

Report of the Auditor General on Head 8- National Police Commission- Year 2015

The audit of the Appropriation Account and the Reconciliation Statements including the financial records, books, registers and other records of the Head 8 National Police Commission for the year ended 31 December 2015 was carried out in pursuance of provisions in Article 154(1) of the Democratic Socialist Republic of Sri Lanka. The Management Audit Report for the year under review was issued to the Secretary of the Commission on 26 July 2016. The audit observations, comments and findings on the accounts and 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.

1.2 Responsibility of the Chief Accounting Officer on the Accounts and the 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 Article 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. The responsibility includes, designing, implementing, 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

The total net provision made for the Commission amounted to Rs.47.03 million and out of that Rs.41.18 million had been utilized by the end of the year under review. Accordingly, the savings out of the total net provision of the Commission had been Rs.5.85 million or 12.44 per cent. Details appear below.

Expenditure	As at 31 December 2015			Savings as a percentage of Net Provision
	Net Provision	Utilization	Savings	
	Rs. Millions	Rs. Millions	Rs. Millions	
Recurrent	45.68	40.37	5.31	11.62
Capital	1.35	0.80	0.55	40.74
Total	47.03	41.18	5.85	12.44

2.2 Advance Account

2.2.1 Advances to Public Officers Account

Limits Authorized by Parliament

The limits authorized by Parliament for the Advances to Public Officers Account Item No.00801 of the Commission and the actual amounts are given below.

Expenditure		Receipts		Debit Balance	
Maximum Limit	Actual	Minimum Limit	Actual	Maximum Limit	Actual
Rs.Millions	Rs.Millions	Rs.Millions	Rs.Millions	Rs.Millions	Rs.Millions
2.00	1.51	1.30	1.54	7.00	4.61

2.3 Audit Observation

The Appropriation Account and Reconciliation Statements for the year ended 31 December 2015 of the National Police Commission have been satisfactorily prepared subject to audit observations appearing in the Management Audit Report as stated in paragraph 1.1 above. The material and significant Audit Observations out of the Audit Observations included in that Management Audit Report appear in paragraph 3.

3. Material and Significant Audit Observations

3.1 Non- maintenance of Registers and Books

It was observed at the audit test checks that the following registers had not been maintained by the Commission in the proper and updated manner.

Type of Register	Relevant Regulation
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(a) Register of Fixed Assets	Treasury Circular No.842 of 19 December 1978
(b) Register of Fixed Assets on Computers, Software and Accessories	Circular No.IAI/2002/02 of 28 November 2002

3.2 Appropriation Account

Budgetary Variance

The following observations are made.

- (a) Excess provisions had been made for 13 Objects, and as such, the savings, after utilization of provisions ranged from 14 per cent to 95 per cent of the net provision relating to the respective Objects.
- (b) The entire net provision of Rs.100,000 made for an Object had been saved.

3.3 Good Governance and Accountability

3.3.1 Annual Procurement Plan

The Procurement Plan for the year 2015 had not been prepared in terms of the National Budget Circular No.128 of 24 March 2006.

3.3.2 Internal Audit

An Internal Audit Unit had not been operated in the National Police Commission.

3.3.3 Audit and Management Committee

Audit and Management Committees had not been established in the year under review by the National Police Commission.

3.4 Assets Management

The following deficiencies were observed in the audit test check conducted relating to the assets of the Commission.

(a) Conduct of Annual Board of Survey

Action had not been taken in terms of Financial Regulations relating to the items that should be eliminated pointed out in the Boards of Survey Reports relating to the year.

(b) Unsettled Liabilities

Even though unsettled liabilities amounting to Rs.346,037 remained as at 31 December 2015, a sum of Rs.251,742 had been stated as unsettled liabilities in the Appropriation Account. As such, liabilities amounting to Rs.94,295 had been understated in the Appropriation Account.

3.5 Performance

The following observations are made relating to the performance of the Commission.

(a) The period that the Commission remained inoperative

The Commission remained inoperative for a period of about 08 months due to not appointing members even by 15 October 2015 after the expiry of the official period of the members of the Commission on 21 February 2015. The expected objectives of establishing the Commission had not been achieved during that period.

(b) Inquiry of Complaints

Four hundred and sixty seven complaints had been received by 11 offices of the National Police Commission in the year under review as given below.

Nature of the Complaint	Number of Complaints
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Not taking action by the Police	150
Assault	10
Inflicting torture	02

Misuse of power	113
Oppression of women and children	108
Other	34
Bribery and corruption	02
Partiality	08
False charges	19
Illegal detention	21

Total	467
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Seventy six out of those complaints or 16 per cent had been resolved in the year under review and 391 complaints or 84 per cent had not been resolved.

3.6 Human Resources Management

----- Approved Cadre and Actual Cadre -----

The position on the cadre as at 31 December 2015 had been as follows.

Category of Employees -----	Approved Cadre -----	Actual Cadre -----		Number of Vacancies -----
		Permanent -----	Contract Basis -----	
Senior Level	25	03	13	09
Tertiary Level	03	01	-	02
Secondary Level	50	32	02	16
Primary Level	16	12	-	4
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Total	94	48	15	31
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