

Head 233 - Government Analyst's Department

01. Financial Statements

1.1 Qualified Opinion

Head 233 – The audit of the financial statements of the Government Analyst's Department 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 including material accounting policy information 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 Government Analyst's Department was issued to the Accounting Officer on 16 May 2024. In terms of Section 11(2) of the National Audit Act, the Annual Detailed Management Audit Report relating to the Government Analyst's Department was issued on 22 July 2024 to the 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 Government Analyst's Department 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 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 Responsibility of the Chief Accounting Officer and the Accounting Officer on 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 in terms of Section 38 of the National Audit Act, No.19 of 2018 and for such internal control as the 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 Government Analyst's Department 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 Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Government Analyst's Department 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 judgement and maintain professional skepticism throughout the audit. I also:

- Appropriate audit procedures were designed and performed identify and assess 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.
- An understanding of internal control relevant to the audit was obtained 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accounting Officer regarding, 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

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 Financial Statements

1.6.1 Accounting Deficiencies

(a) Statement of Arrangement on Imprest Account to Government Officers.

Audit Observation	Comments of the Accounting Officer	Recommendation
A difference amounted to Rs.20,659 was observed between the opening balance of Government Officers' Advance Account as per the books of the department it is as Rs.22,438,708 and as per the Treasury Print outs (SA 52) it is as Rs.22,459,367. This difference, which was brought forward from before the year 1996, was not rectified in the year under review.	It was informed that there is a difference of Rs. 20,659 between these balances and since that difference is a balance difference that has been shown since before the year 1996, in the year 2023 as well as in the year 2024, an application has been made from the Treasury to approve the removal of that difference from the books.	Actions should be taken to enter the correct values in the books.

(b) Property Plant and Equipment

The following deficiency was observed while accounting for property, plant and equipment.

Audit Observation	Comments of the Accounting Officer	Recommendation
Although three Zero Air Generator machines, eight CPUs and three Pen drives have been disposed, the cost of one Zero Air Generator machine, four CPU units and one Pen drive were not removed from the books	In the year 2023, 96 items including 02 Zero Air Generator machines, 04 CPUs and 02 Pen Drives were embezzled and a value of Rs.3,835,421 was removed from non-	Action should be taken to enter the correct values in the books.

(Treasury Print out (SA 82)) as at 31st December of the year under review so as correct value of fixed assets as on date is not reflected.

financial assets. It was clearly shown in Table SA - 82 of the Treasury Print outs and informed that the same information was included on page 24 of the final accounts.

(c) Failure to maintain records and books

During the sample audit it was observed that the following documents were not kept up to date by the department.

Audit Observation	Comments of the Accounting Officer	Recommendation
<p>Register of Losses</p> <p>The register of losses was not updated as per F.R. 110.</p>	<p>It was stated that the register of losses has been updated correctly.</p>	<p>As per the provisions of F.R. 110, a register of losses shall be maintained in the form prescribed .</p>

(d) Lack of audit evidence

Audit evidence was not submitted in respect of the following transactions.

Audit Observation	Comments of the Accounting Officer	Recommendation
<p>During the year under review, files related to two vehicles involved in accidents were not submitted for audit.</p>	<p>The submitted files have been handed over to the committee officers appointed to provide the reports of Financial Regulation 104, and it was informed that the files could not be submitted for audit as the reports have not been received so far.</p>	<p>Arrangements should be made to provide the files related to the audit.</p>

