in its judgment dated 12th January 2023 in the Fundamental Rights applications filed. There were 06 respondents who, in compliance with the Order of the Supreme Court, collectively credited a total Rs. 311 million to the Victim Fund.

Although, as ordered by the Supreme Court, Notices were published in newspapers calling upon benefactors to contribute to the Victim Fund, no such remittances were received. Hence the total available in the Fund for disbursements to victims was the sum paid by the Respondents.

- **Payments done from Easter Sunday Attack Victim Fund to Next of Kin on Account of Death of a Family Member**

a) Initially, as the funds in the Victim Fund were limited as at that time, a sum of Rs. 175,000/= was paid to the families of those who were 18 years of age or over at the time of death, and subsequently, on receipt of further funds a sum of Rs.

75,000/= was paid to the families of those who were under 18 years of age at the time of death. These sums were divided among the next of kin.

b) Subsequently, on receiving more funds into the Victim Fund, an additional sum of Rs. 250,000/= was paid to each family of a deceased person. This sum was divided among the next of kin subject to the minimum sum paid being Rs. 125,000/=.

The divided portion due to the next of kin who are students and hence included in the Secondary Education Support Scheme (SESS) was added to their SESS grant.

- **Payment done for Medical Support for Injuries**

The OR called on injured persons who had received payments previously, to submit requests for monetary relief if there were continuing conditions that required ongoing treatment.

Applications received with new and current medical certificates were referred to a Panel of Medical professionals for recommendations. The panel was appointed by the Director General of Health Services on a request made by the OR.

Relief that could be granted without further professional recommendations, (eg. requests for spectacles and hearing aids) were granted.

Payments for injuries has been commenced February 2025, based on the recommendations of the Panel of Medical professionals.

- **Grants to Students under The Secondary School Education (SSE) Scheme**

1. Fifty (50) students were identified for support. All were either children of persons who had died or who were permanently totally disabled or directly impacted due to injuries suffered,

2. The parent and guardian were identified after field visits and Reparation officers met with parents and Guardians and discussed the proposed schemes.

3. Based on the feedback and needs assessment, the scheme for each student was finalized.

4. It was decided to give each student a sum of Rs. 250,000/= multiplied by the number of years through which they need to be supported to complete secondary school. Special circumstances relevant to some students were considered to finalize their grant.

5. The OR obtained the rates of interest from several Banks and advised the parents/guardians on the most economically advantageous offer and invited them to decide on the Bank of choice. All selected the scheme proposed by the Hatton National Bank (HNB).

6. 3 categories of investment schemes were identified, based on the quantum of the grant and the duration of the schooling years -
   a. scheme for students from preschool to Grade 7
   b. scheme for students in Grade 8
   c. scheme for students in Grades 9- A/L

7. The parent or identified elder guardian was placed in charge of managing the Accounts.

8. The schemes ensured a monthly remittance for use for the benefit of the students.

9. If any parent intimated that monthly remittances were not required, the grant sum was placed in a long-term investment (i.e. until 18 years).

10. The OR worked with the HNB and the parents/guardians and facilitated the opening of the minor savings accounts for each minor child and Fixed Deposits in the name of the student, for periods ranging from 1 to 3 years on monthly interest basis and also interest at maturity basis.

All decisions were taken using the principle of the best interests of the child and the parent/guardian was also made to pledge to observe this principle.

- **Support for Tertiary Education**

Monetary support was granted on an evaluation of the applications.
Accordingly, by June 2025, all payments made to the beneficiaries from the Victim Fund were successfully completed and concluded.
Total amount received to the Victim Fund = Rs. 311 million
Total relief provided to beneficiaries from the Victim Fund (Grand Total) = Rs. 310 million Total number of beneficiaries = 663

ii. Livelihood Support Program

A. Stitching Dreams, Mannar

This program was implemented in 12.12.2025 for 30 young women in the Mannar Town Division of the Mannar District. The program includes 20 days of training in ornamental embroidery, knowledge on financial management, and the provision of necessary training equipment. The beneficiaries successfully completed the program. The cost of the program was Rs. 195,395.

The objective of the project is to equip 30 young women in Mannar Town, in Mannar division, with knowledge and technical skills on design and creation of Ari embroidery work by comprehensive training in order to empower them to generate income.

B. Ocen Leaf Livelihood Support Initiative, Mannar

Plans have been made to launch a livelihood development program for the cultivation of green algae in January 2026, in collaboration with the National Aquaculture Development Authority (NAQDA), to empower 8 families affected by the conflict in the Nanattan division of Mannar. The approximate cost is about Rs. 1 million. Objective of the project is to support eight conflict-affected individuals in Nanatan, Mannar to establish fully functional small-scale ocean algae cultivation units, through technical training, provision of start-up inputs, and linking to marketing facilities.









iii. Psychosocial Support Program

Under the Psychosocial Support Program, the needs of 5 families in the Ampara District were identified, and they were successfully provided with the necessary services by referring them to the relevant governmental and non-governmental institutions. This included assisting 3 individuals in obtaining "Aswesuma" aid, and assisting one person with market facilities and obtaining disability allowances.

In the Mannar District, 3 families were referred to the relevant non-governmental organizations to obtain their needs, which were then fulfilled. This included providing educational facilities, housing facilities, and assistance to enhance their income sources.

iv. Submission of Reports to International Human Rights Mechanisms

- Reports were provided in response to the issues/inquiries presented in 2025 by the Office of the United Nations High Commissioner for Human Rights (OHCHR) for the 60th Session of the Human Rights Council.
- Reports related to the issues/inquiries presented by the Committee on Enforced Disappearances (CED) were submitted and participated in that Committee's session, which was held in Geneva, Switzerland, on September 26, 2025.

v. Progress of Project Implementation

Monitoring and follow-up activities were conducted for 17 livelihood support programs implemented during the year 2024. Income generation activities had commenced in the launched projects during the period from January 2025 to December 2025, and the progress was as follows:

A. Stitching Dreams – Jaffna

Practical training in ornamental embroidery and training equipment was provided to 40 young women in the Sandilipay division of Jaffna, along with six (06) sewing machines for the training center. The project cost was Rs. 1.36 million.

This program provided training, training materials, and 5 sewing machines to 20 young women in Kayts, Jaffna District, for their economic empowerment. The project cost was Rs. 0.61 million.

Currently, the beneficiaries have succeeded in earning an average monthly income of approximately Rs. 15,000.





