

Local Loans and Development Fund - 2012

The audit of financial statements of the Local Loans and Development Fund for the year ended 31 December 2012 comprising the statement of financial position as at 31 December 2012 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory 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 Section 13(1) of the Finance Act, No.38 of 1971. My comments and observations which I consider should be published with the annual report of the Fund in terms of Section 14 (2) (c) of the Finance Act appear in this report.

1.2 Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

1.3 Auditor’s Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund’s preparation and fair presentation of the financial statements 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 Fund’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Subsections (3) and (4) of the Section 13 of the Finance Act, No 38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the Audit.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

1.4 Basis for Adverse Opinion

Had the matters described in paragraph 2.2 of this report been adjusted, many elements in the accompanying financial statements would have been materially affected.

2 Financial Statements

2.1 Adverse Opinion

In my opinion, because of the significance of the matters described in paragraph 2.2 of this report, the financial statements do not give a true and fair view of the financial position of the Local Loan and Development Fund as at 31 December 2012 and its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

2.2 Comments on Financial Statements

2.2.1 Sri Lanka Accounting Standards (LKAS)

The following observations are made.

- (a) **LKAS 01-The Presentation of Financial Statements-** A statement regarding the reclassifications of comparative information in the financial statements had not been disclosed.
- (b) **LKAS 19- Employees Benefits-** The actuarial valuation and accounting had not been done for the define employee Benefit plan in order to discharge the obligation under the defined employee benefit plan and the contribution by the employer had not been invested.
- (c) **LKAS 39- Financial Instruments (Recognition and Measurement)**
- The Fund had recognized the fixed deposits as financial assets held to maturity without being recognized as loan and advances. Further, interest receivable on Treasury Bills and fixed deposits had not been capitalized by reflecting their fair value.
- (d) **SLFRS 07- Financial Instruments (Disclosure)** - Accounting policies adopted for the measurement of investment had not been disclosed in the financial statements.

2.2.2 Accounting Policies

According to the notes to the financial statements, the interest income on non-performing loans is recognizing on cash basis. However, according to the financial statements presented it was recognized on accrual basis.

2.2.3 Accounting Deficiencies

The following observations are made.

- (a) The profit of the Fund had been overstated by Rs.385,991,289 due to erroneous computation of impairment on loans and receivables of the Local Government Infrastructure Improvement Project (LGIIP),
- (b) Staff training expenditure amounting to Rs. 958,170 had been accounted as fixed assets considering as a modernization expense instead of being charged against the revenue for the year under review. As such the fixed assets and the profit for the year 2012 had been overstated by same amount.
- (c) Expenditure relating to purchase of 15 laptops and other computer equipment amounting to Rs. 2,197,126 had been recognized as modernization expenses instead of being capitalized as computer equipment. Thus the profit for the year under review had been understated by that amount.
- (d) According to the amortization scheduled presented with the financial statements and the previous practice of the Fund, the net amortization for the year under review should be Rs.184,290,545. However, a sum of Rs.137,820,980 had been charged against the revenue as a amortization cost. Thus the profit for the year under review had been overstated by Rs.46,469,565.
- (e) Loan balances to be recovered from Seethawakapura Urban Council and Embilipitiya Urban Council had been understated by Rs. 60,248,441 and Rs.5,147,338 respectively due to non-adjusting the interest receivable and interest in suspense as per the rescheduling programme and the Board decisions taken thereon.
- (f) Interest income and interest receivable relating to the Urban Development Low Income Housing Project of Seethawakapura Urban Council had been overstated by Rs.5,555,748 and Rs.1,756,212 respectively due to erroneous calculation.
- (g) The interest income on fixed deposits and treasury bills relating to the Urban Development Low Income Housing Project (UDLIHP)

amounting to Rs.1, 216,741 and Rs.1, 306,001 respectively had been omitted in the accounts.