2. Financial review

2.1 Management of Expenditure

Audit Observation	Comments of the Accounting Officer	Recommendation
a. According to the National Budget Circular No. 03/2022 and Section 03(xvii) of the Public Expenditure Control Circular dated 26 April 2022, if there are surpluses in the allocations set aside for incurring expenses during the year, even if they are not to be used for other expenses before the end of the year. But amounted to Rs.9,750,000 in 02 recurrent expenditure subjects had been transferred to other expenditure vote Under the financial regulation.	Due to reasons such as not allocating the estimated amount of provision in the annual budget, issuing analysis reports regarding more quantity of litigation goods and increase in the price of goods and services during the year etc. due to the unmanageability of the expenditure, it was informed that allocations had to be transferred through the expenditure subjects where there were surplus.	Proceed as per the circular.
b. Although as per Financial regulation 50 the Chief Accounts Officer shall prepare the budget estimates as fully and accurately as possible and manage the expenditure within the limits of the provision made, but in addition to the allocation made for 5 expenditure subjects in the reviewed year, the allocation of Rs. 35,750,000 allocated for other purposes under the F.R.66 and Supplementary estimates was transferred. The percentage of such transfer among the expenditure subjects had ranged from 4 percent to 68 percent.	Due to the reasons such as increased cost of repairs as the vehicles in operation are very old, the increased cost of postage due to the increased number of completed analysis reports, and the increased number of cases received in 2023, it was informed that money transferred under F.R.66 for the new narcotics laboratory which was temporarily established, the necessary provisions for the storage of goods related to legal cases and the necessary facilities for the printing of new reports.	Should be dealt with according to the regulations.

<p>c. Due to the fact that the need was properly identified and pre-planned and allocation was not allocated and the allocation was not spent in a well-managed manner, the allocation of Rs. 139,000,000 allocated for five expenditure subjects in the year under review had remained as fully savings.</p>	<p>A provision of Rs.139,000,000 reserved in relation to the program to strengthen the capacity building of forensic analysis in Sri Lanka's criminal justice system in relation to the KOICA project remains, it was informed that although the assets received under the project and related expenses were set aside for accounting, the activities were not done within the stipulated period, so the provision was saved.</p>	<p>Estimates should be prepared with proper study.</p>
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2.2 Incurring Liabilities and Commitments

Audit Observation	Comments of the Accounting Officer	Recommendation
<p>a. According to the budget estimate for the year under review, the department had incurred a liability of Rs. 712,971 for an item of expenditure (1405) for which provision had not been made.</p>	<p>Although the provisions made related to Cleaning and Services were allocated to the budget item 233-1-1-0-1409 in the year 2023, it was informed that in the year 2024, because the budget item was divided among several types of expenses by the treasury the liabilities related to those expenditure subjects were also noted.</p>	<p>Values related those expenditure subjects should be entered in the books.</p>
<p>b. According to the treasury print out (SA 92), liabilities amounted to Rs.85,589,829 had been incurred for a subject of expenditure, but the said liabilities were not entered in the department's liability register.</p>	<p>It was informed that the amount of Rs.85,589,829 stated under 233-1-1-1-2103 is an expense accounted for by the Treasury Operations Department, and it has been erroneously stated as a liability for the year 2023.</p>	<p>All liabilities must be entered in the register.</p>

<p>c. Financial regulation 94 (1) provided that no department shall incur any expenditure or obligation for any work or service or supply unless provision is made therefor in the annual estimates. In the year under review, the capital expenditure for 02 subjects exceeded the balance of the provision and entered to liabilities of Rs. 446,170 .</p>	<p>Such commitments have been entered as per F.R. 94 (2).</p>	<p>Referrals should be made as per the Financial Regulations.</p>
<p>d. In the year 2024, liabilities of Rs.54,480, which were not included in the Statement of Liabilities and Register of Liabilities, were settled in the year 2024.</p>	<p>It is accepted that the vehicle repair expenses including Rs.21,300 and Rs.26,000 mentioned under the expenditure subject 233-01-01-01-1301 are two expenses that should have been included in the liability register. 223-1-1-0-1201 was informed that the invoice date of the newspaper bill paid from the expenditure subject is for the year 2024.</p>	<p>Arrangements should be made to account for all the liabilities related to the year.</p>
<p>e. A machine worth Rs.85,589,829 purchased during the year under review was shown as a liability in the statement of expenditure (ACA -2(ii)) in the expenditure column as per cash book and in the statement of commitment and liabilities (Annexure (iii)).</p>	<p>The Treasury Operations Department accounted for Rs.85,589,829 received under the provision of the year 2023, and it was informed that it was included in the liability register due to the non-removal of the commitment note temporarily placed by the department for that transaction.</p>	<p>Arrangements should be made to take the correct values in the books of accounts.</p>

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

According to the provisions of Section 38 of the National Audit Act No. 19 of 2018, the Accounting Officer should have made assurances regarding the following matters, but had not done so.