B. Threads for Hope - Batticaloa and Ampara

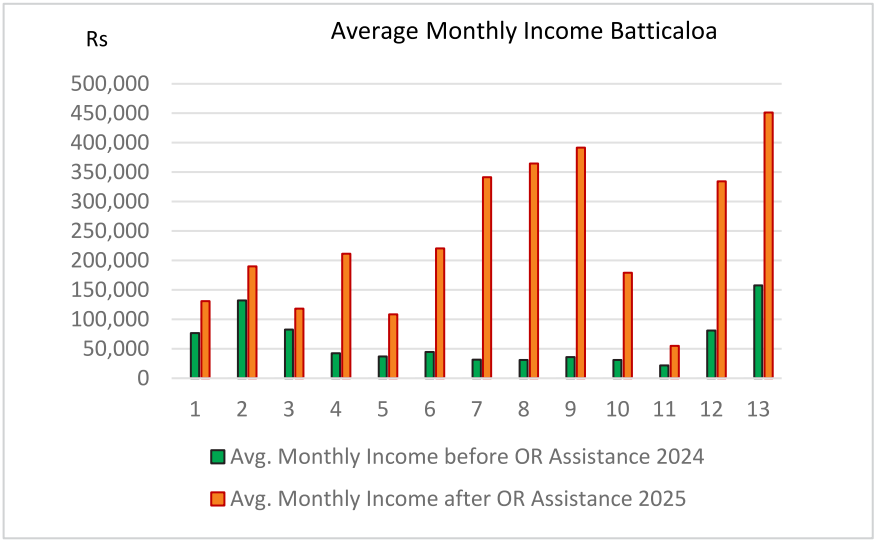
- Thirteen (13) groups comprising 89 individuals affected by the war and engaged in the traditional handloom textile industry in the Manmunai Pattu, Manmunai South, and Eravur Pattu divisions were supported by providing material, training and awareness, market opportunities, and two 'Waproll' machines to, enabling them to broadly re-start their small-scale handloom textile industry. The project cost was Rs. 2.42 million.
- Three groups consisting of 38 individuals affected by the conflict in the Navithanveli division of the Ampara District were assisted to empower and uplift their handloom textile industry by providing necessary support. The project cost was Rs. 0.66 million.

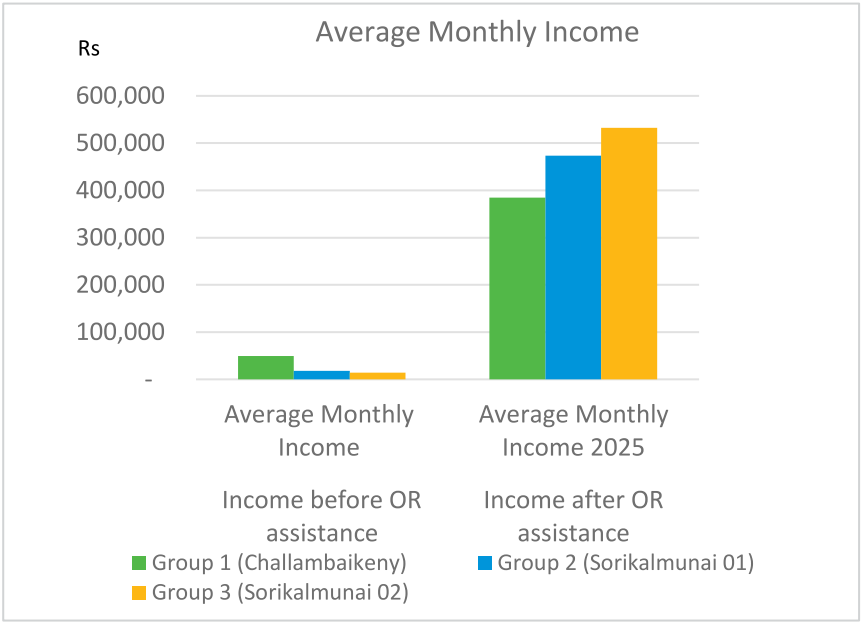
The beneficiaries in the Batticaloa District are very successfully engaged in income-generating activities. They have significantly increased their monthly income.







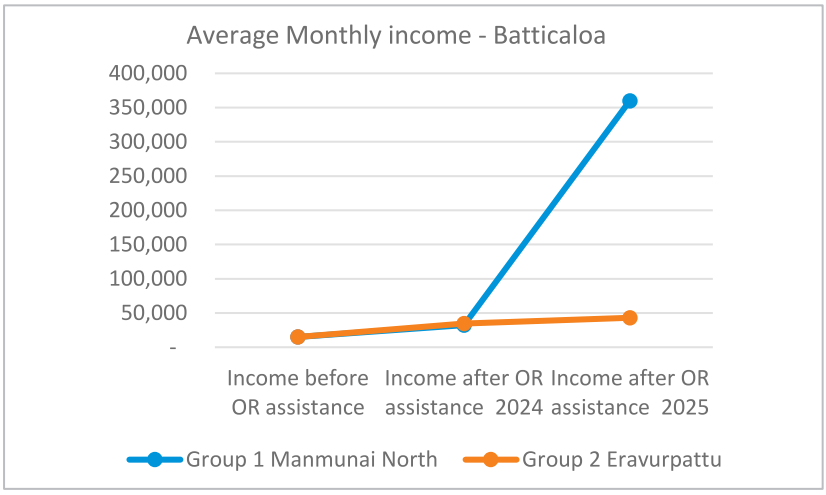


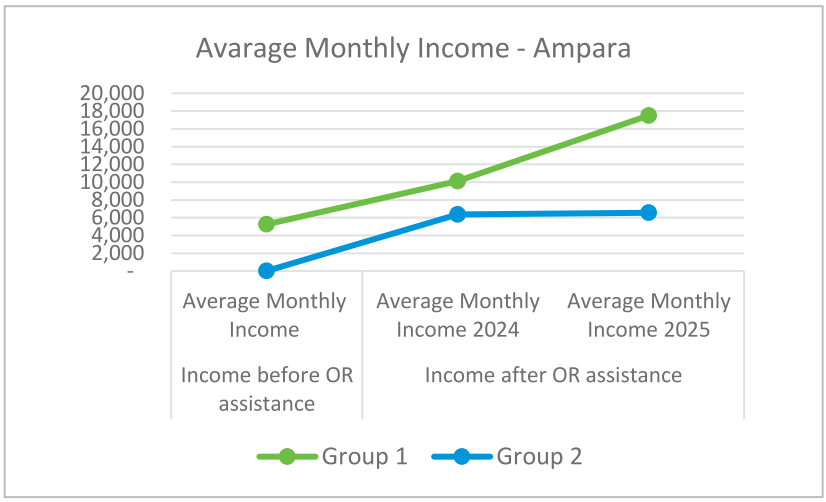


C. Light for Life - Batticaloa and Ampara

Two groups, consisting of 8 individuals affected by the war in the Manmunai North division of Batticaloa, were assisted by providing the necessary support to sustainably carry out value-added candle production as a livelihood. The project cost was Rs. 0.85 million. The same livelihood development program, as above, was also carried out for 3 groups, consisting of 15 beneficiaries, in the Navithanveli division of the Ampara District. The project cost was Rs. 0.32 million.

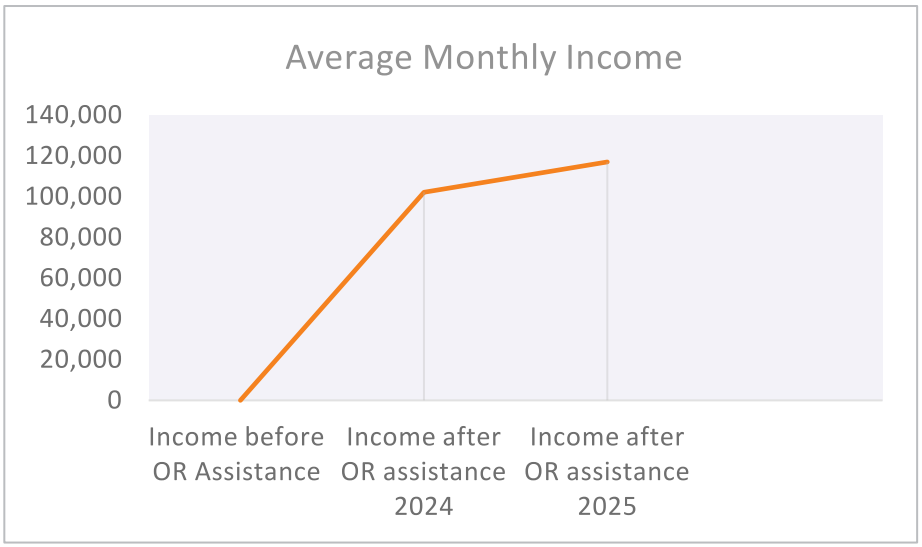






D. Traditional Food Processing Center, Velanai - Jaffna

Established a traditional food processing center in the Velanai area, Kurikadduwan, Jaffna, targeting pilgrims visiting Nagadeepa and tourists, and creating new livelihoods for 5 families affected by the war through this initiative. The project cost was Rs. 2.4 million, and financial assistance was provided by the International Organization for Migration (IOM).



