

## **Head 236 – Department of Official Languages**

-----

### **1. Financial Statements**

#### **1.1 Qualified Opinion**

Head 236 - Department of Official Languages for the year ended 31 December 2023 comprising the statement of financial position, statement of financial performance and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information 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. The summery report containing my comments and observations on the financial statements of the Department of Official Languages was issued to the Accounting Officer on 15 May 2024 in terms of Section 11(1) of the National Audit Act, No.19 of 2018. The Annual Detailed Management Audit Report relevant to the Department was issued to the Accounting Officer on 30 May 2024 in terms of Section 11(2) of the National Audit Act, No.19 of 2018. This report will be tabled in Parliament in pursuance of provisions in Article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka to be read in conjunction with Section 10 of the National Audit Act, No.19 of 2018.

In my opinion, except for the effects of the matters described in Paragraph 1.6 of this report, the financial statements give a true and faire view of the financial position of the - Department of Official Languages as at 31 of December 2023, and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

#### **1.2 Basis for Qualified Opinion**

My opinion is qualified based on the matters described in paragraph 1.6 of this report. I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibility for the financial statements are further described in the Auditor’s Responsibilities Section. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **1.3 Responsibilities of the Chief Accounting officer and the Accounting Officer for the Financial Statements**

The Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and provisions in Section 38 of the National Audit Act, No.19 of 2018 and for the determination of the internal control that is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

In terms of Sub-section 38(1) (c) of the National Audit Act, the Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Department and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out.

#### **1.4 Auditor's Responsibilities for the Audit of the 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 summary 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 and its materiality depends on the influence on economic decisions taken by users on the base 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:

- Appropriate audit procedures were designed and performed to identify and assess the risk of material misstatement in financial statements whether due to fraud or errors in providing a basis for the expressed audit 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.
- An understanding of internal control relevant to the audit was obtained in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.
- Evaluate the 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.
- Evaluate the overall presentation, structure and content of the financial statements including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accounting Officer regarding, among other matters significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## 1.5 Report on Other Legal Requirements

I express the following matters in terms of section 6(1) (d) and Section 38 of the National Audit Act, No. 19 of 2018.

- (a) The financial statements are consistent with the preceding year,
- (b) The recommendations made by me on the financial statements of the preceding year had been implemented.

## 1.6 Comments on Financial Statements

### 1.6.1 Property, Plant and Equipment

<b>Audit observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
The non-financial assets amounting to Rs.2,687,265 which were disposed during the year had not been deducted from the Property, Plant and Equipment on the financial position.	Action had been taken to update these items to the CIGAS system during this year.	The cost of the assets disposed during the year should be properly accounted for.

## 2. Financial review

### 2.1 Expenditure Management

<b>Audit observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
According to the Section 50 (ii) of the Financial Regulation of the Government of the Democratic Socialist Republic of Sri Lanka, the accounting officer is responsible to prepare the estimates as completely and accurately as possible. However, following savings had been made.		

- |   |  |   |
|---|--|---|
| <p>(a) The total net provision of Rs.750,000 related to 02 items of capital expenditure and the total net provision of Rs.600,000 provided for the payment of lease installments had been fully saved.</p>  | <p>According to the National Budget Circular 01/2016, provision had been made for this item of extending the lease agreement of the van obtained by the department under the operating lease system and according to the National Budget Circular 01/2022, this agreement had been terminated. Hence, there was a savings out of this provision.</p> | <p>Plans should be prepared according to the estimate.</p>  |
| <p>(b) The net provision of 09 recurrent expenditure items was Rs.52,215,000 and the expenditure had been Rs.38,413,869. Therefore, saving of Rs.13,801,131 prevailed in the range of 18 percent to 59 percent of each expenditure item.</p>                            | <p>Although some recurrent expenditure items had savings on 31.12.2023, there are liabilities remained to be stilled relation to the year 2023.</p>  | <p>Estimates should be prepared accurately as there are savings even after deducting liabilities.</p> |
| <p>(c) The total net provision related to 02 items of capital expenditure was Rs.750,000 and the expenditure had been Rs.344,460. Therefore the total savings from those expenditure items had been Rs.405,540 prevailed in the range of 13 percent and 74 percent.</p> | <p>Reason for this savings was due to the expenditure on machinery, rehabilitation and improvement did not occur as expected.</p>  | <p>Estimates should be prepared accurately.</p>   |

