

Head 252 - Department of Census and Statistics - 2024

1. Financial Statements

1.1 Qualified Opinion

Head 252 - The audit of the financial statements of the Department of Census and Statistics 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 Department of Census and Statistics 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 relevant to the Department was issued to the Accounting Officer on 07 August 2025 in terms of Section 11(2) of the National Audit Act, No.19 of 2018. This report will be tabled in Parliament in pursuance of the Section 10 of the National Audit Act, No. 19 of 2018 to be 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 give a true and fair view of the financial position of the Department of Census and Statistics as at 31 December 2024, and its financial performance and cash flows and on all the materialities 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 on the matters described 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 qualified opinion.

1.3 Emphasis of Matter – Basis for preparing Financial Statements

The attention is drawn to the Note 1 related to the Financial Statements which describes the basis of preparing these financial statements. The financial statements have been prepared as per the Financial Regulation 150, 151 and the State Accounts Guideline No. 06/2024 dated 16 December 2024 amended on 21 February 2025 for the requirement of the Department of Census and Statistics, General Treasury and the Parliament. Consequently, these financial statements may not be suitable for other objectives. My report is only for the use of the Department of Census and Statistics, General Treasury and the Parliament of Sri Lanka. My opinion on this matter is not modified.

1.4 Responsibility of the Accounting Officer for the Financial Statements

The Accounting Officer is responsible for the preparation of financial statements that give a true and fair view on all the materialities in accordance with the Financial Regulation 150, 151 and the State Accounts Guideline No. 06/2024 dated 16 December 2024 amended on 21 February 2025 and for such internal control as 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 Sub-section 16(1) of the National Audit Act No. 19 of 2018, the Department of public Finance 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 of the Department

As per Sub-section 38 (1) (c) of the National Audit Act, the Accounting Officer shall ensure that effective internal control system for the financial control of the Department of Public Finance exists, and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out.

1.5 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's summary report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate and its materiality depends on the influence on economic decisions taken by users on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional 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.
- 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.
- Evaluate the structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Evaluate the overall presentation, structure and content of the financial statements, including 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.

1.6 Comments on the Financial Statements

1.6.1 Accounting Deficiencies

(a) Property, Plants and Equipment

Audit Issue	Comments of the Accounting Officer	Recommendation
(i) As 29 motorcycles at a value of Rs. 1,370,000 transferred to the officers' names after the recovery of the relevant loan amount in installments for the motorcycles provided to the field officers of the department on a loan concession basis in the year 2011 were not removed from the CIGAS inventory, the value of the property, plant and equipment included in the financial statement had been overstated by that amount.	Even if the relevant motorcycles had been transferred to the names of the officers after the loan amount for 29 motorcycles given to the field officers on a loan concessional basis in the year 2011 was recovered from them in installments, it was observed that the respective number of motorcycles had not been removed from the CIGAS inventory. The actions are being taken to further investigate about this matter and to correct the CIGAS asset register.	The steps should be taken to accurately mention the value of property, plant and equipment included in the statement of financial position.
(ii) As two vans worth Rs. 12,000,000, which had been transferred to the Department by the Ministry of Economic Development on 20 and 25 August 2020, were not included in the CIGAS fixed asset register, the value of property, plant and equipment included in the statement of financial position had been understated by that amount.	Since these two vehicles have not been included in the CIGAS asset register, the actions are being taken to include those in the CIGAS asset register in the future.	- DO -

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| (iii) | Since the items belonging to several categories amounting to a total value of Rs. 34,161,849; which should have been recognized as consumables at the end of the year under review, were recorded in the fixed assets register, the value of property, plant and equipment had been overstated by that amount. | A quantity of 10,000 items worth Rs. 12,114,923 belonging to 251 items identified as consumer goods was removed from the non-financial assets as at 31.12.2024. The consumer goods included in CIGAS inventory are further being inspected, and it is informed that the steps will be taken to remove those goods from the non-financial assets in the future. | - DO - |
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2. Report on Other Legal Requirements

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

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

3. Financial Review

3.1 Expenditure Management

	Audit Issue	Comments of the Accounting Officer	Recommendation
(a)	The total provision of Rs. 113,013,179 made for 03 capital objects had remained completely without making any utilization during the year under review.	These provisions were allocated for the tasks mentioned below. The total of Rs. 113,013,179 as Rs. 95,000,000 for the purchase of a color separation machine and a printer, Rs. 3,000,000 for software development, Rs. 1,5013,179 to purchase a Conference Kit. The activities of purchasing a printer and a color separation machine could not be completed during this year due to the population and housing census duties and election duties. As time was not adequate for the procurement activities subsequent to obtaining the relevant approvals to purchase a Conference Kit, the respective work could not be completed.	The annual expenditure estimates should be prepared accurately and rationally.

