

Head 296 – Department of Import and Export Control

1 Financial Statements

1.1 Qualified Opinion

The audit of the financial statement of the Department of Import and Export Control for the year ended 31 December 2018 comprising the statement of financial position as at 31 December 2018 and the statement of financial performance and cash flow statement for the year then ended, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act, No. 19 of 2018. The summary report including my comments and observations on the financial statements of the Department of Import and Export Control was issued to the Accounting Officer on 31 May 2019 in terms of Section 11 (1) of the National Audit Act, No. 19 of 2018, and the Detailed Annual Management Audit Report relating to the Department in terms of Section 11 (2) of the National Audit Act, No. 19 of 2018 was issued to the Accounting Officer on 31 May 2019. This report will be tabled in Parliament in pursuance of provisions in Article 154 (6) of the Constitution to be read in conjunction with Section 10 of the National Audit Act, No. 19 of 2018.

In my opinion, except for the effects of the matters described in Paragraph 1.6 of this report, the financial statements give a true and fair view of the financial position of the Department of Import and Export Control as at 31 December 2018, and of its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Standards.

1.2 Basis for Qualified Opinion

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAS). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Responsibilities of Chief Accounting Officer and the Accounting Officer for the Financial Statements

The Chief Accounting Officer and the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and provisions in Section 38 of the National Audit Act, No.19 of 2018 and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As per Sub-section 16(1) of the National Audit Act No. 19 of 2018, the Department of Import and Export Control is required to maintain proper books and records of all its income,

expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared.

As per Sub-section 38 (1) (c) of the National Audit Act, the Chief Accounting Officer and the Accounting Officer shall ensure that effective internal control system for the financial control of the Department of Import and Export Control exists, and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out.

1.4 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accounting Officer regarding, significant audit findings, any significant deficiencies in internal control and other matters that I identify during my audit.

1.5 Report on Other Legal and Regulatory Requirements

I express the following matters in accordance with Section 6 (d) and Section 38 of the National Audit Act, No. 19 of 2018.

- (a) Since there was no need to prepare financial statements for the preceding year, it could not be stated that the financial statements presented for the year under review were consistent with the preceding year.

- (b) Since there was no requirement for the Department of Import and Export Control to prepare financial statements for the preceding year, recommendations on the financial statements had not been made.

1.6 Comments on Financial Statements

1.6.1 Statement of Financial Performance

The following observations are made on the statement of financial performance presented to Audit.

Audit Observation	Recommendation	Comment of the Accounting Officer
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(a) A difference totaling Rs. 485,587 existed between the revenue register and daily revenue summary register relating to the month of August 2018.	The relevant registers and the summaries should be prepared in a manner that they tally with each other.	The deficiencies in the receipts according to the revenue ledger that existed on 15 August 2018 and 28 August 2018, have been rectified as per your observations.
(b) As an item of expenditure had not been created for the expenses incurred on updating the computer system and the antivirus software, a sum of Rs. 922,565 incurred in that connection during the year under review had been brought to accounts under the software development Object in the acquisition of capital assets.	The capital expenditure and recurrent expenditure should be brought to accounts after being separately identified.	As the expenses incurred on updating the computer system and the antivirus software, is related to the development of software, that expenditure has been shown under the Object for software development.

1.6.2 Statement of Financial Position

The following observations are made on the statement of financial position.

Audit Observation	Recommendation	Comment of the Accounting Officer
(a) A difference totaling Rs. 49,476 existed in 3 instances between the loan balances shown in the pay slips for the month of December 2018 and the schedule of individual balances.	The loan balance shown in the monthly pay slips and the schedule of individual balances, should tally with each other.	Rectified in the month of January 2019.
(b) Action had not been taken in terms of Section 8.2 of the State Accounts Circular, No. 267/2018, dated 21 November 2018 to identify and account the capital assets totaling Rs. 18,507,203 existed up to 31 December 2015.	The assets should be identified and brought to accounts in terms of Section 8.2 of the State Accounts Circular, No. 267/2018, dated 21 November 2018.	The process of inputting all the unaccounted assets existed as at 31 December 2018 into the fixed assets module of the CIGAS programme based on the revaluation amount, has reached the final stage.

