

Head 189 – Ministry of Public Security

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of Head 189 - the Ministry of Public Security 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 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. In terms of Section 11(1) of the National Audit Act, No. 19 of 2018, the summary report including my comments and observations on the financial statements of the Ministry of Public Security was issued to the Chief Accounting Officer on 31 May 2023. In terms of Section 11(2) of the National Audit Act, the Annual Detailed Management Audit Report relating to the Ministry was issued on 31 May 2024 to the Chief Accounting Officer. This report is submitted to Parliament in pursuance of provisions in Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka, which should be read in conjunction with provisions of 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 Public Security as at 31 December 2023, and of its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2 Basis for the 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 (SLAuSs). My responsibility, under those standards is further described in the Auditor's Responsibility 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 The Chief 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 in terms of Section 38 of the National Audit Act, No.19 of 2018 and for such internal control as the Chief Accounting Officer determines 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 of Public Security 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.

In terms of Sub-section 38(1)(c) of the National Audit Act, the Chief Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Ministry of

Public Security and carry out periodic reviews to monitor the effectiveness of such system and accordingly make any alterations as required for such systems to be effectively carried out.

1.4 Auditor's Responsibility 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 skepticism throughout the audit. I also:

- Designed and performed the appropriate audit procedures as well as identified and assessed the risks 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
- Obtained 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 internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Evaluated 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 inform the Chief Accounting Officer / Accounting Officer on the significant audit findings, significant deficiencies in internal control and other matters that I identified during my audit.

1.5 Report on Other Legal Requirements

As required by Section 6(1)(d) of the National Audit Act, No.19 of 2018, I state the followings

- (a) The financial statements are consistent with that of the preceding year.
- (b) Recommendation made by me on the financial statements related to the preceding year had been implemented

1.6 Comments on the Financial Statements

- 1.6.1** Non-compliance of Financial Statements with the provisions of the Circular
Although the financial statements should be prepared in accordance with the government accounting guidelines No. 05/2023 dated 30 December 2023, the deviations from those requirements are as follows.

Audit Observation

As per the Letter No. 01/04/16/JLO/2023 dated 25 March 2024 of the Senior Assistant Secretary (Administration), 04 vehicles owned by the Ministry have met with accidents at 05 occasions and the particulars about it had not been presented in Annexure I and Annexure II of the Financial Statements.

Comments of the Chief Accounting Officer

We agree with the audit observations and these vehicle accidents had been omitted to be noted in the financial statements by mistake.

Recommendation

The required information should be presented in Annexure I and II of the financial statements as per the referred guideline.

1.6.2 Accounting Deficiencies

(a) Property Plant and Equipment

The following deficiencies were observed in accounting for property, plant and equipment.

Audit Observation

- (i)** Although the balance of buildings and the works in progress as at 31 December 2022 is Rs.677,991,054, it had been shown as Rs. 732,237,046 as at 01 January 2023. Consequently, the opening balance of SA – 82 had been overstated by Rs.54,245,992.

Comments of the Chief Accounting Officer

The value of Rs. 52,410,795 in respect of the works done in the current year out of the ongoing works existed as at 31.12.2022 has been added to the opening balance of the treasury summary due to a technical error. The voucher no. 3810 worth Rs.1,835,195 has been recorded twice due to a technical error and added to the opening balance. Consequently, the year-end balance has been recorded in excess of Rs. 1,835,195 and the journal notes have been made in the year 2024 to rectify it.

Recommendation

The constructions done by the provision of the current year should be adjusted to the opening balance.

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| <p>(ii) Although the balance of other machinery and equipment as at 31 December 2022 is Rs. 2,724,696,879, it had been shown as Rs. 2,831,925,861 as at 01 January 2023. Consequently, the opening balance of SA – 82 had been overstated by Rs. 107,228,982.</p> | <p>The technical error in this CIGAS software remained as it is even at the time of presenting the final account 2022, and the treasury has been informed on it both verbally and in writing. However, these changes had been shown as the required instructions for the rectification had not been given so far.</p> | <p>The asset value gained from the provision of the year under review cannot be adjusted to the opening balance.</p> |
| <p>(iii) Although the total value of non-financial assets was Rs. 8,646,567,158 as per the declaration on Non-Financial Assets (ACA-6) as at 31 December 2023, the value of property, plant and equipment had been shown as Rs. 8,923,747,158 , in the statement of financial position as of that date. Therefore, the non-financial assets in the statement of financial position had been overstated by Rs. 277,180,000.</p> | <p>The non-financial asset value stated in ACA-6; Rs. 8,646,567,158, is the correct non-financial asset value, and it is informed that there has been a printing error when the balance was carried to the financial statements and this will be taken into account when the financial statements 2024 are prepared.</p> | <p>The correct value should be presented when the balance is carried to the statement of financial position.</p> |