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| <p>(b) Out of the total provision amounting to Rs. 1,322,153,674 for 8 capital objects, the provision totaling to Rs. 387,450,414 had remained as at the end of the year under review, and it was observed to be in a range from 11 percent to 41 percent of the net provision that had been made for each object.</p> | <p>Due to the delay in providing estimates related to repairs, non-occurrence of major repairs to the vehicles owned by the department, incurring the expenditure on staff training for the Population and Housing Census under the said object and requiring some staff training courses to be restricted, making payments subject to the conditions stipulated in the payment circulars at the time of paying allowances to officers for survey duties, the non-execution of agricultural survey activities due to the delay in the activities of the Population and Housing Census, and the non-printing of reports related to the household survey on the quality of drinking water, the provisions have remained..</p> | <p>- DO -</p> |
| <p>(c) Out of the total provision of Rs. 74,170,500 for 08 recurrent Objects, a total of Rs. 11,132,146 had remained as at the end of the year under review, and it was observed to be in the range from 11 percent to 32 percent of the net allocation that had been made for each object.</p> | <p>Provisions have remained based on the matters that the field works in other censuses were restricted owing to the execution of the field works of the Population and Housing Census -2021, non-receipt of the approval for uniform allowance for the officers of the Printing Division, non-occurrence of minor repairs, retirement of the executive officers entitled for the transport allowance, and non-revision of the tax amounts as expected as the current value of the buildings owned by the department was not revised.</p> | <p>- DO -</p> |
| <p>(d) The supplementary estimate provisions amounting to Rs. 1,065,244 had been obtained under the Object No. 25-2507(13) for the Household Survey on Drinking Water Quality (UNICEF), and a sum of Rs. 391,244 equivalent to 37</p> | <p>Although the reports related to this survey were expected to be printed in all three languages using these provision, the said task is expected to be accomplished obtaining the provision required to print the reports from the United Nations Children's Fund as the remaining provision is not adequate for the said purpose.</p> | <p>- DO -</p> |

percent had remained.

- (e) Supplementary Estimate Provisions amounting to Rs. 8,388,430 had been obtained for the International Comparative Program (AIP) of the Asia Pacific region under Object No. 25-2507(15), and a sum of Rs. 904,900 equivalent to 11 percent thereof had remained.
- As the amount allocated for the payment of allowances to officers engaged in these survey duties had to be paid subject to the conditions stipulated in the circulars on the general payment system applied in the payment of allowances to the officers engaged in other survey duties, this provision remained.
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3.2 Public Officers' Advance B Account

	Audit Issue	Comments of the Accounting Officer	Recommendation
(a)	The loan balance outstanding from a retired officer for more than one year as at the end of the year under review was Rs. 192,880.	As the grant for the amount of Rs. 192,880 to be recovered from the retired Coding Clerk has not been received so far, this amount could not be recovered.	Carrying out follow-ups on the actions taken to settle debt balances.
(b)	The total of the loan balance remained not-collected for a period of 5 to 12 years from three officers who had left the service was Rs. 259,174 and the loan balance of more than 18 months to be recovered from one officer who had left the service was Rs. 107,200. The actions had been taken to recover the said loan balance until 30 May 2025.	A case has been filed in the Colombo District Court to recover the loan amount of Rs. 95,140 to be recovered from a Statistics Officer. The Attorney General has been consulted to seek advice in respect the amount of Rs. 59,140 to be recovered from an officer in the Office Employees' Service. The proceedings are being made as per the instructions of the Director General of Public Finance regarding the recovery of the amount of Rs. 104,250 to be recovered from another officer in the Office Employees' Service. For the recovery of the loan balance amounting to Rs. 107,200 from an officer who has left the service, the details about her has	- DO -

been requested from the OIC of Hanwella Police Station. However, no response has been received to date.

4. Operational Review

4.1 Vision and Mission

Audit Issue	Comments of the Accounting Officer	Recommendation
(a) Making contribution to the socio-economic development of the country by providing accurate timely statistics is the mission of the Department. Accordingly, uploading, printing and releasing data to the website are done by the Department and data collection for the said purpose is done through a number of censuses and surveys. However, 23 data reports scheduled to be printed had not been printed on the due date and 39 data reports scheduled to be uploaded had not been released to the website even by 02 April 2025. Also, 19 data reports had been uploaded to the website with a delay of a time range between 07 days and 6 months from the due date.	The answers had not been given.	The actions should be taken to release data reports within the specified timeframes in order to facilitate the decision-making.