E. Coloring Hands - Jaffna

37 women affected by the war in the Thenmarachchi division of Jaffna were assisted by providing further training, materials, and equipment required for the Palmyra leaf handicraft industry to establish sustainable livelihoods. The project cost was Rs. 0.46 million.

Following the support provided by the Office for Reparations, their gross monthly income has increased by approximately 30%.







F. Stitching Dreams - Batticaloa

40 young women in the two divisions of Kiran and Valaichchenai, Batticaloa has been provided with 20 days of training in ornamental embroidery along with training materials and 3 sewing machines each to the two training centers. The project cost was Rs. 1.74 million. After receiving the assistance, the women in Kiran have succeeded in opening a shop and generating income. The beneficiaries in Valaichchenai have also managed to achieve a gross monthly income between Rs. 15,000 and 20,000.



G. Skills Development Training Program on Solar Panel Installation and Maintenance

Youth groups who were affected by the war in the districts of Mannar, Vavuniya, Batticaloa, and Trincomalee with basic knowledge of electricity, assisted by providing two days practical and theoretical training on solar panel installation and maintenance. Also facilitated part-time or full-time employment opportunities with companies providing renewable energy services. The cost of the 4 programs was Rs. 1.52 million.



Progress

District	No. of Participants	Number Who Succeeded in Gaining Benefits After OR assistance	Percentage of Successful Participants
Mannar	16	11	69%
Vavuniya	21	15	60%
Baticaloa	21	15	71%
Trincomalee	52	28	54%

6. Service Delivery Results - Improvement of Operational Efficiency

In 2025, the Office for Reparations (OR) achieved a landmark milestone in operational efficiency by successfully clearing long-standing backlogs and streamlining its financial delivery systems. Through enhanced institutional coordination and strengthened financial management, the Office finalized all outstanding compensation payments related to the North-East conflict by September 2025, effectively resolving a backlog of applications dating back to 1989.

Key achievements in service delivery during the year include:

- Conflict and Enforced Disappearances:
  Disbursed Rs. 210 million to 2,043 victims of the North-East conflict and Rs. 137 million to 685 families of missing persons.
- Easter Sunday Attack Victim Fund:
  Concluded all beneficiary payments by June 2025 in strict compliance with the Supreme Court Order. Out of the Rs. 311 million received, Rs. 310 million was successfully distributed to 663 beneficiaries.
- Holistic Support Mechanisms:
  Beyond financial relief, the Office improved its operational responsiveness by establishing an integrated referral mechanism. This system connected vulnerable families in districts like Ampara and Mannar to essential state services, including the "Aswesuma" welfare scheme, disability allowances, and housing support, thereby maximizing impact without additional strain on public resources.

7. Financial Performance

I. Revenue and Expenditure Summary

Office for Reparations

STATEMENT OF FINANCIAL POSITION AS AT 31 st DECEMBER 2025

	Note	2025 Rs.	2024 Rs. Restaed
ASSETS			
Current Assets			
Inventories	1	1,912,005	1,420,025
Staff Loan - Short Term	2	2,446,061	1,802,316
Investment - Short Term	3	55,932,713	67,500,000
Employee Gratuity Investment	4	32,864,788	30,402,209
Advance, Prepayments & Receivables	5	1,732,258	3,187,675
Cash & Cash Equivalents	6	16,925,766	94,170,308
		111,813,591	**198,482,533**
Non - Current Assets			
Staff Loan - Long Term	7	8,298,149	6,628,896
Property, Plant & Equipment	8	17,150,432	24,832,817
Investment - Long Term	9	6,000,000	54,932,713
Intangible Assets	10	8,492,058	9,992,521
		39,940,640	**96,386,947**
TOTAL ASSETS		**151,754,230**	**294,869,480**
LIABILITIES			
Current Liabilities			
Other Payable	11	3,502,427	1,862,535
Retirement Benefit Obligation	12	1,085,350	1,335,982
Provisions and Other Liabilities	13	55,932,713	67,500,000
Easter Attack April 2019 Victim Fund	14	581,414	79,241,355
		61,101,904	**149,939,872**
Non- Current Liabilities			
Provisions and Other Liabilities	15	6,000,000	54,932,713
Retirement Benefit Obligation	16	21,021,974	19,420,001
		27,021,974	**74,352,714**
TOTAL LIABILITIES		**88,123,878**	**224,292,586**
NET ASSETS		**63,630,352**	**70,576,894**
NET ASSETS / EQUITY			
Surplus / (Deficit) for the Period		59,559,956	69,851,498
Revaluation Reserves		725,396	725,396
Government Capital Grant		3,345,000	-
ACCUMULATED SURPLUS		**63,630,352**	**70,576,894**

Certification

We certify that the above Financial Statements give a true and fair view of the affairs as at December 31, 2025 and its Surplus / (Deficit) for the year ended December 31, 2025

.....
D. G. H. D. Perera
Deputy Director (Finance)

D.G.H.D. Perera
Deputy Director (Finance)
Officer for Reparations
No: 40, Buthgamuwa Road,
Rajagiriya.

.....
J. Krishnamoorthy
Director General

J. Krishnamoorthy
Director General/Chief Executive Officer
Office for Reparations

The Members of the Office for Reparations is responsible for the preparation and presentation of these Financial Statements.

These Financial Statement were approved by the Members of the Office for Reparations, and signed on their behalf.

.....
Wasantha Perera
Chairperson

Wasantha Perera
Chairperson
Officer for Reparations-Sri Lanka
No: 40, Buthgamuwa Road,
Rajagiriya

.....
J. T .C. Sundaram
Member

II. Capital and Recurrent Expenditure Trends

Office for Reparations

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31st DECEMBER 2025

	Note	2025 Rs.	2024 Rs. Restated
REVENUE			
Revenue from Non exchange transactions			
Recurrent grant	17	433,780,000	2,125,598,995
		433,780,000	**2,125,598,995**
Capital grant		3.345.000	13,819,625
Revenue from exchange transaction		**3,501,061**	**4,442,080**
Interest	18	3,496,861	4,437,773
Other Revenue	19	4,200	4,307
Total Revenue		**440,626,061**	**2,143,860,700**
Operation Results			
Recurrent Revenue			
Non exchange		433,780,000	2,125,598,995
Exchange		3,501,061	4,442,080
Total		**437,281,061**	**2,130,041,075**