- (iv) Although Rs. 237,371,259 had been spent for the acquisition of assets during the year under review according to the expenditure ledgers, a sum of Rs. 77,731,482 had been shown as purchases in the statement of financial assets (ACA-6). Consequently, purchases during the year at a value of Rs. 159,639,777 had been understated in the statement of non-financial assets.
- All asset acquisitions for the year 2023 have been uploaded to the new CIGAS software, and the technical error in this Cigas software remain same at the time of presenting the final account 2022. Even that matter has been informed to the Treasury verbally and in writing, this difference is shown as the required instructions for the rectification have not been given so far.
- The technical errors should be rectified immediately and the correct value should be indicated in the financial statements.

(b) Non-maintenance of documents and books

It was observed in the sample audit examinations that the following document had not been maintained by the Ministry.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
<p>Liability Register</p> <p>A liability register had not been maintained as per the Financial Regulation 214.</p>	<p>All the liabilities are entered into the CIGAS accounting application whereby the regular checking is done by the Accountant that cash is available, bills are received properly, and those bills are paid with no delay. However, it had been stated that the arrangements would be made to keep a register of liabilities.</p>	<p>The said liabilities should be recorded in a liability register so that the liabilities can be checked regularly as per the Financial Regulation 214.</p>

2. Financial Review

2.1 Expenditure Management

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
<p>(a) Although the budgeted total recurrent expenditure for the Ministry of Public Security was Rs.12,222,000,000, the estimated budget allocation for the recurrent expenditure was Rs.12,221,000,000 in the Program wise Expenditure Summary (ACA-2). Therefore, a difference of Rs.1,000,000 was observed.</p>	<p>An allocation of Rs.1,000,000 has been given under other transfers 189-01-03-0-1508 to the Special Task Force (Project 03). Although it is correctly indicated under ACA-2(ii), this amount of provision has been omitted in referencing the amount of provision through MS excel when the provisions were summarized to ACA-2. Consequently, the net provisions shown in ACA- 2 also have a difference of Rs.1,000,000.</p>	<p>The actions should be taken to include the correct values when the financial statements are presented.</p>
<p>(b) Although the total net provision as per the Treasury Printouts (SA-10) was Rs. 13,743,734,872, the total net provisions of the project wise expenditure summary (ACA-2) for the year ended 31 December 2023 had been indicated as Rs. 13,742,734,872. Consequently, a difference of Rs.1,000,000 was observed.</p>	<p>An allocation of Rs.1,000,000 has been given under other transfers 189-01-03-0-1508 to the Special Task Force (Project 03). Although it is correctly indicated under ACA-2(ii), this amount of provision has been omitted in referencing the amount of provision through MS excel when the provisions were summarized to ACA-2. Consequently, the net provisions shown in ACA- 2 also have a difference of Rs.1,000,000.</p>	<p>The actions should be taken to include the correct values when the financial statements are presented.</p>
<p>(c) The entire provision of Rs.2,000,000 for 03 recurrent objects and Rs.500,000 for a capital object had been remained.</p>	<p>Savings are also shown since the officers in the government service were not appointed for the minister's staff 189-1-1-0-1203, the uniform allowance was not provided, Property loans given to the government officials who received the property loan were not appointed for the minister's staff 189-1-1-0-1506, requests were not submitted for compensation to special task force officers 189-1-3-0-1508, there was no regular maintenance of machinery and equipment in the form of capital due to</p>	<p>The provisions should be utilized with a maximum efficiency.</p>

proper maintenance 189-1-1-0-2002, and these have been taken into account in preparing the budget estimates 2024.