### 3. Operational review

#### 3.1 Management Inefficiencies

Audit observation	Comments of the Accounting Officer	Recommendation
<p>(a) Although the Commissioner General of the Official Languages requested a certificate from the Project Director on 14 February 2022,</p>	<p>The training session was conducted on 12.01.2023, for 61 translators and interpreters from the department on the use of this software. Another Training was held on 14.02.2023, to grant Admin &amp; Manager privileges to</p>	<p>Deficiencies in the software should be identified, and action should be taken to actively contribute to improve the translation work.</p>

regarding the accuracy of the Sinhala and Tamil software prepared by the University of Moratuwa at a cost of Rs.10,810,000 the certificate was not provided. As a result, the cost incurred for the software remains ineffective

the Departmental IT Officer and another officer. To date, 189 users and 19 organizations had been granted access to the language translation software. Additionally, arrangements are being made to make this software available to officials from various government institutions in the future.

(b) A stock of books valued at Rs.5,347,048 purchased in 2016 and 2018 for oral, written, and spoken language proficiency courses for the public servants and semi-public servants, and 54 'Writing Sinhala' books printed in 2018 which were not fit for sale and 477 ecology books and 71 books on zoology which were unsold and not fit for usage remained at stores.

According to the letter No. MPA/ADM/EST/GA19/Dep.Lan. dated 28.12.2021 of the Secretary to the Ministry of Public Administration, it has been informed that these books have been approved to release these books free of charge to the government institutions and school libraries. Action will be taken to release these books based on the requests received and to sell the 54 books by replacing the discolored covers.

Action should be taken to identify the need and to print sufficient number of books only.

(c) The book sales management software purchased on 17 August 2020 at a cost of Rs.314,450 remained inactive. Furthermore, 400 sets of disposable clothes valued at Rs.130,000 to protect against the Corona virus remained in the stores without being issued.

This system is currently inactive and since the related institution has been closed, it is impossible to restore it. However, for almost four years, the expected tasks had been carried out with this system. In the future, arrangements will be made to reset the system through another institution or to purchase a new system. Considering the needs action will be taken to issue the 400 protective suits to a hospital.

The need should be assessed when making purchases, and relevant officials should be held responsible for making purchasing decisions.

#### 4. Human Resource Management

Audit observation	Comments of the Accounting Officer	Recommendation
<p>There were 58 vacancies, including 6 senior-level positions, 34 tertiary-level positions, 13 secondary-level positions, and 5 primary-level positions. No vacancies had been filled and the posts had not been revised.</p>	<p>Vacancies for the posts of the Official Languages Commissioner (SLAS) post and office staff have been filled by now. The Ministry of Public Administration has been notified to fill 2 posts of Deputy Commissioner (SLAS) and posts of Deputy Assistant Director (Information Technology), Information Technology officer and the posts of 05 Translators. Additionally, the scheme of recruitment for post of the Departmental Commissioner/ Assistant Commissioner and 8 posts of Language Officer and 3 posts of Language Officer (Translation) had also been referred for the approval as these are departmental posts.</p>	<p>Vacancy of essential posts should be filled or any revisions to approved non-essential staff should be addressed.</p>
	<p>The scheme of recruitment for the posts of 03 Librarians, 09 Management Assistants and 01 Information Technology Assistant, Technology Assistant (Departmental) are being prepared.</p>	
	<p>Recruitment for 02 Driver posts is in the final stage and recruitment for 17 Translators (Department) had been temporarily suspended.</p>	