Audit Observation	Comments of the Accounting Officer	Recommendation
i. 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 department and that the effectiveness of that system should be reviewed from time to time and necessary changes should be made accordingly to make the system effective and those reviews should have been done in writing and a copy of the same should have been submitted to the Auditor General, but statements that such reviews were done were not submitted to the audit.	No comments were made regarding audit observations.	The provisions of Section 38 of the National Audit Act No. 19 of 2018 should be followed.
ii. Although the Chief Accounting Officer and the Accounting Officer should ensure that there is an effective system for the proper execution of internal audit functions. But as per the observations mentioned in paragraph 5.2 of the report, that requirement was not fulfilled.	As the position of Internal Auditor was vacant in the year 2023, it was informed that the Department will be supervised by the Internal Audit Unit of the Ministry of Justice.	The provisions of Section 38 of the National Audit Act No. 19 of 2018 should be followed.

2.4 Non-Compliance with Laws, Rules and Regulations

The instances of non-compliance with the provisions of laws, rules and regulations observed during sample audits are analyzed below.

Observation	Reference to Value Non Compliance	Comments of the Accounting Officer	Recommendation	
Reference to Value Non Compliance	Laws, Rules and Regulation	Rs.		
(i)	Financial Regulations of the Democratic Socialist Republic of Sri Lanka			
104(4)	-	In the case of vehicle accidents, was not dealt with according to the regulations.	In this regard, the concerned officer-in-charge has been verbally instructed, and it was informed that written instructions will be given.	Should be dealt with as per financial regulations.
772(2)(b)	74,155	The document relating to the auctioned goods was not signed by the committee members.	After the auction, signatures were not obtained for both the respective lists, and it was informed that it was noted to do so from the year 2024.	Should be dealt with as per financial regulations
772(e)	-	No certificate of a member of the Board as to the goods sold, the prices received for them and the goods destroyed was attached to the report of the Board.	A separate report including the prices of the auctioned goods was not signed, and it was informed that instructions were given to do so in the future.	Should be dealt with as per financial regulations

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For 24 vehicles belonging to the department, the running charts and monthly summary reports related to the years 2022 and 2023 were not submitted.

It was informed that arrangements will be made to present it properly.

Should be dealt with as per financial regulations

ii. State Accounts Guidelines

Paragraph 6 of Guideline No. 2023/05 dated 30 November 2023

Although a blank report should be submitted in case of absence of information related to the records of the reporting entity, the department did not submit blank reports in the financial statements in respect of publication of write-off from books and publication of missing vouchers.

Blank records were not submitted because there were no write-offs and missing vouchers to include in the statement of write-offs and the statement of missing vouchers and it was informed that instructions were given to correct the situation in the future

To comply with the State Accounts Guidelines.

2.5 Issuance and Settlement of Advances

Audit Observation

Comments of the Accounting Officer

Recommendation

a) After issuing an sub imprest in accordance with public Finance Circular No. 01/2020 9.1 (b) dated 28 August 2020 and Financial Regulation 371 (5), the said sub imprest must be settled

All officers were informed in this regard in the year 2023 and It was informed that in cases where the functions of taking such advances are going on for many days and when computer devices and electrical devices etc. have to

According to the relevant circulars, arrangements should be made to settle the advance at the appointed times.

again within 10 days after completion of the relevant work, but Officers obtained on 27 occasions Rs. 764,000 was delayed for a period of 12 days to 49 days to settle the sub imprest.

be searched and bought from many stores, then the settlement will be delayed.

b) Advances were taken without proper estimation of the relevant expenditure, and accordingly there was a saving in the range of 27 percent to 76 per cent between the money received and the money spent.

