

Report of the Auditor General on Head 214 –University Grants Commission – Year 2016

The audit of the Appropriation Account including the financial records, books, registers and other records of the Head 214 – University Grants Commission for the year ended 31 December 2016 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 Chairman of the Commission on 27 July 2017. 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.

1.2 Responsibility of the Chief Accounting Officer and the 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 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 Reconciliations 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.48, 826.00 million out of which a sum of Rs.43,160.43 million had been utilized as at the end of the year under review. Accordingly, the provision of Rs.5,665.57 million or 11.60 per cent of the total net provisions had been saved. Particulars are given below.

Expenditure	<u>As at 31 December 2016</u>			Savings as a Percentage of Net Provision
	Net Provision	Utilization	Savings	
	Rs.Millions	Rs.Millions	Rs.Millions	
Recurrent	29,029.00	27,998.03	1,030.97	3.5
Capital	19,797.00	15,162.40	4,634.60	23.4
Total	48,826.00	43,160.43	5,665.57	11.6

2.2 Audit Observation

The Appropriation Account of the University Grants Commission for the year ended 31 December 2016, 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

Human Resources Management

Approved Cadre and Actual Cadre

The position of the Cadre as at 31 December 2016 had been as follows.

Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies
(i) Senior Level	11	09	02
(ii) Tertiary Level	60	42	18
(iii) Secondary Level	247	208	39
Total	318	259	59