

Head 110 – Ministry of Justice

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Ministry of Justice for the year ended 31 December 2023 comprising the statement of financial position as at 31 December 2023 and the 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 summarized reports on the financial statements of the Ministry of Justice to be submitted in terms of the paragraph 11(1) of the National Audit Act No. 19 of 2018 which contained my comments and observations had been submitted to the Chief Accounting Officer on 29 May 2023. The detailed management report of Ministry to be submitted in terms of the paragraph 11(2) of the National Audit Act had been submitted to the Accounting Officer on 31 July 2023. This report in pursuance of provisions in Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with paragraph 10 of the National Audit Act No. 19 of 2018 is presented to the Parliament.

In my opinion, except for the effects of the matters described in paragraph 1.6 of this report, the accompanying financial statements give a true and fair view of the financial position of the Ministry of Justice as at 31 December 2023 and of its financial performance and its 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 responsibilities 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 Chief 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 Ministry 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 Chief Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Ministry 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 General'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 and its materiality depends on the influence on economic decisions taken by users on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgement 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 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 Chief 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) 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 Accounting Deficiencies

(a) Reconciliation Statements on Advances to Public Officers Account

Audit Observation -----	Comment of the Chief Accounting Officer -----	Recommendation -----
(a) Although the total was Rs. 90,754,976 of the individual balance classification summary of the Advances to Public Officers' Account 'B', the balance of the departmental control account was Rs.90,752,784 and actions had not been taken to identify the difference of Rs. 2,192 and to correct accordingly .	It had been informed that, there are several differences in the debt balances of the officers who are paid salaries by the Divisional Secretariats and the amount of Rs.4,184 to be recovered as per Annexure 6.1 of the Advance B account has already been recovered and therefore, the increase in the said individual debt balances amounting to Rs. 1,992 will also be corrected.	Actions should be taken to identify the difference and to be corrected.

(b) Lack of Audit Evidence

Audit Evidence on the following transactions had not been made available.

Audit Observation -----	Comment of the Chief Accounting Officer -----	Recommendation -----
The correctness of those balances could not be confirmed in audit due to lack of evidences furnished to audit to confirmed the expenditure incurred related to sums totalling Rs. 118,986,364 under 05 votes such as 110-1-2 -27-2001(17), 110-1-2-24-509(13), 110-1-3-1-2509(13), 110-1-5-16-2509(13), 110-1-5-23-2509(13) on 05 foreign funded project.	It was informed that, further activities will be carried out as per the instructions given during the discussion held on 22 March 2024 at the Ministry of Finance with the Auditor General's Department and the Department of Foreign Resources on obtaining and properly accounting for grants and technical assistance provided to Sri Lanka by other states/foreign development partners/foreign institutions.	Evidence to confirm the expenditure should be submitted to the audit.

2. Financial Review

2.1 Management of Expenditure

Audit Observation	Comment of the Chief Accounting Officer	Recommendation
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(a) There were savings of Rs.1,034,228,990 out of the net provision of Rs.2,482,370,160 for 37 capital expenditure votes and 43 recurrent expenditure votes and the savings ranged from 17 per cent to 100 per cent of the net provision.	It was informed that the expenditure was controlled according to the Budget Circular 03/2022 regarding "Controlling Public Expenditure" and it was informed that the project efficiency could not be achieved as expected under the prevailed bad economic situation.	The estimates should be carefully prepared by focusing on economy and efficiency.
(b) A sum of Rs.1,000,000 had been allocated for other expenses on Research and Development vote and an expenditure of Rs.596 was incurred during the year only for printing of Performance Reports.	It was informed that, the outstanding VAT amount of 3 per cent for the printing of 25 copies of the 2021 Performance Report of the State Ministry of Prison Management and Prisoner Rehabilitation was paid in the year 2023 by Vote No. 110-01-07-0-2509 and the expenditure had been incurred through that expenditure vote as the expenditure for the printing of the Performance Report had been estimated under this expenditure vote.	The estimates should be carefully prepared by focusing on economy and efficiency.
(c) Although the total savings of 10 miscellaneous expenditure votes of each project and sub-project were Rs. 103,579,353 ranging from 17 per cent to 100 per cent, the reasons for those savings were not furnished according to Public Accounts Guide No. 5/2023 dated 30 November 2023.	According to Public Accounts Guidelines No. 05/2023 for presentation of annual accounts 2023 and its formats, each expenditure votes presents its total savings. It was informed that explanations had been furnished for the variations according to the item of each expenditure vote under the projects (1 to 7) related to the operational activity program (1) of the Judicial Head (110).	Action should be taken as per the referred Circulars.
(d) Although a sum totalling Rs.12,375,100 had been transferred to the estimated provision of Rs.85,000,000 in relation to 4 expenditure votes through Financial Regulations 66, those transferred provision was not utilized.	It was informed that, the transferred provisions under Financial Regulations couldn't be utilized due to insufficient time to implement the projects as the approval for the transfer of allocations under the Financial Regulation 66 was received at the end of the year.	The estimates should be prepared carefully by focusing on economy and efficiency.

