

Head 225 – Sri Lanka Police

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Head 225 – Sri Lanka Police for the year ended 31 December 2023 comprising the statement of financial position as at 31 December 2023 and the statement of financial performance and cash flow statement for the year then ended, and notes to financial statements including a summary of significant accounting policies, 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 Head 225 – Sri Lanka Police was issued to the Accounting Officer on 30 May 2024 in terms of Sub-section 11 (1) of the National Audit Act, No. 19 and the Detailed Annual Management Audit Report relating to the Head 225 – Sri Lanka Police in terms of Sub-section 11 (2) of the National Audit Act, No. 19 of 2018 was issued to the Accounting Officer on 25 June 2024. This report will be presented 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 Head 225 – Sri Lanka Police as at 31 December 2023, and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2 Basis for Qualified 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 (SLAuS). 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 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 such internal control as management determines 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 Sri Lanka Police 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 Accounting Officer shall ensure that effective internal control system for the financial control of Sri Lanka Police 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:

- 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 internal control of Sri Lanka Police.
- 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 and Regulatory Requirements

I express the following matters in accordance with 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 Accounting Deficiencies

a) Recurrent Expenses

The following deficiency was observed in accounting for the recurrent expenses in the financial statements.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>Overtime payments totalling Rs. 564,990 for the months of October and December 2023 in the VIP Security Division had been made using the funds of those months. However, that amount had not been entered into CIGAS programme even by the date of audit. As such, this balance had not been included in the imprest balance and the item of expenditure on overtime and holiday pay of the Sri Lanka Police as at 31 December 2023.</p>	<p>Sums of Rs. 527,520 and Rs. 37,470 had been brought to accounts in May 2024 and January 2024 respectively. It has been informed that this Division has been instructed to avoid such incidents in due course.</p>	<p>Action should be taken to correctly prepare accounts in accordance with Guidelines of State Accounts.</p>
<p>b) Reconciliation Statement on the Advances to Public Officers Account</p>		
<p>I. According to the Advances to Public Officers Control Account, balance as at 31 December 2023 amounted to Rs. 820,083,191 whereas the total of the summary of individual balances amounted to Rs. 741,315,715 as at that date thus observing a difference of Rs. 78,767,473. Action had not been taken to make necessary adjustments by identifying that difference.</p>	<p>It has been informed that action had been taken to decrease that difference to Rs. 78,354,092 by Rs. 413,380 as at 31 March 2024.</p>	<p>Action should be taken to identify and settle the differences.</p>

- II. The advance balance as per books of the Department given in the ACA-5, statement of advance account in the financial statement as at 31 December 2023, amounted to Rs. 820,083,191 whereas that balance amounted to Rs. 819,868,392 as per books of the Treasury. As such, there existed a difference of Rs. 214,799
- It has been informed that the said difference had been caused by credits and debits done erroneously by other institutions, and corrective measures would be taken through the account summary.
- Action should be taken to identify and settle the differences.

c) Property, Plant and Equipment

The following deficiency was observed in accounting for the Property, Plant and Equipment.

Audit Observation	Comment of the Accounting Officer	Recommendation
According to ACA-6 Format, the balance of non-financial assets amounted to Rs. 140,765,756,448. Nevertheless, the value of Property, Plant and Equipment given in the statement of financial position had not included the value of intangible assets, and hence, the value shown therein amounted to Rs. 140,638,451,745, thus indicating a difference of Rs. 127,304,703.	As only the Property, Plant and Equipment have been shown under non-financial assets, the said value of intangible assets has not been included in the statement of financial position. It has been informed that action will be taken in due course to include that value under the Property, Plant and Equipment.	Action should be taken to identify and settle the differences.

d) Non-maintenance of Books and Registers

The following registers had not been maintained by the Sri Lanka Police, and it was observed in sample audit check that certain registers had not been maintained properly in an up-to-date manner.

Audit Observation	Comment of the Accounting Officer	Recommendation
I. Register of Fixed Assets Contrary to Paragraph 8.1 of the State Accounts Guideline No. 2023/05 dated 30 November 2023, a Register of Fixed Assets had not been prepared and maintained by integrating reports of Police divisions through the fixed assets module of the CIGAS Programme.	The Property Management Division of Police has been assigned to maintain registers of assets by integrating the Divisions, and it has been informed that those activities would be done through that Division in due course.	The Register of Fixed Assets should be updated and maintained using the fixed asset module of the CIGAS Programme.