- (h) The interest income received from the investments made on Treasury Bills out of the funds of UDLIHP amounting to Rs.414, 883 had been accounted for as an income of the Fund. Further, the interest income of the Fund amounting to Rs.284,318 had erroneously been credited to the UDLIHP interest account.
- (i) The investment made on fixed deposit amounting to Rs.40,000,000 had been accounted as investment in Treasury bill. As a result the value of fixed deposit had been understated while the value of Treasury bill had been overstated by similar amount.
- (j) The interest income of Rs.1, 745,645 on a loan given to Hatton Dikoya Urban Council had been taken into account as receivable and out of that a sum of Rs.915,185 had been accounted for as interest in suspense for the same loan in the year 2011. Thus the interest income receivable in suspense shown in the financial statements for the year under review had been overstated by that amount.
- (k) The interest income on a loan given for Storm Water Drainage Improvement Project implemented by the Ambalangoda Urban Council had not been taken into accounts. Hence, interest income receivable had been understated by Rs. 802,810.
- (l) Interest income on the loan given for construction of a crematorium to the Ambalangoda Urban Council amounting to Rs. 162,000 had been omitted in the accounts. Thus interest income for the year under review and interest income receivable as at 31 December 2012 had been understated by similar amount.
- (m) Withholding tax on interest income amounting to Rs.2,760,746 had been omitted in the accounts. Hence, the profit and current assets for the year under review had been understated by similar amount.
- (n) Even though income tax amounting to Rs. 1,407,663 for the year 2012 had been paid in 2013, no provision had been made in the accounts during the year under review. Thus the profit for the year under review had been overstated by the similar amount.

2.2.4 Unexplained Differences

The following unexplained differences were observed in audit.

- (a) The following differences were observed between the financial statements and the corresponding records submitted for audit and the reasons for the difference were not explained to audit.

Item	Amount as per the Financial Statements	Amount as per the Corresponding Records	Difference
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	Rs.	Rs.	Rs.
i. Loan Interest receivable from Urban Councils	6,158,267	6,384,577	226,310
ii. Loan Interest receivables from Pradeshiya Sabha	7,844,987	7,681,012	163,975
iii. Interest received from Municipal Councils	8,943,353	8,926,668	16,685
iv. Interest received from Urban Councils	7,346,132	7,416,570	70,438
v. Interest received from Pradeshiya Sabha	24,616,113	24,609,389	6,724
vi. Interest received from UDLIHP	75,290,095	79,291,699	4,001,604
vii Investment in Treasury bills under UDLIHP	19,277,506	39,641,959	20,364,453
viii Investment income of LGIIP	463,282	850,596	387,314
Ix Interest income of Badulla Municipal Council	2,467,972	3,362,901	894,929

2.2.5 Accounts Receivable and Payable

The following observations are made.

- (a) An amount of Rs. 3,707,818 out of the total loan balance of Rs. 276,740,200 given to Pradeshiya Sabhas was due for over 30 years as at 31 December 2012.
- (b) According to the confirmation letters received relating to the loan balances outstanding as at 31 December 2012, the details of balance confirmed are as follows.

<u>Loan Category</u>	<u>Outstanding Balance as at 31 December 2012</u>	<u>Balance Confirmed</u>	<u>Percentage</u>
	Rs.	Rs.	%
LLDF	528,883,935	169,191,353	31.99
UDLIHP	1,800,745,619	294,732,784	16.36
LGIIP	1,729,974,677	192,244,154	11.11

(c) Two unidentified amounts of Rs.268,796,121 and Rs.59,050,967 had been shown in the financial statements under debtors and receivables, and interest receivable respectively.

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the operations of the Fund for the year ended 31 December 2012 had resulted a pre-tax net profit of Rs 223,798,311 as against the pre-tax net loss of Rs. 266,789,143 for the preceding year, thus indicating an improvement of Rs. 490,587,454 in the financial result for the year under review.

The increase of interest income on loans granted, other income, net grant amortization and investment income by Rs. 44.38 million, Rs.11.21 million, Rs.16.14 million and Rs. 18.53 million respectively during the year under review as compared with corresponding figures of the preceding year and decrease of impairment for loan and other losses by Rs. 437.57 million were the main reasons attributed for this improvement.

