

Head 254 – Registrar General’s Department – 2024

1. Financial Statements

1.1 Qualified Opinion

Head 254 - The audit of the financial statements of the Registrar General’s Department for the year ended 31 December 2024 comprising the statement of financial position as at 31 December 2024 and the statement of financial performance, and cash flow statement for the year then ended was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018. The Summary Report containing my comments and observations on the financial statements of the Registrar General’s Department was issued to the Accounting Officer on 30 May 2025 in terms of Section 11 (1) of the National Audit Act No. 19 of 2018. The Annual Detailed Management Audit Report pertaining to the Department was issued to the Accounting Officer on 04 September 2025 in terms of Section 11 (2) of the Audit Act. This report is presented to Parliament in terms of Section 10 of the National Audit Act No. 19 of 2018 which is read in conjunction with Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

In my opinion, except for the effects of the matters described in Paragraph 1.6 of this report, the financial statements prepared give a fair view in all the material aspects of the financial position of the Registrar General’s Department as at 31 December 2024 and its financial performance and cash flow in accordance with the basis of preparation of the financial statements set out in Note 1 to the financial statements.

1.2 Basis for Qualified Opinion

My opinion is qualified based on the matters appear in Paragraph 1.6 of this report. I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). 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 Emphasis of Matter - Basis of Preparation of Financial Statements

I draw attention to Note 1 of the financial statements, which describes the basis of preparation of these financial statements. The financial statements had been prepared for the requirement of the Registrar General’s Department, the Treasury and the Parliament in accordance with Financial Regulations 150 and 151 of the Government and State Accounts Guideline No. 06/2024 dated 16 December 2024, as amended on 21 February 2025. Therefore, these financial statements may not be suitable for other purposes. My report is intended only for the use of the Registrar General’s Department, the Treasury and the Parliament of Sri Lanka. My opinion in this regard is not modified.

1.4 Responsibilities of the Chief Accounting Officer and Accounting Officer on Financial Statements

The Accounting Officer is responsible to prepare financial statements that give a true and fair view in all material aspects and to determine such internal control as is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error in accordance with Government Finance Regulations 150 and 151 and State Accounts Guideline No. 06/2024 dated 16 December 2024 as amended on 21 February 2025.

As per Section 16 (1) of the National Audit Act No. 19 of 2018, the 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.

The Accounting Officer shall ensure that an effective internal control system is maintained for the financial control of the Department in terms of Sub-section 38 (1) (c) of the National Audit Act and it should be periodically reviewed the effectiveness of the system and make any necessary changes to keep the system running efficiently.

1.5 Auditor's Responsibility on Audit of 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 exercised professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of its internal control.

- Evaluate that the underlying transactions and events are appropriately and fairly included in the financial statements for the structure and content of the financial statements that include disclosures.
- 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.

The Accounting Officer has been made aware of important audit findings, key internal control deficiencies and other matters identified in my audit.

1.6 Comments on Financial Statements

1.6.1 Accounting Deficiencies

(a) Receipts of Revenue

The following deficiencies were observed in accounting for revenue receipts related to the Department.

Audit Observation	Comments of the Accounting Officer	Recommendation
(i) The accounting policy of the Department was to record revenue on a cash basis, and although the revenue collected for the year 2024 under Revenue Code 1003.07.02 (Settlement money and Fined) was Rs.11,619,885, the revenue collected for the year had been overstated by Rs.278,252 due to the accounting of Rs.11,898,137 invoiced during the year as revenue collected during the year.	As in previous years, 1003:07:02 revenue reports have been prepared this year as well and it had been informed that, reports would be prepared based on only the net income received in cash as income, as per Circular No. 01/2025 dated 10.01.2025 and as indicated in the audit.	Accounts should be prepared accurately according to accounting policies.
(ii) Although there should not be an opening balance of outstanding amounts for the reporting year, and a balance of outstanding amounts for the reporting year for the previous year and the year before last in accordance with the format introduced by State Accounts Guideline No. 06/2024 dated 16 December 2024, the statement of	This report has been prepared in the same manner as in previous years and it had been informed that the report would be prepared in the future as indicated by the audit.	Financial statements should be prepared according to the prescribed format.

arrears of revenue had been prepared inaccurately by showing the balances as Rs. 33,061,833, Rs. 7,111,533 and Rs.7,386,109 in the relevant columns respectively.