1.6.3 Failure to Maintain Books and Registers

It was revealed in audit test checks that the Department had not maintained some of the following registers whilst certain registers had not been maintained properly and up-to-date.

Audit Observation	Recommendation	Comment of the Accounting Officer
(a) Inventory Books		
The Inventory Book had not been maintained in an up to date manner.	Action should be taken in accordance with provisions set out in Financial Regulation 454 (1).	Not replied.
(b) Stock Books		
Stock Books had not been maintained in an	Action should be taken in terms of	Not replied.

up to date manner. Financial Regulation 751 & 763.

(c) Register of Securities

A Register of Securities had not been prepared including information on employees and officers eligible for producing securities.

Action should be taken in terms of Financial Regulation 891 (1).

A Register of Securities is maintained. However, as no officers had produced securities, the Register remains empty.

(d) Vehicle Log Book

Vehicle Log Books had not been maintained.

Vehicle Log Books should be maintained in terms of Financial Regulation 1645 (a).

Updated by now.

(e) Attendance Register for the Procurement Committee and the Technical Evaluation Committee.

The Secretaries of the Procurement Committees and the Technical Evaluation Committees had not maintained Attendance Registers to verify participation in the meetings of the Committee.

Action should be taken in terms of Guideline 2.11.2 of the Government Procurement Guidelines.

Not replied.

1.6.4 Assurances to be Made by the Accounting Officer

The Accounting Officer had not ensured the following matters in terms of provisions set out in Section 38 of the National Audit Act, No. 19 of 2018.

Audit Observation	Recommendation	Comment of the Accounting Officer
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(a) The Chief Accounting Officer and the Accounting Officer should ensure	Action should be taken in terms of provisions of the Section 38 of the	In order to ensure productivity in financial and internal control, progress is reviewed from time to time at the staff meetings thereby

that an effective National Audit Act, taking necessary measures. internal control No. 19 of 2018. system for the financial control exists in the Department and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any alternations as required for such systems to be effectively carried out. Such reviews should be made in writing and a copy thereof should be presented to the Auditor General. However, no explanation was made to the Audit that a review had been made.

1.6.5 Non-compliances with Laws, Rules, and Regulations

The instances on non-compliances with provisions of the Laws, Rules, and Regulations observed in audit test checks, are analyzed below.

Observation	Recommendation	Comment of the Accounting Officer
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Reference to Laws, Rules, & Regulations	Value	Non-compliance
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	Rs.	
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(a) Financial Regulation 260 of the Financial Regulations of the Democratic Socialist Republic of Sri Lanka.	238,350	Payments should be made either to the person whose name is written on the vouchers or his authorized representative. However,
		Payments should be made after verifying the identity of the payee in terms of Financial Regulation 260.
		Agreed with your observations.

payments had been made in 3 instances without signature of the payee.

(b) Government Procurement Guidelines – 2006

Guideline 2.7.5 -

Procurement Committees had not been appointed by the Department.

Procurement Committees should be properly appointed on the date specified.

The Procurement Committee for the relevant year had not been appointed at the beginning of the year as the Committee appointed in December 2017 had functioned in the year 2018 as well. Technical Evaluation Committees had been appointed for each procurement.

Guideline 4.2.1 -

The main Procurement Plan had not been prepared in compliance with the Format.

The Procurement Plan should be prepared properly.

The said column had not been completed when the Procurement Plan for the year 2018 had been prepared. That column has been

completed in preparing the Procurement Plan for the year 2019.

2. Financial Review

2.1 Management of Expenditure

The following observation is made.