Less- Recurrent Expendture

Wages, Salaries & Employee Benefit	**20**	(61,406,374)	(61,795,506)
Implementation of Policy Objectives	**21**	(339,372,781)	(2,032,823,612)
Other Expenditure for Compensation	**22**	(691,298)	(702,762)
Supplies & Consumables Used	**23**	(2,404,457)	(4,416,915)
Maintenance of Fixed Assets	**24**	(5,772,555)	(6,529,866)
Other Expenditure	**25**	(24,585,929)	(25,846,095)
Profit / Deficit for Sales of Disposal Assets	**26**	-	(139,945)
Depreciation expenses	**27**	(10,851,246)	(10,646,957)
Amortization expenses	**28**	(1,500,463)	(2,235,604)
Capacity Bulidings	**29**	(987,500)	-
Total Expense		**(447,572,602)**	**(2,145,137,262)**
Current Surplus / (Deficit) for the Period		**(10,291,541)**	**(15,096,188)**
Comprehensive Income - Revaluation Surplus for the Year 2025		-	-
Non exchange revenue			
Capital Grant		3,345,000	13,819,625
Impairment of property, plant and equipment		-	-
Surplus / (deficit) for the period after accounting for capital Grant		**(6,946,541)**	**(1,276,563)**

III. Economic Value-Added Statement

STATEMENT OF CHANGES IN EQUITY & RESERVES OF OFFICE FOR REPARATIONS FOR THE YEAR ENDED 31 ST DECEMBER - 2024 & 2025

	Surplus / (Deficit) for the Perio		Revaluation Reserves		Government Capital Grant		Accumulated Fund	
	2025	2024	2025	2024	2025	2024	2025	2024
Balance as at 01st January for the Year	**69,851,497**	**216,994,393**	**725,396**	**725,396**			**70,576,894**	**217,719,789**
Expenditure for the Year		(145,866,333)						(145,866,333)
Comprehensive Income - Government Capital Grant		13,819,625			3,345,000		3,345,000	13,819,625
Surplus / (Deficit) for the Period	(10,291,541)	(15,096,188)					(10,291,541)	(15,096,188)
Balance as at 31 st December for the Year	**59,559,956**	**69,851,497**	**725,396**	**725,396**	**3,345,000**	**-**	**63,630,352**	***70,576,894***

IV. Ten Year Summary

Performance & Financial Position Highlights for Past 10 Years

For the Year ended 31st December	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn	Rs. Mn
Operating Results										
Revenue	433.78	2,125.60	1,405.74	480.53	459.33	397.06	983.19	1,540.70	596.94	518.61
Total Revenue	440.63	2,143.86	1,417.27	487.02	470.38	413.97	1,002.57	1,566.30	631.73	595.91
Total Expense	447.57	2,145.14	1,431.64	498.15	487.02	397.37	1,001.89	1,553.17	627.34	600.83
Current Surplus / (Deficit) for the Period	**(10.29)**	**(15.10)**	**(17.10)**	**(11.48)**	**(17.11)**	**16.59**	**0.68**	**13.13**	**4.38**	**(4.91)**
Capital Grant	3.35	13.82	2.73	0.35	-	-	-	-	-	-
Surplus / (Deficit) for the period after accounting for Capital Grant	**(6.95)**	**(1.28)**	**(13.64)**	**19.27**	**-**	**-**	**-**	**-**	**-**	**-**
Assets										
Current Assets	111.81	198.48	140.79	307.07	81.18	89.22	126.99	107.60	60.19	49.22
Non - Current Assets	39.94	96.39	121.18	212.78	522.82	763.50	881.94	894.61	926.97	907.49
Total Assets	151.75	294.87	261.96	519.85	604.00	852.71	1,008.93	1,002.21	987.16	956.71
Liabilities										
Current Liabilities	61.10	149.94	7.20	2.02	12.54	6.15	7.93	2.92	1.88	1.93
Non - Current Liabilities	27.02	74.35	37.04	284.77	377.48	620.12	756.19	755.80	755.04	754.32
Total Liabilities	88.12	224.29	44.24	286.79	390.02	626.26	764.12	758.72	756.92	756.25
Net Assets	63.63	70.58	217.72	233.06	213.98	226.45	244.81	243.49	230.24	200.46
Net Asset / Equity										
Net Assets / Equity or Accumulated Surplus	**63.63**	**70.58**	**217.72**	**233.06**	**213.98**	**226.45**	**244.81**	**243.49**	**230.24**	**200.46**

8. Human Resource and Institutional Capacity

I. Staffing Profile

The approved cadre of the Office consists of 74 positions, covering managerial and support service levels. As at the end of 2025, 46 officers were in service, while 28 vacancies remained to be filled.

The Office maintained its core operational functions through the leadership of the Director General and key management staff, supported by officers engaged in program implementation, finance, administration, internal audit and field-level service delivery. Despite existing staff shortages in several categories, particularly Managerial and operational grades, the Office continued to carry out its mandate effectively through prudent resource management and teamwork.

Notable vacancies existed in areas such as Reparations Officers, Drivers, Management Assistants, ICT, Internal Audit, and Translation services, indicating the need for future recruitment to further improve service delivery and institutional efficiency. All the arrangement has been made to recruit the officers for essential positions in 2026.

Cadre Information as at 31/12/2025

Category	Approved Cadre	Existing Cadre	No. of Vacancies
Director General	01	01	-
Director	01	01	-
Deputy Director / Assistant Director	04	02	2
Administrative Officer	01	01	-
Internal Auditor	01	-	1
IT Officer	01	-	1
Reparations Officer	22	12	10
Translator	01	-	1
Internal Audit Assistant	01	1	-
Management Assistant	26	17	09
Driver	7	4	3
Office Aid	7	6	1
Security Guard	1	1	-
Total	**74**	**46**	**28**

II. Recruitments, Promotions and Retirements

Recruitments

In year 2025 following recruitments were made.

No	Name of the Employee	Employee Category	Appointing Date	Remarks
1	J. Krishnamoorthy	Director General	06.02.2025	Appointed for 01 Years
2	J.P.N.C Jayakody	Deputy Director (Finance)	21.08.2025	Appointed for 04 Months (Acting duties)
3	K.S.A. Chandrathna	Driver (Contract)	05.11.2025	Appointed for 06 months

Promotions

No	Name of the Employee	Employee Category	Promotion Date	Promoted from
1	Aarachchi H N	Reparations Officer	05.06.2025	Grade III to Grade II
2	Nadeeka M A T	Reparations Officer	06.07.2025	Grade II to Grade I
3	Malkanthi B H	Reparations Officer	06.07.2025	Grade II to Grade I
4	Amarasekara E A D A	Reparations Officer	14.11.2025	Grade II to Grade I