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| (iii) | Although the maximum arrears of revenue balance as at 31 December 2024 was Rs.30,273,522, the arrears of revenue balance in the statement of arrears of revenue was Rs.96,895,102. Accordingly, the arrears of revenue at the end of the year under review had been overstated by Rs. 66,621,580 | This has occurred due to an error in the report submitted on the account and it had been informed that corrective measures would be taken in the future. | Revenue statements should be prepared by entering the correct values. |
| (iv) | Although the payments made for subsidies and transfers as per the balance sheet as at 31 December 2024 were Rs.18,269,665, the cash flow generated from operating activities had been understated by Rs.358,886 since shown as Rs.18,628,551 in the cash flow from operating activities in the cash flow statement. | It has been acknowledged that the write-off of loan balances under 1701 was also erroneously shown as operating activities in the cash flow statement and it had been informed that steps would be taken to prevent such mistakes from occurring in the future. | Financial statements should be prepared in accordance with accounting principles. |

(b) Property, Plant and Equipment

The following deficiency was observed in the accounting of property, plant and equipment.

Audit Observation	Comments of the Accounting Officer	Recommendation
Provisions were made for software development under expenditure object 2106 and although an amount of Rs.118,369,366 had been paid to a private institution for scanning of documents during the year under review, the Department had not received any software developed for use in that regard even by the end of the year under review. However, the amount spent had been accounted for under non-	The scanning of the folios is not a software but a task carried out for the preservation of folios which is a key function of the Department. It is an asset, as it was planned that in the future the scanned folios would be included in the e-Land software and copies would be made available to the institution and used as a source of income generation.	Capital expenditure should be accounted for following a reasonable accounting policy.

financial assets as an acquisition of capital assets without introducing a formal accounting policy.

(c) Balances of the Advance Accounts

The following deficiency was observed in accounting for balances of the advance accounts as at the end of the year.

Audit Observation	Comments of the Accounting Officer	Recommendation
Although the maximum approved balance limit for the Advance "B" Account of the Department is Rs.320,000,000 as per the approved Budget Estimate for the year 2024, due to lending and loan takeover without proper management, there had been an excess of Rs.15,614,150 as at 31 December 2024. Although the any exceeding of limits should have been identified and submitted to the Treasury for approval before December 31 of the relevant year in terms of Financial Regulation 503(2), the relevant application had been submitted to the Secretary to the Ministry on 10 February 2025, 41 days after the end of the accounting year. The Treasury had obtained approval from Parliament on 22 May 2025, without drawing attention to that delay.	Out of the outstanding balance of Rs.15,614,150 as at 31.12.2024, Rs.12,699,807 is the amount settled against the outstanding balances of the transferred officers (254012) and the Ministry has submitted a proposal to the Department of National Budget to revise the maximum debit balance limit to Rs. 336,000,000, and it had been informed that Parliamentary approval had been received for this on 22.05.2025 .	Applications regarding non-compliance should be submitted to the Treasury by the due date and approval should be obtained in terms of Financial Regulations.

2. Report on Other Legal Requirements

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

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

3. Financial Review

3.1 Revenue Management

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) Although the Assessing Officer is required to assess the amount of money expected to be collected as accurately as possible in terms of Financial Regulation 143(1) of the Act, it had to increase registration fees by 8 per cent equivalent to Rs.200 million during the year, and to reduce the fees for issuing High Court certificates to Notaries by 70 per cent equivalent to Rs.7,700,000 million due to the preparation of basic revenue estimates without proper forecasting.	Due to the crediting of income received for foreign mission activities to the Revenue Code 1003:07:02 of the Department, the registration fees were revised by Rs. 200 million and due to reasons such as the Minister not signing the license sent to the Ministry in year 2024, the delay in receiving legal advice for licenses, the fact that all those graduating from law colleges each year did not apply for their first licenses at the same time, the fact that all those who obtained their first licenses did not apply for additional languages at the same time, and the fact that judicial zones were not transferred, etc., it had been informed that the estimated revenue of Rs. 11 million was revised.	It should take actions to prepare estimates with proper forecasting.
(b) As the outstanding revenue from settlement fines for the previous year and before previous years at the beginning of the year under review was Rs.33,061,833 and since the impositions during the year under review were Rs.11,898,137, the total amount of settlement fine revenue to be collected during the year under review was Rs.44,959,970. Nevertheless, only Rs.6,937,620 of the arrears of revenue relating to	Since only income from settlements will be accounted for from 2025 onwards, it had been stated that there was no need to show the outstanding income in the reconciliation accounts.	A formal internal control system should be established for the prompt recovery of revenue.

previous years had been recovered during the year under review and it was 21 per cent. Similarly, only Rs.4,682,265, which is 39 per cent of the levies, had been collected during the year under review and the uncollected revenue of Rs.7,215,872, which was 61 per cent, had been added to the arrears. Accordingly, the total recovery of the total settlement fine revenue to be recovered during the year under review was only Rs.11,619,885 and it had been a very low value of 26 per cent.