However, if the accounting deficiencies aggregating Rs.431,648,982 (debit-net) as referred in paragraph 2.2 of this report had been adjusted, the pre-tax net profit of the Fund for the year under review amounted to Rs.223,798,311 would have been a net loss of Rs.207,850,671.

3.2 Analytical Financial Review

According to the financial statements presented the summary of the financial results for the year under review and for the preceding four years are summarized below.

	<u>2012</u> Rs. 000	<u>2011</u> Rs.000	<u>2010</u> Rs.000	<u>2009</u> Rs.000	<u>2008</u> Rs. 000
Total Income	329,608	255,472	233,776	191,869	164,204
Total Expenditure	(184,536)	(179,563)	(172,622)	(169,830)	(158,169)
Impairment for Loans and Other Losses	216,548	(221,023)	-	-	-
Gross Profit/(Loss)	361,619	(145,114)	61,154	22,039	6,035
Payment to Consolidated Fund	-	-	-	(5,000)	(3,000)
Provision for Bad Debts	-	-	-	-	(12,000)
Net Grant Amortization	(137,821)	(121,675)	(65,868)	(30,985)	-
Income Tax for the year	-	(3,307)	(10,274)	(17,779)	(10,127)
Net profit /(Loss) for the year	<u>223,798</u>	<u>(270,096)</u>	<u>(14,988)</u>	<u>(31,725)</u>	<u>(19,092)</u>

The following observations are made in this regards.

- (a) The total income had increased from Rs.164.2 million to Rs. 329.6 million or by 100.66 per cent during the period of 2008- 2012 and total expenses had increased from Rs.158.2 million to Rs.184.5 million or by 16.69 per cent during the same period.
- (b) The net grant amortization of Local Government Infrastructure Improvement Project (LGIP) had increased from Rs. 30.9 million to Rs. 137.8 million or by 345.95 per cent during the period of 2009 to 2012.
- (c) The loss after provision for tax had been increased from Rs. 19.09 million to Rs. 270.09 million or by 1,314.82 per cent during the period of 2008 to 2011 and a profit of Rs.223.79 million had been earned for the year under review a compared with the loss of Rs.270.09 million for the previous year.

4. Operating Review

4.1 Performance

(a) Local Government Infrastructure Improvement Project (LGIP)

The following observations are made.

- i. Even though this Project was completed during the year under review, only a sum of Rs.4,429 million or 74.37 per cent had been disbursed up to 31 December 2012 out of approved project cost of Rs.5,955 million.

- ii. The Fund should be repaid a loan amount of Rs.3,381,838,689 to the General Treasury within 32 years with a grace period of 8 years at an interest rate of 1 per cent per annum within the grace period and 1.5 per cent per annum thereafter. Further, this loan should be repaid out of the income generated by re-lending the collection made out from the loan aggregating to Rs.1,729,974,677 to the Local Authorities at an interest rate of 9 per cent. However, only a sum of Rs.156,407,153 had been received even up to 31 December 2012, out of total interest receivable amounting to Rs. 314,031,942 on the above loan. Therefore, effective fund management is very crucial for the going concern of the Fund.

(b) Urban Development And Low Income Housing Project (UDLIHP)

The Fund had undertaken the responsibility to recover the loan amounting to Rs.2,270,125,714 granted by the Urban Development and Low Income Housing Project (UDLIHP). Although those loans are to be repaid to the General Treasury within 25 years in equal installments at the interest rate of 5.25 per cent per annum, the recovery is made from Local Authorities by 64 and 40 quarterly installments at 8 per cent and 10 per cent interest rate. Out of 107 loans aggregating Rs.1,800,745,619 granted as at 31 December 2012, no any single capital installment had been recovered in respect of 15 loans aggregating Rs. 362,766,798. Further, interest receivable amounting to Rs.35,284,627 relating to 17 loans were categorized as interests in suspense during the year under review and the total accumulated interest in suspense was Rs.399,130,045 as at 31 December 2012. Effective action had not been taken to recover these outstanding balances and adequate provision had also not been made in the accounts.

