

Report of the Auditor General on Head 192- Ministry of Law and Order and Prison Reforms- Year 2015

The audit of the Appropriation Account and the Reconciliation Statements including the financial records, books, registers and other records of the Head 192- Ministry of Law and Order and Prison Reforms for the year ended 31 December 2015 was carried out in pursuance of provisions in Article 154(1) of the Democratic Socialist Republic of Sri Lanka. The Management Audit Report for the year under review was issued to the Secretary to the Ministry on 06 October 2016. The audit observations, comments and findings on the accounts and 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.

1.2 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 in Article 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, 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.

2. Accounts

2.1 Appropriation Account

Total Provision and Expenditure

The total net provision made for the Ministry amounted to Rs.7,620.78 million and out of that Rs.7,270.16 million had been utilized by the end of the year under review. Accordingly, the savings out of the total net provision of the Ministry had been Rs.350.62 million or 4.60 per cent. Details appear below.

Expenditure	As at 31 December 2015			Savings as a Percentage of Net Provision
	Net Provision	Utilization	Savings	
	Rs. Millions	Rs. Millions	Rs. Millions	
Recurrent	6,640.85	6,566.02	74.83	1.13
Capital	979.93	704.14	275.79	28.14
Total	7,620.78	7,270.16	350.62	4.60

2.2 Advance Account

Advances to Public Officers Account

Limits Authorized by Parliament

The limits authorized by Parliament for the Advances to Public Officers Account Item No.19201 of the Ministry and the actual amounts are given below.

Expenditure		Receipts		Debit Balance	
Maximum Limit	Actual	Minimum Limit	Actual	Maximum Limit	Actual
Rs.Millions	Rs.Millions	Rs.Millions	Rs.Millions	Rs.Millions	Rs.Millions
20.00	0.98	10.50	11.40	618.00	167.73

2.3 General Deposit Accounts

The balance of the General Deposit Account No.6000/0000/00/0016/0087/000 of the Ministry as at 31 December 2015 amounted to Rs.53.17 million.

2.4 Audit Observations

The Appropriation Account and the Reconciliation Statements for the year ended 31 December 2015 of the Ministry of Law and Order and Prison Reforms had been prepared satisfactorily subject to the Audit Observations appearing in the Management Audit Report referred to in Paragraph 1.1 above. The material and significant Audit Observations out of the Audit Observations included in the Management Audit Report appear in Paragraph 3.

3. Material and Significant Audit Observations

3.1 Non- maintenance of Registers and Books

It was observed during audit test checks that the Ministry had not updated the Appropriation (Votes) Ledger while certain other registers had not been maintained.

Type of Register	Relevant Regulation
(a) Register of Fixed Assets	Treasury Circular No.842 of 19 December 1978
(b) Register of Fixed Assets on Computers, Accessories and Software	Treasury Circular No.IAI/2002/02 of 28 November 2002

3.2 Appropriation Account

Budgetary Variance

The following observations are made.

- (a) The entire net provision totalling Rs.4.35 million made available for 5 Capital Objects and 2 Recurrent Objects had been saved without being utilized.
- (b) Provisions ranging from 10 per cent to 96 per cent had been saved out of the net provision relating to 21 Objects after the utilization of provisions due to making over provisions for 21 Objects.

3.3 Reconciliation Statement on Advances to Public Officers Account

According to the Reconciliation Statements as at 31 December 2015 on Advances to Public Officers Account Item No.19201 the outstanding balance as at that date totalled Rs.3,335,319. Even though these outstanding balances had remained from a period ranging from 01 year to 03 years, the Ministry had failed to recover those loan balances even by 01 October 2016.

3.4 Performance

This Ministry had revised the relevant functions under 04 instances from 01 January 2015 to 31 December 2015 and the performance relating to the objectives of the Ministry and the achievements of those objectives as a whole are given below.

Objectives

- Implementing law with equality for maintaining a peaceful environment where all citizens can live without fear and suspense.
- Taking necessary action to prevent and to eliminate various crimes, anti- social activities and cruelties and eliminating the fear of social crimes enforcing law against the persons who engage in various crimes, anti- social activities and cruelties.

Achievement of Objectives

The number of crimes of 1,172,793 reported in the year 2013 on the policy and the strategical guidance necessary to resolve crimes reported in the country had been increased to 1,180,805 in the year 2014 and that had been decreased to 1,129,555 in the year 2015. Moreover, in looking at the crimes reported against children and the crimes reported against women, the number of crimes reported in the year 2013 had been 14,360 and it had been 14,302 in the year 2014. The number of crimes reported in the year 2015 had been decreased to 14,199.

3.5 Losses and Damages

The following observations are made.

- (a) Twenty- two Items of Loss amounting to Rs.2,895,986 written- off from books in the year 2014 had been brought forward as opening balances in the year 2015 and again, had been reported as written- offs in the Accounts in the year under review.
- (b) The value of the damages occurred to 143 Items by 31 December 2015 had been a sum of Rs.28,407,203. Even though those damages had remained from a period ranging from 5 years to 10 years, the Ministry had not taken action either to recover those damages from the relevant parties by taking action in terms of Financial Regulations or to write- off from books.

3.6 Human Resources Management

Approved Cadre and Actual Cadre

The position on the cadre as at 31 December 2015 had been as follows.

	Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies	Excess
(i)	Senior Level	17	16	01	-
(ii)	Tertiary Level	05	02	03	
(iii)	Secondary Level	65	85	-	20
(iv)	Primary Level	34	29	05	-
	Total	121	132	09	20