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| <p>(c) Due to the delay in submitting the second copy to the Delkanda Land Registrar's Office, settlement fees of Rs.1,261,422 imposed on Notaries that have not been recovered for many years had remained in arrears even by 31 December 2024 .</p> | <p>The amount of Revenue collection Rs.1,261,422.00 that has been should be made remained outstanding since the efficient. previous date is the arrears of the mediation fee. As per Circular No.: 01/2025, steps are being taken to cancel the licenses of notaries who have not paid the arrears of mediation fee, and some Notaries are currently paying the money. It had been informed that no arrears will be shown in the accounts for 2025.</p> |
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3.2 Management of Expenditure

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) Despite the provisions for 04 recurrent expenditure object were saved, an expenditure of Rs.399,346 which should have been debited to those expenditure object had been debited to capital expenditure objects and an over-expenditure or excess of Rs.327,032 had been avoided in the	Items that can be used for a long time and are included in the inventory register have been debited under capital expenditure object until now without considering of the amount and it had been informed that actions would be taken as indicated by	Expenses should be accurately classified and accounted for.

recurrent expenditure object by the audit in the future.
transferring an expense to a capital
expenditure object amounting to
Rs.505,737 to be transferred to
another recurrent expenditure
object.

- (b) Due to insufficient provisions for 04 expenditure objects, out of those provisions, a total of Rs.60,339,195 had been saved ranging from 21 per cent to 91 per cent as a result of the transferring of the total amount of Rs.40,000,000 allocated to 05 expenditure objects for other purposes through F.R. 66 without specifically identifying the provision requirement. Even though an estimated Rs. 50 million had been allocated to purchase a Disaster Recovery Data Center (DR Site) for the E-Land, E-Pop, and EMBD projects, it had been informed that a sum of Rs.46,400,934 has been saved as the Technology Evaluation Committee has recommended that this requirement can be met by upgrading the existing server in the Department and the provision was made by transferring in terms of F.R. 66 because the provision provided in the estimates for the year 2024 was over. Actions should be taken to prepare estimates with proper forecasting so that adequate provisions can be allocated as per the requirements.
- (c) Although there is a saving of Rs.100,000 after transferring Rs.400,000 out of the estimated provision of Rs.500,000 for expenditure object 254-01-01-1102 to another expenditure object, it had been saved 100 per cent without being utilized and the entire provision of Rs.500,000 allocated for expenditure object 254-01-02-1102 had been saved unutilized. Although provisions were estimated for foreign travel expenses, it had been informed that the provisions were not spent due to the government's restrictions on foreign travel. Actions should be taken to properly identify needs and allocate adequate resources.
- (d) Out of the provisions of Rs.235,700,000 allocated for 14 expenditure objects during the year under review, a provisions of Rs.72,614,083 had been saved and the percentage of savings in those Since the estimates 2024 have been prepared based on the prices prevailing in the year 2023,it had been informed that the funds have been saved due to the reduction in prices of expenditure Actions should be taken to properly identify needs and allocate adequate resources.

expenditure objects had ranged from 11 per cent to 78 per cent. objects such as fuel in 2024, the reduction in the use of generators in land registry offices due to the reduction in power cuts, the suspension of foreign travel due to government policies, the restriction of overtime and the restriction of expenditure due to the economic crisis in the country, and the efficient and effective management of expenditure.

3.3 Incurring of Liabilities and Commitments

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) Building rent payable pertaining to the period from 10 December 2024 to 09 January 2025 amounting to Rs.540,000 had been shown under liabilities .	It had been informed that it was mentioned in the list of liabilities by a mistake.	Accounts should be prepared by accurately identifying liabilities.
(b) The value of liabilities recorded in the register of liabilities as at 31 December 2024, relating to 17 expenditure objects, amounting to Rs.30,434,279 had been shown as Rs.12,050,471 in the list of liabilities presented with the financial statement by understating Rs.18,383,808 and the amount of liabilities recorded in the register of liabilities for 03 expenditure objects amounting to Rs.503,583 had been shown as Rs.2,973,424 in the list of liabilities by overstating Rs.2,469,841 .	Since the financial statement had to be submitted by 24 February 2025, it had been informed that only the liabilities included in the register of liabilities up to 30 January 2025 had been stated in the financial statement.	Liabilities should be recorded regularly and the register of liabilities should be maintained accurately.

