

16. Head 17 – Office of the Leader of the House of Parliament

16.1 Scope of Audit

The audit of the Appropriation Account including the financial records, reconciliation statements, books, registers and other records of the Office of the Leader of the House of Parliament for the year ended 31 December 2013 was carried out in pursuance of provisions of 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 Secretary to the Office on 14 August 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.

17:2 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 provisions of 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.

17:3 Audit Observation

According to the Financial Records and Books for the year ended 31 December 2013, it was observed that except for the effects of the general observations appearing at (a) and (b) and other major findings appearing in paragraphs 17:4 to 17:7 herein, the Appropriation Account and the Reconciliation Statements of the Office of the Leader of the House of Parliament had been prepared satisfactorily.

(a) Replies to Audit Queries

Replies to one audit query issued to the Office during the year under review had not been submitted to audit even by 31 March 2014.

(b) Budgetary Variance

Excess provisions had been obtained for 05 Objects and as such the savings amounting to Rs.138,629 thereunder after utilizing the provisions ranged between 9 per cent and 16 per cent of the net provisions relating to those Objects.

17.4 Accountability and Good Governance

17.4.1 Internal Audit

Internal Audit Unit had not been established.

17.4.2 Implementation of the Audit and Management Committee

One meeting of the Audit and Management Committee only had been held during the year under review.

17.5 Non-compliances

Non-compliances with Laws, Rules and Regulations

Instances of non-compliance with the provisions of Laws, Rules, and Regulations observed at audit test checks are analyzed below.

Reference to Laws, Rules and Regulations -----	Value -----	Non-compliance -----
	Rs.	
(a) Establishments Code of the Democratic Socialist Republic of Sri Lanka -----		
Chapter VII- Section 9.3	-	In addition to the annual salary increment, ten salary increments had been granted to all officers since the year 2004.

Chapter XXI 42,000 In addition to the officers entitled for the uniform allowance, 07 staff grade officers had also been paid the uniform allowance.

(b) **Public Administration
Circulars**

(i) Circular No.09/2009 (i)
of 17 June 2009

- Paragraph 2
- Paragraph 3

Five officers had not recorded their arrival and departure.

Even though finger print machines should be used in every office irrespective of the number of employees in an office, action had not been taken accordingly.

(ii) Circular No.05/2013 of
22 April 2013-
Paragraph 2(a)

22,000

Payments exceeding the approved limit had been paid to the officers entitled for the uniform allowance.

17.6 Transactions of Contentious Nature

Officers of the island wide services namely, the Sri Lanka Administrative Service and the Combined Service had employed in the Office of the Leader of the House of Parliament, while 10 salary increments in addition to the annual salary increment granted to the staff of Parliament had also been granted to the said officers in 04 instances. In case of transfers of these officers to other departments or ministries, it was observed in audit that there is a possibility of arising salary anomalies as compared with those of allied services in such institutions.

17.7 Human Resources Management

Approved Cadre and Actual Cadre

The position of cadre as at 31 December 2013 was as follows.

	Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies
(i)	Senior Level	03	03	-
(ii)	Tertiary Level	01	01	-
(iii)	Secondary Level	10	08	02
(iv)	Primary Level	14	11	03
(v)	Other (casual/temporary/contract basis)	03	03	-
	Total	31	26	05
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Action had not been taken by the institution to fill 05 vacancies as at the end of the year under review.