

22. Head 22 – Office of the Parliamentary Commissioner for Administration

22.1 Scope of Audit

The audit of the Appropriation Account including the financial records, reconciliation statements, books, registers and other records of the Office of the Parliamentary Commissioner for Administration 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 Commissioner on 06 June 2013. 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.

22.2 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 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.

22.3 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 (d) and other major audit findings appearing in paragraphs 22.4 to 22.6 herein, the Appropriation Account and the Reconciliation Statement of the Office had been prepared satisfactorily.

(a) **Presentation of Account**

The Office had not presented the following accounts by 31 March 2013.

Head / Item Number	Name of Account
22	Appropriation Account
02201	Reconciliation Statement of the Advances to Public Officers Account

(b) **Non-maintenance of Registers and Books**

The Office had not maintained a Register of Fixed Assets in accordance with the provision in the Treasury Circular No.842 of 19 December 1978.

(c) **Public Expenditure Management**

In terms of the National Budget Circular No. 155 of 30 December 2011 two per cent out of recurrent provisions out of the provisions made by Parliament for the year 2012 from the Annual Budget Estimates should have been frozen. Nevertheless, the Office had frozen only 0.78 per cent of the recurrent provision.

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

- (i) According to the Reconciliation Statement as at 31 December 2012 of the Advances to Public Officers Account Item No.02201 the balances that remained outstanding as at that date totalled Rs.62,988.
- (ii) According to the Departmental books and the Treasury computer printouts a difference of Rs.4,921 had existed over a period of 15 years. Action for the settlement of the difference had not been taken even during the year under review.
- (iii) A difference of Rs.36,758 existed between the total of the Summary of Individual Balances Classification and the balance in the Control Account.

22.4 Good Governance and Accountability

22.4.1 Internal Audit

An Internal Audit Unit had not been maintained.

22.4.2 Implementation of Audit and Management Committee

An Audit and Management Committee had not been established.

22.5 Assets Management

(a) Conduct of Annual Board of Survey

The following observations are made.

- (i) According to the Public Finance Circular No. 441 of 09 December 2009 as amended by the letter No. PF/Board of Survey/01 of 17 December 2010 of the Director General of Public Finance, the Board of Survey for the year 2012 should be conducted and the reports thereon should be furnished to the Auditor General before 31 March 2013. Nevertheless, the Office had not furnished those to audit even by 31 May 2013. The last Board of Survey conducted had been for the year 2011.
- (ii) Action in terms of the Financial Regulations and in accordance with the provisions in the Public Finance Circular No. 438 of 13 November 2009 had not been taken in connection with the shortages pointed out the other recommendations made in the Reports of the Board of Survey for the year 2011.

(b) Unsettled Liabilities

The unsettled liabilities of the Office as at 31 December 2012 amounted to Rs.51,614 and that related to a period less than one year.

22.6 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	1	1	-
(b) Tertiary Level	2	1	1
(c) Secondary Level	18	9	9
(d) Primary Level	8	2	6
(e) Others (Casual / Temporary / Contract Basis)	1	1	-
Total	30	14	16

Action had not been taken by the Office even up to the end of the year under review to fill 16 vacancies.