

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Port Management Consultancy Service (Private) Limited (“Company”) for the year ended 31 December 2022 comprising the statement of financial position as at 31 December 2022 and the statement of profit and loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018. My comments and observations which I consider should be report to Parliament appear in this report.

In my opinion, except for the effects of the matters described in Paragraph 1.5 of this report, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Financial Reporting Standard for Small and Medium-sized Enterprises (SLFRS for SMEs).

1.2 Basis for Qualified Opinion

My opinion is qualified on the matters described in Paragraph 1.5 of this report.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Financial Reporting Standard for Small and Medium-sized Enterprises (SLFRS for SMEs), and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

As per Section 16(1) of the National Audit Act No. 19 of 2018, the Company is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Company.

1.4 Audit Scope (Auditor's responsibility regarding the audit of Financial Statements)

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The scope of the audit also extended to examine as far as possible, and as far as necessary the following;

- Whether the organization, systems, procedures, books, records and other documents have been properly and adequately designed from the point of view of the presentation of information to enable a continuous evaluation of the activities of the Company, and whether such systems, procedures, books, records and other documents are in effective operation;
- Whether the Company has complied with applicable written law, or other general or special directions issued by the governing body of the Company;
- Whether the Company has performed according to its powers, functions and duties; and
- Whether the resources of the Company had been procured and utilized economically, efficiently and effectively within the time frames and in comply with the applicable laws.

1.5 Audit Observations on the preparation of Financial Statements.

1.5.1 Internal Control over the preparation of Financial Statements.

Entities are required to “devise and maintain” a system of internal accounting controls sufficient to provide reasonable assurance that, transactions are executed in accordance with management’s general or specific authorization, transactions are recorded as necessary to permit preparation of financial statements in conformity with the applicable reporting standards, and to maintain accountability for assets, access to assets is permitted only in accordance with management’s general or specific authorization, and the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

1.5.2 Non- compliance with the Sri Lanka Financial Reporting Standard for Small and Medium-sized Enterprises (SLFRS for SMEs).

Non- compliance with the reference to particular Standard	Management Comment	Recommendation
(a) The residual value or useful life of assets should be reviewed at least at the end of each financial year in accordance with Section 17.19 of the Sri Lanka Financial Reporting Standard for Small and Medium-sized Enterprises (SLFRS for SMEs), and if the expected life differs from the previous estimate, the useful life should be re-estimated. Therein, although the method of depreciation and useful life should be changed accordingly, the assets which were fully depreciated and accounted for valued at Rs.1,613,975 were further being used without being reviewed.	Most of the furniture and computers here were bought in 2011 or earlier. During physical verification, we have found that the certain assets are in very dilapidated condition. Actions will be taken to review the fixed assets of the Company in the year 2025 and arrangement will be made to identify the assets that can be used in the future and to determine their useful life.	The Company's fixed assets should be reviewed at the end of each financial year in accordance with the Sri Lanka Financial Reporting Standard for Small and Medium-sized Enterprises (SLFRS for SMEs).
(b) The Company should disclose the liabilities that have a possibility of outflow of the Company's resources	A final judgment has not yet been received regarding the relevant case and since the	Company should make disclosures as per Section 21.15 and take

in the settlement of liabilities in the financial statements in terms of Section 21.15 of the Sri Lanka Financial Reporting Standard for Small and Medium-sized Enterprises (SLFRS for SMEs) and although the Company had to responsible for a contingent liability amounting to Rs.28,902,456 as per the judgment of the case filed due to the dispute arising out of an agreement entered in to the Company and the private party, any disclosure or provision in this regard had not been made in the financial statements in terms of the Section 21.12.

Board of Directors of the Company had not accepted the judgment given by the District Court as the final judgment, it is under appeal and still being heard in the Supreme Court. Because of the judgment is not given yet, a payment or a value payable cannot be determined. If the judgment of Supreme Court will not receive in the next year, arrangements will be made to disclose regarding this matter in the accounts in the next year under the contingent liabilities.

steps in accordance with Section 21.12 of the Sri Lanka Financial Reporting Standard for Small and Medium-sized Enterprises (SLFRS for SMEs).

1.5.3 Accounting Policies

Audit Issue

The Company had passed 364 journal entries valued at Rs.267,905,445. Lack of a proper policy, lack of narration for all journal entries and lack of supporting documents for 13 journal entries valued at Rs.4,594,858 were observed.