Audit Observation	Recommendation	Comment of the Accounting Officer
A sum of Rs. 269,707 had been utilized in the year under review out of the provision totaling Rs. 500,000 made on an Object. As such, the saving of the provision made had been 46 per cent or Rs. 230,297.	Action should be taken in terms of Financial Regulation 50.	As the employee had not performed duties on holidays , or overtime as expected, thus causing the saving in this Object.

2.2 Incurring Liabilities and Commitments

The following audit observations were made with respect to liabilities and commitments.

Audit Observation	Recommendation	Comment of the Accounting Officer
(a) A liability of Rs. 172,750 had been shown in the statement of commitments and liabilities in Note (III) of the financial statement. However, the said value amounted to Rs. 322,713 as per the Register of Liabilities. As the actual liability amounted to Rs. 382,713 as at 31 December 2018, liabilities worth Rs. 209,963 had been	Commitments and liabilities should be shown accurately in the financial statements.	As there existed no savings in those Objects, the liabilities have been understated in the financial statements.

understated in the statement of commitments and liabilities presented with the financial statements.

- (b) In terms of Section 3.4 of the State Accounts Circular, No. 267/2018, dated 21 November 2018, an unreported liability should not be settled as expenses of the preceding year. However, liabilities valued at Rs. 209,962 relating to the year 2018 had been settled in the year 2019.
- Provisions of the State Circulars should be adhered to.
- Those expenses had to be incurred for the supply of essential services and avoiding disconnections. The officers have been instructed to ensure that such excesses would not occur in the future.

2.3 Operating Bank Accounts

The following observation was made in the audit test check carried out on operating the bank accounts.

Audit Observation -----	Recommendation -----	Comment of the Accounting Officer -----
A cash reserve adequate to settle the daily expenses (appx. Rs. 2 million) should be maintained from the excess revenue, and the balance should be remitted to the Treasury. However, the amount of monies retained without being remitted to the Treasury during the first 3 months of the year 2018, ranged between Rs. 18 million and Rs. 186 million	In terms of Financial Regulation 177 (1), a cash reserve adequate to settle the daily expenses should be maintained from the revenue collected by the Department whilst the balance revenue should be remitted to the Treasury as early as possible.	Not replied.

3. Operating Review

3.1 Failure to Discharge Functions

The following observations are made.

Audit Observation	Recommendation	Comment of the Accounting Officer
<p>Contrary to Section 11 E of the Imports and Exports Act, No. 01 of 1969 as amended by the Act, No. 28 of 1987, the names of the importers making imports breaching the standard, had not been published through a Gazette Notice.</p>	<p>In terms of Section 11 E of the Imports and Exports Act, No. 01 of 1969, Action should be taken to publish the names of the importers making imports in violation of the standard, through a Notice published in the Gazette.</p>	<p>As for many of the goods being imported, a standard for Sri Lanka has not yet been formulated. The requirement for a standard has been imposed only for 122 items of goods. The list of such items had been published in the Gazette, No. 2064/34, dated 29 March 2018.</p> <p>There exists a procedure to be followed when importing items subject to the standard into Sri Lanka.</p> <p>That is, once imported, such items should be stored in a warehouse under supervision of the Sri Lanka Customs before being issued to the market. Samples of those items should be furnished to the Sri Lanka Standards Institution , and if the relevant specifications are satisfied, approval is granted by the Standards Institution to issue them to the market. Otherwise, Sri Lanka Standards Institution informs the Department of Customs either to re-export or destroy the items.</p>

Instances were sometimes observed in which, instead of the entire stock of items being rejected, only a part thereof satisfies the standard whilst the rest does not. In such a scenario, the items that do not comply with the standard are re-exported or destroyed whilst approval is granted for the rest of the items to be released into the local market.

In such an instance, it becomes practically difficult to publish the relevant importer through a Gazette Notice as a culprit.

On the other hand, the supplier too should be held accountable for sending inferior products. However, what is expected through the said Section is to mitigate the adverse effect on the national economy and the public health.

