

Head -101 – Ministry of Buddhasasana, Religious and Cultural Affairs

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Ministry of Buddhasasana, Religious and Cultural Affairs for the year ended 31 December 2021 comprising the statement of financial position as at 31 December 2021 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 containing my comments and observations on the financial statements of the Ministry of Buddhasasana, Religious and Cultural Affairs was issued to the Chief Accounting Officer on 31 May 2022 in terms of Section 11(1) of the National Audit Act, No.19 of 2018. The Annual Detailed Management Audit Report relevant to the Ministry was issued to the Chief Accounting Officer on 06 July 2022 in terms of Section 11(2) of the National Audit Act, No.19 of 2018. This report will be tabled in Parliament in pursuance of provisions in Article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka 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 Ministry of Buddhasasana, Religious and Cultural Affairs as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2 Basis for Opinion

My opinion is qualified based on the matters described in paragraph 1.6 of this report. I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibility for the financial statements is further described in the Auditor's Responsibility section. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

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 the determination of the internal control that is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As per Section 16(1) of the National Audit Act, No.19 of 2018, the Ministry is required to maintain proper books and records of all its income, expenditure, assets and liabilities to enable the preparation of annual and periodic financial statements.

In terms of Sub-section 38(1)(c) of the National Audit Act, the Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Ministry 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 summary 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 and its materiality depends on the influence on economic decisions taken by users on the basis of these financial statements.

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

- Appropriate audit procedures were designed and performed to identify and assess the risk of material misstatement in financial statements whether due to fraud or errors in providing a basis for the expressed audit 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.
- An understanding of internal control relevant to the audit was obtained in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- Evaluate the 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.
- Evaluate the overall presentation, structure and content of the financial statements including 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, among other matters significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

1.5. Report on Other Legal Requirements

I express the following matters in terms of Section 6 (1) (d) of the National Audit Act, No. 19 of 2018.

- (a) The financial statements are consistent with the preceding year,
- (b) The recommendations made by me on the financial statements of the preceding year had been implemented.

1.6 Comments on Financial Statements

1.6.1 Statement of Financial Position

Non-financial Assets

The following deficiencies were revealed in the accounting of property, plant and equipment.

Audit Observation -----	Comments of the Accounting Officer -----	Recommendation -----
(a) Due to that Rs. 2, 500, 000, which was a cost of double cab handed over to the Department of Buddhist Affairs by the buddhasasana division of the Ministry on 05 May 2021, was included in the value of vehicles in non-financial assets, non-financial assets were indicated more than that amount and the jeep worth Rs. 6,000,000 owned by the Ministry of Water and Water Transport, which is acquired for the use of the ministry, was included in non-financial assets. Further, non-financial assets were understated due to non-financial assets not including the value of 02 unassessed vehicles.	The value of the double cab assigned to the Department of Buddhist Affairs worth Rs. 2,500,000 and the jeep costing to Rs. 6,000,000 assigned to the Ministry for use by the Ministry of Water Transport has been removed from non-financial assets in the year 2022 and the value of the other 02 vehicles will be assessed and included in non-financial assets.	The value of all the vehicles owned by the institute should be properly assessed and accounted and the value of the vehicles assigned to other institutions should be removed from the accounts.
(b) The cultural division of the ministry had 50 vehicles at the end of the year and the value of 19 vehicles was stated as Rs. 71,350,000 according to the ACA (06) form submitted with the 2021 financial statements. Accordingly, the value of 31 vehicles was not included in the statement of non-financial assets as at 31 December 2021.	03 vehicles have been included in the assets register in the year 2022 and that will be included in the financial statements after getting the valuation for 18 vehicles. Furthermore, 10 vehicles have been disposed.	The value of all vehicles owned by the institution should be properly assessed and accounted.

