

Sri Lanka Judges' Institute - 2010

1. Financial Statements

1:1. Opinion

So far as appears from my examination and to the best of my information and according to the explanations given to me, I am of opinion that the Sri Lanka Judges' Institute had maintained proper accounting records for the year ended 31 December 2010 and except for the effects on the financial statements of the matters referred to in paragraph 1.2 of this report, the financial statements have been prepared in accordance with Generally Accepted Accounting Principles, give a true and fair view of the state of affairs of the Sri Lanka Judges' Institute as at 31 December 2010 and the financial results of its operations and cash flows for the year then ended.

1:2. Comments on Financial Statements

1:2:1. Presentation of Financial Statements

In terms of Section 10(4) of the Sri Lanka Judges' Institute Act No. 46 of 1985, the accounts for each financial year should be presented to the Auditor General within one month of the close of such financial year . Nevertheless , the accounts for the year 2010 were presented to audit only on 05 May 2011.

1.2.2 Non – compliance with Laws, Rules, Regulations and Management Decisions

Non - compliance with the following laws, rules and regulations were observed.

Reference of Laws, Rules Regulations -----	Non - compliance -----
(a) Financial Regulations	
(i) Financial Regulation 135	Action had not been taken to delegate Financial authority and furnish a copy of that to the Auditor General.

- | | |
|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (ii) Financial Regulation 452(1) | A Register of Audit Queries had not been maintained |
| (iii) Financial Regulations 756 and 757 | Action had not been taken to appoint a Board of Survey and furnish a copy of the report of the Board to the Auditor General. |
| (iv) Financial Regulations 880 and 881 | Security had not been furnished by the officers who should furnish security. |
| (b) Section 9.2 of the Public Enterprises Circular No. PED/12 of 02 June 2003 | Failure to register the approved cadre and the organization chart in the Department of Public Enterprises and the unavailability of a Scheme of Recruitment and Promotion approved by the Department of Management Services. |
| (c) Paragraph 6.1 of the Treasury Circular No. 61/2004 of 24 February 2004. | The draft Annual Report had not been furnished to the Auditor General within 60 days after the close of the year of accounts. |

2. Financial and Operating Review

2.1 Financial Review

2.1.1 Financial Results

According to the financial statements presented, the working of the Institute during the year ended 31 December 2010 had resulted in a surplus of Rs. 1,135,490 as compared with the corresponding surplus of Rs. 1,099,817 for the preceding year. Accordingly, an increase of Rs. 35,673 was observed in the surplus during the year under review.

2.2 Operating Review

2:2.1 Performance

The total staff of the Institute had been 5 and the total recurrent expenditure incurred in the year under review amounted to Rs.6,503,141. Seventeen training programmes and 33 seminars for judges had been held.

2.2.2 Corporate Plan and Action Plan

A Corporate Plan and an Action Plan had not been prepared in terms of Section 5.1.2 of the Public Enterprises Circular No. PED/12 of 02 June 2003.

3. Systems and Controls

Special attention is needed in respect of the following areas of control.

- (a) Delegation of Financial Authority
- (b) Approval of Payments
- (c) Board of Survey