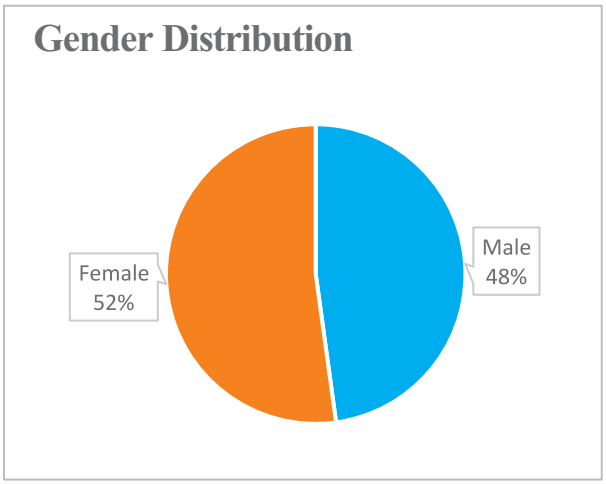
Retirements / Resignations

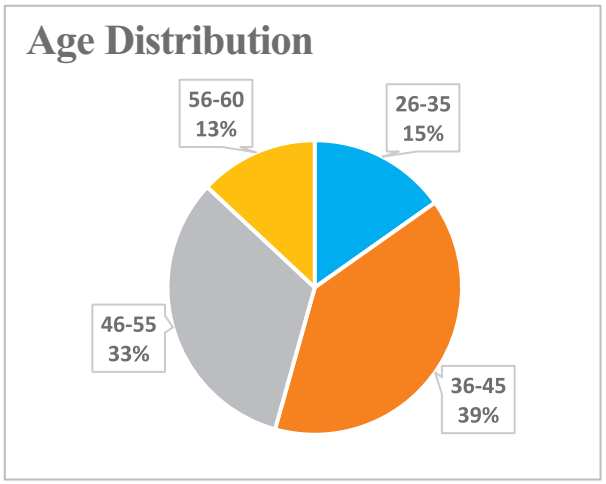
No	Name of the Employee	Employee Category	Retirement Date	Nature
1	J.P Shantha	Deputy Director	08.02.2025	Passed away
2	N. P. Musammil	Driver	01.03.2025	Resigned
3	S.N.C.W.M. Dharmakeerthi	Deputy Director (Finance)	23.07.2025	Resigned
4	J. Araveenthan	Reparations Officer	31.12.2025	Resigned

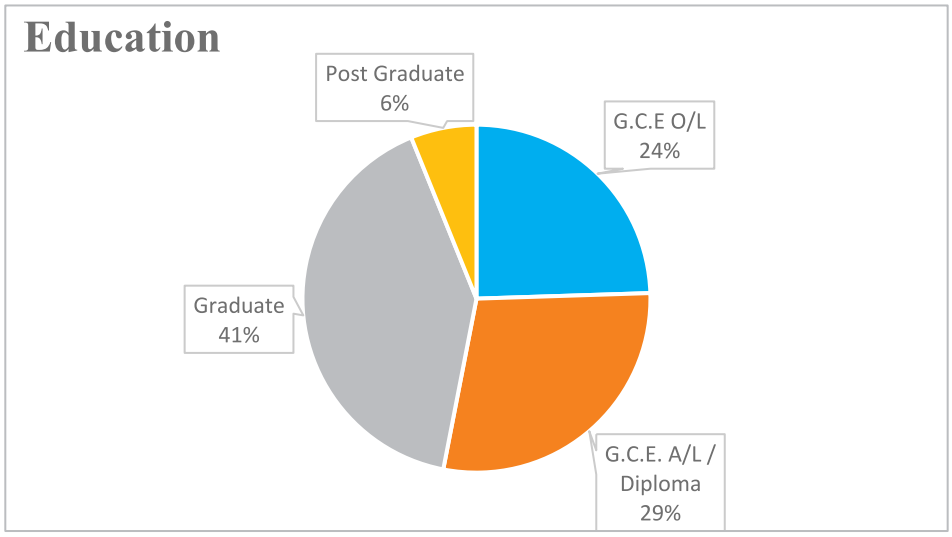
III. Capacity Building

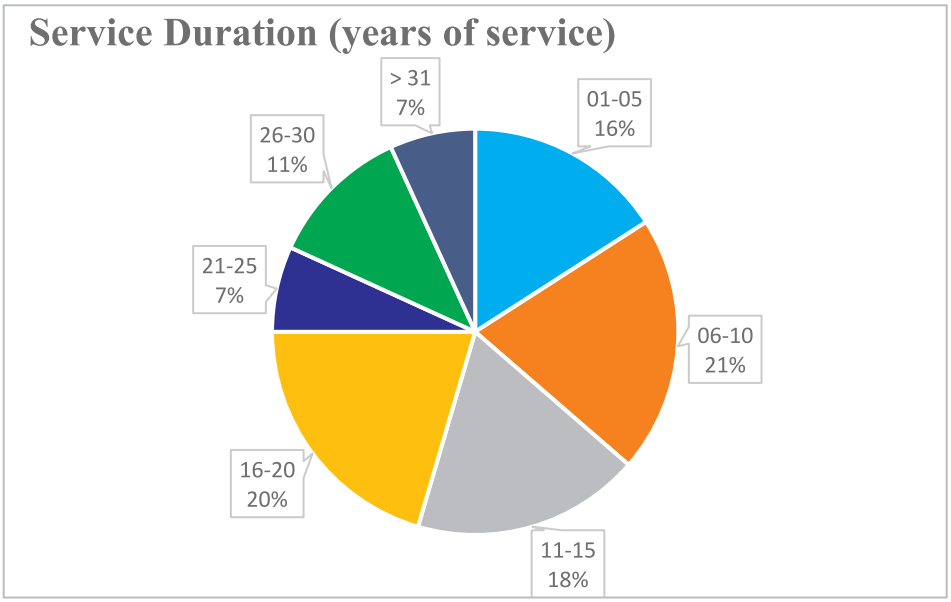
Out of the total allocation of Rs. 1,000,000 under the Capacity Building category, a sum of Rs. 987,500 was utilized to conduct training programs in MS Word and MS Excel through Distance Learning Center Ltd, as well as to support a postgraduate program at University of Sri Jayewardenepura.

IV. Staff Diversity Metrics









9. Governance and Risk Management

- Audit Committee report

  The Audit and Management Committee was chaired by Dr. Azeez M. Mubarak, Member of the Board, until July 2025, and by Rear Admiral (Retd.) Terence Sundaram from November 2025. The Committee provided oversight on financial reporting, internal controls, and compliance, while supporting effective risk management and accountability within the Office.

- Fraud Prevention Strategies

  The Office continued to strengthen the fraud prevention framework through the implementation of internal controls, segregation of duties, and adherence to established government financial and administrative procedures. Awareness on ethical conduct and accountability was promoted among staff, while reporting mechanisms were maintained to facilitate the timely identification and reporting of irregularities. Regular reviews and audit processes further supported the detection and prevention of potential fraud risks.

- Report on Internal Control Assessment

  The Office maintained an effective system of internal controls to ensure the reliability of financial reporting, compliance with applicable regulations, and the efficient use of resources. Quarterly progress monitoring against the approved action plans was carried out to track implementation and address identified gaps. Internal reviews and audit observations were also considered to strengthen control mechanisms and improve overall governance and risk management practices.

