

Report of the Auditor General on Head 183- Ministry of Public Relations and Public Affairs Year 2014

Paragraphs 1 and 2 of this report contain the general information on the Accounts of the Ministry and the audit observations of the Head appear in paragraph 3.

1.1 Scope of Audit

The audit of the Appropriation Account and the Reconciliation Statements including the financial records, , books, registers and other records of the Ministry of Public Relations and Public Affairs for the year ended 31 December 2014 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 Secretary to the Ministry on 29 July 2015. The audit observations, comments and findings on the accounts and the reconciliation statements were based on a review of the Accounts and the 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.

1.2 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 provisions in 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.

2. Accounts

2.1 Appropriation Account

Total Provision and Expenditure

Out of the total net provision of Rs.376.7 million made for the Ministry, a sum of Rs.335.4 million had been utilized by the end of the year under review. Accordingly, the savings amounted to Rs.41.3 million or 10.9 per cent of the net provision. Details appear below.

Expenditure	As at 31 December 2014			
	Net Provision	Utilization	Saving	Saving as a Percentage of Net Provision
	Rs. Million	Rs. Million	Rs. Million	
Recurrent	78.7	72.0	6.7	8.51
Capital	298.0	263.4	34.6	11.61
Total	376.7	335.4	41.3	10.96

2.2 Advance Account

2.2.1 Advances to Public Officers Account

Limits Authorized by Parliament

The limits authorized by the Parliament and the actual amounts of the Advances to Public Officers Account of the Ministry are given below.

Item Number	Expenditure		Receipts		Debit Balance	
	Maximum Limit	Actual	Minimum Limit	Actual	Maximum Limit	Actual
	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
18301	3.0	2.4	0.3	1.3	7.0	3.9

2.3 General Deposit Account

The balance of the General Deposit Account No.6000/0000/00/0015/0195/000 of the Ministry as at 31 December 2014 amounted to Rs.11.5 million.

2.4 Audit Observation

According to the Financial Records and Books of the Ministry of Public Relations and Public Affairs for the year ended 31 December 2014, it was observed that subject to the audit observations appearing in Management Audit Report referred to in Paragraph 1.1, the Appropriation Account and the Reconciliation Statement have been prepared satisfactorily. The material and important observations out of the observations included in that Management Audit Report appear in Paragraph 3.

3. Head 183- Ministry of Public Relations and Public Affairs

3.1 Appropriation Account

The following observations are made.

- (a) The entire net provisions totalling Rs.350,000 made for 02 Objects had been saved.
- (b) Excess provisions had been made for 12 Objects and as such the savings, after the utilization of provisions, ranged between 30 per cent to 84 per cent of the net provisions relating to those Objects.

3.2 Good Governance and Accountability

3.2.1 Annual Procurement Plan

The Annual Procurement Plan in terms of the Circular No. 128 of 24 March 2006 of the Department of National Budget had not been prepared even by 31 December 2014.

3.3 Assets Management

Differences between the values in the Stock book and the actual values in the Board of Survey Report as at 31 December 2014 were observed during the course of an audit test check of the assets of the Ministry.

3.4 Non-compliance

Non-compliance with Laws, Rules Regulations etc.

Instances of non-compliance with the provisions in laws, rules and regulations observed during the course of audit test checks are analysed below.

Reference to Laws, Rules and Regulations	Value	Non-compliance
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	Rs.	

(a) Financial Regulations of the Democratic Socialist Republic of Sri Lanka		

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|------------------------------|---------|--|
| (i) Financial Regulation 104 | 782,111 | Inquiries had not been held and reports furnished in connection with an accident caused to a motor vehicle on 21 April 2014. |
|------------------------------|---------|--|

- (ii) Financial Regulation 1642 The accident caused to a motor vehicle on 21 April 2014 had not been report to the Police.
- (iii) Financial Regulation 1646 Daily Running Charts and the Monthly Performance Summaries relating to 12 motor vehicles had not been furnished to the audit by 31 December 2014.
- (b) **Public Administration
Circulars**

- Circular No.62/89 dated 27 419,055 Even though one copy of daily
December 1989 newspapers (at least 2 of the 3
languages)could be purchased. 13
varieties of daily newspapers had
been purchased daily during the
year 2014.
- (c) **Public Finance Circulars**

- Circular No.431 of 24 April 880,000 The arrangements for the foreign
2008 travel of the Minister and his
Private Secretary from 5 May to 15
May 2014 had been made by a
private company.
- (d) **Cabinet Memorandums**

- (i) Cabinet Decision No. 863,590 Even though all publicity notices
04/0427/020/002 of 12 should be carried out through the
May 2004 Media Institutions of the
Government, those had been done
through 04 private companies.

3.5 **Management Weaknesses** -----

The salaries of the casual staff of the Ministry for the year 2014 had been paid on the assumption that they had reported for duty every day. But an Attendance Register had not been maintained for them. In the payment of salaries it was observed that the salaries of certain officers had been obtained by other officers instead of the officer concerned in certain instances.

3.6 Human Resources Management

Approved Cadre and Actual Cadre

The position of the cadre as at 31 December 2014 had been as follows.

Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies
(i) Senior Level	06	03	03
(ii) Tertiary Level	40	23	17
(iii) Secondary Level	08	06	02
(iv) Primary Level	12	11	01
Total	66	43	23

The Ministry had not taken action to fill 23 vacancies even by the end of the year under review.