Management Comment

There are 13 cases where journal entries were passed by the Company, and each journal entry was checked and approved by the Accountant of the Company. Arrangements are being made to prepare a policy for applying journal entries and bring in to account and to obtain the approval from the Board of Directors.

Recommendation

A proper policy should be prepared for passing the journal entries and the Company should take actions to enter the relevant expenditure in the ledger accurately.

1.5.4 Accounting Deficiencies

Audit Issue

- (a) The Company had decided to write off the deposits and receivables of a private and public institution in relation with 03 cases totalled to Rs.928,971 without obtaining proper approval in terms of Paragraph 6.9 of the Operational Manual of Public Enterprises Circular No. 01/2021 of the Ministry of Finance dated 16 November 2021.

Management Comment

As the Company does not have any necessary information to confirm the receivable balances of Rs.23,626 and Rs.25,000 and irrecoverable balances receivable from two private entities for a long time and existing of the problems to be recovered, the Accountant

Recommendation

The Management should make arrangements as per the instructions given in the relevant circular.

had requested the Chairman's approval to make a 100% impairment provision and approval of the Chairman has been received.

However, actions will be taken to make such provisions with the approval of the Board of Directors in the future.

- (b) Although the Company should calculate the gratuity to be paid to an employee who has completed not less than 05 years of service under the employer with regard to that service and should pay him and his heirs within 30 days from the date of resignation from the service in terms of Gratuity Act No. 12 of 1983, an amount of Rs.1,281,960 had not been paid even by 31 December 2022 for 08 employees who had resigned from the service in the year 2021. Although a thirty per cent surcharge should be paid out of the gratuity payable in case the gratuity is in arrears for more than 12 months from the due date in terms of payments of Gratuity (Amendment) Act No. 62 of 1992, the provisions had also not been made for the surcharge of Rs.384,588 to be paid by the Company for the arrears of gratuity.
- The Board of Directors has called for a report from the Consultant / Director (Human Resource and Administration) regarding non-submission of these gratuities to the Payment Division in timely manner. An internal investigation is already being conducted against the concerned officials regarding the late submission of this for payment purposes. Based on the recommendations of the investigation report, it is up to the Board of Directors to decide whether the payment of the relevant surcharge is an expense of the Company or a recovery from the culprit. Since it is not possible to identify this as an expenses of the Company specifically until then, a provisions has not been made.
- The Company should make arrangements as per the instruction given in the Gratuity Act.

1.5.5 Unreconciled Control Accounts or Records

As per Financial Statements	As per Corresponding Record	Difference	Management Comment	Recommendation
It had been stated that, the amount receivable from the Sri Lanka Port Authority for the services provided by	The amount payable to the Sri Lanka Port Authority and	There was a difference of Rs.7,259,630 in the amount receivable	The Company has made arrangements to issue the relevant invoices for the services provided to	The Management should make arrangements to negotiate with the Port Authority and

the Company and the amount payable to the Port Authority as service commission (Revenue Sharing) were Rs.85,374,146 and Rs.940,230 respectively in the financial statements as at 31 December 2022.

the amount receivable from the Company has been stated as Rs.78,114,516 and Rs.7,609,035 respectively as at that date.

the Sri Lanka Ports Authority in the year 2022, and they were accounted for in order to recognize the revenue for the stipulated period as per SLFRS for SMEs. Although we have forwarded a report to the Chief Financial Officer of the Port Authority with the balances and invoice numbers for the services related to the year 2022, the accounting related information of the Port Authority is not available in the Company.

reconcile the balances and to have accurate balances.

1.5.6 Documentary Evidence not made available for Audit

Evidence not available for Audit	Management Comment	Recommendation
Due to non-presentation of balance confirmations, the existence and accuracy of Rs.5,773,758 receivable from 4 debtors and Rs.45,847,659 payable to 11 creditors could not be verified during the year under review.	The Company has sent letters to the relevant parties asking them to verify the balances. The amounts payable have been accounted for based on the balances of the invoices issued by those institutions to our Company in relation to the services they provided for the year 2022. Since the payments have been made in relation with those balances, the confirmation of those payments can also be submitted for audit.	The Company should take steps to get the relevant balance confirmation.