2. Financial Review

2.1 Expenditure Management

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
Preparation of Budget Estimates		
According to the Financial Regulations 50 of the Democratic Socialist Republic of Sri Lanka, although estimates should be prepared as accurately as possible, variations between the initial and revised expenditure estimates ranged from 12 percent to 100 percent for 13 recurrent expenditure subjects and from 43 percent to 100 percent for 04 capital expenditure subjects.	Inadequate allocations for certain expenditure subjects, allocations allocated for certain expenditure subjects were not spent as expected and revision of basic expenditure estimates related to 03 capital expenditure subjects caused for these variations.	Estimates should be prepared as accurately as possible.

2.2 Incurring into Liabilities and obligations

Audit Observation	Comments of the Accounting Officer	Recommendation
Although all liabilities should be recorded as soon as they occur, the cultural division has not acted accordingly and as a result, the audit could not confirm that the liabilities were correct according to the statement of liabilities and obligations submitted with the account.	Efforts are being made to maintain the statement of obligations and liabilities correctly from the year 2022.	The statement of obligations and liabilities should be properly maintained.

2.3 Certification to be done by the Chief Accounting Officer

According to the provisions of Section 38 of the National Audit Act No. 19 of 2018, the Chief Accounting Officer should have made certifications regarding the following matters, but it had not been acted accordingly.

Audit Observation	Comments of the Accounting Officer	Recommendation
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The Chief Accounting Officer and the Accounting Officer shall ensure that an effective internal control system is developed and maintained for the financial control of the Ministry and the effectiveness of that system should be reviewed from time to time and the necessary changes should be made accordingly to make the system effective and although those reviews should be done in writing and a copy of the same should be submitted to the Auditor General, statements that such reviews were conducted were not submitted to the audit.	Corrective action is taken and progress is continuously monitored.	Action should be done accordingly and reported to the Auditor General.

2.4 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 analyzed below.

Reference to the Laws, Rules and Regulations	Amount	Non-compliance	Comments of the Accounting Officer	Recommendation
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	(Rs.)			
(a) Chapter XXIV of the Code of Establishment of the Democratic Socialist Republic of Sri Lanka				
(i) Sub-sections 4.2.5, 4.5 and 4.6	397,087	The loan balance of Rs. 167,055 of a retired officer in the buddhasasana division had not been recovered for more than 02 years and the loan balance of Rs. 128,732 of a retired officer in the cultural division had not been recovered for more	Arrangements are being made to recover the balance to be charged from the retired officers from the pension and the balance to be charged from the deceased officer from the	The loan balance should be recovered as per the provisions.

than 05 years. widow's pension.
 Further, no action was taken to recover the loan balance of Rs. 101,300 to be charged from a deceased official of the cultural division.

(ii)	Sub section 4.2.3 and section 4.3 (e) of the Public Finance Circular No. PED/RED/2015/08General (i) dated 09 October 2015	686,867	The loan balance of Rs. 32,155 of an officer suspended from work in the buddhasasana division had been outstanding for more than 04 years and the total loan balance of Rs. 654,712 from 10 officials suspended from work in the cultural division has been outstanding since 03 years and action was not taken to recover.	It has been referred to the legal division to act about the loan balance to be charged from the suspended officer of the buddhasasana division. Actions are being taken to recover the loans of three suspended officials of cultural division from the guarantors, take legal action regarding the loan balances of two persons and recover the debt balances of four persons in future. One officer's loan balance has already charged.	The loan balance should be recovered as per the provisions.
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(b) Code of