10. Key Challenges and Lessons Learned

- **Operational and Strategic Challenges**

a. **Capacity Constraints:** The Office continued to face significant capacity limitations during the year under review due to an inadequate number of staff, which affected the timely implementation and scaling of programs. In particular, several middle management positions remained vacant, and recruitment was subject to approvals from the Department of Management Services, resulting in delays that prevented appointments within the year. Furthermore, the absence of field-level officers in key districts such as Kilinochchi, Vavuniya, Batticaloa, and Mullaitivu posed additional challenges in the effective planning and delivery of reparations programs.

b. **Lack of Specialized Expertise:** The absence of dedicated IT, legal, and psychosocial professionals within the Office posed significant challenges during the year under review. These capacity gaps limited the Office's ability to design and implement comprehensive reparations programs and affected the efficient administration of its operations.

c. **Financial Constraints:** The implementation of reparations programs for war-affected communities required frequent travel to the Northern and Eastern Provinces, resulting in substantial operational costs. Additionally, initiating programs was constrained by limitations in obtaining advances from government funds, as existing financial regulations and circulars have not been updated to reflect the current economic context. These factors posed challenges to the timely and efficient execution of program activities.

d. **The absence of a scientific, standardized and victim centered Model/Formula for death compensation:** Providing Compensation/Financial assistance to the next of kin of the deceased due to conflict related events is one of the Key components of reparations. Currently, the OR grants such compensation/financial assistance based on Cabinet decisions and government circulars, often resulting in case-by-case variations. For example, the death compensation for victims in two separate schemes was LKR 200,000 and LKR 500,000, while the compensation

for victims of another scheme was LKR 1,000,000. As the absence of a standardized model for calculating compensation creates deep perceptions of injustice, inequality, and lack of transparency among affected communities

e. **Monitoring and Impact Evaluation Constraints:** Limited resources and systems for monitoring and evaluating the long-term impact of reparations programs made it challenging to assess effectiveness, ensure accountability, and inform evidence-based improvements.

- **Key Audit Matters Highlighted by the AG and corrective measures taken.**

  All the corrective measures have been taken and reported to the AG as required.

- **Lessons Learned for Further Improvements**

  The importance of a more predictable and updated financial framework has been recognized to facilitate smoother program implementation. Strengthening data systems, improving inter-agency coordination, and enhancing community outreach and awareness are also key priorities for improving access, equity, and impact of reparations programs in the future.

11. Plan for the Upcoming Years

- Building upon the foundational **Strategic Plan 2025–2030** and the **Annual Action Plan for 2026**, the Office for Reparations (OR) is committed to a multi-faceted approach to restorative justice and victim empowerment. Central to our upcoming initiatives is a robust Recurrent Budget of Rs. 400 Mn dedicated to reparations, with a primary focus on sustainable livelihood development and psychosocial support. OR aim to transition aggrieved persons from government dependency to economic autonomy through livelihood initiatives. Ten Livelihood support initiatives have been planned to implement in 2026, as follows, benefiting over 250 direct recipients across the Northern and Eastern provinces

  1. Ocean Leaf – Mannar Sustainable Sea Weed (Algae)Cultivation livelihood initiative for the victims –Nanatan, Mannar
  2. Stitching Dreams – Ari Embroidery Training Program – Nanatan, Mannar
  3. Stitching Dreams –
  4. Ari Embroidery Training Program – Mullathivu
  5. Coloring Hands – Palmyra Hand Crafts production initiative – Chankanai, Jaffna
  6. Coloring Hands – Palmyra Hand Crafts Production Initiative-Town & Gravets, Trincomalee
  7. Value added Soap Production-Morawewa, Trincomalee
  8. Solar energy harvesting and Electrical installations – Nallur, Jaffna
  9. Solar energy harvesting and Electrical installations – Karachchi, Kilinochchi
  10. Solar energy harvesting and Electrical installations – Ampara
  11. Solar energy harvesting and Electrical installation – Maritimepattu, Mullathivu

- The Office for Reparations has allocated Rs. 5 million for 2026 to enhance the psychosocial well-being and resilience of aggrieved persons. These initiatives focus on restorative care through the following actions: Case Management: Providing direct PSS support via case manager interventions for 40 families across nine districts, including Jaffna, Trincomalee, and Galle. Awareness & Protection: Conducting specialized programs in the WeliOya and Kandawalai divisions focused on parenting, child protection, and the prevention of teen pregnancies and child marriages. Capacity Building: Addressing the lack of internal staff

capacity in psychosocial areas to ensure a more trauma-informed and victim-centered delivery of reparations. By strengthening social functioning and coping mechanisms, the Office aims to facilitate the long-term autonomy and healing necessary for reconciliation

- Furthermore, the Office will prioritize **Monetary Relief**, with **Rs. 300 Mn** allocated for revival payments to 1,500 families of missing persons and Rs. 90 Mn for victims of conflict-related property loss and death.

- To ensure the long-term efficacy of these programs, the OR will focus on several critical systemic enhancements:

    - **Standardization of Reparations:** Development of a scientific, victim-centered model for conflict-related death compensation and an all-inclusive model for missing persons' families.
    - **Institutional Capacity Building:** Addressing current staff vacancies (29 positions) and enhancing expertise in legal, psychosocial, and IT domains to better serve our mandate.
    - **Referral & Integration:** Strengthening referral systems for land rights, housing, and community infrastructure to ensure comprehensive support through collaboration with relevant authorities.
    - **Operational Infrastructure:** Upgrading office facilities and the vehicle fleet to support the extensive field interventions required for effective service delivery.

12. Annexures - Auditor General's Report

Chairperson
Office for Reparations

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Office for Reparations for the year ended 31st December 2025 in terms of Section 12 of the National Audit Act, No. 19 of 2018

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1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Office for Reparations for the year ended 31 December 2025 comprising the statement of financial position as at 31 December 2025 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 material accounting policy information, 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. This report of mine will be tabled in Parliament in due course in accordance with Article 154 (6) of the Constitution.

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 Office for Reparations as at 31 December 2025, 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 Qualified Opinion

(a) In accordance with paragraph 70 of Sri Lanka Public Sector Accounting Standard No. 01, employee insurance expenses were not recognized on an accrual basis and as a result, the insurance expense recognized during the year was overstated by Rs.269,394. Consequently, insurance costs amounting to Rs. 1,831,283, relating to the financial years 2025 and 2026, were recognized as prepaid expenses.

(b) Out of the Rs. 52,000,000 invested in the Bank of Ceylon under the Consolidated Loan Subsidy Scheme as of January 01, 2025, an amount of Rs. 23,000,000 had matured during the year under review and due to recognizing this amount as

Rs.19,000,000, short-term investments under current assets were overstated by Rs.4,000,000, and provisions and other liabilities under current liabilities were also overstated by Rs. 4,000,000 in the Statement of Financial Position.

(c) Although the depreciation of the asset worth Rs. 2,688,000 purchased in 2014 in the computer data system had been fully written off, an amount of Rs. 268,800 was recognized as written off depreciation in the year 2025, resulting in an overstatement of expenses for the current year.

(d) Although assets amounting to Rs. 3,107,760 included under Furniture and Fittings had been fully depreciated, an amount of Rs. 295,731 was recognized as depreciation in the year 2025, resulting in an overstatement of the depreciation expense for the current year.

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 this 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 Office's 2025 Annual Report

The other information comprises the information included in the Office's 2025 Annual Report but does not include in the financial statements and my auditor's report thereon, which obtained by me prior to the date of this audit report. The management is responsible for this other information.

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

If, based on the other information obtained by me prior to the date of this audit report and work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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 Office'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 Office or to cease operations, or has no realistic alternative but to do so.

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

As per Section 16 (1) of the National Audit Act No.19 of 2018, the Office 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 by the Office.

1.5 Auditor's Responsibility 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 skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error and to obtain relevant audit evidence, 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 Office'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 Office'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 office 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 The National Audit Act, No. 19 of 2018 contains special provisions regarding the following requirements.

2.1.1 Except for the effects of the matters described in the Basis for Qualified Opinion section of my report, as per the requirements of Section 12 (a) of the National Audit Act No. 19 of 2018, I obtained all the information and explanations required for the audit and, from my investigation, it appears that the Office had maintained proper financial records.