1.6 Accounts Receivable and Payable

1.6.1 Receivables

Audit Issue	Management Comment	Recommendation
<p>(a) The Mc Callum Lock Gate premises owned by the Sri Lanka Port Authority had been leased out by the Company to a private party for a period of 5 years with effect from 1 February 2018. Although, at the beginning, Rs.3,150,000 which is six months lease rent, should be deposited as a deposit to be refunded, the lessee had deposited only Rs.1,811,250 and despite an arrears of lease rent amounting to Rs.5,279,264 had remained, the agreement had been terminated in the year 2020. After deducting the above deposit, although a sum of Rs.3,468,014 had been shown as amount receivable from the private party in the Financial Statements, the Company had not made impairment adjustment in accordance with Section 27.5 of the Sri Lanka Financial Reporting Standard for Small and Medium-sized Enterprises (SLFRS for SMEs).</p>	<p>To adjust an impairment loss, the Company should identify a recoverable amount and irrecoverable amount of this receivable income in terms of Section 27.5 of the SLFRS. Therefore, since there are successful discussions are being carried out regarding the recovery of this amount, it has not been clearly identified that the inability of recovery of the money or irrecoverable amount. Since the negotiations were carried out in respect of the recovery of the entire arrears in the year 2022, the impairment loss have not been adjusted in the year 2022. However, if no successful outcome or progress is shown in 2023 accounting year according the negotiations held in 2022, the impairment losses will be adjusted in the accounts of the year 2023.</p>	<p>This balance, which is receivable from the private party, has been in the financial statements as a receivable balance for a long period such as 03 years. As the Company has even sought legal advice for this, the impairment adjustment should be made in terms of Section 27.5 of the SLFRS.</p>
<p>(b) Although the Company had leased out a 20 x 10 feet plot of land at Galle Face Green to a private Company for which a refundable deposit of Rs.900,000 was placed on 27 March 2017 for installation of three food stalls, the rent payment had been defaulted since May 2019. Accordingly, even though an amount of Rs.1,635,000 had been shown as receivable balances as at 31 December 2022, the Company had not made impairment adjustments in terms of Section 27.5 of the Sri Lanka Financial Reporting Standard for Small and Medium-sized Enterprises (SLFRS for SMEs).</p>	<p>Discussions are being held with the relevant party regarding the collection of this cash and therein, since it was at a successful level in the year 2022, actions has not been taken to report an impairment loss by the reporting date. Also, a private Company has applied for 02 stalls in the tendering to provide new stalls at Galle Face Green, and to provide these stalls, the Procurement Committee and the Technical Evaluation Committee have recommended to recover the outstanding</p>	<p>This balance, which is receivable from the private party, has been in the financial statements as a receivable balance remaining for a long period such as 03 years. As the Company has even sought legal advice for this, the impairment adjustment should be made in terms of Section 27.5 of the SLFRS.</p>

amount receivable to the Company. Accordingly, even if no impairment loss has been reported in the accounts of the year 2022, if a related arrears will not be collected in the year 2023 according to the above conditions and recommendation, action will be taken to make impairment adjustments in the accounts of the year 2023.

1.7 Non-compliance with Laws, Rules, Regulations and Management Decisions

	Reference to Laws, Rules Regulations	Non-compliance	Management Comment	Recommendation
(a)	Section 133 of the Companies Act No. 07 of 2007	Although the Annual General Meeting should be held during a period not more than 06 months after the balance sheet date and not more than 15 months after the previous Annual General Meeting, the Company had not held Annual General Meetings after the year 2019.	With the Covid epidemic situation and instability existence of the country during the years 2020 and 2021, the meetings of the Board of Directors were also limited and actions will be taken to conduct the Annual General Meetings in the year 2023.	The Company should make arrangements in accordance with the provisions appear in the Company Act.
(b)	Paragraph 1.1 of Circular No. PED 01/2020 dated 27 January 2020	It had been stated that, although the maximum monthly allowance the Chairman can receive is Rs.100,000, in contrary to that, the Company had paid Rs.105,000 monthly in excess of Rs.60,000 to the Chairman.	Action will be taken to comply with PED 01/2020 in future.	The Company should make arrangements to provide allowances in terms of the relevant circulars.
(c)	Paragraph 02 of Circular No. PED 1/2015 (i) dated	The Company had paid an excess of	The transport allowance of the	The Company should make arrangements to

27 October 2016

Rs.480,000 as Chairman is paid as provide transport allowances to the Chairman Board of Directors. allowances in terms of during the year under Action will be taken to the relevant circulars. review. comply with PED 01/2015(i) in future in respect of the adjustment of transport allowance.