Procurement
Guidelines of
the Democratic
Socialist
Republic of Sri
Lanka

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|------|---|------------|--|--|--|
| (i) | Guideline 3.2 | 49,841,036 | Bamunakotuwa, Mawathagama and Polgahawela Cultural Center construction contracts with estimated value of Rs. 20,009,609, Rs. 14,665,744 and Rs. 15,165,683 respectively had been awarded to Cultural Conservation and Construction (Pvt) Company. Furthermore, the selection of institutions that quoted limited bid was not done in a transparent manner. | Although the prices were quoted from 05 institutions for the Mawathagama and Polgahawela cultural center construction contracts, the ministerial procurement committee has given approval to award the cultural conservation and construction contracts for which the prices were submitted to the Cultural Conservation and Construction (Pvt) Company which quoted the prices from 05 institutions and submitted the lowest price. | Competitive bids should be quoted as per procurement guidelines. |
| (ii) | Guidelines 3.2.2(d), 3.10.1 and 7.8 (a) | | The said contractor has not been verified as having ICTAD registration and although the above 03 contracts were awarded at the same time; it was not considered whether | Contracts are awarded on the basis of the prices called for in limited bids and according to the decisions of the procurement committee as per | Should be followed the procurement guidelines. |

		the contractor has the necessary resources and staff.	procurement guidelines 3.2.		
(iii)	Guideline 5.4.8 (a)	The contractor was unable to cover the loss as non-completion of the construction due to the non-extension of the performance guarantee related to the construction of Polgahawela cultural center.	The contractor has extended the work till 23 June 2018.	-Do-	
(iv)	Guideline 8.12.2	The work completion certificates related to the construction of Polgahawela and Bamunakotuwa cultural centers were not obtained from the advisor.	Although recommendations have been given for release of retention money dated 26.12.2019 regarding the construction of Bamunakotuwa Cultural Center by the Kurunegala District Secretariat which is its advisory institute, the work of the Polgahawela cultural center has not been completed yet.	-Do-	
(v)	Guideline 8.13.4	7,751,543	Additional works of Rs. 2,195,881 and Rs. 5,555,662 respectively related to the construction of Polgahawela and Bamunakotuwa cultural centers were	Since the tiling work of the Polgahawela cultural center is a new work done in addition to the main work, it has been approved by	-Do-

not approved by the Secretary of the Ministry.

a decision of the procurement committee to give it to the same company that has done the construction up to now. Although the prices were quoted for the construction of a retaining wall and filling the soil around the site of the Bamunakotuwa cultural center, the work was not given to the relevant company. As the estimated cost for that is high, it has been proposed to prepare stair cases and fill only a small part with soil. Provisions have been released to the District Secretary on 21.01.2020 for that purpose.

(vi) Guideline 8.14 84,843

Although the contractor requested to extend the period of the contract for the construction of the Mawathagama cultural center, the extension was not granted and late fees of 1 percent of the

The Secretary has been given the approval to extend the period of Mawathagama cultural center till 30.07.2017 on 13.06.2016.

-Do-

payment of Rs.
8,484,290 had not
been charged.

(c) Public Finance Circular
No. 2019/05 dated 27
June 2019

(i) Paragraph 03 (e)	479,268	Loan balance amounting to Rs. 479,268 had not been recovered from 05 officers who had left the service of the Cultural Division.	Out of these 05 loan balances, one loan balance has been settled. Another person paid Rs. 40,000 and letters are being sent continuously to creditors and guarantors to settle the remaining loan balances. Monthly meetings are held to inquire about the progress of loan recovering.	Action should be taken in accordance with the circular.
(ii) Paragraphs 03,04 and 05	1,426,148	The balances of Rs. 1,426,148 from many years were adjusted in the single balance classification summary of the Cultural Division Advance "B" account and the balance had not been settled.	The unrecognized balance of Rs. 1,426,148 in the imprest account of the Ministry of Home Affairs, North West Development and Cultural Affairs is the change from the previous years mentioned under the Ministry of National Heritage and Cultural Affairs, Head No. 142, which existed when the Ministry of National	-Do-

Heritage was established in the year 2010.

(d) Public Enterprises 811,250
Circular No. 95 dated
14 June 1994

(i) Without obtaining treasury approval to 15 members of the governing board for issuing a license under the Public Entertainments Control Board Ordinance Act, 1952 for the survey of films, DVDs and short stories in the year 2021, Rs. 811,250 had been paid as allowances.