- (d) A sum of Rs.770,880,831 had been saved from the total allocation of Rs. 1,504,550,000 that had been made for 18 objects, and the said balance was in a range from 35 percent to 90 percent.
- These savings have been resulted from writing off the recurrent provisions made for the year 2023 by 6 percent, giving instructions by the National Budget Circular to manage the expenditure, extending the supply period of the letter of credit opened to get bullets for the Special Task Force due to essential expenses, not having the approval from United Nations Organization for the order made to get bullets for the peace keeping police battalion, temporarily suspending since the life period of the bullets was 5 years, saving of Rs. 291 million as the purchase of two jeeps was stopped and existence of liabilities at a value of Rs.321 million due to insufficient funds to settle the bills as at 31.12.2023 for the special task force.
- The provisions should be utilized with a maximum efficiency.
- (e) The provisions of Rs.326,400,000 had been transferred for 13 Objects under F.R 66/69 in the year under review, and those transfers had taken a range of 26 percent to 4920 percent as a percentage of the estimated value.
- As the Ministry was moved to the 17th and 18th floors with taking the Personal Identity Secretariat (Suhurupaya Building) under the Ministry of Public Security, the necessary provisions have been made by F.R 66 in cases where the provision was insufficient to purchase necessary office equipment and to incur the necessary expenses.
- Annual Estimates should be prepared correctly.
- (f) Although the Object No. 189-1-3-0-1303 of the Special Task Force had allocated provisions at a value of Rs. 50,000,000 in the year under review for the maintenance expenses of buildings and constructions, a sum of Rs. 5,000,000 out of that amount or 10 percent had
- Since all the vehicles allocated to the Hon. Minister and the staff are over 10 years old, the allocation that had been made for the year 2023 was not enough due to the increase in maintenance and repair costs, and the increase in periodical services, and consequently the additional provisions of Rs.5,000,000 was exchanged by F.R. 66.
- The future requirements should be considered when the annual estimates are prepared.

been transferred under F.R 66/69 to the Object No. 189-1-1-0-1301 of the Minister's Office; vehicle maintenance expenses.

(g) Although the provisions of Rs. 270,000,000 had been allocated under the Object No. 189-1-3-0-1203 of the Special Task Force for the food and uniforms for the year under review, a sum of Rs.13,000,000 from that amount had been transferred for the Ministry Administration and Establishments Service Project, a sum of Rs. 57,800,000 had been transferred for other 04 Objects of the Special Task Force under F.R 66/69, and the value of the amount so transferred; Rs. 70,800,000, was 26 percent of the amount allocated for the food and uniforms of the Special Task Force for the year under review.

(h) Although the provisions of Rs. 550,000,000 has been allocated for the other works under the Object No. 189-1-3-0-1205 of the Special Task Force for the year under review, an amount of Rs. 244,575,000 or 44 percent for 10 Objects of the same project had been transferred by F.R 66/69.

The actions were taken to make provisions under F.R.66 for 2102 - Rs.13,000,000 for the activities to establish the Ministry of Public Security on 17th and 18th floors of Suhurupaya Building, 1301- Amount of additional provision for the vehicle maintenance payments provided under Indian Credit Line, 1403- due to not providing the total provision by the Treasury and the increase of water and electricity bill, 2102- for the purchase of necessary furniture for the renovation of the Jayawardhanapura Camp as a new procurement not estimated, 2104 - to settle the bills of the new construction projects of Kalapaluwawa and Vathukolakanda of the Special Task Force.

The actions had been taken to make additional provisions under F.R 66 due to inadequacy of provision 1302- for maintenance activities of machinery 1402- due to the increase of post and communication cost, 1403- due to increase of water and electricity bill, 1404 – to pay rents for buildings acquired on rental basis, 1204 - Medical Supplies, 1302- Machinery repairing activities, 1401 - This had to be used for the vehicles obtained on rental basis and to buy the necessary furniture for the modernization of the Jayawardhanapura camp as a new procurement not estimated,

The future requirements should be considered when the annual estimates are prepared.

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2103 – it was required to pay money to the supplier institute to make the communication system used by the Special Task Force more efficient, 1102- making payments on foreign visits for diplomatic security duties, mandatory training and consultancy works .

(i) Although the provisions of Rs.20,000,000 had been allocated for the Object No. 189-1-3-0-1409 (Other) of the Special Task Force Project for the year under review, a sum of Rs. 4,000,000 or 20 percent thereof had been transferred to the Object No.189-1-3-0-1102 (foreign travel expenses) by F.R 66/69.

