

10. Head 10 – Commission to Investigate Allegations of Bribery or Corruption

10.1 Scope of Audit

The audit of the Appropriation Account including the financial records, reconciliation statements, books, registers and other records of the Commission to Investigate Allegations of Bribery or Corruption for the year ended 31 December 2012 was carried out in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka. The Management Audit Report for the year under review was issued to the Director General of the Commission on 06 January 2014. The audit observations, comments and findings on the accounts and the reconciliation statements were based on a review of the accounts and reconciliation statements presented to audit and tests of samples of transactions. The scope and extent of such review and tests were such as to enable as wide an audit coverage as possible within the limitations of staff, other resources and time available to me.

10.2 Responsibility of the Chief Accounting Officer for the Accounts and Reconciliation Statements

The Chief Accounting Officer is responsible for the maintenance, preparation and fair presentation of the Appropriation Account and the Reconciliation Statements in accordance with the Articles 148, 149, 150 and 152 of the Constitution of the Democratic Socialist Republic of Sri Lanka, other Statutory provisions and Public Finance and Administrative Regulations. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Accounts and Reconciliation Statements that are free from material misstatements whether due to fraud or error.

10.3 Audit Observation

According to the Financial Records and the Books for the year ended 31 December 2012, it was observed that except for the effects of the general observations appearing at (a) and (b) and other major audit findings appearing in paragraphs 10.4 to 10.7 herein, the Appropriation Account and the Reconciliation Statement of the Commission to Investigate Allegations of Bribery or Corruption had been prepared satisfactorily.

(a) **Advances to Public Officers Account**

According to the Reconciliation Statement presented the loan balances outstanding as at 31 December 2012 due to resignations totalled Rs.180,887.

(b) **Advances for use as Bribes in Bribery Raids Account**

According to the Reconciliation Statement presented, the balances of advances not settled as at 31 December 2012 totalled Rs.14,735,702 and an age analysis thereon is given below.

Period (Years)	Number of Cases	Value
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		Rs.
Less than 01 year	76	6,601,980
Between 02 to 05 years	156	4,787,425
Between 05 to 10 years	62	2,953,700
Between 10 to 20 years	43	389,720
Between 20 to 30 years	08	2,625
Over 30 years	03	252
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	348	14,735,702
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10.4 Good Governance and Accountability

10.4.1 Corporate Plan

Even though the Commission should have prepared a Corporate Plan at least for a period of 3 years at the beginning of the year 2010 onwards in terms of the letter No. PF/R/2/2/3/5(4) dated 10 March 2010 of the Director General of Public Finance addressed to all Secretaries to Ministries, the Chief Secretaries of Provincial Councils, Heads of Departments, District Secretaries and Heads of Local Authorities, that Plan had not been prepared even by 31 December 2012. The Secretary to the Commission informed me on 24 January 2014 that in view of the functions of the Commission it is difficult to prepare a Corporate Plan and as such a request had been made to the Ministry of Finance to exempt the Commission from the requirement.

10.4.2 Annual Performance Reports

Even though the Annual Performance Report that should be prepared by the Commission in terms of the Public Finance Circular No. 402 of 12 September 2002 and No. 402(1) of 20 February 2004 referred to in the letter of the Director of Public Finance referred to the paragraph 10.4.1 above should be tabled in Parliament within 150 days after the close of the financial year with a copy to the Auditor General, the Performance Report for the year under review had not been tabled in Parliament even by 15 November 2013.

10.4.3 Internal Audit

The Commission had not established an Internal Audit Unit.

10.4.4 Implementation of the Audit and Management Committee

The Commission had not established an Audit and Management Committee.

10.5 Assets Management

Even though a motor vehicle of the Commission had been handed over to the Ministry of Northern Rehabilitation Reconstruction and Development action had not been taken even up to 15 November 2013 for the recovery of the Motor vehicle or to transfer it to that Ministry.

10.6 Performance

The following observations are made.

- (a) Even though provision amounting to Rs.1,000,000 had been made in the year under review for providing relief against corruption, no programme whatsoever had been implemented in that connection.
- (b) Even though a proposal for the computerization of the particulars of case productions had been made in the year 2010, that had not been implemented even by 15 November 2013.

10.7 Human Resources Management

Approved Cadre and Actual Cadre

The position of the cadre as at 31 December 2012 had been as follows.

Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancy
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(a) Senior Level	34	21	13
(b) Tertiary Level	05	01	04
(c) Secondary Level	63	51	12
(d) Primary Level	64	51	13
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Total	<u>166</u>	<u>124</u>	<u>42</u>

The Commission had not taken action up to the end of the year under review to fill 42 vacancies.