The Secretary has been approved the payment of Rs. 500 on 02.01.2007 and increased to Rs. 1,000 on 08.08.2008 for the members of the Public Entertainment Control Board to watch the previews of films. Treasury approval is being south for the payment of allowances and future payments will be made only after given approval.

103,500

(ii) The Chairman of the board shall act as the certifying authority for issuing certificates in terms of Sections 5(1) and 6(1) of the Ordinance and Rs. 75,000 is paid as monthly allowance of the Chairman. Accordingly, Rs. 103,500 was

Since the year 2005, payment was made to Chairmen for watching movies, DVDs and reading the drama scripts. Advised not to pay in future without proper approval.

The approval of the treasury should be obtained for the payment of additional allowances to the officers for the duties duly assigned to them.

paid to the Chairman in the year 2021 for watching/ reviewing movies, dramas and DVDs as part of the Chairman's normal duties.

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| (e) Public Administration Circular No. 03/2017 dated 19 April 2017. | (i) Fingerprint machines were not introduced for proof of arrival and departure in cultural centers. | As the high cost of applying a fingerprint machine to every center due to minimum number of employees, it is not possible to install fingerprint machines. | As per the circular, the attendance of the employees should be confirmed and the payment of leave and monthly wages should be done. |
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2.5 Informal Transactions

 The following transactions were done without formal approval.

Audit Observation	Comments of the Accounting Officer	Recommendation
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When a motor vehicle is repaired at a private workshop, the approval of the Secretary should be obtained for each work according to the Financial Regulations 1644(11), but it was not done accordingly in the repairs done on 7 occasions, which were spent Rs. 839,370.	I will revise the covering letter for vehicle repair to include this information.	Should be act in accordance with Financial Regulations.

2.6 Deposits

----- Audit Observation -----	Comments of the Accounting Officer -----	Recommendation -----
The total balance of the retained money for the contracts under the ministry was Rs. 99,596,333 as at 31 December 2020 and in that, the balance of retained money related to Buddhasasana Division was Rs. 57,343,077. In respect of 02 deposits amounting to Rs. 1,789,359 which exceeded 02 years at the end of the year under review, they were not allowed to be considered as overdue deposits and it should have been credited to the relevant account or government revenue as appropriate in accordance with Financial Regulations 571, but it had not been done accordingly.	There were no comments.	Should be act in accordance with Financial Regulations 571.

3. Operational Review

3.1 Non-achievement of Expected Benefits

The following observations are made.

Audit Observation -----	Comments of the Accounting Officer -----	Recommendation -----
Construction of Vidyalkara International Buddhist Conference Hall		
(i) The cost of Rs. 1245.18 million was incurred as at 31 December 2021 for the construction up to 05 phases of Vidyalkara International Buddhist Conference Hall, which was started in the year 2005 and scheduled to be completed on 30 September 2017 based on a basic estimate of Rs. 1,350 million (Phases 1-5) and Rs. 2.72 million had been paid for the settlement of security services and electricity bills in the year 2021. Rev. Parivenadhipathi had informed that after	The Consultant Bureau of Engineering works has been informed to settle the deficiencies identified in the construction of phases I to V. The Department of Civil Engineering of the University of Moratuwa has been sending to get expert consultancy services to fix the deficiencies identified during the inspections.	The related construction should be completed and used as planned.

the completion of the construction and handing over to the Vidyalankara trust, it has been agreed to construct the phase vi of this project with the proceeds from the lease of the building, but arrangements have been made to transfer the building to the Vidyalankara trust.

- (ii) Accordingly, although the work on phase v of the building had been completed by 15 March 2019, it was observed that due to the delay in the work of phase vi, the electricity and security expenses are being idled. The electricity and security expenses incurred in relation to variations in the 2019 tasks performed in the year are the expenses to be incurred by the ministry. Should be used as intended.