3.4 Utilization of Provisions made available by other Ministries and Departments

Audit Observation	Comments of the Accounting Officer	Recommendation
Out of the provisions of Rs.206,743,567 made by the Ministry of Tourism and Lands under expenditure object 122-02-03-04-2509 during the year under review for the Bimsaviya purchases, only Rs.104,885,556 had been spent on the programme during the year under review, and the saving was Rs.101,858,011. Accordingly, the provision utilized was a low amount of 50.7 per cent of the total provision.	Provisions had been made for the development of computer programs for the title offices from the provisions made available by the Ministry of Tourism and Lands for the Bimsaviya purchases. Since the said procurement activity was an advisory procurement work, and since it was a procurement activity estimated beyond the expenditure limit of the Department, the Department did not have the authority to carry out that work, so the work was assigned to the Ministry. However, due to the re-appropriation of the provisions of the Ministry of Lands by the Treasury, it was not possible to carry out that procurement activity. Therefore, it had been informed that those provisions had been saved.	Measures should be taken by making Provisions available only for tasks that can be performed within the authority of the Department.

3.5 Certification of Chief Accounting Officer/Accounting Officer

Chief Accounting Officer/Accounting Officer should certify the following matter in terms of provisions set out in Section 38 of the National Audit Act, No. 19 of 2018. However, it had not been so done.

Audit Observation	Comments of the Accounting Officer	Recommendation
The Chief Accounting Officer and Accounting Officer should ensure that an effective internal control system is set up and maintained for the financial control of the Department and necessary changes should be made to ensure that the	It had been informed that since those activities are currently being done, said statements will be submitted for audit in the future.	It should act in accordance with the provisions in the Section 38 of National Audit Act No. 19 of 2018.

system runs efficiently by carrying out reviews on the effectiveness of that system and although those reviews should be made in writing and a copy submitted to the Auditor General, the statements that such reviews were carried out, had not been submitted to the audit.

3.6 Non-compliance with Laws, Rules and Regulations

Instances of non-compliance with the provisions in laws, rules and regulations observed during the course of audit test checks are analyzed below.

Observation			Comments of the Accounting Officer	Recommendation
Reference to Laws, Rules, Regulations etc.	Value	Non-compliance		
(a) Paragraph 13.9 of Chapter XLVIII of the Establishments Code of the Democratic Socialist Republic of Sri Lanka	-	Although it had been stated that it would be more appropriate to appoint a senior officer as the Preliminary Investigations Officer, since there is a tendency to appoint Development Officers as Primary Investigation Officers, there are weaknesses in completing investigation activities efficiently.	Due to the lack of officers to conduct preliminary investigations, it had been informed that Development Officers will be attached to the Investigation Division, and trained them to conduct investigations.	Actions should be taken to establish a more appropriate and efficient internal control system in accordance with the provisions of the Establishments Code and to make preliminary investigations more efficient.

(b) Financial Regulations
of the Democratic
Socialist Republic of
Sri Lanka

(i) F.R. 113 (3)	1,968,066	Although the Chief Accounting Officer can make waivers from government revenue only if there is no fraud or error in the existing system, the accounting officer had waived off the arrears of revenue that had not been recovered for many years, from the books without the obtaining the approval of the Secretary of the Treasury.	It had been informed that, the Registrar General also has the power to recover or cancel the mediation fee entrusted by the Registrar General as per the Act.	Waiver of claim for recovery of government revenue or fees receivable to the Government should be made only in accordance with F.R. 108(d)(ii).
(ii) F.R. 113 (4)	-	Although a copy of every letter issued authorizing the waiver of fees or charges should also be sent to the Auditor General, the copies of those reports had not been submitted to the Auditor General.	Since the Registrar General is the authority to collect fees or charges, copies were not forwarded to the Auditor General, and it had been informed that steps will be taken to submit copies to the Auditor General in the future.	Since it is essential to submit the reports which should be submitted to the Auditor General in terms of F.R. 113(4), those reports should be submitted in a timely manner.