Since the provisions were not adequate for the payments on foreign visits for diplomatic security duties, mandatory training and consultancy works, the proceedings were done to procure additional provisions under F.R 66.

The future requirements should be considered when the annual estimates are prepared.

(j) The total of the estimated provisions for 07 Objects of the Ministry was Rs. 195,750,000, it had been increased up to Rs.486,209,000 by F.R 66 and supplementary during the year. The provision so obtained by F.R 66 and the supplementary was Rs. 290,459,000. As it was in the range of 104 percent to 4920 percent of the initial cost estimate, it was observed that the preparation of the estimate was not done with a proper study.

The necessary provisions have been made by F.R 66 at the circumstances where the provisions were not adequate to incur the essential expenditures for the purchase of essential office equipment due to the shift of the Ministry to the 17th and 18th floors with the taking of Personal Identity Secretariat (Suhurupaya Building) under the Ministry of Public Security and as the power has been given to transfer the provisions by the Annual Appropriation Act.

The future requirements should be considered when the annual estimates are prepared.

2.2 Entering into Liabilities and Commitments

Audit Observation

Although the liabilities and commitments entered should be separately disclosed as per the paragraph 3.3 of the Guideline No. 05/2023 dated 30 November 2023 issued by the Department of Public Accounts and F.R 94, the liabilities and commitments at a value of Rs. 11,977,207 entered as at 31 December 2023 in relation to 31 Objects had not been disclosed in the Statement of Liabilities and Commitments.

Comments of the Chief Accounting Officer

As per F.R 94(2), a liability can be made for recurrent expenditures with the expectation of settling within next financial year, and the liabilities of the CIGAS application have not been included in the statement due to insufficient provision in the estimates of the current financial year.

The proceedings should be made as per the paragraph 3.3 of the Public Accounts Guideline No. 05/2023 dated 30 November 2023 and the F.R 94.

2.3 Certifications to be made by the Chief Accounting Officer / Accounting Officer

Even if the certifications should have been made by the Chief Accounting Officer / Accounting Officer regarding the following matter as per the provisions of the Section 38 of the National Audit Act No. 19 of 2018, the proceedings had not been done accordingly.

Audit Observation

The Chief Accounting Officer and the Accounting Officer should ensure that an effective internal control system is developed and maintained for the financial control of the Ministry, and the effectiveness of the said system should be reviewed from time to time and the changes necessary to make the system effective should be made accordingly as well as those reviews should be done in writing

Comments of the Chief Accounting Officer

It has been informed that the Chief Accounting Officer had certified through ACA-P in the financial statements of the year 2022 and presented to the audit that an effective internal control system is prepared and maintained for the financial control of the Ministry, a review on the effectiveness of that system is carried out from time to time, and the changes in the control system are made accordingly.

Recommendation

The proceedings should be done as per the provisions of the Section 38 of the National Audit Act No. 19 of 2018.

and a copy thereof should be submitted to the Auditor General. However, statements to the effect that such reviews were done had not been presented to the audit.

2.4 Non-compliance to law, rules and regulations

A cases of con-compliance with the provisions of laws, rules and regulations observed during the sample audit examination are described below.

Observations

Reference to law, rules and regulations	Non-compliance	Comments of the Chief Accounting Officer	Recommendation
Paragraph 07 of the Assets Management Circular No. 01/2017 dated 28 June 2017.	Information about assets other than vehicles purchased and disposed during the year under review had not been reported to the Comptroller General’s Office.	As per the instructions given by the Comptroller General’s Department regarding the operation of NFAMS system, the instructions were given to include only the information about the vehicles in the year 2023 to the NFAMS system. Consequently, the purchases related to other assets and new disposals were not reported. As the NFAMS system was started to be implemented through online method, information related to other assets except the vehicles of the Special Task Force were not sent as reports to the Comptroller General’s Department according to the Circular No. 01/2017.	The proceedings should be made as per the Paragraph 07 of the Assets Management Circular No. 01/2017 dated 28 June 2017.

