

## **Head 203- Report of the Auditor General on the Department of Christian Religious Affairs – Year 2017**

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The Appropriation Account and the Reconciliation Statement under Head and Item Number stated in the First Schedule and Third Schedule of the Appropriation Act, No. 24 of 2016 as amended by the Appropriation (Amendment) Act, No.32 of 2017 were presented to Audit by the Department of Christian Religious Affairs. The financial and physical performance reflected by those accounts and the reconciliation statements were audited in terms of Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

### **1.2 Responsibility of the Chief Accounting Officer for the Financial Management and Accountability**

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The Minister of Finance is charged with the raising of Revenue and the collection of other Government monies as well as with the general oversight of all the financial operations of Government in terms of Financial Regulation 124 of the Democratic Socialist Republic of Sri Lanka. The Chief Accounting Officers have been appointed by the Minister of Finance to discharge the above responsibility in terms of Financial Regulation 124(2). The Head of the Department will be the Accounting Officer in respect of all the financial transactions of his Department in terms of Financial Regulation 125(1)(a) and the Revenue Accounting Officer has been appointed by the Treasury. This responsibility includes designing, implementing and maintaining internal controls relevant to the maintenance, preparation and fair presentation of Accounts and Reconciliation Statements presented within the limitations imposed by Parliament 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, Government Financial Regulations and Administrative Regulations.

### **1.3 Scope of Audit**

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The audit of The Department of Christian Religious Affairs – Head 203 for the year ended 31 December 2017 was carried out in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka in respect of designing of financial and physical performance, Government expenditure, Government revenue, management of human and physical resources, apply of internal control systems, compliance with laws, rules and regulations and maintenance of books, registers, records and reconciliation statements in an updated manner, preparation and presentation of accounts in timely manner, issuance of performance reports to respective parties based on the performance indicators. The Management Audit Report for the year under review was issued to the Director of the Department on 30 July 2018. The audit observations, comments and findings on the accounts and the reconciliation statements were based on a review of the plans, accounts, reconciliation statements and performance reports 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.

## 1.4 Audit Observation

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The material and significant audit observations out of the audit observations of the Department of Christian Religious Affairs for the year ended 31 December 2017 revealed in audit appear in paragraph 2.1 to 2.5 of this report. It was observed that the accountability as the Accounting Officer had been satisfactorily executed, to ensure the adequacy of the financial administration subjected to the following summarized audit observations revealed in the execution of the provisions of the Financial Regulations 128 of the Financial Regulations of the Democratic Socialist Republic of Sri Lanka.

	Accountability of the Accounting Officer in terms of Financial Regulation 128(1)	Non-compliance with that Provision by the Accounting Officer	Reference to the Paragraph of the report which included the Observation
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Financial Regulations			
128(1)(a)	The work of his department is planned and carried out with due despatch, having regard to the policy laid down by the Government and the intentions of Parliament in granting him financial provision for the activities authorised, and that an endeavour is made to complete the programme of work laid down for the year and /or to attain the targets specified.	The Action Plan had not been prepared accurately.	2.1
128(1)(i)	The activities of his department are under taken with due regard to economy, efficiency, propriety and integrity expected in the transactions of public business.	Management Weaknesses	2.2
128(1)(m)	An Appropriation Account is rendered to the Chief Accounting Officer at the end of the financial year in respect of each programme of a Head of Expenditure for which he is responsible as Accounting Officer.	Over provisions made	2.6(b)

## 2. **Material and Significant Audit Observations**

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### 2.1 **Performance**

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#### **Planning**

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The Action Plan for the year 2017 had been prepared in terms of the Public Finance Circular No.01/2014 dated 17 February 2014. Accordingly, there were 37 main roles fulfilled by the Department in the year under review. However, the expected outputs/outcome had not been estimated and mentioned in the activities prepared in the Action Plan which had been prepared for the obtaining of the expected outcomes.

### 2.2 **Management Weaknesses**

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The following observations are made.

- (a) It was observed that the money granted for the payment of Daham Teachers allowances had been saved due to failure to present the accurate quantitative information on Daham Teachers by the Archbishops of dioceses.
- (b) In conducting of the English Medium National Competition on Bible Daham Knowledge , it had to be given the equal marks and equal prizes for the first, second and third winners due to an error in the competition criteria given for the Colombo diocese.
- (c) A sum of Rs.41,721 had been granted exceeding the estimated money for the 2 dioceses Colombo and Rathnapura in granting money for the dioceses for the Bible Daham Knowledge Competition .

### 2.3 **Utilization of the Provisions Provided by the Parliament for the Execution of the Duties.**

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The information of the provisions provided to the Department within the period of 05 years at the end of 31 December 2017, and the utilization and savings are given below.

<b>Year</b>	<b>Type of Expenditure</b>	<b>Net Provision</b>	<b>Utilization</b>	<b>Savings</b>	<b>Savings as a percentage of Net Provision</b>
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		Rs.millions	Rs.millions	Rs.millions	
2013	Recurrent	81.40	61.23	20.17	24.78
	Capital	30.00	26.94	3.06	10.20
	<b>Total</b>	<b>111.40</b>	<b>88.17</b>	<b>23.23</b>	<b>20.85</b>
2014	Recurrent	126.77	123.63	3.14	2.48
	Capital	21.84	21.29	0.55	2.52
	<b>Total</b>	<b>148.61</b>	<b>144.92</b>	<b>3.69</b>	<b>2.48</b>
2015	Recurrent	125.28	123.04	2.24	1.79
	Capital	24.22	23.51	0.71	2.93
	<b>Total</b>	<b>149.50</b>	<b>146.55</b>	<b>2.95</b>	<b>1.97</b>
2016	Recurrent	152.27	137.91	14.36	9.43
	Capital	24.10	21.83	2.27	9.42
	<b>Total</b>	<b>176.37</b>	<b>159.74</b>	<b>16.63</b>	<b>9.43</b>
2017	Recurrent	187.08	159.98	27.10	14.4
	Capital	57.77	49.44	8.34	14.4
	<b>Total</b>	<b>244.85</b>	<b>209.42</b>	<b>35.44</b>	<b>14.4</b>

The following observations are made in this connection.

(a) **Appropriation Account**

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**Excess Provisions Made**  
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Even though , the total net provision for the execution of 2 Recurrent Objects and 4 Capital Objects had been made by the Department, the total provision could not be utilized due to non – availability of expected expenses , non-receiving of imprest at the end of the year under review. As such, the savings out of the net provision amounting to Rs.8,369,541 or ranged between 12 per cent to 86 per cent of the net provision.

## 2.4 Advances to Public Officers Account

### Limits Authorized by Parliament

The limits authorized by Parliament for the Advances to Public Officers Account Item No.20301 of the Department and the actual values 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
3.00	2.10	0.70	0.94	10.00	4.91

## 2.5 Human Resources Management

### 2.5.1 Approved Cadre, Actual Cadre and Expenditure on Personal Emoluments

The particulars relating to the approved cadre, actual cadre, vacancies and the excess cadre as at 31 December 2017 for the execution of the duties mentioned in the Paragraph 2.1 are given below. The Department had incurred a sum of Rs.19 million for the Object of personal emoluments for the year under review. Accordingly, the per capita expenditure had been Rs.475,000.

	Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies
(i)	Senior Level	03	02	01
(ii)	Tertiary Level	01	-	01
(iii)	Secondary Level	55	34	21
(iv)	Primary Level	07	04	03
	<b>Total</b>	<b>66</b>	<b>40</b>	<b>26</b>