Officials have been informed not to estimate and overestimate the need. It was informed that if at least eighty percent of the advances received in the future are not spent, they should submit an explanation in this regard at the time of settlement of the advances.

The urgent need should be correctly identified and dealt with accordingly.

3. Operational review

3.1 Planning

Audit Observation

a) All departments should prepare the annual action plan to implement the approved budget estimates. Although the annual action plan for the coming year should be prepared before 15 December of the year under review and submitted to the Chief Accounting Officer for approval, The date of preparation of the action plan prepared for the year under review was not mentioned and the approval of the Chief Accounting Officer was also not been obtained.

Comments of the Accounting Officer

The Annual Action Plan for the year 2023 was prepared and submitted to the Ministry on 20 December 2022, and it was informed that the approved copy had not been received by the department.

Recommendation

The action plan should be prepared and submitted on the due date.

b) According to the guideline number 12 of paragraph 03 of the said circular, the area of responsibility and the tasks expected to be implemented during the year were not clearly mentioned in the annual action plan.	It was informed that the tasks expected to be implemented annually were not clearly stated in the action plan.	Proceed as per the referred circular.
c) Although the action plan prepared for the year 2023 had been revised during the year under review, the approval of the Chief Accounting Officer had not been obtained for the same.	No comments were made regarding audit observations.	Arrangements should be made to obtain the relevant approval.

3.2 Failure to Perform Duties

The following is observed.

Audit Observation	Comments of the Accounting Officer	Recommendation
As per the Revised Action Plan, Rs.225 million had been allocated for six capital subjects during the year under review, but those activities were not implemented.	It was informed that the provision of Rs.139,000,000 allocated in connection with the KOICA project was saved, and the process of purchasing assets and building renovation under the project did not take place within the stipulated time frame.	Tasks of the action plan should be prioritized.

3.3 Non achievement of expected output levels

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
a) In the year under review, number of 12,189 cases were investigated and remained for analysis reports to be issued for 12 divisions of the	The total staff is 350, and currently 31 out of 110 vacant positions are in the Sri Lanka Scientific Service and on such a situation, out of the 71,075 cases	Work should be done to increase this level of completion by resolving staffing issues.

department and 58,886 cases were received. The number of cases reported in the year 2023 was 53,253, At the end of the year, 17,822 cases remained for analysis and reporting. It was 30 percent of the number of cases received for examination and issuance of analysis reports in the year 2023.

to be analyzed in the year 2023 number of 53,253 cases were analyzed during the year and It was stated that it is about 75 percent of the total number of cases of the year.

b). It was observed that 885 of the cases that were to be investigated and those reports were related to the period from 2014 to 2020.

That due to incomplete information related to the analysis and incomplete presentation of cases, there are still a number of goods related to legal cases that have not been able to complete the analysis and it was also informed that the head of the department have been instructed to give priority to the analysis of old cases.

Arrangements should be made to resolve the backlog of old cases quickly.

3.4 Foreign Aid Projects

The following is observed.

Audit Observation

For the period 2021 - 2024, the Korea International Cooperation Agency (KOICA) had given a grant of 4.5 million US dollars for capacity building of the department, and although it was estimated at 100 million rupees for the year under review but KOICA had not reported any expenditure.

Comments of the Accounting Officer

It was informed that no expenditure was reported by the project office in relation to the year 2023.

Recommendation

Efforts should be made to efficiently utilize this money received on foreign aid for the desired tasks.