2.5 Informal Transactions

The following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
Electronic National Identity Card Project Although the Project Management Unit was maintained within only one space in 10 th floor of the Suhurupaya Building, the water and electricity bills had been paid from the project funds for the 10 th floor and a land space of 8 th floor. Accordingly, an electricity bill of Rs.16,662,198 and a water bill of Rs.1,030,913 had been paid in the year 2023 for two plots that do not belong to the project office. Further, it was observed that a sum of Rs. 107,811 had been paid as the overdue interest for the electricity charges.	<p>The electricity and water bills have been paid since data collection from the general public has been started by the Electronic National Identity Card Project, the computer server system was installed to protect the data safely, the computer data center has been established on the 08th floor of the Suhurupaya Building, the project office is maintained at the terminal B of the 10th floor, the auditorium belonging to the project is maintained in a part of terminal C, the 10th floor had been planned to be fully utilized at the initial stage, and the measure are being taken to discuss with the Commissioner General of the Registration of Persons and to systematize this expenditure further.</p> <p>As the imprests were not received on due date, interest for the electricity bills has to be paid, and it had been stated that the officers have been informed to make arrangements to obtain the imprests on due dates in future.</p>	<p>When water and electricity bills are paid, the arrangements should be made to pay the bills for the land area belonging to the Electronic Identity Card project as well as on the due date.</p>

3. Operating Review

3.1 Delays in the Execution of Projects

The following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
The project related to the deployment of Special Task Force officers for the United Nations Peacekeeping Mission (Formed Police Unit). According to the Cabinet Decision No. CP/16/0738/703/083 dated 16 May 2010, an	<p>This project was started in the year 2016, and the vehicles and other equipment needed for the deployment of United Nations peacekeeping duties have been purchased at an expense of Rs.1936 million spending from the provisions of Rs. 2765 million allocated from that date until now for this project and according to the guidelines of the United Nations.</p> <p>After the final inspection conducted from</p>	<p>The actions should be taken to fulfill the expected objective with no delay</p>

amount of Rs. 1590 million had been given for the purchase of weapons and other equipment required to establish a combat battalion of the Special Task Force in Mali for the peace keeping mission of the United Nations. As the said amount was not adequate, the approval had been received for further amount of Rs. 1175 million under the Cabinet Decision No. CP/17/1811/784/001-1 dated 30 August 2017. Accordingly, even if an expense of Rs. 1872,800,823 had been incurred from 2017 to 2023, the project was not implemented. Consequently, the objectives of increasing the foreign exchange expected from this project for Sri Lanka, getting an additional income for the officers of this unit who are deployed in the service, having an international recognition for the Special Task Force of Sri Lanka Police, the skills development of the participating officers, gaining international experience and motivating the qualified officers of the Special Task Force by providing opportunities, had not been achieved.

07.09.2022 to 10.09.2022, the recommendations had been given to establish the Peacekeeping Police Battalion of the Special Task Force at Level 3 of the UN Peacekeeping Capability Readiness System (PCRS).

Since the promotion to these levels is a process between the United Nations Police Division and the other relevant divisions, it takes a long time. Consequently, giving promotions to the relevant levels and the deciding the time of conducting related investigations are done by the United Nations Organization itself.

A period of more than a year has passed to inform in writing on 29.04.2024 by the United Nations Police Division that the peacekeeping police battalion of Special Task Force has been upgraded to Level 3 of the UN Peacekeeping Capability Readiness System (PCRS), and spending such a period was a matter beyond the control of the Special Task Force. According to this notification, the arrangements are underway at present to inform the United Nations Organization to conduct the Assessment of Operational Capability (AOC) and Verification Visit (VV) that should be done to upgrade to the next level called Rapid Deployment Level (RDL).

Further, the promotion to the Rapid Deployment Level (RDL); which is the final level of (PCRS), is scheduled to be done, and the guidance documents for the peacekeeping duties indicates that an amount of 25 percent from maintenance cost of the major equipment purchased for the period of stay in the relevant level from date of the promotion to the said Rapid Deployment Level (RDL) until the date of leaving the duty is paid by the United Nations Organization to the peacekeeping police battalion of Special Task Force.

An amount of about Rs. 1873 million had been spent to obtain 57 vehicles, 03 trailers and other goods and equipment purchased to be taken for United Nations peacekeeping operations.

