

Report of the Auditor General on Head 252 - Department of Census and Statistics - Year 2015

The audit of the Appropriation Account and the Reconciliation Statements including the financial records, books, registers and other records of the Head 252 - Department of Census and Statistics 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 Director General of the Department on 01 September 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 and Accounting Officer on the Accounts and Reconciliation Statements

The Chief Accounting Officer and the Accounting Officer are 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. The 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

The total net provision made for the Department amounted to Rs.1,287.24 million and out of that Rs.1,036.04 million had been utilized by the end of the year under review. Accordingly, the savings out of the total net provision made for the Department had been Rs.251.20 million or 19.51 per cent. Details are as follows.

Expenditure	As at 31 December 2015			Savings as a percentage of Net Provision
	Net Provision	Utilization	Savings	
	Rs. Millions	Rs. Millions	Rs. Millions	
Recurrent	812.25	805.38	6.87	0.88
Capital	474.99	230.66	244.33	51.44
Total	1,287.24	1,036.04	251.20	19.51

2.2 Advance Accounts

2.2.1 Advances to Public Officers Account

Limits Authorized by Parliament

The limits authorized by Parliament and actual values of the Advances to the Public Officers Account under Item No.25201 of the Department 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
51.76	44.71	31.76	35.45	220.00	146.05

2.3 Imprest Account

The balance of the imprest Account No. 7002/0000/00/0037/0015/000 of the Department as at 31 December 2015 amounted to Rs. 4.96 million.

2.4 General Deposit Account

The balances of 03 deposits accounts of the Department as at 31 December 2015 amounted to Rs. 32.83 million. Details are given below.

Deposit Account No.	Balance as at 31 December 2015
	Rs. Millions
6000/0000/00/0002/0060/000	0.10
6000/0000/00/0016/0036/000	32.24
6000/0000/00/0018/0023/000	0.49
Total	32.83

2.5 Audit Observation

The Appropriation Account and the Reconciliation Statements for the year ended 31 December 2015 of the Department of Census and Statistics had been prepared satisfactorily subject to the audit observations appearing in the Management Audit Report referred to in paragraph 1.1.

The material and significant audit observations out of the observations included in the Management Audit Report appear in paragraph 3.

3 Material and Significant Audit Observations

3.1 Advances to Public Officers Account

According to the Reconciliation Statement of the Advances to Public Officers Account presented to the audit the outstanding balance as at 31 December 2015 totalled Rs.712,337. Even though the balance remained outstanding from a period ranging from 1 year to 24 years, the Department had failed to recover the same.

3.2 Non-compliance with Laws, Rules and Regulations

Instances of non-compliance with the provisions in laws, rules and regulations observed during the course of audit test checks are analysed below.

Reference to Laws, Rules and Regulations

Non-compliance

(a) Establishments Code of the Democratic Socialist Republic of Sri Lanka.

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| (i) Condition 2(iii) of the agreement in Appendix 10 and the Section 7.1 of Chapter V | 5 Officers who were away from the country were not reported to duty after lapse of their approved foreign leave. |
| (ii) Condition 2(iv) of the agreement in Appendix 10 and Section 16.5 of the Chapter XII | Action had not been taken to recover the fines totalled Rs.2,251,600 from 5 Officers who were not reported to duty after their foreign leave. |

3.3 Implementation of Projects under Domestic Funds

Following observations are made during the course of sample test check with regard to the construction of the new office building.

- (a) It had been entered into an agreement with a private company on the approval of the Cabinet Decision taken on 16 November 2011, for a cost of Rs.727,529,015 (without tax) for construction of a new building. Accordingly, the construction should be completed on 30 January 2014, thus the extension of time period in 2 occasions it had been extended up to 30 November 2014. Although the Department, had established in

the new building during January 2015, it had been unable to ascertain the date of completion of the building as that had not been handed over in a proper manner.

- (b) Even though the approved cost had been Rs.727,529,015 according to the agreement, a total amount of Rs.832,133,569 had paid in 29 instances to the contractor in the year 2014. Out of that, a sum of Rs.4,524,799 had been retained in the deposit account and a sum of Rs.138,926,105 had to be paid in further. Accordingly, the adverse variance cost of the construction had been Rs.248,455,458 or 34.1 per cent.
- (c) While utilizing the building it had been observed the deficiencies such as leakage of rain water to the electrical system and to the escalator and it remained in the basement.

3.4 Performance

Observation of the progress of the Department in accordance with the Annual Action Plan 2015 are given below.

- (a) Even though it had been plan to prepare and complete at the end of the 4th Quarter of the year 2015- the Population and Housing Census 2012 covering the entire Sri Lanka, it had not been completed during the relevant period.
- (b) Even though plans had been made for completion and publication of the survey on Demographic and Health Survey 2014/2015, the final report had not been completed even by 31 December 2015.
- (c) Even though it had been plan to complete the field work of the Annual Survey of Industries 2014 by the end of the 4th quarter of the year 2015, it had not been completed.
- (d) Although a provision of Rs. 7,285,650 had been provided for the special survey on Housing and Industries, it had not been started. Even though a special survey of Housing and Industries had been included in the Action Plan for the year 2015, without conducting the same, the Director General had informed that it had been decided to complete the preliminary activities such preparation of the questioner, printing and training of Officers during the year 2015 for the conducting a survey on Household Income and Expenditure in the year 2016.
- (e) Even though it had been planned to finish the census on agricultural activities in relation to the Economic Census, the activity had not been done accordingly.

3.5 Human Resources Management

Approved Cadre and Actual Cadre

The position of cadre as at 31 December 2015 are as follows.

Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies
(i) Senior Level	282	175	107
(ii) Tertiary Level	529	350	179
(iii) Secondary Level	786	684	102
(iv) Primary Level	176	151	25
(v) Other(Graduate Trainees)	03	01	02
Total	1,776	1,361	415