3.2 Abandoned Projects Without Completion

The following observations are made.

With the aim of efficiently carrying out the construction and maintenance of the Ministry of Culture and the institutions under it, the Cultural Conservation and Construction (Pvt) Company was registered on 17 November 2008 under the Companies Act No. 7 of 2007 with the whole share rights to the ministry on the approval of the cabinet.

Audit Observation -----	Comments of the Accounting Officer -----	Recommendation -----
(a) According to Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka, companies registered under the Companies Act No. 07 of 2007 in which 50 percent or more of their own shares are held by the government or a public company should be audited by the Auditor General, but the financial statements related to the financial years 2018/2019, 2019/2020 and 2020/2021 of this company, which is fully owned by the ministry, were not submitted to the Auditor General for audit.	There are difficulties in finding the necessary files due to the files of the Cultural Conservation Construction (Pvt) Company have also been transferred to various departments during the revision of the scope of the ministry.	The financial statements of the respective companies should be submitted to the Auditor General for audit according to the provisions of the constitution.
(b) Although the relevant company was established to avoid the difficulties and problems that had occurred in the	-Do-	The construction and maintenance work of the institutions under the

execution of the construction and maintenance work of the institutions under the ministry by external institutions, the difficulties and problems had further occurred in delegating to subcontractors keeping a margin of 5 percent of the constructions under the ministry and institutions under that undertaken by the ministry during the period of 2009 and 2010.

ministry should be carried out without inconvenience by the company.

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| (c) As the activities of the company are now completely inactive, although the Prime Minister's Secretary was requested to liquidate the company on 05 July 2021, the liquidation process has not been implemented till the date of this report. | Although a cabinet memorandum has been submitted for the liquidation of the affairs of the company, it has not been possible to implement the affairs yet. | Legal provisions should be followed in respect of the inactive company. |
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3.3 Delays in Project Execution

The following observations are made.

Audit Observation -----	Comments of the Accounting Officer -----	Recommendation -----
(a) Rs. 530,000 was allocated for the provision of library facilities for 04 temples and Sunday schools on Kaluthara district where the Sustainable Punyagrama programme is implemented and although more than 05 months have been passed since the provision was made, the relevant equipment had not been received by the Sunday schools by 31 December 2021.	Even though the equipment was ordered from the Department of industries of the Western Provincial Council, the equipment has not yet been received and the Department of Industries has informed that it will be handed over to the office as soon as possible.	The programmes should be completed within the stipulated time.
(b) The contracts related to the construction of Mawathagama, Bamunakotuwa and Polgahawela cultural centers were awarded to a company in the year 2016 for Rs. 14,665,744, Rs. 19,999,732 and Rs. 11,086,971 respectively. Although the relevant constructions were to be	Only the construction work of the Bamunakotuwa cultural center has been completed yet and the construction work of Polgahawela and Mawathagama cultural centers have not been	The related constructions should be used as planned.

completed on 25 December 2016, 23 December 2016 and 03 January 2017 respectively, the buildings were not completed and handed over until December 2021.

3.4 Projects without Progress despite the release of money

Audit Observation	Comments of the Accounting Officer	Recommendation
<p>The allocation of Rs. 40,047,970 was given to the Ampara District Secretary from time to time from the year 2015 to year 2021 for the construction of Uhana cultural center, which was estimated at a cost of Rs. 21,383,325, but the ministry also did not follow up on the construction progress and the construction of the building was not completed by the end of the year under review.</p>	<p>It was confirmed during the field inspection conducted by the ministry that the progress has been checked and the provision has been released to speed up the construction work.</p>	<p>The construction work of the cultural centers was not completed and the construction should be fully used as planned.</p>