(c) Paragraph 3.1 of the State Accounting Guideline No. 05/2023 dated 30 November 2023	-	The SA-40 and statement of Commitments and Liabilities Formats (Annexure iii) obtained from the New Cigas web application system had not been submitted with the financial statements.	It had been stated that although the list of liabilities and commitments were entered into the CIGAS computer system, due to a technical error, the list of liabilities and commitments had not been uploaded, and therefore, it was not possible to submit the SA-40 and Declaration of Commitments and Liabilities Formats (Annexure III) obtained through the new CIGAS web application system.	Financial statements should be prepared in accordance with State Accounting Guidelines.
(d) Public Service Commission Procedural Rules No. 2310/29	-	Although the Seniority Register should be updated and published on 01 January and 01 July of each year, the Department had not taken steps to publish it.	It was updated as at 01.01.2025.	Actions should be taken in accordance with the Procedural Rules of the Commission.

3.7 Issuance and Settlement of Advances Imprests

Audit Observation	Comments of the Accounting Officer	Recommendation
The ad hoc sub-imprest received for a specific task should be settled immediately after the completion of that task in terms of Finance Regulation 371(2)(b) as amended by Public Finance Circular No. 01/2020	It was agreed with the audit observation. It had been informed that steps will be taken to prevent such delays from occurring in the future.	Actions should be taken to settle the advances within the stipulated time.

dated 28 August 2020. Nevertheless, the settlement of the sub-imprest totaling Rs.1,868,904 received on 22 occasions by 18 officers of the Registrar General's Department had delayed for a period ranging from 7 to 73 days.

4. Operating Review

4.1 Vision and Mission

Audit Observation	Comments of the Accounting Officer	Recommendation
Although the Vision of the Department is to act as a pioneer in the provision of people-centric services for the registration, preservation and issuance of certified copies of documents confirming the civil rights of the public, legal ownership of immovable and movable properties, and the Mission of the Department is to registration of lawful documents related to immovable and movable properties and registration of land titles in Sri Lanka and register important events in the life of the people such as marriages, births and deaths, preservation of such documents and issue certified copies of them upon request and thereby helping the people in protecting their rights, , the duties and functions of the Department have not been efficiently fulfilled as per the facts stated in Paragraphs 4.2, 4.5, 5, 6 and 7 of this report.	It had been informed that the answers given in 4.2, 4.5, 5, 6, and 7 of this report were applicable to this.	Plans should be formulated and functions should be streamlined as necessary to achieve the Vision and Mission of the Department.

4.2 Non-achievement of expected Output Level

The following observation is made.

Audit Observation	Comments of the Accounting Officer	Recommendation
Although the redesign of the e – Land Registry program, which was planned to be implemented with the aim of facilitating the online examining of land records and expediting the registration of records for the purposes of the Department and the needs of other parties, was carried out since 2016, the expected objectives had not been achieved even by the end of the year under review.	The Phases I and II are currently being implemented in four pilot offices. Phase III has not yet been provided to the Department, and it had been informed that the public will be able to benefit from this after Phase III is also implemented in the offices.	A formal internal control system should be established to achieve the desired objectives.

4.3 Assets Management

The following observation is made.

Audit Observation	Comments of the Accounting Officer	Recommendation
It had been identified in the Board of Survey 2022 that 03 Samsung printers, 02 Cannon and Lexmark printers, and 01 color printer owned by the Information Technology Division had gone missing and it had been recommended that all of the Samsung printers were in pieces and that the rest should be destroyed as per the Board of Survey 2023. Accordingly, there was a possibility of irregularities in the use of assets and a strong internal control system had not been established in the Department regarding the safe maintenance of government properties.	Due to the difficulty in finding the accurate information because of the lack of proper documentation of the repair information, it has not been possible to forward it to the Supply Division with issuance orders for disposal within the appropriate time frame, and it had been informed that necessary steps would be taken to maintain the documents in a proper manner in the future.	A strong internal control system should be established to protect government properties.

4.4 Losses and Damage

The following observation is made.

Audit Observation	Comments of the Accounting Officer	Recommendation
A loss of Rs.1,735,950 had been estimated, due to an accident on occurred 20 January 2022, to the vehicle number KA-8957, which was being used by the Department and only Rs.845,205 had been received as insurance coverage after the repairs. Therefore, the Department had incurred a net loss of Rs.890,745, and the necessary steps had not been taken to identify the responsible parties and recover it in accordance with Paragraph 104 of the Financial Regulation.	The investigation as per F.R. 104 is currently being carried out and it had been informed that the work could be completed within the next 02 months.	Actions should be taken to recover the loss promptly.