II. Register of Liabilities

A register of liabilities had not been properly prepared and maintained in accordance with Financial Regulation 214. It has been informed that the register for liabilities reported by various Divisions of Sri Lanka Police was included in the closing financial statements presented for the year ended as at 31 December 2023. A register of liabilities should be properly maintained in accordance with Financial Regulations.

2. Financial Review

2.1 Management of Expenses

	Audit Observation	Comment of the Accounting Officer	Recommendation
(a)	A provision totaling Rs. 60,000,000 made for the two Objects of 225-1-1-0-2505 , preparation for procurements and 225-1-1-0-2509, purchase of dogs, had been transferred to other Objects without being utilized for the intended purpose.	Due to reasons such as, increase in prices of services and building materials for construction works, non-submission of prices, and legal issues, savings had occurred under the Object 2505 whilst savings had occurred under the Object 2509 following legal issues although quotations had been called for purchasing dogs.	Provision should be made after a proper study.
(b)	A saving of Rs. 56,024,232 had occurred out of a provision amounting to Rs. 87,000,000 made for 04 Objects in the year 2023. That saving ranged between 49 per cent and 100 per cent.	It has been informed that provision had saved due to reasons such as, contractors not submitting quotations, other legal issues, software development not taking place due to increase in market prices, and failure in completing works on time.	Provision should be made after a proper study.
(c)	The Budget Circular No. 01/2023 dated 27 January 2023 required that , except for 1001, 1204, 1404, 1502, 161, 1602, and 1603, the Chief Accounting Officer and the Accounting Officer should take action to write off at least 6 per cent	As the provision made for Sri Lanka Police for the year 2023 was not sufficient to maintain law and order, the Director General of the Department of National Budget had been informed in	Action should be taken to ensure that the Government expenses are incurred economically and unnecessary

of the provision made for all other recurrent expenses. However, it had not been done so with respect to 11 Objects of the Sri Lanka Police. that connection through the Secretary to the Ministry of Public Security. expenses are minimized in accordance with Budget Circular No. 01/2023 dated 27 January 2023.

2.2 Deposit Balances

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) The saving of Rs. 11,503,192 out of the donation amounting to Rs. 45,837,000 given by India in the year 2013 for the establishment of SAARC Terrorism Offences Monitoring Desk, had been retained in the deposit account without being utilized for the intended purpose. There existed no methodology for the future as well.	That amount had been retained until a decision is taken at the SAARC Summit.	The provision should be utilized for the intended purpose.
(b) The deposits lapsed in terms of Financial Regulation 571 (2), should be credited to the Government revenue as per Financial Regulation 570. Nevertheless, a sum totaling Rs. 135,565,883 in 05 deposit accounts had been retained without being credited to the Government revenue in that manner.	A part of those deposits have been settled, and action is being taken to credit the other deposits to the Government revenue. The balance as at 2024.04.30 amounted to Rs. 79,470,169.- it was informed.	The lapsed deposits should be credited to the Government revenue in terms of Financial Regulation 570.

3. Operating Review

3.1 Failure to Discharge Functions

The following observation is made.

Audit Observation	Comment of the Accounting Officer	Recommendation
Although plans had been underway since 2014 to implement a Spot Fine Information System in view of expediting the recovery of fines, increasing the amount of fines being credited to the Government revenue, and facilitating the	Implementation of this project has been expedited at present, and under recommendations of the Ministry of Transport, 02 Committees viz. Technical Evaluation Committee and	Action should be taken for the expedited implementation of Spot Fine Information

general public to pay fines, that system has not yet been implemented.

Committee for preparing technical specifications, have been appointed in that connection.

System on traffic violations by vehicles with the objective of facilitating the general public to pay fines.