2.1.2 As per the requirement of Section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018, the financial statements presented by the Office is consistent with the preceding year.

2.1.3 As per the requirement of Section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018, the recommendations made by me in the previous year under the Basis for Qualified Opinion section of my report, are included in the financial statements presented.

2.2 Based on the procedures followed and the evidence obtained, and within the limits of quantitative factors, nothing caught my attention enough to state the followings.

2.2.1 As per the requirement of Section 12 (d) of the National Audit Act No. 19 of 2018, that any member of the governing body of the Office has any direct or indirect interest in any contract entered into by the Office outside the normal business environment.

2.2.2 As per the requirement of Section 12 (f) of the National Audit Act No. 19 of 2018, the Office has not complied with any applicable written law or other general or special directions issued by the governing body of the Office.

	Reference to laws rules / regulations	**Observation**
(a)	Section 40 (1) of the National Audit Act, No. 19 of 2018	An internal auditor had not been appointed to date.
(b)	Public Administration Circulars No. 05/2008 and 05/2008 (1) dated 06 February 2008 and 24 January 2018.	The introduction of the Citizens'/ Clients' Charter had not been introduced to date.
(c)	Circular No. 01/2021 dated 16 November 2021 on Public Enterprises (i) Paragraph 3 of Schedule 1 of Section 2.3 of the Guidelines	The forecasted Income Statement, Statement of Financial Position, and Cash Flow Statement, which should be included in the main budget document, had not been included in the budget document for the year under review.

	(ii) Paragraph 6.6 of the Operations Manual	Although the annual report should be tabled in Parliament within 05 months of the end of the financial year, the report for the year 2024 was tabled in December 2025.
(d)	Paragraph 4.1.1 of the Procurement Guidelines	Although a master procurement plan should have been prepared, including the expected procurement activities for a period of at least 03 years, action had not been taken accordingly.
(e)	Paragraph 14.6 of Public Enterprises Circular No. 01/2024 dated 28 February 2024.	Although the remaining balance at the end of the year should have been remitted to the Treasury, an amount of Rs.16,287,015 had been retained without being remitted.

2.2.3 As per the requirement of Section 12 (g) of the National Audit Act No. 19 of 2018, the Office has not performed according to its powers, functions and duties.

2.2.4 As per the requirement of Section 12 (h) of the National Audit Act No. 19 of 2018, the resources of the Office had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws, except for the observations set out below.

(a) Although a sum of Rs. 100,000 had been allocated for partitioning the office premises and a sum of Rs. 1,000,000 for purchasing an accounting package, those allocations had not been utilized to achieve the intended objectives.

(b) According to the procurement plan for the year under review, provisions of Rs.150,000 and Rs. 1,510,000 had been allocated for the purchase of furniture and office equipment, and computer accessories respectively, whereas the actual expenditure amounted to Rs. 338,855 and Rs. 2,063,490 respectively. Accordingly, expenditure had been incurred exceeding the planned provisions by 126 percent and 37 percent respectively. It is observed in audit that budgetary control had not been utilized as an instrument of management control.

(c) In accordance with paragraph 5.4 (c) of the Procurement Manual 2024 for Goods, Works, and Non-Consulting Services by the National Procurement Commission, although bids should have been invited by the Chairman of the Procurement Committee on behalf of the Procuring Entity, action had not been taken accordingly.

(d) In accordance with paragraph 7.10 (b) of the Procurement Manual 2024 for Goods, Works, and Non-Consulting Services by the National Procurement Commission, in instances where all bids received are rejected, the decision of rejection should be communicated to all bidders with reasons; however, action had not been taken accordingly.

(e) In accordance with paragraph 8.1 of the Procurement Manual 2024 for Goods, Works, and Non-Consulting Services by the National Procurement Commission, if the Procurement Committee rejects the recommendations contained in the Bid Evaluation Committee report either wholly or partially, the reasons for such rejection should be stated; however, action had not been taken accordingly.

(f) According to the approved budget estimate for the year under review, a provision of Rs. 2,243,000,000 was made for compensation, but 84 percent of it remained. The details are as follows.

(i) A budget of Rs. 1,000 million had been prepared and presented for 5,000 files recommended by the Office on Missing Persons, and the preparation of the said budget was based on the action plan received from the Office on Missing Persons. Out of 697 files received from the Office on Missing Persons, payments amounting to Rs. 136,800,000 had been made only for 684 files during the year under review.

(ii) Although a budget provision of Rs. 30 million had been allocated for 05 programs planned to be implemented by the Office for Reparations during the year under review, 99.9 percent of those provisions had not been utilized and although a sum of Rs. 3 million had been obtained from the Treasury at Rs. 1 million each in January, March, and June 2025 respectively for the implementation of the programs, only Rs. 26,905 of that amount had been utilized by the Office for Reparations.

(g) Provisions of Rs. 45 million had been allocated for other recurrent expenditure, out of which Rs. 18.78 million had been requested for recurrent expenditure,

while the actual expenditure amounted to Rs. 35.168 million. Accordingly, Rs. 9.83 million or 22 percent of the provisions had been underutilized.

(h) Although a sum of Rs. 1,675,127 had been received from the International Organization for Migration (IOM) for the establishment of community based micro projects under its agreement to provide financial assistance for the implementation of livelihood and psychosocial programs in 2024, the Office for Reparations failed to properly report the related expenditure and as a result, the funds so received were observed as underutilized in the Treasury accounts.

2.3 Other matters

(a) According to the Treasury Expenditure Summary, although the imprest amount issued for the payment of compensation and the implementation of other reparation policies was Rs. 355,000,000, the actual expenditure amounted to Rs. 339,372,781 and accordingly, an overstatement of Rs. 15,627,219 was reflected in the Treasury Expenditure Summary, and the actual expenditure had not been accurately disclosed. Furthermore, although an amount of Rs. 45,000,000 had been allocated for other recurrent expenditure, and out of which only Rs. 18,780,000 had been obtained as imprest, the actual expenditure amounted to Rs. 35,168,536. Accordingly, the excess expenditure incurred amounting to Rs. 16,388,536 had been met and spent from the surplus of Rs. 15,627,219 received for the payment of compensation and implementation of reparation policies, and from the opening cash balance of the institution. Consequently, due to the utilization of the imprest obtained for compensation and implementation of other reparation policies for other recurrent expenditure, the actual expenditure was not observed in the Treasury Expenditure Summary.

(b) An amount of Rs. 786,708 had been paid as institutional allowances based on the approval of the Board of Directors, without the formal approval of the Department of Management Services.

Sgd;
L.S.I. Jayarathne
Auditor General

Auditor General,
National Audit Office,
No. 306, Polduwa Road,
Baththaramulla.

Report of the Auditor General in terms of Section 12 of the National Audit Act, No. 19, 2018, on the financial statements and other legal and regulatory requirements of the Office for Reparations for the year ended 31st December 2025.

I hereby submit, for your kind attention, the responses to the audit inquiries requested in your letter No. JLO/C/C/REP/FA/2025, dated 29th May 2026.