4.5 Management Weaknesses

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) Out of the Rs.3,700,210 receivable from deceased, retired, interdicted, left the service and resigned/dismissed officers as at 31 December 2024, a sum of Rs.2,672,109 receivable for a period of 3 months to 20 years had not been recovered even by 29 May 2025 in terms of Paragraph 4.1 of Chapter XXIV of the Establishments Code.	It had been informed that it was aware to settle the debt balances of deceased officers through death gratuity, the debt balances of retired officers through pension, and the debts of suspended officers to be paid promptly and the letters have also been sent to the guarantors for the outstanding debts of the officers who have left the service, requesting them to settle the debts promptly.	Actions should be taken to recover outstanding loan balances promptly.

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| <p>(b) Although preliminary investigations be conducted without delay in respect of any misconduct committed by any government officer or officers in terms of Paragraph 13 of Chapter XLVIII of the Establishments Code requires that, it had taken more than a year to appoint preliminary investigation officers to investigate the complaints received by the Registrar General's Department. Likewise, although preliminary investigation officers were appointed, disciplinary action could not be taken against the accused officers in accordance with Paragraph 19 of Chapter XLVIII of the Establishments Code due to non-completion of preliminary investigations. Accordingly, an adequate internal control system had not been established to efficiently complete the disciplinary investigation.</p> | <p>It had been informed that when complaints are received by the Registrar General's Department, preliminary investigations are conducted before conducting preliminary investigations and in cases where it is necessary to conduct preliminary investigations based on the facts revealed, preliminary investigation officers are appointed to conduct preliminary investigations and preliminary investigations are conducted. It was also informed that the time taken to appoint preliminary investigation officers also varies depending on the time taken to conduct the investigations and bring the investigation reports to the attention of the authorities and decide to conduct preliminary investigations accordingly.</p> | <p>An adequate and systematic internal control system should be established to efficiently complete disciplinary investigations.</p> |
| <p>(c) A complaint had been referred to the Registrar General on 25 January 2022 regarding the fraudulent activities of a K.K.S. III employee of the Narammala Land Registrar's Office, and disciplinary actions had not been taken against that employee even by the end of May 2025.</p> | <p>It had been reported that the Director General of Combined Services had been informed to take disciplinary actions against the relevant officer under the summary discipline (Laghu Vinaya) on 19 March 2025 .</p> | <p>A satisfactory internal control system should be established to streamline and expedite disciplinary investigations.</p> |
| <p>(d) Necessary steps had not been taken to complete the investigation into a complaint received on 15 June 2022 regarding the disruption of office activities by the Office Assistant Service employees of the Mahara Land Registrar's Office even by the end of 2024.</p> | <p>It had been informed that further actions are being done.</p> | <p>A satisfactory internal control system should be established to streamline and expedite disciplinary investigations</p> |

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| <p>(e) Although the registration of deeds/documents received for registration should be completed within 21 days, in accordance with Section 17(b) of the Registration of Documents Ordinance and Departmental Regulations 267 and 268 of the Registrar General's Manual, action had not been taken within the prescribed period to register a large number of deeds that had been handed over to the Delkanda Land Registrar's Office for registration by the public under general services.</p> | <p>It had been informed that the efforts are being made to open the office even on holidays and update deed registration activities.</p> | <p>The control system should be strengthened so that the daily duties of officers are updated.</p> |
| <p>(f) Due to the unavailability of a proper system in place to check and accept documents submitted by Notaries without defects, in accordance with the rules set out in Section 31 of the Notaries Ordinance and since the subject clerks in charge of registration had to check for defects in the documents themselves, it had become an obstacle to the efficient registration of documents.</p> | <p>It had been informed that it is not the duty of the document acceptance officer to check for such defects, and every document submitted should be accepted by that officer when undertaking documents for registration in accordance with the Registration of Documents Ordinance.</p> | <p>Document registration activities should be made efficient.</p> |
| <p>(g) Although there were 2,352 deeds that had been registered by the Delkanda Land Registrar's Office from 2019 to 2024 and six months had passed since they were completed, and although necessary steps should be taken to return it to the relevant parties or dispose of it appropriately in terms of Section 28(2) (a) of Chapter V of the Registration of Documents Ordinance No. 23 of 1927 and Section 315(a) of the Registrar General's Manual, a large number of unnecessary documents had piled up in the office due to not doing so.</p> | <p>It had been informed that the deeds with envelopes had already been posted and the actions are currently being taken on the remaining deeds.</p> | <p>Actions should be taken in accordance with the provisions of the Act.</p> |