Accordingly, it had been informed that the further proceedings are being done to send the peacekeeping battalion of the Special Task Force for the duties of the peacekeeping force of the United Nations and that the works of this project do not remain idle

It was observed to the audit that the vehicles as well as other goods and equipment purchased remained idle for a period of 01 to 06 years under maintenance, the warranty period given to those goods also expired without being utilized, there was a risk of damage as the equipment remained idle and some goods had been expired due to the delay in leaving for peacekeeping duties.

3.2 Procurements

The following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
<p>The goods had been purchased from the same company at a cost of Rs. 3,321,832 by calling quotations at 20 occasions while there was a possibility to obtain the goods belonging to the same category by calling quotations at the same time, and 18 gas stoves needed for</p>	<p>After the use of gas for cooking meals only for the camps established in the north and east areas before 18.08.2022, the approval was granted to use gas for cooking for the rest of the camps as well.</p> <p>Accordingly, as the relevant purchases should be completed within the period at the end of the year, the quotations have been called as separate procurements due to the start of the purchases according to</p>	<p>The proceedings should be made with maximum efficiency minimizing the cost when the procurements are carried out.</p>

the camps were purchased from the same company at 10 occasions, and a sum of Rs . 618,000 had been paid. Accordingly, while having the ability to obtain the goods by calling quotations at once, the goods had been purchased by calling quotations on several occasions.

the demands presented at the camp level. However, it was stated that the quotations will be called in future as one procurement for the goods of the same category.

3.3 Non-economic Transactions Audit Observation

Comments of the Chief Accounting Officer Recommendation

(a) An amount of Rs.210,901 had been paid as surcharge related to overdue electricity bills due to non-payment of electricity bills on time

The imprests are released according to the bills in hand submitted as at the last day of every month before submitting the vouchers by the ITMIS system and giving the imprests, and if the bills are not submitted by the last day of the month, the bills have been unable to be paid before the due date owing to the inability to have imprests. It had been informed that the payments will be able to be made before the due date in future.

Monthly electricity bill should be paid on due date.

(b) A sum of Rs.3,381,239 for the air conditioning system, painting works and other defects for the period from the year 2020 to 2022 and a sum of Rs. 6,401,830 for the suspension systems and other defects only up to June 2023 had been incurred amounting to a total repair cost of Rs.9,783,069 for a Car belonging to the Ministry of Public Security. The allocated amount in the 1301 –vehicle maintenance object of the Minister's Office in the

The vehicle; WPCAT 7887, has been deployed for the duties of the Hon. Minister, and the necessary maintenance and repairs have been carried out, and the maintenance and repair costs have also increased because of the import restrictions imposed due to the economic crisis and due to the occurrence of delays, and the increase in spare parts prices owing to the rise in the value of the American Dollar. However, the mechanical engineering reports have been obtained for the cost of all repair, and the maintenance and essential repair costs are very high since all the vehicles allocated to the Hon. Minister and staff are over 10 years old, and the periodical services are increasing due to the requirement to run all over the island. Therefore, the provisions of the year 2023 were not adequate and the

A systematic process should be made for the maintenance of vehicles.

year 2023 was Rs. 5,000,000, and a sum of Rs. 7,500,000 had also been transferred to this object by 03 objects.

provision had been made from the objects from which the savings were expected and by F.R 66.

3.4 Management Inefficiencies
Following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
<p>(a) The total of the overdue loan balances of more than a year in the advance 'B' account of public officers to be collected as at 31 December 2023 from the officers and employees not in the service presently due to death, retirement, interdiction, vacating the service and other reasons was Rs. 646,979, and there was an overdue loan balance of Rs. 118,793 that exceeded 05 years to be recovered from three interdicted employees.</p>	<p>The outstanding loan balance of the Ministry exceeding a period of one year as at 31.12.2023 is Rs. 216,659, and although the said officer has applied for pre-retirement leave, the approval has not been granted thereto and the officer has not reported again for the service. The officer has been informed through letters to recover the loan, and the money has not been paid to date. It had been stated that the arrangements are made to take legal actions in the future.</p>	<p>A systematic process should be made to collect the overdue loan balance immediately.</p>
<p>(b) As per the Section 9 (d) of the Voluntary Social Service Organizations Act No. 31 of 1980, the accounts of the non-governmental organization should be audited at least once every year. However, according to the information provided to the audit by the National Secretariat for Non-Governmental Organizations, only 54 organizations out of the existing 691 Non-Governmental Organizations</p>	<p>As per the Section 9(d) of the Voluntary Social Service Organizations Act No. 31 of 1980, causing the accounts of the non-governmental organizations to be audited in a prescribed manner at least once every year has been stated under the powers of the Registrar. The actions have been taken to collect those reports from organizations that did not provide the financial reports for the year 2022. Accordingly, the audited financial reports related to the year 2022 had been submitted by 70 organizations for the year ended 31 December 2023. Further, 04 progress review meetings</p>	<p>The proceedings should be made as per the Section 9 (d) of the Voluntary Social Service Organizations Act No. 31 of 1980.</p>