3.5 Assets Management

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
<p>(a) Although 16 vehicles belonging to the cultural division have been released to other ministries and departments, it had not been acted according to 8.1 of part II of Public Finance Circular No. 01/2020 dated 28 August 2020 regarding those transfers and assignments.</p>	<p>07 vehicles given to three institutions were duly registered with motor vehicle transport forms M.T. 6 of 8 have been transferred by document and informed with a copy to the Comptroller General and the asset register updated and 03 more vehicles have not been assigned as they have been released temporarily under the duty requirement.</p>	<p>The released vehicles should be legally transferred and updated the asset records.</p>
<p>(b) No action was taken according to Section 13.2(b) of part I of Public Finance Circular No. 01/2020 dated 28</p>	<p>Necessary arrangements are being made to release two vehicles to the Vocational</p>	<p>Repairs are not economically viable and should be sending to</p>

August 2020 regarding 06 vehicles owned by the cultural division, which were to be disposed.

Training Institute and sell three three-wheelers as scrap materials and dispose of one three-wheeler.

disposal of vehicles.

3.6 Management Inefficiencies

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
<p>(a) Although the building maintained by the Department of Muslim Religious and Cultural Affairs, which was built at an expenditure of Rs. 312.49 million, remained idle without using a large space of 33547 square feet, the Department of Christian Religious Affairs and the Department of Hindu Religious and Cultural Affairs under the ministry were maintained in private buildings on an annual rent basis of Rs. 4,200,000 and Rs. 6,816,000 respectively. It was also mentioned in the 2020 audit report in this regard, but it was further observed that no attention was paid to it.</p>	<p>Procurement work is being done to complete the remaining work on the floors of the building and for internal partitioning and after the completion of those activities, attention has been paid to establish the Ministry of Buddhasasana, the Department of Buddhist Affairs and institutions on rent basis in that building.</p>	<p>Idle assets should be used maximally.</p>
<p>(b) Development work of Nagadeepa Temple</p>		
<p>An amount of Rs. 12,736,743 had been spent on the Nagadeepa temple for the renovation of the temples in the Jaffna district, which was planned to hold the State Vesak festival.</p> <p>The following observations are made in this regard.</p>		
<p>(i) Although a provision of Rs. 4,500,888 has been made to properly repair the places where explosions have taken place in the Vihara Mandiraya and apply water paint with water-proof paint in 3 times, water leaks were still occurring until the audited date of 19 February 2022.</p>	<p>There were no comments.</p>	<p>The relevant renovation work should be done as planned.</p>

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| (ii) | Although Rs. 1,834,946 and Rs. 941,912 were spent for the construction of toilet systems for foreign and local devotees respectively, the roofs that had been constructed were leaking water. | There were no comments. | -Do- |
| (iii) | Although the State Vesak festival has been canceled as per the anti-covid guidelines, the amount of Rs. 475,000 paid for the construction of a temporary pandal for the Vesak festival at the entrance to the temple had not been recovered from the Navy. | There were no comments. | Arrangements should be made to recover the provisions related to the canceled project. |
| (iv) | An amount of Rs. 1.02 million was released to the Navy for the fabric cover (canopy) required for the stage that was to be prepared for the state Vesak festival. Even though the Vesak festival was canceled due to the Corona epidemic, the relevant amount was not recovered. | There were no comments. | -Do- |
| (v) | Although the Navy Commander has been informed to report the progress of the said development works on a monthly basis, no evidence was submitted to the audit that the progress was reviewed or progress reports were obtained. | There were no comments. | Progress related to projects should be taken monthly. |
| (c) | Although the general orders on tenders shall apply in repairing vehicles, the repair of a car was directly outsourced to a | The vehicle was referred for repair in the year 2017 and repaired and deployed for duties of the ministry. | The institution should act in accordance with the circular provisions and Financial |

private company in November 2017 without following the Financial Regulations 1644(IV). Although the relevant company had informed in the year 2020 to pay Rs. 500 per day as vehicle inspection and parking fees, due to not paying attention to this, it was not possible to repair the relevant vehicle quickly and at a low cost and the related company had to spend Rs. 1,258,981 for the repairs.

