

## **21. Head 21 – Auditor General**

### **21.1 Scope of Audit**

The audit of the Appropriation Account including the financial records, reconciliation statements, books, registers and other records of the Auditor General's Department for the year ended 31 December 2012 was carried out in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka. The Management Audit Report for the year under review was issued to the Head of Department on 28 April 2014. The audit observations, comments and findings on the accounts and the reconciliation statements were based on a review of the accounts and reconciliation statements presented to audit and tests of samples of transactions. The scope and extent of such review and tests were such as to enable as wide an audit coverage as possible within the limitations of staff, other resources and time available to me.

### **21.2 Responsibility of the Chief Accounting Officer for the Accounts and Reconciliation Statements**

The Chief Accounting Officer is responsible for the maintenance, preparation and fair presentation of the Appropriation Account, Revenue Account and the Reconciliation Statements in accordance with the Articles 148, 149, 150 and 152 of the Constitution of the Democratic Socialist Republic of Sri Lanka, other Statutory provisions and Public Finance and Administrative Regulations. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Accounts and Reconciliation Statements that are free from material misstatements whether due to fraud or error.

### **21.3 Audit Observation**

According to the Financial Records and Books for the year ended 31 December 2012, it was observed that except for the effects of the general observations appearing at (a) to (c) and other major audit findings appearing in paragraphs 21.4 and 21.5 herein, the Appropriation Account, Revenue Account and the Reconciliation Statements of the Auditor General's Department had been prepared satisfactorily.

(a) **Budgetary Variance**

Excess provision had been made for 03 Objects and as such the savings after the utilization of provisions amounted to Rs.2,578,513 and ranged between 83 per cent to 92 per cent of the net provisions relating to those Objects.

(b) **Revenue Account**

- (i) According to the Account presented, the arrears of revenue amounted to Rs.193,085,717 and the follow up action on the recovery of those arrears of revenue had been at a weak level.
- (ii) The arrears of revenue totalling Rs.193,085,717 as at 31 December 2012 as compared with arrears of revenue totalling Rs.162,699,335 as at 31 December 2011 indicated an increase of Rs.30,386,382 or 18.68 per cent.

(c) **Reconciliation Statement of the Advances to Public Officers Account**

According to the Reconciliation Statement as at 31 December 2012 of the Advances to Public Officers Account Item No. 02101, the balances that remained outstanding as at that date totalled Rs.2,342,900.

**21.4 Non-compliances**

Action in terms of Financial Regulation 264(1) and the provisions in the Stamp Duty Act, (Special Provision) No. 12 of 2006 had not been taken in connection with certain payment vouchers.

## 21.5 Human Resources Management

### Approved Cadre and Vacancies

The position of the cadre as at 31 December 2012 had been as follows.

Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies
(a) Senior Level	355	175	180
(b) Tertiary Level	1214	907	307
(c) Secondary Level	178	143	35
(d) Primary Level	181	125	56
Total	1928	1350	578