(c) Perennial Crops Development Project (PCDP)

The following observations are made in this regard.

- (i) Sums of Rs.70,733,648 and Rs.30,440,475 respectively had been shown in the financial statement as capital and interest receivable on loans granted to Local Authorities by the Perennial Crops Development Project (PCDP) as at 31 December 2012. However, no any single installment had been paid by the Dambulla Pradeshiya Sabha for the loan of Rs. 12,000,000 granted by this Project in 1995.

- (ii) Out of an initial loan amounting to Rs.60,922,475, released to Kandy Municipal Council during the year, a sum of Rs.58,533,648 had remained outstanding as at 31 December 2012 without being recovered.
- (iii) Even though the Fund had recovered the loan amounting to Rs. 60,922,475 granted to Kandy Municipal Council under this Project at 9 per cent interest rate after rescheduling the loan, it had been repaid to Treasury at an interest rate of 10 per cent. Since the Fund had incurred a loss of 1 per cent interest per annum.

(d) Granting of Loans by the Fund

A sum of Rs.181 million had been allocated for providing loans for various Projects during the year under review and out of that a sum of Rs. 76.2 million had been given as loans during the year 2012. The progress of this loan is summarized and shown below.

Name of the Project	Amount Allocated		Amount Disbursed		Over/ Under Disbursed	
	Number of Projects	Amount	Number of Projects	Amount	Number of Projects	Amount
		Rs. Mn.		Rs. Mn.		Rs. Mn.
Purchase of Machinery and Equipment	15	50	10	62.7	5	12.7
Construction of Crematoriums	4	20	1	2.2	3	17.8
Construct Market Buildings	4	30	3	10.5	1	19.5
Solid Waste Management		5		0.8		4.2
Construction of Office Building and Libraries	3	76			3	76
Construction of Weekly Fairs and Economic Centers	6				6	
Development of Rural Roads	2				2	
Procurement Motor Cycles	20		-	-	20	
Other Revenue Earning Projects	8				8	

4.2 Loan Administration

The following observations are made.

(a) Recovery of Outstanding Loan Installments (LL&DF)

Out of loan installments due from Local Authorities as at 01 January 2012 amounting to Rs. 22.2 million, only a sum of Rs.14.1 million had been recovered during the year under review. Details are as follows.

Local Authority	Outstanding Amounts as at 01 January 2012 Rs.	Recoveries During the year 2012 Rs.	Percentage of Recoveries %
Urban Councils	12,829,179	4,930,780	38.43
Pradeshiya Sabha	9,391,809	9,249,897	98.48
Total	22,220,988	14,180,677	63.33

The following observations are made in this regards.

- i. Out of loans amounting to Rs.2,012,000 granted to the Urban Council-Velvetythurai , a sum Rs.1,888,755 had remained outstanding as at 31 December 2012.
- ii. Out of loan amounting to Rs.1, 150,000 granted to the Pradeshiya Sabha- Damana in the year 2003 for the development of Hingurana weekly fair, only an installment of Rs. 40,537 had been recovered and no installments had been recovered thereafter.
- iii. The Loan amounting to Rs.855, 000 granted to the Pradeshiya Sabha , Karachi in the year 1983, out of this an installment of Rs.11,285 and an interest thereon amounting to Rs.486,677 only had been recovered up to the end of the year 2012

- iv. Out of the loans amounting to Rs.1,791,500 granted to the Pradeshiya Sabha, Medagama in the year 1986 and 1987, only Rs. 454,761 had been recovered.
- v. No any single installment had been recovered from the Local Authorities in respect of loans amounting to Rs.362, 766,798 and Rs12,000,000 granted by the Urban Development and Low Income Housing Project and the Perennial Crops Development Project respectively.

(b) **Progress of Interest Recovery**

Total loan interest outstanding as at 31 December 2012 and the recoveries made during the year under review is as follows.

