

Report of the Auditor General on Head 230 – Department of Legal Draftsman – Year 2016

The audit of the Appropriation Account and the Reconciliation Statements including the financial records, books, registers and other records of the Head 230 – Department of Legal Draftsman for the year ended 31 December 2016 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 Legal Draftsman on 31 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 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 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 Department of Legal Draftsman amounted to Rs.117.86 million and out of that, a sum of Rs.92.76 million had been utilized by the end of the year under review. Accordingly, the savings out of the net provisions amounted to Rs.25.10 million or 21.30 per cent. Details are given below.

Expenditure	As at 31 December 2016			Savings as a Percentage of Net Provision
	Net Provision	Utilization	Savings	
	Rs. Millions	Rs. Millions	Rs. Millions	
Recurrent	86.56	76.90	9.66	11.16
Capital	31.30	15.86	15.44	49.33
Total	117.86	92.76	25.10	21.30

2.2 Advance Account

2.2.1 Advances to Public Officers Account

Limits Authorised by Parliament

The limits authorised by Parliament for the Advances to Public Officers Account, Item No.23001 relating to the Department 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
4.00	3.87	1.50	3.02	17.00	10.65

2.3 Imprest Account

The balance of the Imprest Account No. 7002/0000/00/0138/0016/000 of the Department as at 31 December 2016 totalled Rs.0.027 million.

2.4 General Deposit Account

The balance of the General Deposit Account No.6000/0000/00/0013/0067/000 of the Department as at 31 December 2016 totalled Rs. 1.41 million.

2.5 Audit Observation

The Appropriation Account and Reconciliation Statements of the Department of Legal Draftsman for the year ended 31 December 2016 have 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 observations out of the observations included in that 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 Department had not maintained the following registers.

Type of Register	Related Regulation
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(a) Register of Cheques, Money Orders etc.	Financial Regulation 451
(b) Inventory of Electrical Fittings	Financial Regulation 454 (2)

3.2 Provisions made available by other Ministries

An Action Plan had been prepared under 05 key functions for utilization of provisions amounting to Rs.30,000,000 made by the Ministry of Justice for capacity building of the Department. Out of those functions, a sum of Rs.3,465,530 or 69 per cent of Rs.5,000,000 made for computerization, out of the sum of Rs.3,000,000 made for purchase of computers, a sum of Rs.1,354,490 or 51 per cent and out of the sum of Rs.2,000,000 made for purchase of books on Law, a sum of Rs.776,375 or 38 per cent had been saved. As such, it was observed that proper implementation of budget proposals had failed.

3.3 General Deposit Account

A sum of Rs.1,405,975 provided in the years 2015 and 2016 by the Ministry of Justice under the United Nations Development Programme (UNDP) for providing English training to Legal Draft Officers had been retained in the General Deposit Account without spending for relevant purposes.

3.4 Implementation of Projects under Domestic Financing

Delays in the execution of Projects

According to the approval of the Cabinet of Ministers dated 28 February 2014, provisions totalling Rs.109,175,000 had been made for the years 2014, 2015 and 2016 for the Legal Ordinance Revision Project. However, only a sum totalling Rs.4,702,021 had been utilized during those years. It represented 4.31 per cent of the total provision made for this project. Moreover, the legal ordinances to be revised had been separated into sets from A to Z and according to the Action Plan prepared, the revision of legal ordinances from sets A to T had been planned to finalize by 31 December 2016. Nevertheless, those targets could not be achieved.

3.5 Human Resources Management

Approved Cadre and Actual Cadre

The position on the cadre as at 31 December 2016 had been as follows.

Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies	Excess
(i) Senior Level	37	30	07	
(ii) Tertiary Level	28	16	12	
(iii) Secondary Level	54	43	11	
(iv) Primary Level	24	22	02	
(v) Others (Contract Basis)	-	04	-	04
Total	143	115	32	04