- (h) Although Notaries are required to deliver duplicate copies of all deeds witnessed by them to the relevant Land Registrar before the 15th day of the month following the month in which the deeds were drawn up and signed, in accordance with the provisions of Section 31(26) of the Notaries Ordinance, Section 4(1), (2) of the Registration of Documents Ordinance and Sections 374(1) and 375 of the Registrar General's Manual, 1,162 duplicate copies of deeds written by 72 notaries who were supposed to submit copies of deeds to the Delkanda Land Registrar's Office had not been submitted for the period from 2023 to December 2024. Due to such non-delivery of duplicate copies of deeds, it could not be verified whether the stamp duty levied by the Notary on the deed holders had been duly paid to the government.
- The staff shortage has not yet been filled. However, the examinations are being done and it had been informed that it is mandatory to provide copies of the receipts for stamp duty payment along with the originals at the time of registration.
- Actions should be taken in accordance with the provisions of the Act and a good follow-up procedure should be established.
- (i) Although it is necessary to immediately prepare irregularities reports and take further action against Notaries who fail to submit duplicate copies of deeds or blank reports on or before the 15th of the following month in accordance with Section 375 of the Registrar General's Manual, 62 Notaries at the Delkanda Land Registrar's Office had delayed submitting duplicate copies of deeds and 06 Notaries had delayed submitting blank reports, according to the audit test check conducted for the period from 2023 to December 2024, but proper actions had not been taken against them.
- This situation has arisen due to the inability to deploy sufficient staff for these activities, and although the Notary Division itself has only one Office Assistant, it had been informed that appropriate actions have been taken against the 62 and 06 Notaries.
- Proper actions should be taken against Notaries who had neglected their responsibilities.

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| <p>(j) Since irregularities reports had not been sent to the Delkanda Land Registrar's Office for the years 2022, 2023 and 2024, the opportunities to impose fines or file cases in accordance with Section 375 (9) of the Registrar General's Manual had been missed.</p> | <p>There is only one Office Assistant for these activities, and the preparation of irregularities for the year 2022 is in the final stage. It was informed that some irregularities for 2022 and 2023 have already been completed, and a significant number of irregularities have been sent to the Deputy Registrar General in charge of the zones.</p> | <p>An effective internal control system should be established to implement the provisions of the Act efficiently.</p> |
| <p>(k) Although the Land Registrar is required to maintain a formal personal file for each Notary in his district containing a register of Notary offences and all information regarding the Notary's appointments, irregularities reports, termination of duties, etc. in accordance with Section 22 of the Registrar General's Manual the files submitted to the audit had been maintained with various deficiencies.</p> | <p>Even though there is not enough staff to maintain Notaries' personal files, actions have been taken to maintain new files as complete files from 2023, it had been informed to Notaries to complete the defects of the old files.</p> | <p>Actions should be taken to maintain the personal files of Notaries in a proper manner.</p> |
| <p>(l) Actions had not been taken to make volume of 165,540 second copies of deeds received by the Delkanda Land Registrar's Office from 2022 to 2024 in accordance with Section 5 of the Registration of Documents Ordinance of Authority 117, and Section 548 of the Registrar General's Manual. Further, due to the irregular storage of documents in the archives and the failure of Notaries to submit all the documents required to be submitted to the Land Registrar for previous years, all documents relating to periods prior to 2022 had not been filed as permanent or temporary volumes.</p> | <p>It had been informed that temporary copies has begun, selecting the second copies of the year 2022 .</p> | <p>Prompt actions should be taken to protect documents.</p> |

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| <p>(m)</p> | <p>Although, the Notary shall submit to the Land Registrar's Office all documents written, signed or accepted in his presence, including last wills and testaments, numbered consecutively by applying whole numbers in the order in which they were written, signed or accepted in terms of Section 31(23) of the Notaries Ordinance, there were cases where some Notaries had written 02 or 03 deeds with the same number, and there were also cases where A and B marks were used. No action whatsoever had been taken against Notaries who failed to adhere to and act in accordance with the rules set out in Section 31 of the Notaries Ordinance.</p> | <p>Deeds written with the same numbers are registered with affidavits. It had been informed that deeds prepared using letters such as A, B, etc. will be rejected for registration.</p> | <p>Proper actions should be taken against Notaries who had neglected their responsibilities.</p> |
| <p>(n)</p> | <p>The Delkanda Land Registrar's Office is running on a rental basis on the upper floor of a building owned by an external party, paying a monthly rent of Rs. 375,000 and an annual rent of Rs. 4,500,000 and the lack of adequate space, lack of proper maintenance, and the fact that rainwater was leaking into an archive and the ceiling was infested with termites posed a threat to the efficient running of office operations.</p> | <p>The Kotte Municipal Council had informed that measures will be taken to prevent rainwater leakage of the roof of the Archive.</p> | <p>Maintenance works on the building should be carried out promptly.</p> |

5. Achievement of Sustainable Development Goals

The following observation is made.