Sgd/Illegibly,
J. Thatparan
Director General / Chief Executive Officer (Acting)

1. Financial Statements

1.1 Qualified Opinion

1.2 Basis for Qualified Opinion

(a) During the year 2025, the institution had incurred an expenditure of Rs. 3,079,592.08 for staff medical insurance and out of this, the insurance premium amount of Rs. 159,470.07 due from the employees for the final 03 months of 2025, namely October, November, and December had been recovered monthly from their salaries and for the recovery of the premium amount of Rs. 478,592.08 due from the employees for the first 09 months of the year 2026, it had been credited to the medical insurance account and transferred to the receivables account via journal voucher No. 10. Accordingly, an amount of Rs. 2,441,711.80 had been recognized and accounted for as the staff medical insurance expenditure applicable to the current year.

Furthermore, I wish to inform that this insurance coverage is implemented in a manner where 25% of the fee incurred under the staff medical insurance (excluding taxes, administrative expenses, and other costs) is recovered from the staff.

However, upon further study of the audit observation, the facts stated in the query are found to be correct and therefore, I inform that necessary actions will be taken to update the final accounts by making the required adjustments to the net surplus of the year 2025.

(b) Since the cheque issued by the Bank of Ceylon upon the maturity of the invested sum of Rs. 4,000,000.00 mentioned in your observation was received by our institution on 05 January 2026, it was not possible to remit these funds to the General Treasury prior to 31 December 2025 and therefore, adjustments had been made to the accounts as mentioned in the observation.

(c) Agreed with the audit observation. Action will be taken to rectify this in the accounts for the year 2026.

(d) Agreed with the audit observation. Action will be taken to rectify this in the accounts for the year 2026.

02. Report on Other Legal and Regulatory Requirements

2.2.2 As per the requirement of Section 12 (f) of the National Audit Act No. 19 of 2018, the Office has not complied with any applicable written law or other general or special directions issued by the governing body of the Office.

(a) Section 40 (1) of the National Audit Act, No. 19 of 2018

Applications were called via the Gazette notification dated 17.04.2026, and following an interview, an Internal Auditor was appointed for the institution with effect from 10.06.2026.

(b) Public Administration Circulars No. 05/2008 and 05/2008 (1) dated 06 February 2008 and 24 January 2018

Agreed with the audit observation. Noted to act in accordance with the observation in future.

(c) Circular No. 01/2021 dated 16 November 2021 on Public Enterprises

i. Paragraph 3 of Schedule 1 of Section 2.3 of the Guidelines

Agreed with the audit observation. Noted to act in accordance with the observation in future.

ii. Paragraph 6.6 of the Operations Manual

Agreed with the audit observation. While a practical challenge exists in submitting the annual report by the due date, steps are being taken to submit the annual report for the year 2025 at the earliest possible opportunity.

(d) Paragraph 4.1.1 of the Procurement Guidelines

Agreed with the audit observation. In accordance with the observation, the procurement plan for a period of three years has been drafted and it is planned to be submitted for the approval of the Board of Directors in the near future.

(e) Paragraph 14.6 of Public Enterprises Circular No. 01/2024 dated 28 February 2024

Action has been taken in January 2026 to remit a sum of Rs. 638,751.00 to the General Treasury, which was identified as the remaining balance as at 31 December 2025, after reconciling the expenditure incurred against the monthly imprest released to our institution by the General Treasury under two expenditure heads during the year based on the 2025 budget provisions.

2.2.4 As per the requirement of Section 12 (h) of the National Audit Act No. 19 of 2018, the resources of the Office had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws, except for the observations set out below.

(a) Although preliminary steps had been taken for the partitioning of office premises mentioned in the audit observation, those activities were subsequently not carried out as it was later identified that such partitioning was not required.

Furthermore, the need for individuals with specialized expertise arose to prepare the necessary specifications for the accounting package proposed by the Accounts Division. Following several discussions by the Board of Directors on this matter, it was recognized that the allocated provisions were insufficient to purchase an accounting package, and since incurring a massive expenditure for this purpose would be economically ineffective and constitute a non-essential expenditure, the allocated funds were not utilized.

(b) An amount higher than the planned budget was spent under Furniture and Office Equipment because a larger quantity of items than initially anticipated had to be purchased due to practical considerations and service requirements. Similarly, an exceeding of provisions occurred under Computer Accessories as the market price of the laptop computers planned for purchase was higher than the estimated cost, resulting in a higher payment than expected during the planning stage.

In the future, actions will be taken with a proper understanding of prevailing market prices and institutional requirements when preparing procurement plans.

(c) Noted to act in accordance with the audit observation in future.

(d) Noted to act in accordance with the audit observation in future.

(e) Noted to act in accordance with the audit observation in future.

(f) (i) Agreed with the audit observation.

Based on the 2025 Action Plan of the Office on Missing Persons, a sum of Rs. 1,000 million had been budgeted by the Office for Reparations for 5,000 files relevant to the subject for the year 2025. However, due to the inability of the said Office to provide the targeted number of files, our institution was unable to achieve the budgeted amount of payments.

Furthermore, as at 31 December 2025, the Office for Reparations had finalized payments for 684 files out of the 697 recommended files received from the Office on Missing Persons. This represents an overall efficiency rate of 98%, and the remaining 13 files are pending due to the beneficiaries' failure to submit accurate bank account details, alongside delays in providing such details to our institution.

(ii) Agreed with the audit observation.

Necessary actions will be taken in the future to complete the projects specified in the annual estimates within the stipulated timeframes.

(g) Agreed with the audit observation.

I wish to inform that 22% of the respective provision remained due to exercising strict economy regarding recurrent expenditure and restricting spending solely to essential requirements.

(h) The sum of Rs. 1,675,127 granted to the Office for Reparations by the International Organization for Migration (IOM) in the year 2025 was for the funds already expended by the Office for Reparations for community based micro projects carried out in the year 2024. The International Organization for Migration (IOM) had agreed to provide financial assistance for the implementation of livelihood and psychosocial programs in

the year 2024. However, the release of this sum of Rs. 1,675,127 to the Office for Reparations by the International Organization for Migration (IOM) was delayed in 2024. Consequently, those scheduled programs were completed utilizing the budgetary provisions of the Office for Reparations. Therefore, the aforementioned sum of Rs. 1,675,127 is an amount receivable to the Office for Reparations.

3. Other matters

(a) Agreed with the audit observation.

The release of imprest for the expenditures of this institution is processed by the General Treasury and upon identifying a surplus in the imprest received for compensation payments and the implementation of other reparation policies, and noting that the imprest allocated for other recurrent expenditure was insufficient (deficit), this action was taken by treating it as an inter-transfer. Furthermore, the relevant officers have been instructed to remit surplus imprest to the General Treasury in the future, and to formally request and obtain the necessary funds to meet expenditures whenever the imprest allocated to a specific expenditure head is found to be inadequate.

(b) The institutional allowance on which your observations are based has been paid monthly in this manner from the year 1994 up to January 2025.

1994 to 2009	Rs. 600.00
2009 to 2015	Rs. 1,000.00
2016 to 2022 August	Rs. 1,500.00
2022 September to 2024	Rs. 2,500.00
2025 to 2026 April	Rs. 4,000.00

I wish to inform that the approvals of the Board of Directors have been granted for the aforementioned payments, and in granting such approvals, the unique nature of duties specific to the institution, the institutional mandate, the number of staff vacancies, and variations in financial values over time have been taken into consideration.

However, in line with your observation, a letter dated 10.06.2026 has been forwarded to the Department of Management Services through the Secretary to the Ministry to obtain formal approval for this institutional allowance.