(d) Operational Manual of Public Enterprises Circular No. 01/2021 of the Ministry of Finance dated 16 November 2021

5.1 Paragraph

Although the State Owned Enterprises are required to pay annual bonus to employees on the basis of profit after distribution of taxes/dividends as applicable, annual bonus was paid based on the profits in the year 2021 without being declared the dividends.

The Company has been paying bonuses to its permanent staff since 1995, and the Company's long-term policy is to pay bonuses from profits before taxes and dividends. Also, it has been stated under Circular No. 02 of 03/2021 PED related to the paying of bonus that, the actions should be taken in terms of Paragraph 5.1 of the Operations Manual. Since the Company is not a fully State Owned Company, the relevant circular has not been applied and arrangement have been made to pay the bonuses to the staff during the stipulated period by following the method applied in the previous year.

The Management should make arrangements as per the instruction given in the relevant circular

2. Financial Review

2.1 Financial Result

The operating result of the year under review was a profit of Rs.7,125,632 and the corresponding profit of the preceding year was Rs.1,498,766. Therefore, an improvement of Rs.5,626,866 of the financial result was observed. The increase of the revenue received from the Galle Face Green by Rs.6,280,757 equal to 78 per cent, the revenue received from the labour hiring service by Rs.15,909,435 equal to 88 per cent, the revenue received from other incomes by Rs.1,346,646 equal to 176 per cent, and finance income received from fixed deposits /Repo by Rs.9,022,278 equal to 126 per cent had mainly attributed for this improvement.

2.2 Trend Analysis of Major Income and Expenditure Items

In the analysis of the major income and expenditure items of the year under review as compared with the preceding year is as follows.

Item	2022	2021	Increase/ (Decrease)	Percentage % Increase/ (Decrease)
	Rs.	Rs.	Rs.	
Revenue				
Income from Service Fee	13,363,159	21,650,334	(8,287,175)	(38)
Income from Galle Face Green	14,311,331	8,030,574	6,280,757	78
Income from labour hiring services	33,986,704	18,077,269	15,909,435	88
Other income	2,113,965	767,319	1,346,646	176
Interest on Fixed Deposits & REPO	16,158,583	7,136,305	9,022,278	126
Establishment and Administration Expenses.				
Annual Bonus	1,702,940	520,464	1,182,476	227
Retirement Benefit Expenses	1,702,516	1,186,020	516,496	44
Legal & Professional Fees	2,851,679	2,040,667	811,012	40

The following observations are made.

- (a) It had been informed that the deterioration of the operational activities (Lashing and Unlashing, Loading and Unloading) in the Port due to the bad atmosphere of the country had caused to this.
- (b) The annual bonus had been increased by Rs.1,182,476 equal to 227 per cent during the year under review as compared with the preceding year. Nevertheless the annual bonus had been over-calculated by Rs.266,750 because of using profit before tax instead of using profit after tax.

3. Operational Review
3.1 Management Inefficiencies

Audit Issue	Management Comment	Recommendation
(a) Even though a sum of Rs.636,000 for more than a year had been shown under accrued expenses in the accounts as salaries payable to four Planning Assistant Officers, the relevant information were not submitted to audit whether these officers worked/ are working in the Company.	Since the information about the service of those officials has not been submitted for payment so far, the payments have not been made. However, actions will be taken to inform to the Board of Directors in this regard and to make appropriate adjustment in the following year.	The Company should make arrangements to manage the Human Resources properly.
(b) Even though the Company had obtained a building in Peliyagoda belonging to the Sri Lanka Port Authority without entering into an agreement and the Company had not paid rent for it. Further, the audit revealed that the rental income is being earned by leasing out the building to a private party at a monthly rent of Rs.25,000.	Arrangements will be made to enter into an agreement with the relevant parties in future.	The Company should make arrangements to enter in to an agreement with the relevant parties.

3.2 Operational Inefficiencies

Audit Issue	Management Comment	Recommendation
(a) The lease agreement entered into by the Port Management and Consultancy Services (Private) Company with a private entity had expired on 31 May 2022. Even though an amount of Rs.3,288,765 was received as revenue for 5 months without extending the agreement, the Company had not taken steps to renew the agreement and collect the rental a during the year under review.	The time period had been extended up to October 2022 to that private institution to vacate the premises and the revenue has been collected during that period. However, a case was heard in the court to vacate them, and as judgment has been received in favorable to Company by now, it is stipulated to take further action on legal advice. Once they are vacated, the management intends to hand over the relevant premises to a suitable lessee through a lease agreement.	The Company should take actions to earn income by entering into a proper agreement with the relevant institution.