3.2 Failure to Achieve the Expected Outcome

The following observation is made.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>a) Reporting and solving serious crimes.</p> <p>i. As for the crimes of causing serious injuries and homicide during the period 2018-2022, a number of 1431, 1373, 1356, 1375, and 1482 cases had been reported respectively whilst the highest number of 2,030 had been reported in the year under review. Fifty two of the 488 homicides reported during the 10 months of the year 2023 had been caused by shooting. Cases of homicide as high as 32, 27, 24, 24 and 20 had been reported in the Police Divisions of Tangalle, Nugegoda, Gampaha, Ratnapura and Elpitiya respectively. As “maintaining public security and peace”, and “prevention and control of crimes” are 02 of the 08 key functions of the Sri Lanka Police, substantial measures should have been taken with respect to the increased number of serious crimes taking place in the country.</p>	<p>It has been informed that the Senior Deputy Inspectors General and officers in charge of the Divisions in which such crimes mentioned in the audit had taken place, have been instructed to take necessary action in that connection.</p>	<p>Substantial measures should be taken to minimize the serious crimes of causing severe injuries and homicides.</p>

- ii. The highest number of serious crimes, burglaries and robberies, had been reported in the year 2023 relating to the 06 preceding years. An increase of 50 per cent was reported with respect to robberies in the year 2023 as compared with the year 2018. As for resolving burglaries and robberies, the least percentage was reported in the year 2023 during the 06 preceding years. The percentage of resolving burglaries remained at 60 per cent in the year 2018, but that percentage dropped to 50 per cent by the year 2023. The percentage of resolving burglaries remained at 60 per cent in the year 2018, but that percentage dropped to 50 per cent by the year 2023. The percentage of resolving robberies remained at 75 per cent in the year 2018, but that percentage dropped to 61 per cent by the year 2023.
- Although measures had been taken to resolve the crimes of burglaries and robberies, lesser number of percentages have been shown relating to resolving them depending on the time spent for revealing evidence.
- Substantial measures should be taken to expeditiously resolve the crimes of burglaries and robberies.
- b) **Resolving Crimes Against Women**
 The number of cases of crime against women reported during 2020-2023 were 595, 568, 600 and 759 respectively. As against the year 2022, crimes against women had increased by 27 in the year 2023, and that included a remarkable increase in rape cases from 182 to 226, causing serious injuries from 154 to 221, knife attacks from 74 to 96, and sexual assaults of serious nature from 21-37. A progress of 99 per cent was indicated in resolving those crimes in the year 2023, but in the backdrop of increasing rate of crimes, substantial measures should have been taken on control
- The number of crimes reported in latter part of a given year can not be solved in the same year itself, but measures have been taken to solve them in a short period.
- Substantial measures should be taken on control and prevention of crimes.

and prevention of crimes – one of the key functions of the Sri Lanka Police.

3.3 Delays in Implementing Projects

The following observation is made.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>A sum totalling Rs. 1,903.35 million had been estimated for 08 delayed projects commenced in the year 2016 namely, construction of quarters for married officers of junior grade, construction of traffic police head office, construction of police station in Weligama, and completion of works of the police stations in Kollupitiya, Kurunduwatta, Thirukkivil, Mallavi and Narahenpita whereas the total expenditure as at 2022.12.31 amounted to Rs. 985.57 million. Although provision amounting to Rs. 299 million had been made in the year 2023, the expenditure amounted to Rs. 133.81 million only. Current progress of those 08 projects the constructions of which had delayed, remained low, and hence, achievement of project goals was also delaying.</p>	<p>It has been informed that the progress of those 08 projects remained, 55 per cent, 79 per cent, 50 per cent, 80 per cent, 72 per cent, 60 per cent, 80 per cent and 70 per cent.</p>	<p>Necessary action should be taken to achieve the project goals.</p>

3.4 Annual Performance Report

The annual performance report should have been prepared in accordance with the Format given in Guideline 14 issued by the Department of Public Finance in accordance with Public Finance Circular, No. 02/2020 dated 28 August 2020. The following observation is made in that connection.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>The annual performance report should have been presented with the financial statements in terms of the Format given in</p>	<p>It has been informed that the annual performance report should be presented in Parliament for</p>	<p>Action should be taken in accordance with provisions of the</p>

Guideline 14 issued by the Department of Public Finance in accordance with Public Finance Circular, No. 02/2020 dated 28 August 2020. However, it had not been so done.

tabling within 150 days after the end of the year of finance as per Paragraph 12.1 of the said Circular. However, the performance report had not been included in the financial statements.

Department of Public Finance.

