

Judicial Infrastructure Maintenance Trust Fund -2012

1. Financial Statements

1.1 Qualified Opinion

In my opinion, except for the effects of the matters described in paragraph 1.2 of this report, the financial statements give a true and fair view of the financial position of the Judicial Infrastructure Maintenance Trust Fund as at 31 December 2012 and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2 Comments on Financial Statements

1.2.1 Accounting Deficiencies

Interest amounting to Rs.1,116,894 had been obtained for the period from 06 January 2012 to 17 January 2013 in respect of the fixed deposits in a state bank. Of this, a sum of Rs.59,140 pertaining to the period from 01 January 2013 to 17 January 2013 had been credited to the income for the year under review. As such, the interest income for the year had been overstated in the accounts by Rs.59,140.

1.2.2 Non- compliance with Laws, Rules, Regulations and Management Decisions

Even though the Meetings of the Trustees should be conducted at least once in every two months in terms of Section 18 of the Deed of the Trust, only 03 Meetings had been conducted during the year under review.

2. Financial and Operating Review

2.1 Financial Results

According to the financial statements presented, the operations of the Fund for the year ended 31 December 2012 had resulted in a deficit of Rs. 10,586,879 as compared with the corresponding deficit of Rs. 11,252,107 for the preceding year, thus indicating a slight improvement of Rs.665,228 in the financial results.

3. Operating Review

Financial Performance

According to the Financial Statements made available, expenditure of the Fund for the year under review amounted to Rs. 11,541,986. The following statement shows a summary of the expenditure for the year under review and the expenditure for the preceding year and the cumulative expenditure as at 31 December 2012.

Description	Expenditure for the year ended 31 December		Cumulative Expenditure as at 31 December 2012
	2012 Rs.	2011 Rs.	Rs.
Kalutara High Court Zone	-	-	299,872
Hambantota/Matara High Court Zone	1,636,205	1,121,183	3,354,010
Chilaw/Puttalam High Court Zone	-	1,788,758	2,623,768
Office of the Court Improvement Trust Fund	-	-	209,081
Colombo High Court Zone	2,828,298	2,671,632	7,723,207
Kurunegala High Court Zone	1,180,988	504,530	1,829,955
Kegalle High Court Zone	-	1,974,383	2,392,492
Galle High Court Zone	-	-	63,697
Awissavella High Court Zone	-	-	372,598
Anuradhapura High Court Zone	-	760,000	760,000
Gampaha High Court Zone	<u>5,896,495</u>	<u>2,889,205</u>	<u>8,785,700</u>
Total	<u>11,541,986</u>	<u>11,709,691</u>	<u>28,414,380</u>

4. Accountability and Good Governance

4.1 Corporate Plan and Action Plan

A Corporate Plan had not been prepared for achieving the objectives and goals of the Fund and an Action Plan also had not been prepared relating to the activities to be carried out during the year under review.

4.2 Budget

A Budget for the year 2012 had not been prepared.

4.3 Internal audit

The transactions of the Fund had not been subjected to an internal audit.

5. Systems and Controls

Special attention needed in respect of the following areas of control.

- (a) Accounting
- (b) Internal Audit
- (c) Corporate Plan and Action Plan