4.2 Non-fulfillment of functions

Audit Issue	Comments of the Accounting Officer	Recommendation
(a) Even though the functions of development of Computer Assisted Personnel Information System (CAPI system) in relation to Demography and	The answers had not been provided.	The activities should be directed to provide timely and accurate data after properly carrying out

	Health Survey (DHS) had been performed with 100% progress by relevant division and Information Communication and Technology Division as per annual action plan, the relevant activities had not been commenced up to the end of year under review. This survey which is carried out once in 05 years had been finally performed in 2016.	census and surveys.
(b)	Even though the functions related to Cyber Security Survey Software Development should be carried out with 100% progress by Information Communication and Technology Division and Sample Survey Division, it had not been commenced the functions at the end of year under review.	-Do- -Do-

4.3 Non-Achievement of the Expected Outcome

	Audit Issue	Comments of the Accounting Officer	Recommendation
(a)	In accordance with the annual performance report, the physical progress of 05 activities of 05 divisions of department was in a range of 15%-40%.	• National Accounts Division In relation to the population and housing census – 2024, the computer program preparation activities for data collection from the logistics companies had delayed due to busy schedule of duties. • Field Management Division- Owing to the internet breakdown in department head office for a long-time due to a fault occurred in main electricity system, it couldn't be conducted this workshop via online. After that, it couldn't be conducted the annual training program due to	The action should be taken to achieve the expected output level as planned.

participation of officers for the duties of population and housing census.

• **Training Division -**

Conducting the short-term training programs inside and outside department for the supportive staff of the department -

Since the officers had been engaged for the activities of population and housing census, it couldn't be conducted the training programs as scheduled.

• **Research and Special Education Division -**

Annual magazine of official statistics related articles by Department of Censuses and Statistics of officials -

It caused the engagement of officers for the duties of the population and housing census and it had been decided to suspend the Annual Magazine until the completion of the census due to be held in the future by department.

4.4 Assets Management

Audit Issue	Comments of the Accounting Officer	Recommendation
(a) Technair type machine out of 02 precision air cooling systems required for the regulation of continuous temperature established in Server computer room which directly affects for the performance of department had been inactive since 02 years and it was observed that there is a technical error in Liebert type machine since 09 months and general cooling system in Frostair	As per the committee recommendation provided on 11 June 2025 by committee appointed for determination the carrying out the repairs effectively in accordance with the estimate of Rs.1, 236,500 submitted by an institute for repair of Technair air conditioner, a technical feasibility report should be obtained from a government approved company and the action should be taken as per its recommendations. Since the air conditioners established in server computer system were very old and those had frequently become	The all necessary steps should be taken to ensure the security of data.

type existed for temporary cooling requirement had been also inactive. Furthermore, it was observed that warranty period of UPS machine on which electricity connection is obtained for that had expired. Accordingly, it was observed that the department had not taken a formal action to ensure the security of nationally important data inside the server computers up to 30 May 2025.

non-operational, the provision for purchase of 02 air conditioners had been included in the annual estimates 2025 taking into consideration the impact on the performance of department as well as the protection of data. The provision had been allocated by the budget in April 2025. Accordingly, the tender process is being carried out for purchase an air conditioner in Frostair type.

It had been recommended by the bid evaluation committee for entering into service agreements for a amount of Rs.206,500 for a period of one year from 01.06.2025 to 31.05.2026 for UPS machine. No agreement had been entered until 12 September 2025.

- (b) 18 UPS machines had been purchased at a cost of Rs.16,320,304 on 29 December 2014 without carrying out a proper study before procurement by department and a performance security had not been obtained for that. As informed by the suppliers on 15 September 2022, the internal accessories of 11 UPS had inactivated. However, it was observed that all machines had become non-operational at the physical investigation carried out on 11 December 2024. An amount of Rs.17,034,150 had been paid under 05 agreements exceeding the purchased value for the service activities of these machines. Accordingly, it was observed that the

03 UPS machines carried to University of Moratuwa had been inspected and provided a quality report by them. Since it had been informed that a huge cost will be incurred for repair these UPS machines and it is unable to exactly say how long the machines will exist in operational level again, Department of railways had been informed to nominate an electrical Engineer for appointment of a committee on these machines. Accordingly, it is expected to take further action on these machines subsequent to receipt of the committee reports.

