

**Report of the Auditor General on Head 167 – Ministry of Special Assignments
Year 2016**

The audit of the Appropriation Account and the Reconciliation Statements including the financial records, books, registers and other records of the Head 167 – Ministry of Special Assignments for the year ended 31 December 2016 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 24 July 2017. 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.

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

The total net provision made for the Ministry amounted to Rs.193.00 million and out of that, a sum of Rs.72.09 million had been utilized by the end of the year under review. Accordingly, the savings out of the net provisions of the Ministry amounted to Rs.120.91 million or 62.65 per cent. Details are given below.

Expenditure -----	As at 31 December 2016 -----			Savings as a Percentage of Net Provision -----
	Net Provision ----- Rs.Millions	Utilization ----- Rs. Millions	Savings ----- Rs. Millions	
Recurrent	85.20	59.65	25.55	29.99
Capital	107.80	12.44	95.36	88.46
Total	193.00	72.09	120.91	62.65

2.2 Advances to Public Officers Account

Limits Authorized by Parliament

The limits authorized by Parliament for the Advances to Public Officers Account, Item No.16701 relating to the Ministry 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
2.50	1.32	0.20	0.71	10.00	3.23

2.3 Audit Observation

The Appropriation Account and Reconciliation Statements of the Ministry of Special Assignments for the year ended 31 December 2016 have been prepared satisfactorily, subject to the audit observations appearing in the Management Audit Report referred to 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 Appropriation Account

Budgetary Variance

The following observations are made.

- The entire net provision amounting to Rs.1.60 million made for 05 Objects had been saved.
- Excess provision had been made for 13 Objects and as such the savings, after the utilization of provisions, ranged between 55 per cent and 99 per cent of the net provisions relating to the respective Objects.

3.2 Human Resources Management

Approved Cadre and Actual Cadre

The position on the cadre as at 31 December 2016 had been as follows.

Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies	Excess
(i) Senior Level	08	05	03	-
(ii) Tertiary Level	15	08	07	-
(iii) Secondary Level	03	01	02	-
(iv) Primary Level	13	06	07	-
(v) Other	3	07	-	04
Total	42	27	19	04