at the operational level in the year 2022 have submitted the audited financial statements.

should be conducted in each district as one per quarter. Such meeting is conducted by the District Coordinating Officer under the patronage of the Director General or the District Secretary, and the awareness is given in that meeting regarding the sending of audit reports and other reports. In addition to this, the organizations that do not submit reports for 03 consecutive years are denoted as inactive organizations, and accordingly, a list of active organizations has been published on our website.

4. Human Resource Management

Following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
<p>(a) Ministry of Public Security</p> <p>Existence of 13 percent vacancies from the approved staff had been an obstacle for the continuity of the activities of the Ministry, and the senior level posts such as Additional Secretary, Director (SLES), Director (Planning), Assistant Secretary and Internal Auditor were among the aforesaid vacancies.</p>	<p>The necessary steps have already been taken to fill all the vacant senior level posts by 31.12.2023.</p>	<p>The adequate measures should be taken to fill the vacancies.</p>
<p>(b) Special Task Force</p> <p>i. Uniformed Staff</p> <ul style="list-style-type: none"> 100 percent of the approved cadre of 54 in the posts of Deputy Inspector General of Police, Woman Police 	<p>As the Senior Superintendent of Police; who have fulfilled the qualifications for being promoted to the 02 posts of Deputy Inspector General of Police approved to the Special Task Force, are not attached to the Special Task Force, two most Senior Superintendent</p>	<p>The adequate measures should be taken to fill the existing vacancies.</p>

Inspector, Chief Sergeant and Chief Sergeant Driver remained vacant.

- Although the approved cadre for the post of Assistant Superintendent of Police was 44, there were 21 vacancies and it was 48 percent as a percentage.
- Although the approved cadre for the post of Police Constable was 6999, there were 2959 vacancies which is 42 percent.
- Although the approved number of women police constables was 163, there were 86 vacancies representing a 53 percent as a percentage.
- 03 women chief inspectors of police, 80 police inspectors, 03 sub-inspectors

of Police have been appointed to discharge the duties on service requirement.

As per the recruitment procedure for the vacancies in the posts of Woman Police Inspector, Sergeant Major, Sergeant Major Driver and its promotion procedure, it had been stated that the arrangement are made to fill the vacancies at the first occasion of giving promotions to the officers of the Sri Lanka Police and the Special Task Force. Although the request made to the Inspector General of Police to obtain approval to conduct an examination board on promotions to fill the vacancies existing in the post of Assistant Superintendent of Police of the Special Task Force has been referred to the National Police Commission by the Ministry of Public Security, the approval has not been received thereto.

A letter has been presented to the Inspector General of Police requesting the approval to make recruitments for the posts of Sub Inspector of Police, Apprentice Police Constable, Apprentice Police Officer and Constable Driver that should be completed through direct recruitments.

As the recruitments to the public service have been restricted due to the existing economic crisis situation, the approval for new recruitments has not yet been received. Due to the prevailing severe shortage of officers, it had been stated that new recruitments should be done immediately to cover the assigned duties.

The adequate measures should be taken to fill the vacancies.

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The adequate measures should be taken to fill the existing vacancies.

The immediate steps should be taken to amend the approved limits relevant to the excessive employees.

(Transport), 428 police sergeants and 32 police sergeant driving officers had been deployed in the service in excess.

ii. Civil Staff

Although the approved number of civil servant staff attached to the Special Task Force is 709, there were 182 vacancies which is 26 percent.

The Director (Civil Administration) is often reported about the vacancies of the Management Assistant (Secondary Level), and the Director General of Combined Services has been reported about that matter on 23.01.2024 by the Commanding Officer.

The adequate measures should be taken to fill the existing vacancies.