The management should take action to protect the valuable machines including computers which operate a large number of internationally important and valuable data and protect the data inside those machines.

computers which operate a large number of internally important and valuable data are activated unsafely without UPS machines.

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| <p>(c) The samples of 10 Laptop computers purchased at a cost of Rs.2,980,000 on 29 December 2023 had not been inspected the relevant conformity with relevant specifications and not been recommended by Technical Evaluation Committee. It had been recommended by Information Technology Division on 08 January 2024 that the all computers are not compliance with the specifications of department after receipt to department. However, the action had been taken to pay the total value on 16 February and 03 September 2024. Further; this purchase had not been included into the procurement plan 2023.</p> | <p>Since the consent for purchase of materials and equipment required for department from the amount provided by UNICEF Institute for house units survey on quality of potable water, the decision of department small procurement committee had been given to pay from that amount and from local funds for the balance. Accordingly, an amount of Rs.2, 514,000 had been paid from UNICEF fund and an amount of Rs.628, 500 had been paid from the local fund for 02 Laptops. Since the funds of UNICEF should be completely paid up to 31.12.2023, the step had been taken to write the cheques before that date. As procurement plan 2023 had been prepared on 09.01.2023, this had not been included into the said plan.</p> | <p>The purchases should be performed as per the Procurement Guidelines.</p> |
| <p>(d) Even though the information in relation to the assets purchased and disposed by institute since 2018 should be presented to Comptroller General's Office at the end of relevant quarter as per paragraphs 07 and 08 of Assets and Cost Management Circular issued by the Secretary to the Treasury No.01/2017 dated 28.06.2017, no action had been taken as</p> | <p>The instructions had been submitted to forward the information related to the assets as per circular instructions to the relevant authorized persons on due dates.</p> | <p>The action should be taken in compliance with the circular instructions.</p> |

per relevant circular within the year under review.

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| (e) | Though a valuation report for office equipment and furniture should be obtained once in five years in accordance with the paragraph 3.3 of Annexure 01 of Non-Financial Assets Management Circular No.04/2018 dated 31.12.2018 issued by the Secretary to Treasury, no action had been taken accordingly. | The actions are being taken to value the assets such as vehicles/machineries/office equipment and furniture again as per relevant circular instructions. | -Do- |
| (f) | Even though the matters had been submitted on the defects on which the material and prompt attention should be paid in the head office building by the audit report in the preceding year, the relevant defects had not been corrected until 30 May 2025. | An estimate had been called from the Department of Buildings for the waterproof. An estimate of Rs.33, 718,000 for water proof of the elevator room and the upper slab part of dining room in 10 th floor and an estimate of Rs.6, 598,000 for repair of the water leakage of concrete slab of price and salary division located in 05 th floor had been submitted as first stage and the approval had been granted for that. The provisions had been given to Department of Buildings on 16.05.2025 and 13.03.2025 respectively. As per the time frame provided, the activities should be completed up to 29 December 2025. | The material defects existed in head office building should be immediately corrected. |
| (g) | No step had been taken suitably up to 30 May 2025 on 40 air conditioners which had been idle in the printing division disclosed by my report in the preceding year. | A committee had been appointed to take a decision on these air conditioners and the action is being taken as per the committee report. | The management should take action suitably on these air conditioners which had been idle. |

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| <p>(h) As per assets register of department (CIGAS), the audit couldn't verify whether each asset exists physically in what divisions.</p> | <p>The answers had not been provided.</p> | <p>It should be verified whether the assets physically exist in what divisions.</p> |
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5. Human Resource Management

Audit Issue	Comments of the Accounting Officer	Recommendation
(a) There were 518 vacancies or 29 percent from 1,764 which was the approved cadre at the end of year under review. Similarly, no formal action had been taken to fill the necessary vacancies including 146 posts in the senior level which directly affect to the performance of the department or amend the approved cadre as per the necessity up to 30 may 2025.	Since the recruitments on open basis for the public sector had been suspended amidst the economic crisis arisen in the country, new recruitments had not been made to the department in several years. The notification for calling applications on limited basis for filling the vacancies in the posts of Statistician had been referred to the Public Service Commission dated 23.07.2024 for approval. The amended scheme of recruitment for recruitment of officers under limited basis for the 71 posts of Statistical Officer had been forwarded to the Public Service Commission on 24.10.2024 for approval.	The action should be taken to formally fill the vacancies or amend the approved cadre as per relevant provisions.