3.5 Procurements

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>a) As for the procurement of supplying 75,000 caps for Sergeants and Police Constables at a value of Rs. 93,455,119 in the year 2011, the supplier had opted for arbitration against cancellation of his supply. The Police had rejected the decision given at the arbitration process on 21 January 2017 that the sum on 75,000 caps along with other charges in that connection be refunded, and continued with the court proceeding. The supplier demanded that warehouse charges, legal fees and unfavorable changes in foreign exchange should also be borne by the Police. The Sri Lanka Police had estimated that a sum of Rs. 219,357,715 would have been paid by 25 January 2023, but action had not been taken even to identify the parties responsible for costs to be incurred following the informal nature of the procurement process and delay caused by failing to come to a settlement after an extensive period.</p>	<p>According to the decision of the Commercial High Court, an amount of US\$ 41,400, equivalent to 10 percent of the amount of US\$ 414,000 to be paid to the supplier for 60,000 caps by the Sri Lanka Police, had been paid to the foreign agent on 16 March 2022. It was informed that letters of credit had been opened for settling the balance and items were scheduled to be received in Sri Lanka on 06 June 2023.</p>	<p>Action should be taken to identify the parties responsible for additional expenses incurred by the Government due to deficiencies of this procurement and arbitration processes.</p>

- b) An agreement had been entered into on 29 December 2017 to purchase 192 houses at Rs. 729.6 million with each house costing 3.8 million from the “Nila Sevana” housing scheme in Habaraduwa. An advance of Rs. 500 million had been paid by 02 April 2019. The agreement had been entered into for purchasing the houses without properly studying the requirement, demand and quality of constructions. Acquisition of those houses had not been completed even by April 2024.
- Approval of the Cabinet had been given on 2024.05.06 for the matters mentioned in the Cabinet Memorandum presented through the Cabinet Paper No. 24/0834/640/012. It has been informed that further action would be taken accordingly.
- Houses should be taken over in accordance with the agreement.

3.6 Management of Assets

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
a) The acquisition process of the following lands and buildings to the Sri Lanka Police had been commenced in the year 2017, but had not been completed even by December 2023.	It has been informed that instructions of the Attorney General have been sought for the acquisition of this land.	Acquisition of the land should be completed expeditiously.
i. Land in extent of 12 acres 01 rood and 08 perches located in Malwana proposed for establishing a Police training institute.	The Survey Authority has been requested for a plan in order to acquire this land.	Acquisition of the land should be done without delay.
ii. Ella Kanda Watta Land, Horana, in extent of 75 acres proposed to be used for establishing the Police Mounted Division and War Hero Center of Police.		

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| b) Construction of the VIP training center and the Police station in Ingiriya had been commenced in the year 2008 and a sum of Rs. 8.8 million had been spent thereon, but the constructions had been stopped halfway. | It has been informed that this land in extent of 04 acres 02 roods and 07.2 perches had been alienated to the Sri Lanka Police by the Divisional Secretary on 2024.02.21. | Action should be taken to complete the constructions. |
| c) Deeds of transfer relating to 100 houses purchased from the “NilaSevana” housing scheme in Wakunagoda at a total value of Rs. 333 million each costing Rs. 3.3 million in December 2016, had not been collected even by March 2024. | The relevant institution was informed on 2024.03.25 that a revised agreement be prepared and presented for preparation of deeds of transfer. | Action should be taken to expeditiously obtain the deeds of transfer relating to the purchase. |
| d) A period of 05 years had elapsed since a land of 06 acres with 05 precast buildings owned by the National Police Academy in Attidiya had been temporarily provided for accommodating soldiers of Sri Lanka Army. However, the water and electricity bills of that premises had become a burden of expenditure for the Sri Lanka Police. Furthermore, that land could not be taken over for use of the Sri Lanka Police. | It is scheduled that this land would be used for training activities of the National Police Academy in the future. As such, it has been informed that the land would be taken over expeditiously. | The land should be taken over for use of the Police without delay. |
| e) Bids had been awarded on 20 August 2019 for construction of a building to provide accommodation for National Police Academy, Katana. Due to slow progress of the project, the constructions had been suspended on 26 April 2023, and the consultancy firm had decided that the value of works done amounted only to Rs. 97,290,003. Accordingly, a sum of Rs. 42,252,164 remained recoverable | Cancellation of the contract had been challenged at court,hence, it is not possible to take action on the materials stored at the site. | Agreement of the project should be followed. |

but that amount had not been recovered. The iron bars protruding from the foundation of the building and concrete slabs had been decaying with rust. A stock of iron bars stored at the site valued at Rs. 1,744,875 had also remained decaying with rust.

