

21 Head 19- Office of the Leader of the Opposition of Parliament

21.1 Non- maintenance of Registers and Books

It was observed during the course of audit test checks that the Office had not maintained the following registers while certain other registers had not been maintained in the proper and updated manner.

Type of Register	Relevant Regulation	Observations
Register of Fixed Assets	Treasury Circular No.842 of 19 December 1978	Not updated
Register of Fixed Assets on Computers, Accessories and Software	Treasury Circular No.IAI/2002/02 of 28 November 2002	Not updated.
Register of Audit Queries	Financial Regulation 452(1)	Not maintained
Register of Official Telephones	Financial Regulation 845(1) and Appendix 26	Not maintained
Register of Losses	Financial Regulation 110	Not maintained
Register of Counterfoil Books	Financial Regulation 341 Form GAN 20	Not maintained
List of Motor Vehicles	Financial Regulation 1647(e)	Not maintained
Register of Attendance of the Procurement Committee and the Technical Evaluation Committee.	Government Procurement Guidelines- Guideline 2.11.2 and Procurement Manual 2.11.3	Not maintained
Minutes of Committee Meetings	Government Procurement Guidelines- Guideline 2.11.3(a) and Procurement Manual 2.11.3	Not maintained
Register of Bid Invitation	Government Procurement Guidelines- Guideline 5.2.1 and Procurement Manual 5.2.1	Not maintained

21.2 Replies to Audit Queries

Replies to 4 audit queries issued to the Office during the year under review and one audit query issued in the preceding year had not been furnished even by 31 March 2015.

21.3 Appropriation Account

Budgetary Variance

The following observations are made.

- (a) The entire net provision of Rs.100,000 made for one Object had been saved.
- (b) Excess provisions had been made for 6 Objects and as such the savings, after utilization of provisions, ranged between 13 per cent to 96 per cent of the net provisions relating to the respective Objects

1.4 Good Governance and Accountability

21.4.1 Annual Action Plan

Even though the Office should prepare an Annual Action Plan in terms of the Public Finance Circular No.01/2014 of 17 February 2014, the Annual Action Plan for the year under review had not been prepared.

21.4.2 Annual Procurement Plan

The Annual Procurement Plan in terms of the National Budget Circular No.128 of 24 March 2006 had not been prepared.

21.4.3 Internal Audit

An Internal Audit Unit had not been established

21.4.4 Audit and Management Committee

The Audit and Management Committee had not been established.

21.5 Unsettled Liabilities

The unsettled liabilities of the Office less than one year old as at 31 December 2014 amounted to Rs.1,259,883.

21.6 Non-compliances

Non-compliance with Laws, Rules and Regulations

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 Law, 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 94 (1)	441,809	Liabilities exceeding the provisions made under 2 Objects had been incurred.
(ii) Financial Regulation 104 (3)	111,580	The Preliminary Reports to be furnished in connection with the losses resulting from accidents to motor vehicles had not been furnished.
(iii) Financial Regulation 104 (4)	1,038,364	The Final Report that should be furnished within 3 months from the date of the loss had not been furnished

(b) Public Finance Circulars

Paragraph 3 of the Public Finance Circular No.PF/437 of 18 September 2009

706,332 All insurance cover required by all institutions in the Public Sector should be obtained directly either from the National Insurance Trust Fund or the Sri Lanka Insurance Corporation. But the service of an Insurance Agent had been obtained for insuring motor vehicles.

(c) Circulars of the Ministry of Finance and Planning

(i) Paragraph 6 of the Circular No.1/2010/01 of 11 October 2010

277,724 Overpayment of incidental and combined allowances had been made for foreign study tours

(ii) Sub-paragraph 9(iii)

231,437 The allowances not entitled out of the allowances obtained for a foreign tour had not been refunded.

21.7 Transactions of Contentious Nature

Certain transactions entered into by the Office had been of contentious nature. The particulars of one such transaction observed during the course of test checks are given below.

According to Paragraph 3 of the Public Expenditure Circular No.CA/1/17/1 of 14 May 2010 the number of motor vehicles entitled according to the post is 3. But 6 Motor vehicles had been assigned to the post. In addition, a sum of Rs.103,460 had been spent in 4 instances for the Procurement of motor vehicles on hire basis.

21.8 Irregular Transactions

Certain transactions entered into by the Office had been devoid of regularity. One such instance observed is given below.

Deviation from the Government Procurement Procedure

Purchase of 10,500 New Year Greeting Cards and 22,000 Vesak Greeting Cards had been made for an Official purpose. The purchase had been made for Rs.1,673,350 based on the quotation published by an institution without following the provisions in the Guideline 2.14.1 of the Government Procurement Guidelines.

21.9 Uneconomic Transactions

The particulars of a transaction entered into devoid of economy revealed during the course of audit test checks are given below.

Heavy expenditure had been incurred in the preceding years for repair of motor vehicles older than 10 years without identifying the uneconomical motor vehicles in accordance with paragraph 1.1 of the Public Finance Circular No.353(5) of 31 August 2004. Expenditure of Rs.1,114,320 had been incurred in that connection even during the year under review.

21.10 Unresolved Audit Paragraphs

Reference to the Audit Paragraphs on which the Office had not rectified the deficiencies, out of those pointed out in the paragraphs included in the Reports of the Auditor General on the Office, is given below.

Reference to the Reports of the Auditor General		Subject under reference
Year	Paragraph Number	
2013	1.6 (a)(i)	An Officer who had proceeded abroad without obtaining approval for leave had been paid the full salary and allowances for the period spent abroad.

- 1.6 (a) (iv) Finger Print machines had not been used for confirmation of the times of arrival and departure.
- 1.6 (a) (iv) Even though an officer had been abroad for more than one month, the fuel allowance for that period had been paid to her.
- 1.6 (a) (iv) Uniform allowance had been paid contrary to the Circular provisions.
- 1.6 (a) (v) Overpayment of incidental and combined allowances had been made for proceeding abroad.
- 1.6 (a) (vi) The approval of the Cabinet of Ministers had not been obtained for the payments made exceeding the estimated amount for the construction of the building for the Office of the Leader of Opposition.
- 1.6 (a) (vii) Action in terms of the provision in the Government Procurement procedure had not been taken for the purchases made.
- 1.7 (i) The allowance of Rs.750 paid for transport difficulties for the days of Parliament sittings had been paid to officers entitled to official motor vehicles as well.
- 1.7 (ii) Ten salary increments in addition to the annual increment had been paid in four instances.
- 1.7 (iii) A sum of Rs.3,150,000 had been paid in 4 instances, contrary to the terms of the agreement on the repairs carried out to the Office of the Leader of Opposition.

21.11 Human Resources Management

Actual and Approved Cadre

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

Category of Employee	Approved Cadre	Actual Cadre	Number of Vacancies
(i) Senior Level	03	02	01
(ii) Tertiary Level	11	06	05
(iii) Secondary Level	21	21	-
(iv) Primary Level	17	16	01
(v) Others(Casual/Temporary / Contract Basis)	10	10	-
Total	62	55	07
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The Office had not taken action to fill 07 vacancies as at the end of the year under review.