Audit Observation

The Vision and Mission of the Department covers a very broad field, and to achieve this, the Department,

Comments of the Accounting Officer Recommendation

- Documents relating to immovable and movable property, powers of attorney, titles and civil registration relating to immovable properties.
 - Trustees and document preservation.
 - Although activities had been planned to be carried out under three main functions, namely issuing copies of certificates, it was observed that when considering the Sustainable Development Goals and targets introduced, the Sustainable Development Goals had been set only based on civil registration.
- It had been informed that actions are currently being done to establish sustainable development goals for the remaining functions of the Department.
- Sustainable Development Goals should be set to achieve the objectives related to the overall Vision and Mission of the Department.

6. Good Governance

6.1 Rendering of Services to the Public

The following observation is made.

Audit Observation	Comments of the Accounting Officer	Recommendation
A total of 2,103 land deeds, 84, 313, 711 and 995 each, were handed over to the Delkanda Land Registrar's Office for registration with errors and defects in the years 2021, 2022, 2023 and 2024 without following the rules to be followed when writing land deeds by Notaries as stated in Section 31 of the Notary Ordinance, had been detained with the subject clerk unable to register due to not correcting their errors.	The report register for the year 2023 has been updated. The activities for the year 2024 are currently being updated, and it had been informed that actions will be taken to update the activities for the year 2021 after it is completed.	Actions should be taken to take over only the deeds written without defects to Land Registrar's Office.

7. Human Resource Management

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) Out of the approved staff of 2842 in the Department, 238 posts were vacant as at 31 December 2024 including 12 senior level posts, 82 tertiary level posts, 124 secondary level posts and 20 primary level posts. A number of 57 various posts in the Registrar General's Service had remained vacant for a long time, and officers of lower ranks had been deployed to cover the work without taking steps to fill those vacancies.	Due to the lack of officers who meet the qualifications set out in the Scheme of Recruitment for the posts of Additional Registrar General and Senior Deputy Registrar General, the posts are vacant. The approval of P.S.C has been received for the recruitment of 3 vacant Assistant Registrar General posts on merit basis, and the examination notice is being gazette. Approval has been received to recruit for the vacant posts of Land Registrars, and the date for conducting the examination is to be given by the Department of Examinations. Further, since the Department of Management Services has approved the recruitment of 17 out of the 34 vacant posts of Additional District Registrars, interviews have been called based on the marks of the examination conducted in 2021. It had been informed that the Gazette notification of the examination for the recruitment of the other 17 posts had been forwarded to the Department of Examinations for observation.	Filling of staff vacancies should be done quickly.
(b) Although the number of approved Development Officer posts as at 31 December 2024 was 400, the actual staff on that date was 1,704, and	It had been informed that the approval has been given for 1,298 Development Officer posts by the letter No.	It should ensure that staff vacancies are filled only within approved limits.

approval had been received for 1,298 posts on 29 January 2025. Accordingly, there were 406 excess posts furthermore as at 31 May 2025.

DMS/1190/Vol.III dated 29.01.2025 of the Director General of the Department of Management Services.

- (c) Although almost 05 years had elapsed since the appointment of the officer currently performing the duties of the Additional Registrar General of the Department, the qualifications for the permanent appointment of the current senior officers to that post had not been fulfilled. Officers have been attached on performing duties basis for the 2 existing Senior Deputy Registrar General posts on a full-time basis, and the qualifications for the permanent appointment of the current senior officers to those posts had not been fulfilled. This situation has arisen due to the failure of the Department to properly carry out the promotion and appointment process as scheduled, and due to this, although it has taken more than 05 years, it has not been possible to make permanent appointments to these posts and, unqualified officers without service experience have had to be appointed to perform the duties in this way.
- Due to the lack of qualified officers for the posts of Additional Registrar General and Senior Deputy Registrar General, Assistant Registrar Generals have been appointed on perform of duties basis for those posts with the approval of the Public Service Commission. It had been informed that the Service Minute is being reviewed to resolve these issues.
- Actions should be taken to produce qualified officers by making appointments and promotions within the stipulated time frame.