- f) The total of the revised cost for construction of the proposed educational and administrative building of the National Police Academy, Katana, amounted to Rs. 224,616,490, and the bid had been awarded on 07 August 2018. The staircase had been completely demolished due to a planning defect, and a sum of Rs. 687,181 had been estimated thereon. In this backdrop, the Audit was not presented with information about the party that will be responsible for the delay and additional expenses of the project.
- g) A language interpretation system had been purchased on 23 December 2021 at a value of Rs. 6,547,992 to be used in the auditorium of the new administrative building of the Police Academy. However, that system remained idle even by December 2023.
- Given that it was a defect in the plan, it was agreed that the additional expenses in that connection be recovered from the consultancy firm which did the planning. It has been informed that action was taken to recover the sums from that firm.
- The project should be properly planned whilst the agreement is followed.
- Assets should be utilized for the intended purpose whilst ensuring that those assets do not become idle.

3.7 Uneconomic Transactions

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>Fifteen Police officers had been arrested and sent to the remand prison in the year 2019 in the aftermath of an investigation conducted on a double murder. Following requests made by their spouses to the National Police Commission, a sum of Rs. 4,741,056 had been paid as half-salaries to the spouses of 03 Police officers by November 2023 in accordance with the order given on 25 February 2022. The matters such as, investigations relating to the said double murder, current progress of the court proceedings, the half-pay made to the other officers, and information on the progress of the investigation being reported to the National Police Commission, had not been made available to the Audit. The fact that paying half-salaries long-term to the spouses of the officers identified as suspects through the investigation would be a wrong precedent, could not be ruled out in audit.</p>	<p>It has been said that action would be taken to inform the authorities on the information on half-pay being made to the Police officers taken into custody following an investigation on the double murder, and the current progress on investigation and court proceedings.</p>	<p>Payments should not be made until the court returns the verdict.</p>

3.8 Management Inefficiencies

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>(a) Twenty five equipment used to detect the speeding vehicles had been last purchased in the year 2016 whereas a large number of existing equipment remained non-functional. Although 500 such equipment had been requested annually during the period from 2018 to 2023, not even a part thereof had been purchased. Speeding vehicles would be a main cause for vehicle accidents though, the Sri Lanka Police had not taken action to</p>	<p>It has been informed that priority would be given in that connection.</p>	<p>Action should be taken to provide facilities to achieve the relevant objectives.</p>

- purchase equipment to minimize such accidents.
- (b) The requirement of an updated information system providing information such as, court proceedings still in progress relating to crimes or offences being referenced to the court by the Police, information on cases for which verdicts had been returned, and cases either set aside or dismissed with suspects found guilty or not-guilty, would be vital in reviewing the performance. Nevertheless, existence of such a system was not verified.
- (c) An officer belonging to the Police division of Gampaha had been interdicted with effect from 18 April 2018 upon allegations, and he had been paid a sum of Rs. 3,251,000 as half-pay for the period from September 2018 to January 2022. This officer had been found guilty of the relevant allegation in October 2022, but the sum so paid could not be recovered, and the accuracy of the decision to make the half-pay remained questionable.
- (d) External to the Circular No. 2687/2020 of the Inspector General of Police dated 30 September 2020 relating to providing security for the VIPs, there were instances in which the committee for assigning officers for security of VIPs held at the Ministry of Public Security had assigned security personnel to the persons no more in their posts and other VIPs in excess of the required number of security personnel over several years. However, the legal provision in that connection was not revealed to the Audit. The 3,884 officers pertaining to the 09 divisions for VIP security as at 01 January 2022 had been increased to 4,859 by 30
- There are 20 computer software in use for the investigation of crimes and administration. It has been informed that once an integrated information system is put in place, an up-to-date information system would be maintained capable of providing information such as, court proceedings still in progress relating to crimes or offences being referenced to the court by the Police, information on cases for which verdicts had been returned, and cases either set aside or dismissed.
- The relevant officer had been informed through the Letter No. L3/B/04/2022/OW/11/94/2023 of the Director of the Legal Division dated 2023.10.04 that the sum be refunded and in case of failure to do so, a case would be filed.
- Deployment of VIP security personnel had been approved by the said committee of the Ministry of Public Security, and although removal of such security had been queried in a timely manner, approval had not been given in that connection by the said committee. As such, VIP security personnel had been assigned to miscellaneous persons over many years.
- An up-to-date information system comprising information on court cases, should be maintained.
- Payments should not be made until a verdict is returned by the court.
- The Circulars should be followed thereby making expenses economically.