Loan Category	Total Interest Receivable	Interest Received in 2012	Outstanding as at 31 December 2012	Percentage
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	Rs.	Rs.	Rs.	
Non-Performing Loans				
LLDF	17,299,200	333,753	16,965,447	1.93
UDLIHP	404,107,437	4,977,392	399,130,045	1.23
PCDP	24,173,319	2,194,818	21,978,501	9.08
Loan Interest Receivables (non-current)				
LLDF	19,661,171	9,482,722	10,178,449	48.23
UDLIHP	36,058,698	13,327,252	22,731,446	36.96
PCDP	8,461,974	-	8,461,974	-
Loan Interest Receivables (current)				
LLDF	45,729,723	41,368,309	4,361,414	90.46
UDLIHP	102,070,962	75,290,094	26,780,868	73.76
PCDP	5,354,898	5,354,898	-	100.00
Total	662,917,382	152,329,238	510,588,144	22.97

(c) **LGIIP Loans**

At the audit test checks, it was revealed that the effective action had not been taken to recover the following outstanding loan balances during the year under review.

Name of the Project	Loan Amount	Outstanding Amount with Interest as at 31 December 2012	Grace Period Ended on
	Rs.	Rs.	
Gampaha Municipal council			
(a) Storm Water Project	23,683,493	6,662,605	31 October 2010
(b) Library Building Project	23,683,493	12,930,460	31 August 2010
Puttalam Pradeshiya Sabha- Road Development	24,177,030	4,172,142	31December 2011
Ukuwela Pradeshiya Sabha - Road Development	27,783,958	7,465,117	31 August 2009
Ratnapura Municipal council -Constructions of Building	37,553,723	4,142,171	15December 2012

(d) LL&DF Loans

Ambalangoda Urban Council had refused to pay the loan amounting to Rs.1,800,000 given for Construction of Crematorium due to destruction of the building by Tsunami. After rescheduling the loan, the capital and interest outstanding as at 31December 2012 was Rs. 1,125,000 and 1, 387,125 respectively.

(e) UDLIHP Loans

i. Improvement of Strom Water Drainage Project –Embilipitiya Urban Council

(a) Even though the loan was rescheduled as per the Board decision taken on 20 December 2011, only two installments had been paid during the year under review and remaining 15 installments, aggregating to Rs.1,309,301 had remained unsettled even by May 2013.

(b) Further, according to the Board decision the interest receivable as at 31 December 2011 amounting to Rs. 5,147,338 had been converted to interest free loan and repayment had to commence

from 01 January 2012. However, no any single installment had been recovered even by the end of December 2014.

- ii According to the audit test checks, it was revealed that the under mentioned loans had remained outstanding due to various reasons. Details are shown below.

Name of the Project	Loan Amount	Outstanding Amount with Interest as at 31 December 2012	Reason for Outstanding
	Rs.	Rs.	
Projects under Badulla Municipal Council	103,059,368	173,232,879	Due to adequate action not taken
Bus Park and Market Complex-Hatton –Dikoya Urban Council	23,457,285	13,082,298	Urban Council had stopped payment due to change the ownership of the market complex.
Storm Water Drainage in Matara Area- Matara Municipal Council	61,355,484	45,685,875	Due to adequate action not taken.
Road improvement Project-Rathnapura Municipal Council	12,656,450	9,424,113	MC rejected to pay due to damage occurred to the road
Toilet Project -Ambalangoda Urban Council	805,991	689,898	Due to adequate action not taken
Improvement of Storm Water Drainage in -Hikkaduwa Urban Council	16,540,616	7,367,468	-do-
Storm Water Drainage Improvement project - Ambalangoda Urban Council	12,142,439	9,041,374	-do-
Construction of “Bus Park and Town -Balangoda Urban Council	111,209,828	72,678,818	-do-

(f) Non-Performing Loans Against the Total Loans

According to the information made available, the total non-performing loans against the total loan outstanding as at 31 December 2012 and preceding two years are given below.

