

## Report of the Auditor General on Head 214 – University Grant Commission - Year 2015

The audit of the Appropriation Account and the Reconciliation Statements including the financial records, books, registers and other records of the Head 214 – University Grant Commission for the year ended 31 December 2015 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 Chairman of the Commission on 19 August 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 the 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 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.

## 2. Accounts

### 2.1 Appropriation Account

#### Total Provision and Expenditure

The total net provision made for the Commission amounted to Rs.34,758 million and out of that Rs.34,495.42 million had been utilized by end of the year under review. Accordingly, the savings out of the net Provision of the Commission amounted to Rs.262.58, million and represented 0.76 percent of the net provision details appear below.

Expenditure	As at 31 December 2015			Savings as a percentage of Net Provision
	Net Provision	Utilization	Savings	
Recurrent	25,898.00	25,760.74	137.26	0.53
Capital	8,860.00	8,734.68	125.32	1.41
Total	34,758	34,495.42	262.58	0.76

## 2.2 Audit Observation

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The Appropriation Account of the Commission for the year ended 31 December 2015 had been satisfactorily prepared subject to the audit observations appearing in the Management Audit Report referred to in paragraph 1.1 above. The material and important observations out of the observations included in the management Audit Report appear in paragraph 3.

## 3. Material and Significant Audit Observation

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### 3.1 Human Resources Management

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#### Approved Cadre and the Actual

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Cadre position as at 31 December 2015 was as follows.

	Category of Employees	Approved Cadre	Actual Cadre	Number of Vacation
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(i)	Senior Level	61	47	14
(ii)	Tertiary Level	26	24	02
(iii)	Secondary Level	165	136	29
(iv)	Primary Level	56	56	-
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		308	263	45
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Eight vacancies had not been filled for a long period and it would have an adverse effect on and implementation of management decisions of commission. Nevertheless attention had not been paid to decide the requirement of the commission and to expedite the process of recruitment therefor.