3.5 Asset Management

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
a) In case of an accident to a vehicle as per Asset Management circular No.4/2018 dated 31 December 2018 and Para No.1.3.4 of the Guidelines of Non Financial Asset Valuation, if the repair cost is more than Rs.05 lakhs, the value should be estimated after the repair. Even though the estimated value should be considered as the value of the vehicle, and also a vehicle had been repaired at a cost of Rs.2,835,853 after the accident, the vehicle had not been assessed and the value obtained after the repair.	It was informed that the vehicle has been repaired and given from an agency, and that the assessment report will be obtained.	Proceed as per the referred circular.
b) Although as per paragraphs 2.3, 3.3.1 and 4.3 of the said guidelines, revaluation should be done every 05 years for land and buildings, office equipment and furniture and plant and machinery. But the department had not done so.	It was informed that it was accepted that revaluation of fixed assets was not done according to the guidelines and it is scheduled to be done in the year 2024.	Proceed as per the referred circular.

3.6 Security of Public Officers

The following is observed.

Audit Observation	Comments of the Accounting Officer	Recommendation
According to paragraph 9 of the Public Finance Circular No. 01/2020 dated 28 August 2020	As discussed in the audit and management committee meetings of the Ministry of Justice, it was	Proceed as per the referred circular.

regarding the bailing of government officials, and as per the Revised Financial Regulations 880, the responsibility for the custody and security of public money etc. is with the counting officer, and although it has been stated that it should be ensured that security is deposited by the prescribed officials, the officials holding positions such as Accountants, Cashiers and Store Keeper who are supposed to deposit security as per the financial regulation 315 have not deposited the related security .

stated that the Ordinance on the posting of bail by government officials is to be amended, and accordingly the decision regarding the posting of bail by government officials will be made in the future.

3.7 Losses and Damages

The following is observed.

Audit Observation	Comments of the Accounting Officer	Recommendation
Although the losses and amounting to Rs.2,229,111 due to the fire accident that occurred in the department on 14 February, 2003 was mentioned in the statement of losses, it was not recovered or removed from the books during the year under review.	In this regard, the file available with the department does not state how the amount of the loss was calculated. As a party to recover this loss has not been identified in the investigations, it was informed that the power to deduct from the book will be taken.	Damages and losses should be recovered or written off from the books.

3.8 Management Weaknesses

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
a) The distress loan balance of Rs.18,754 due from a suspended officer for more than 10 years and the special advance loan balance of Rs.2,400 due from an officer for more than 03 years were not recovered during the year under review.	The suspended officers were informed to settle the balance of the debt, but the related payments were not settled and it was said that reinstatement is not possible as the case related to the two officers is still pending.	Arrangements should be made to recover the outstanding balance.
b) The loan balance amounting to Rs.427,345 of two officers who have left the service had not been collected until the end of the year under review.	It was informed that since one of the officers has been reinstated in March 2024, the outstanding loan and interest have been charged again from March 2024, and the other officer has been informed to settle the balance due.	Arrangements should be made to recover the outstanding balance.
c) c). As per paragraph 03(a) of Public Finance Circular No. 05/2019 dated 27th June 2019, attention should be taken not to show inter-departmental outstanding balances after two months of an officer's transfer or three months after an officer's transfer, but it had taken 04 to 11 months to settle the loan balance of seven officers transferred from the department which was Rs.1,429,506. At the same time between 05 and 06 months had passed to settle the loan balance amounted to Rs.1,064,668 for five officers who had transferred but took 5 to 6 months to recover those loan balances.	That the settlement of the loan balance has taken place with a delay, and that the loan balance is settled by the concerned department, and that is due to the retirement of the officers, the advance B account and the Sarrup's duties are being performed by the same officer and it was also informed that at least within the year, the assignment and transfer of the loan balance will be settled.	Proceed as per the referred circular.