Once the standard of the imported items are examined by the Sri Lanka Standards Institution, the Sri Lanka Customs is informed either to re-export or destroy such items if they do not comply with the standard. Accordingly, such items are not issued to the market and do not cause any effect on the public health. As the commercial banks are not capable of making payments until the standard is determined for the relevant items, no impact occurs economy wise as well.

Moreover, the said Section 11 E, does not state the duration for which such an importer is blacklisted, and the provisions for removal from blacklist. A discussion had been held on 2019.01.03 with the Sri Lanka Standards Institution in that connection, and both parties had agreed to look into the legal background relating to being blacklisted in due course. As such, action will be taken in that regard in the ensuing year.

3.2 Failure to Achieve the Expected Level of Output

The following observations are made.

Audit Observation	Recommendation	Comment of the Accounting Officer
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(a) Despite being proposed to increase the number of institutions registered for issuing test certificates prior to the vehicles being shipped, the verification of the Sri Lanka Accreditation Board was not obtained even up to 31 May 2019 as to whether the institutions requested for registration to issue the test certificates before shipping the vehicles,	The planned activities should either be carried out or revised.	According to the Gazette issued in the year 2018 and the amendments made thereto, the vehicles being imported should comply with the gas emission standards and safety measures. As such, it should be stated as to whether the vehicles imported under pre-test certificates, do comply with the said standards. Accordingly, the Sri Lanka Accreditation Board was queried as to whether the institutions applied had obtained the certificate of accreditation in order to conduct tests on gas emissions thereby issuing certificates. We were informed by the Board of Accreditation that only 5 institutions had obtained the

were qualified enough.

certificate of accreditation.

- (b) Under the Memorandum of Understanding entered into with the Information Communication Technology Agency to establish a computer network, it had been planned under the first stage to present applications and connect with 06 institutions granting approval for licenses. Furthermore, under the second stage, payments had to be made for the licenses, whilst establishing networked connections with the other institutions providing recommendations. The following observations are made in that connection.

- (i) As the commencement of stage one had become delayed, only 12 out of the 60 importers and exporters registered as at the end of the year, had registered under the e-Service. The works should be carried out on time as planned, thereby achieving the objectives. Accepted : Despite being agreed under the Memorandum of Understanding entered into with the ICTA on 09 February 2017 that the works be completed within a period of one year, the first stage thereof had been completed in January 2018, thus further delaying the second stage. Due to problems in the first stage, a low progress was observed with the applicants registering with the e-Service. This situation was attributed by the

- unsatisfactory progress made despite the discussions held continuously with the ICTA in that connection.
- (ii) Without obtaining recommendations through the e-Service, recommendations had been obtained by directly visiting the relevant institutions. The works should be carried out on time as planned, thereby achieving the objectives. The 3 recommended and registered institutions did not possess the recommendations that should have been obtained for the institutions which had forwarded the applications through the e-Service. Nevertheless, the problem mentioned under the answer 01 had also been attributable thereto.
- (iii) The Department had not implemented a methodology to encourage the importers and the exporters to use the e-Service. Active involvement is necessary to execute the task on time as planned thereby achieving the objectives. Due to deficiencies in Stage I of the e-Service, the relevant institutions could not submit applications properly. Accordingly, the ICTA was requested to rectify those errors.
- (iv) Despite the e-Service, the importers and the exporters had not been willing to obtain this proposal. As such, the benefit had become minimal. Strategies should be identified to attract the importers and exporters. As it is necessary to visit out institution to obtain the licenses / debit notes, certain institutions are reluctant to submit only the applications.
- (v) Even up to December , 2018, a service supplier had not been selected for State II . Tasks should be carried out as planned. The first Stage of the e-Service was completed and launched in January 2018. The ICTA had agreed to complete the second Stage within a period of 6 months, but it could not be so done.
- (vi) An expenditure of Rs. 07 million had been estimated for the Stage II of the planning phase though, the estimate had later The estimates should be prepared properly and realistically.
- As the suppliers are selected by the ICTA, a supplier could not be selected owing to an issue in the ICTA.
 - The relevant expenses had

been increased to Rs. 45 million.

been met with the provision from ICTA, and the technical expertise had also been provided by the ICTA itself. The estimate on expenses thereof had also been prepared by the same.