Regulations as not to incur economic losses.

(d) The following observations are made regarding inter-government service design competition - 2020

(i) Although Rs. 328,800 (VAT included) was paid to Salacine Television Institute for printing 300 copies of a book titled "Prabashwara" containing the winning designs of the above competition, since the relevant book was handed over to the ministry after 04 months of the award ceremony, the book could not be distributed during the award ceremony held on 18 March 2021.

Since this event was planned for a very short period of time, 300 copies were printed and delivered on the day of the event by following the method of direct purchase from the Selacine Television Institute, but they were sent back to the concerned institution for correction due to printing errors in 17 copies. On that day, 122 winners were given with winning copies along with prizes. At the time of paying, it was observed that the store books were not entered in the books and due to that, it was entered in the books at a later date. It is advised to follow the correct procedure. Currently, there are 6 winning books of 2020 in the promotion division.

The design competition should be properly planned and executed.

(ii) Out of the 300 copies of this book, 200 copies were still available in the promotion

99 winning Prabashwara books of 2019 are currently in the promotion division and a total of

That should be delivered as planned.

division of the ministry on 31 March 2022. 195 books along with the above 96 books in 2020 have been decided to be distributed to libraries under the purchase of books from cultural centers.

4. Good Governance

Internal Audit

Audit Observation -----	Comments of the Accounting Officer -----	Recommendation -----
<p>The Accounting Officer shall ensure that there is an effective system for the proper execution of internal audit functions according to Section 38(f) of the National Audit Act No. 19 of 2018. The Accounting Officer shall establish Internal Audit unit within his department to do his duties and responsibilities as specified in Financial Regulations 128 as per Financial Regulations 133.</p> <p>Nevertheless, although an Internal Auditor position was approved in the approved staff for the Cultural division of the ministry, the relevant position remained vacant from several years. Although there were nearly a thousand staff and 194 cultural centers established throughout the island for the Cultural division of the ministry, an internal audit plan for the year 2021 not prepared for the Cultural division and internal audit activities were not performed adequately.</p>	<p>An officer has been appointed on probationary basis for the vacant post of Internal Auditor in the cultural division. He has prepared an internal audit plan and instructed to provide a copy to the audit.</p>	<p>A unit consisting of an Internal Auditor should be established in terms of Section 38(f) of the National Audit Act.</p> <p>That should be done in accordance with Section 38 (f) of the National Audit Act.</p>

5. Human Resource Management

----- Audit Observation -----	----- Comments of the Accounting Officer -----	----- Recommendation -----
<p>(a) There were 219 approved staff and 169 actual staff for the buddhasasana division of the ministry and the number of vacancies as at 31 December 2021 was 50. Out of that. 03 Assistant Secretary posts, 15 Development Officer posts, 11 Development Assistant posts and 8 Management Assistant posts were vacant for several years and the vacancies had not been filled. Also, there was an excess in an office assistant post</p>	<p>Requested for the posts of Assistant Secretary, Development Officer and Management Assistant and no officials have been given for it yet. Officers holding the posts of Development Assistant 1.1 cannot fill up the vacancies in the posts as personally for the officers and instead, a request has been made to the Department of Management Services to approve the posts of Development Officers.</p>	<p>The staff should be recruited as approved with considering the service requirements.</p>
<p>(b) Although the ministry had 194 cultural centers, 306 center guards were in service and this excess was reported due to the approval of 114 guards as personally only to the bearer by the Department of Management Services on 10 December 2020. According to the inspections conducted by the audit, the ministry had not taken steps to obtain the services of these 105 excess guards in an efficient manner.</p>	<p>Vacancies in the posts of Office Assistants are filled by that guard in centers where there are two center guards. If there are two guards in the centers where the posts of Office Assistant are filled, those guards are employed day and night.</p>	<p>Action should be taken to employed efficiently in the work related to the recruited position.</p>