- (b) It was ascertained to audit that a proper agreement had not been entered into with the Sri Lanka Ports Authority regarding the monthly rent payment of the office building operate by the Sri Lanka Port Management and Consultancy Services (Private) Company and although arrears rent for the premises has been calculated and shown as Rs.9,402,527 as per the decision of Board of Directors of the Company No SLPMCS 11/2021 dated 25 October 2021, the Company had not taken actions to pay the rental.
- The view of the Company was this company, which is an associated company of the Sri Lanka Port Authority, provides essential services to the Port and the income receive from it to the Company is relatively small.
- In this regard, in the negotiations held under the initiative of the Honourable Minister and the Secretary to the Minister, the Port Authority has agreed to give the relevant premises to the Company for a monthly rental of Rs. 50,000 and to enter into an agreement accordingly. The draft agreement has already been received to the Company. Although this agreement took place this year, the Company taken action to show it in the contingent liabilities until enter in the agreement. As the Company has not agreed to pay the arrears of rent the Company has not taken action to make provision or make payment for the said amount.
- The agreement of non-payment of arrears of both parties has not been submitted to audit. A proper agreement has not been entered into even by the date of audit, and the Company should take actions to enter into a proper agreement and to collect the rental promptly.

3.3 Human Resources Management

Audit Issue	Management Comment	Recommendation
Operational Manual of Public Enterprises Circular No. 01/2021 of the Ministry of Finance dated 16 November 2021.	Agreed. Actions will be taken to comply in future.	The Management should make arrangements to get approved the number of cadre of the Company in accordance with relevant circulars.
(a) As per Paragraph 3.1 (i), The approval of the Department of Public Enterprises of the General Treasury had not been obtained for the number of approved cadre of the Company.		

- (b) As per Paragraph 3.2, The preparation of a proper Scheme of Recruitment for the staff of the Company and the approval of the Line Ministry and Department of Management Services for that had not been obtained. Agreed. Actions will be taken to comply in future. The Management should take actions to prepare proper Scheme of Recruitment in accordance with relevant circulars and to obtain approval of the Line Ministry.

4. Accountability and Good Governance

4.1 Annual Report

Audit Issue	Management Comment	Recommendation
Although the Draft Annual Report along with financial statements should be handed over to the Auditor General within sixty (60) days after the closure of the financial year in terms of Section 16-2 of the National Audit Act No. 19 of 2018 and the Paragraph 6.6 of the Public Enterprises Circular No. 01/2021 dated 16 November 2021, the Draft Annual Report had not been submitted to the Auditor General even by the date of audit, 15 May 2023.	Agreed. An Annual Report has not been prepared for the year 2022, and actions will be taken to comply in future.	Actions should be taken to hand over the Draft Annual Report along with financial statements to the Auditor General during stipulated time period as per the provisions mentioned in the National Audit Act.

4.2 Annual Action Plan

Audit Issue	Management Comment	Recommendation
Although the finalized Strategic Plan, Action Plan and Annual Budget prepared in terms of Paragraph 2.3 of the Public Enterprises Circular No. 01/2021 dated 16 November 2021 and consisting of the 25 objectives of establishment of the Company as per the Statement of Incorporation of the Company should be submitted to the Director General, Department of Public Enterprises through relevant Secretary of the relevant Line Ministry, the Company had not submitted the Action Plan pertaining	Agreed. Actions will be taken in future to prepare the Strategic Plan (2024 - 2028) for future 05 years of the Company and the Action Plan.	The Management should take actions to submit the finalized Strategic Plan together with the Action Plan and Annual Budget to the Director General, Department of Public Enterprises through Secretary to the relevant Line Ministry as per the instruction mentioned in the Annexure 01 of the

to the year 2022 and as a result, the performance of the Company for the year under review could not be reviewed.

Guideline of the Public Enterprises Circular No. 01/2021.

4.3 Internal Audit

Audit Issue	Management Comment	Recommendation
Although an Internal Audit that reports only to the Board of Directors through the Audit Committee should be available in all State Owned Entities in terms of Paragraph 4.2 and Paragraph 4.4 of the Public Enterprises Circular No. 01/2021 dated 16 November 2021, the Company had not planned the Internal Audit accordingly.	Agreed. Actions will be taken to comply with in future.	The Management should make arrangements to plan Internal Audit in accordance with the relevant Circular.