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| (c) | In accordance with the discussion held at the meeting of the Committee on Public Accounts on 10 February 2006, establishment of a separate division for follow up action had been commenced in the year 2016 and scheduled to be completed by the final quarter of the year 2017 in accordance with the Action Plan. This work had not been done as expected. | The works planned should be carried out, or the plan should be revised. | Not replied. |
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3.3 Management Inefficiencies

The following observations are made.

Audit Observation -----	Recommendation -----	Comment of the Accounting Officer -----
(a) According to the Notice published on the Gazette, No. 2044/40, dated 09 November 2017 including provisions to prevent importing the goods which had been restricted or banned, illegal imports had been prevented as per the Notice published	Action should be taken to verify that the process of issuing licenses takes place in accordance with conditions of the Gazette notifications.	No documents had been made available to debit the licenses. The Department of Customs had not quarried or informed relating to the issue of vehicles without the debit note issued by this Department. Nevertheless, the connectivity through a computer network that had been recommended by the Audit as well, has been identified as the effective solution therefor. It is scheduled under the proposed

on the Gazette, No. 1971/10, dated 14 June 2016 relating to the restriction of old vehicles being imported in to the country. However, due to reasons such as, lack of coordination between the Department of Customs and the Department of Import and Export Control, and the deficiencies in the control system of the Department, seven instances were observed in which debit notices had not been available to verify that the vehicles had been imported in accordance with the relevant conditions of the licenses. Even though instances had been observed in which no imports had been made by making use of the licenses issued, the Department did not possess a methodology in order to take follow up action on the licenses after being issued.

- (b) The following observations are made in connection with 05 gully bowsers imported in the year under review by spending a sum of Rs. 5,248,345.

update of computer network to link the Sri Lanka Customs, Department of Motor Traffic, as well as the institutions issuing recommendations for the import of control licenses. The preliminary activities have already been commenced to implement the relevant project.

It is the responsibility of the licensees to execute the relevant process for the imports by using the import control licenses, and it is assumed that there might be instances in which some of the licenses could expire without being used due to certain problems / difficulties arising from the suppliers and the licensees as well. The fact that whether the process of import had taken place under the licenses, is verified only by the debiting of licenses. (according to the existing methodology) In order to take follow up action on the overall process taking place under the control licenses, action has been taken to establish a special unit of investigation.

- (i) The maximum age being considered in importing the gully bowsers is 15 years though, import licenses had been issued with respect to 03 gully bowsers older than 15 years. It is necessary to adhere to the existing rules. In case such rules are revised, the relevant parties should be apprised formally. The minimum age relating to the import of used vehicles is published through the Gazette. The maximum lifetime is determined by the Controller General from time to time by considering the matters such as, demand for the licenses, and requirement of the vehicles. As such, licenses had been issued by considering the maximum lifetime for gully bowsers to be 20 years whilst the maximum lifetime was considered as 15 years after being informed by the Secretary to the Ministry of Development Strategies and International Trade, on 2017.11.24. The said Directive had been received by the Department in March 2018, and until then, import control licenses had been issued for gully bowsers with the lifetimes up to 20 years.
- (ii) As per the classification of import licenses, fees should have been charged on the said bowsers under the Classification No. 180. However, as fees had been charged under the Classification No. 150, license fees had been undercharged by a sum of Rs. 647,929.
- (i) Fees should be charged by properly adhering to provisions of the Circulars. According to Gazette Notification, No. 1953/28, dated 11 February 2016 (Serial No. 10), category 150 under the classification of import licenses had been divided into 3 types, and type 3 thereof is allocated for the vehicles received by the public and non-public institutions. Import licenses are provided for the gully bowsers as well under type 02 thereof which the garbage removal vehicles, and ambulances belong to. Only the vehicles not used in agriculture and not running on roads belong to category 180 (Serial No. 25 of the Gazette Notification, No. 1953/28). Accordingly, as for the gully bowsers mentioned in Annexure 03, the correct license fee, being Rs. 50,000 per unit had been charged.
- (ii) The objectives for which the relevant instruments are used, should be looked into, thereby determining the fees.
- (iii) In case of imports the actual value should The License No. IM-2-180-2018-

