

## **7. Head 7 – Judicial Service Commission**

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### **7.1 Scope of Audit**

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The audit of the Appropriation Account including the financial records, reconciliation statements, books, registers and other records of the Judicial Service Commission for the year ended 31 December 2013 was carried out in pursuance of provisions of 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 Secretary on 25 September 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.

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

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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 provisions of 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.

### **7.3 Audit Observation**

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According to the Financial Records and Books for the year ended 31 December 2013, it was observed that except for the effects of the general observation appearing at (a) and other major audit findings appearing in paragraphs 7.4 to 7.6 herein, the Appropriation Account and the Reconciliation Statements of the Judicial Service Commission had been prepared satisfactorily.

**(a) Budgetary Variance**  
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The following observations are made.

- (i) The entire net provision amounting to Rs.300,000 made under 02 Objects had been saved.
- (ii) Excess provisions had been obtained for 05 Objects and as such the savings thereunder after utilizing the provisions ranged between 42 per cent and 89 per cent of the net provisions relating to those Objects.
- (iii) Expenditure exceeding the provision made for one Object had been incurred due to the non-compliance with limits.

**7.4 Good Governance and Accountability**  
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**7.4.1 Annual Procurement Plan**  
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In terms of the National Budget Circular No.28 of 26 March 2006, Annual Procurement Plan had not been prepared even by 31 December 2013.

**7.4.2 Annual Performance Report**  
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The Annual Performance Report that should be prepared by the Commission in terms of the Public Finance Circulars No. 402 of 12 September 2002 and No. 402(i) of 20 February 2004 referred to in the letter No.PF/R/2/2/3/5(4) of 10 March 2010 of the Director General of Public Finance, should have been tabled in Parliament within 150 days after the close of the financial year with a copy to the Auditor General. Nevertheless, the Performance Report for the year under review had been tabled in Parliament only on 24 September 2014.

**7.4.3 Internal Audit**  
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Internal Audit Unit had not functioned during the year under review.

#### 7.4.4 Implementation of the Audit and Management Committee

Meetings of the Audit and Management Committee had not been held during the year 2013.

#### 7.5 Assets Management

The following observations are made.

##### (a) Conduct of Annual Boards of Survey

In terms of the Public Finance Circular No.441 of 09 December 2009 as amended by the letter No.PF/Boards of Survey/ 01 of the Director General of Public Finance dated 14 December 2010, the Annual Board of Survey for the year 2013 should be conducted and the reports thereon should be furnished to the Auditor General before 31 March 2014. Nevertheless, those reports had been furnished to audit only on 13 October 2014.

##### (b) Irregular Use of Assets of other Institutions

A motor vehicle valued at Rs.800,000 belonging to the Ministry of Justice had been used by the Commission without a proper approval.

#### 7.6 Human Resources Management

##### Approved Cadre and Actual Cadre

The position of the cadre as at 31 December 2013 was as follows.

Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies	Excess
(i) Senior Level	12	09	03	-
(ii) Tertiary Level	03	01	02	-
(iii) Secondary Level	54	33	21	-
(iv) Primary Level	24	16	08	-
(v) Other (contract basis)	-	01	-	01
<b>Total</b>	<b>93</b>	<b>60</b>	<b>34</b>	<b>01</b>

The following observation is made.

Action had not been taken to fill 34 vacancies as at the end of the year under review.