Loan category	2012			2011			2010		
	Total Loan Outstanding as at 31.12.2012	Non Performing Loan (NPL)	NPL as a Percentage of Total Outstanding	Total Loan Outstanding as at 31.12.2011	Non Performing Loan (NPL)	NPL as a Percentage of Total Outstanding	Total Loan Outstanding as at 31.12.2010	Non Performing Loan (NPL)	NPL as a Percentage of Total Outstanding
	Rs.mn	Rs.mn		Rs.mn	Rs.mn	Rs.mn	Rs.mn	Rs.mn	
LL&DF	528.89	14.24	2.69	567.89	14.24	2.5	594.79	14.24	2.4
UDLIHP	1,800.75	929.76	51.63	1,877.44	878.06	46.7	1,950.57	882.89	45.2
PCDP	70.73	70.53	99.72	72.00	71.78	99.6	73.15	72.92	99.7
Total	2400.37	1,014.53	41.26	2,517.33	964.08	38.3	2,618.51	970.05	37.0

It was observed that the non-performing loans percentage had gradually increased during the period 2010 – 2012 with regard to all three loan schemes.

4.3 Operating Inefficiencies

(a) Revolving Fund

The operation of the Revolving Funds in the year 2012 is as follows.

	Amount
	Rs.
Total installment and interest recovery	512,024,223
Less: Total capital and interest paid to the Treasury	<u>(283,161,046)</u>
Balance of the Fund	228,863,177
Loan released	<u>(76,249,000)</u>
Excess Fund	152,614,177
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The following observations are made in this regards.

- i. The vision of the Fund is to be the leader of financial Institution in local level infrastructure financing. Therefore the Fund has to provide

long term financing to Local Authorities to build basic infrastructure facilities. The fund had earned a total capital and interest income of Rs.512.02 million during the year under review and out of that sum of Rs. 283.16 million and Rs. 76.24 million had been remitted to Treasury and lent to Local Authorities respectively.

- ii. A loan amounting to Rs. 8.72 million had been granted during the year under review to Panadura Urban Council without being considered the previous outstanding balance of Rs.12.84 million.
- (b) A sum of Rs.847,000 had been paid to a private company in order to develop a computer software for the use of the Fund. However the software had not been properly functioned even by 21 May 2013.

4.4 Transactions of Contentious Nature

The fund had been capitalized the arrears interest of Rs. 63,905,948 to the loan account without the consent of the borrowers and without entering into an agreement with the borrowers. However, the capitalized interest of Rs. 1,678,266 had been reversed due to disagreement of a borrower.

4.5 Human Resources Management

According to the information made available, the approved and actual cadre of the Fund and the vacancies existed as at the end of the year under review are given below.

Category of Staff	Approved Cadre	Actual Cadre	Number of Vacancies
Executive	3	2	1
Non-Executives	35	20	15
Minor	<u>4</u>	<u>2</u>	<u>2</u>
Total	<u>42</u>	<u>24</u>	<u>18</u>

No meaningful action whatsoever had been taken to fill the 18 vacancies in order to maintain the smooth the operations of the Fund.

5. Accountability and Good Governance

5.1 Internal Audit

The Internal Auditor of the line Ministry had been appointed to cover up the internal audit activities of the Fund. However, only one audit queries had been issued during the year under review which had not been covered the major risk areas of the Fund.

5.2 Budgetary Control.

Significant variances were observed between the budgeted and actual income and expenditure for the year under review. Further the budget of the PCDP and LGIIP Projects had not been prepared and presented to audit, thus indicating that the budget had not been made use of as an effective instrument of management control.

5.3 Replies to Audit Queries

The Fund had not furnished replied to 12 audit queries issued in the year under review and 6 audit queries issued in the preceding year even by 31 December 2014.

5.4 Action Plan

Some targets set-out in the Corporate Plan for the period covered 2011-2014 and Action Plan for the year 2012 relating to human resources management had not been achieved.

6. Systems and Controls

Deficiencies observed in systems and controls during the course of the audit were brought to the notice of the Fund from time to time. Special attention is needed in respect of the following areas of control.

- (a) Accounting
- (b) Loan Disbursements and Recovery
- (c) Human Resources Management
- (d) Information System