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| <p>d) The department had not revised the fees for the services performed by special officers outside their working hours after the year 2016. Also, according to the letter No. PFD/04/08/01/59 dated 11 December 2015, issued by the Public Finance Department, the fees revision should be reviewed every three years and properly revised, but this was not done.</p> | <p>It was informed that requests regarding the tariff revision are to be submitted in the year 2024.</p> | <p>Proceed as per the referred circular.</p> |
| <p>e) Due to the fact that two female officers of the department who went abroad on leave without pay have not returned to work and the total penalty amount of Rs. 2,260,935 which should have been recovered from the two officers had not been recovered till now.</p> | <p>The Honorable Attorney General has been informed to take legal action to recover this money, and accordingly, it was informed that the necessary preliminary actions have been taken to prosecute these officials.</p> | <p>Proceed as per the referred circular.</p> |
| <p>f) A senior assistant analyst who went abroad in the year 2021 after taking foreign leave with pay had returned to Sri Lanka in October 2022 due to illness in that country. The officer had spent an amount of Rs. 6,281,948 for other expenses including course fees. Out of the amount of Rs.5,224,681 paid as course fee, an amount of Rs.4,816,556 was repaid by the university and the department had not taken steps to recover the remaining amount of Rs.408,125 additionally the amount of Rs.1,057,267 spent by the department.</p> | <p>That this amount will be recovered through visa fees and other expenses to be reimbursed to the officers.</p> | <p>The government should take action to recover the money spent on the course.</p> |

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| g) Also, although this officer arrived in Sri Lanka on 28 October 2022, the leave related to the period abroad was not approved by 30 March 2024, which was the audit date. | It was informed that leave for the relevant period was submitted for approval. | Leave should be approved for relevant period. |
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4. Achieving Sustainable Development Goals

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
a) Four performance indicators were introduced with the aim of providing the scientific reports issued after the analysis of the goods related to legal cases within a period of 03 months. As one of the indicators, it was aimed to issue and finish the analytical reports related to the case samples received in the previous years for the analysis in the transition year, but reaching that goal was at a low level of 59 percent.	Due to non-filling of existing vacancies in the department and heavy work load in the year 2023, the release of analysis reports was delayed and hence the desired targets could not be reached.	Efforts should be made to reach sustainable development goals.
b) Although 70 percent progress was targeted for modernization of two laboratories, it remained at 40 percent during the year under review.	The modernization of the laboratories is being carried out under the aid of KOICA, and as these upgrades are carried out by the contractors selected by KOICA according to the procurement process and although the progress was targeted according to the timeline given at the beginning of the project, it was informed that this is a process outside the control of the department.	Efforts should be made to reach sustainable development goals.

5. Good governance

5.1 Internal Audit

The following is observed.

Audit Observation	Comments of the Accounting Officer	Recommendation
According to Section 40 (i) of the National Audit Act No. 19 of 2018, the department had not established an internal audit unit.	It was informed that the position of Internal Auditor of the Department was being supervised by the Internal Audit Unit of the Ministry of Justice as it was vacant in the year 2023.	Audit Act should be followed.

5.2 Audit and Management Committee

The following is observed.

Audit Observation	Comments of the Accounting Officer	Recommendation
41(1) of the National Audit Act No. 19 of 2018 requires that an audit and management committee be established for each department, but no such committee was formed for the department.	It was informed that an audit and management committee has been formed in the year 2024 and forwarded to the line ministry for approval.	Audit Act should be followed.

6. Human Resource Management

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
a)Due to the fact that the posts of 35 senior level officers and 7 out of 10 tertiary level officers, which are required for making decisions that help to carry out the work of the institution efficiently, were vacant .It had hindered the proper handling of the affairs of the department.	According to the National Budget Circular No. 03/2022, it has not been possible to carry out the recruitment from the year 2022, despite constant requests made by the line ministry for the necessary approval. It was informed that there has been no recruitment other than multi-purpose service officers, and due	In order to effectively fulfill the objectives and main tasks of the organization, the staff related to the positions should be recruited.

to the large number of vacancies so it has not been possible to manage the affairs of the department properly.

b) Public Administration Circular No. 02/2018 dated 24 January 2018, paragraph 6.1 states that a training opportunity of at least 12 hours per year for each member of staff must be confirmed in the Human Resources plan, but there was no plan to implement such trainings.

Subject to the limitations of the issued circulars, it was informed that only essential trainings and free trainings were attended as per the above limited requirement by taking into account the service requirement as per the allocated provisions for the department.

Efforts should be made to increase the effectiveness of the task force.