September 2023. The annual average expenditure of the VIP security division during the period 2018-2022 amounted to Rs. 4,342 million though, that expenditure had increased to Rs. 5,833 million by the year 2023. Accordingly, it was observed that salaries and allowances paid to the officers so attached contrary to the said Circular (including the special allowance), had not been economical.

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| (e) | The total of loan balances due from 2,458 officers by the end of the year under review amounted to Rs. 60,874,303 and a sum of Rs. 41,743,898 included therein as being due over 05 years from 1,590 officers. | It has been informed that a sum of Rs. 623,733 had been recovered within the first quarter of the year 2024 out of the loan balance due over 05 years. | Action should be taken to recover the outstanding loan balances. |
| (f) | Of the 7,224 Community Police meetings to be held in the year 2022, only 4,620 meetings had been held whereas only 3,848 out of 6,020 such meetings to be held in the year 2023 had been held. The Community Police Advisory Committee had conducted 12 meetings in the year 2022 but only 10 such meetings had been conducted in the year 2023. Nevertheless, progress of the meetings remained 64 per cent for both of the years. | It has been informed that action had been taken to strengthen the Community Police committees by issuing a new Circular No. 2758/2023 of the Inspector General of Police and deploying Police officers full-time to the Community Police units. | Action should be taken to hold meetings of the Community Police Advisory Committee as scheduled for the year. |
| (g) | A number of 7,224 and 6,020 meetings of the public security committees of the Community Police should have been held in the years 2022 and 2023 respectively, but only 4,523 and 3,847 meetings had been held. Twelve sessions of the public security committees of the Community Police should have been held at Police stations in the year 2022, but the progress of such sessions being held was 63 per cent. The number of sessions had been reduced to 10 in the year 2023, and hence, the progress of holding the sessions had increased minimally up to 69 per cent. | It has been informed that action had been taken to strengthen the Community Police committees by issuing a new Circular No. 2758/2023 of the Inspector General of Police and deploying Police officers full-time to the Community Police units. | Action should be taken to hold meetings of the Community Police Committees as scheduled for the year. |
| (h) | Sixteen areas requiring amendment had been identified in the year 2014 following the necessity to revise the Police Ordinance No. 16 of 1865. Approval of the Cabinet had been received on 19 November 2014 to | The Legal Draftsman has completed preparing the final draft once observations of the Police have been obtained. | The Police Ordinance No. 16 of 1865 should be amended in accordance with |

update and amend the Ordinance to be on par with social and technical development requirements of the present and future. Nevertheless, the Ordinance had not been amended even by April 2024.

approval of the Cabinet.

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| (i) | The method of imposing fines based on the number of traffic offences committed introduced through the Motor Traffic (Amendment) Act, No. 10 of 2019, had come into effect on 20 June 2019. However, the Sri Lanka Police has not implemented an information system to identify the number of times a motorist committing the same offence. As such, the fine could not be recovered accurately from the motorists committing the same offence more than once. | Once the implementation of automatic collection of fines and demerit points license system, fines would be recovered based on the number of times a traffic offence is committed. | The methodology of imposing fines based on the number of traffic offences committed should be implemented as had been introduced through the Motor Traffic (Amendment) Act, No. 10 of 2019. |
| (j) | A shortage of 60,082 units under 72 items and 9,846 units under 45 items had been identified in the physical stock verification conducted on 22 June 2023 at the stationery stores in Pellyyagoda. But, the parties responsible had not been identified, nor had further action been taken in that connection. Having considered the physical stock balance on that that date as the opening balance, a new stock book had been opened and maintained. | A preliminary investigation had been launched on 11 July 2023 on the apprehension of Management Service Officer, Mr. B. N. Fernando who had acted as the storekeeper of the stores up to 2023.03.27 | A proper stock control system should be maintained. Further action should be taken on the parties responsible for shortages or excess stocks. |

04. Human Resource Management

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
a) Due to lack of a properly recognized approved cadre identified after a study on Police Divisions and Police Stations, it could not be specifically mentioned as to whether vacancies or excesses	In order to decide on the number of officers in each rank to be deployed in Police Divisions and Police Stations, a Committee chaired by a Senior Deputy Inspector General of Police had	Once the nature of duties at Police Divisions and Police Stations are studied, a specifically

