

National Institute of Occupational Safety and Health- 2010

1. Financial statements

1:1 Opinion

So far as appears from my examination and to the best of information and according to the explanations given to me, I am of opinion that the National Institute of Occupational Safety and Health had maintained proper accounting records for the year ended 31 December 2010 and except for the effects on the financial statements of the matters referred to in paragraph 1:2 of this report, the financial statements have been prepared in accordance with Generally Accepted Accounting Principles and give a true and fair view of the state of affairs of the National Institute of Occupational Safety and Health as at 31 December 2010 and the financial results of its operation and cash flows for the year then ended.

1:2 Comments on Financial Statements

1:2:1 Delay in the Presentation of Financial Statements

According to Section 6.5.1 of the Public Enterprises Circular No. PED/12 of 02 June 2003 the financial statements should be presented to audit within 60 days after the close of the financial year. Nevertheless, the financial statements for the year under review had been presented to audit only on 21 February 2012. Thus the presentation of the financial statements had been delayed by one year.

1:2:2 Non-compliance with Laws, Rules, Regulations and Management Decisions

The following non-compliances were observed.

Reference to Laws, Rules, Regulations, etc -----	Non-compliance -----
(a) Financial Regulations of the Republic of Sri Lanka -----	
(i) Financial Regulation 756	Boards of Survey had not been conducted from the year 2009.
(ii) Financial Regulation 1646	Even though the Daily Running Charts

2:2:3 Corporate Plan

A Corporate Plan for the achievement of the Vision and the Mission of the Institute and an Annual Action Plan for the achievement of those had not been prepared in terms of Section 5 of the Treasury Circular No. PED/12 of 02 June 2003.

2:2:4 Audit and Management Committees

An Audit and Management Committee had not been appointed.

2:2:5 Internal Audit

An Internal Audit Unit had not been established in the Institute.

2:2:6 Procurement Plan

A Procurement Plan for the year under review had not been prepared.

2:2:7 Budgetary Control

A Budget for the year under review had not been prepared.

3. Systems and Controls

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

- (a) Accounting
- (b) Protection of Assets
- (c) Course Fees
- (d) Motor Vehicles Control