made to the values in excess of the ones shown in the license issued, an additional fee of 3 per cent should be levied. However, such an additional fee amounting to Rs. 37,973 recoverable on 03 gully bowsers, had not been levied.

be identified and the additional fee, if any, should be recovered.

000050 had been issued to Deshantha Saw Mills & Machineries under the category 180 by mistake, but the fees had been levied accurately.

- (c) According to the vision and objective of establishing the Department of Import and Export Control as per the Act, No. 01 of 1969, the imports and exports having an unfavorable effect on the economy of Sri Lanka should be controlled. However, the following instances were observed in audit wherein the import and export control Department had not involved in doing so.

- (i) Despite being observed that the import of pepper had directly attributed to the rapid decrease in pepper prices, the Department had not adequately involved in formalizing the import and export process of pepper. The quantity of pepper imported to Sri Lanka under

In order to fulfill the objectives of the Imports and Exports Act, the Department should directly involve in controlling the imports and exports.

Regulations are made in regard to control the import of a certain item, impose taxes to the item, demand that a license should be obtained to import, and the items imported should comply with standards. Our Department has not so far received any request from a responsible institution that the import of pepper should be controlled considering the excess harvest of pepper. The Department conducted a discussion with the relevant parties with regard to the import of pepper, and it is

miscellaneous tax reliefs during the period 2012-2018, was 5,741,230 Kg, and the average import price thereof ranged between Rs. 600 and Rs. 700. With the objective of processing at the premises of the Ports and re-exporting, the institutions supplying services to the Ports had imported 2,936,346 Kg of pepper from Vietnam in the year 2018 alone at Rs. 620.20 per kilogram. Due to those imports, the price per kilogram of local pepper that amounted to Rs. 1,211.26 in January 2016, decreased to Rs. 610.79 by November 2018.

kindly informed that further discussions will be held in the future with emphasis on controlling the import.

- (ii) According to The adherence to the Not replied.
 conditions set out in conditions set out in
 the license granted regard to the import of
 to import drugs, the drugs, should be
 drug being imported thoroughly examined.
 should have a future
 lifetime equivalent
 to $\frac{3}{4}$ of the lifetime
 of the drug from the
 date of debit notice
 issued by the Import
 and Export
 Controller.
 Nevertheless, the
 lifetime of drugs
 worth Rs. 20 million
 imported by 03

institutions in 4 instances, had exceeded the period specified.

- (iii) A comparison of import licenses issued in the year 2008 with the debit notices issued revealed that debit notices issued had been less than the licenses issued with respect to certain categories. Follow up action should properly be taken on the imports made by using the licenses after being issued. Not replied.
- Furthermore, information as to whether the relevant imports had been made under 171 debit notices relating to 05 categories of license for which debit notices had not been obtained, and whether such items had been cleared at the Ports without obtaining debit notices, could not be verified in audit.

4. Human Resource Management

Audit Observation	Recommendation	Comment of the Accounting Officer
The Department had not taken action in terms of Financial Regulation 71 to properly obtain approval on 3 officers recruited in excess.	Approval should be obtained in terms of Financial Regulation 71.	Three appointees to the Departmental posts of Research Assistant, Policies and Planning Assistant, Information Technology Officer, had been absorbed in to the service of Development Officer. In order to increase the number of Development Officers up to 8 inclusive of the said 03 posts, approval has been sought under Financial Regulation 71.