- existed at those Divisions or Police Stations. In this backdrop, the staff had been deployed without following a proper methodology .
- been appointed comprising officers of the Research and Development Division. It has been informed that further action would be taken based on the report of that Committee.
- recognized approved cadre should be deployed.
- b) The approved number of posts for the male Police Constables was 60,000 , but the actual number was 30,909 by the end of the year under review, thus indicating 29,091 vacancies. As approval had been granted in the years 2019 and 2020 for promotions in spite of the approved cadre, there were 10,900 excess Police Sergeants. In addition to that number, there still existed 18,191 vacancies. This indicated 30 per cent of the approved number, and this situation had become an obstacle for the Police in executing the essential duties of the general public .
- Approval had been given through the Letter No. DMS/1184/Vol-VIII(T) dated 2024.02.29 to recruit 3,800 apprentice officers in the years 2024, 2025 and 2026 in response to the letter sent on 2023.08.09 seeking the recruitment of 5,000 officers in the year 2024. It has been informed that, following that approval, interviews are in progress to recruit 500 officers in the year 2024.
- Vacancies should be filled and promotions should be given within the limit of approved cadre.
- c) The approved number of posts for the female Police Constables was 10,000 , but the actual number was 5,980 by the end of the year under review, thus indicating 4,020 vacancies. As approval had been granted in the years 2019 and 2020 in spite of the approved cadre, there were 645 excess female Police Sergeants. In addition to that number, there still existed 3,375 vacancies in the post of female Police Constable. This indicated 34 per cent of the approved number, and this situation was observed in audit to have become an obstacle for the Police in executing the essential duties of the general public .
- Approval had been given through the Letter No. DMS/1184/Vol-VIII(T) dated 2024.02.29 to recruit 3,800 apprentice officers in the years 2024, 2025 and 2026 in response to the letter sent on 2023.08.09 seeking the recruitment of 5,000 officers in the year 2024. It has been informed that necessary action would be taken by the Recruitment Division of the Police.
- Vacancies should be filled and promotions should be given within the limit of approved cadre.

- d) An officer of the State Pharmaceuticals Corporation had been attached to the Medical Division of the Sri Lanka Police in the post of nutritionist over a period of 23 years since 2001 on reserve basis. His salaries and allowances had been reimbursed to the State Pharmaceuticals Corporation. Nevertheless, the Sri Lanka Police had not taken action to recruit an officer on permanent basis whilst the State Pharmaceuticals Corporation had also lost his service during that period also losing the opportunity to recruit a new officer to that post.
- As the post of nutritionist had not been included in the supporting services, Scheme of Recruitment and promotion should be approved for the post of nutritionist.
- Recruitment to the post of nutritionist should be done without delay.
- e) According to the information furnished to the Audit by 34 regional Police Divisions, there were 507 officers whose salary increments had not been made over periods ranging from 08 to 38 years. It was observed that the main reason for the non-receipt of the other salary increments of these officers, who were in the initial salary step or only entitled to two or three salary increments, was due to the non-receipt of documents from the police stations where they previously served. In this context, these officers did not receive salary increments and allowances, lost opportunities for promotion and problems arose during retirement.
- Those officers include ones who had not received salary increments due to on-going legal proceedings and disciplinary inquiries. Action had been taken to obtain information on officers whose salary increments had not been prepared over longer periods, and it has been informed that necessary action has been taken to prepare the salary increments of those officers.
- Follow up action should be taken on the officers whose salary increments had not been granted, and delays should be avoided.
- f) Due to reasons such as, the apprentices' file had been misplaced or incomplete apprentices' file, there observed 88 police officers still in apprentice stage over 8-38 years. No information was revealed that suitable measures had been taken on those officers by informing the
- It has been informed that, in preparing the salary increments of apprentice officers subject to a three-year probationary period, the first salary increment earned in the salary step related to the position he is in would be granted, whilst the rest of the salary increments would be given
- Action should be taken expeditiously on the police officers who are in apprentice stage over extensive periods.

appointing authority. No after his position is confirmed.
information existed that action had
been taken formally on the
misplacement of apprentices' files
which had remained in the custody
of Police Stations.

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