2.2 Incurring of Liabilities and Commitments

Audit Observation -----	Comment of the Chief Accounting Officer -----	Recommendation -----
The liabilities totalling Rs.3,801,149 shown in the annexure (iv) of the financial statements had not been entered into the Treasury Printout SA 92 statement.	The liabilities related to the year 2023 had been recorded correctly in the liabilities register. However, those were not included in the Treasury Printout SA92 statement as not uploaded to the CIGAS web interface.	The liabilities should be reported to the Treasury through the CIGAS program.

2.3 Non-compliance with Laws, Rules and Regulations

Instances of non-compliance with the provisions in laws, rules and regulations observed during the course of audit test checks are analyzed below.

Reference to Laws, Rules and Regulations	Observation	Value Rs.	Non-compliance	Comments of the Chief Accounting Officer	Recommendation	
(i) Financial Regulations of the Democratic Socialist Republic of Sri Lanka		215	1,376,318	A 50 per cent advance had been paid for the repair of a car contrary to the Financial Regulations.	It was informed that the approval of the procurement committee for the advance payment was received to repair the vehicle by considering the reasons such as the need to repair the vehicle, the practical difficulty of finding an agency to repair the vehicle due to factors such as the financial difficulties of vehicle repair agencies, the prices of spare parts are increasing day by day, fluctuations in foreign exchange rates, restriction of foreign exchange due to the bad economic situation in the country during that period.	Action should be taken as per the referred Financial Regulations.

- (b) 1645 - The fuel taken to the lorry on 30 January 2023 and 15 February 2023 was not recorded and updated in the daily running charts as per Financial Regulations. It was informed that an investigation is being conducted into this matter. Action should be taken as per the referred Financial Regulations.
- (ii) **Public Administration Circulars**
 Paragraph 03 of Circular No. 13/2008 dated 26 June 2008. - The drivers did not record the vehicle number, month, mileage and milo meter etc. at the start and end of the month in the monthly running charts of the official vehicles. It was informed that the drivers of the vehicles assigned to the officers were instructed to record the vehicle number, month, milo meter at the beginning of the month, meter on the last day of the month and the number of kilometers driven etc. in the monthly charts. Action should be taken as per the referred Circulars.
- Circular No. 5/2008 dated 06 February 2008 as amended by Circular No. 5/2018 (I) dated 24 January 2018. - The Citizens'/ Clients' Charter was not prepared and implemented. Arrangements are being made to properly prepare the Citizens'/ Clients' Charter. It was informed that a system will be prepared for the monitoring and evaluation of its implementation and that it will be implemented in the future. Action should be taken as per the referred Circulars.

2.4 Issuance and Settlement of Advances

Audit Observation -----	Comment of the Chief Accounting Officer -----	Recommendation -----
(a) After issuing the Sub-Imprest, even though the said Sub-Imprest should be settled within 10 days after the completion of the relevant work as per Finance Regulations 371(5), the Sub-Imprest amounting to Rs. 1,304,327 in 36 instances were not settled on the due date.	A new format had been introduced for the request of Sub-Imprest and it was informed that since the officers are obliged to act according to F.R.371, it is expected that this situation will be controlled in the future.	Action should be taken as per the referred Financial Regulations.
(b) An officer obtained an advance of Rs.7,500 on 24 February 2023 for getting electricity supply to a land of the Chinese project and settled it after 22 days without spending any amount.	The Ceylon Electricity Board did not charge that amount due to an electricity supply to a government institution. Therefore, it was informed that arrangements had been made to settle the advance amount received in full.	The requirement should be identified correctly in giving advances.
(c) The fuel advances amounting to Rs.228,830 issued to 06 officials on 07 occasions were settled after a delay of 01 to 03 months.	It was informed that the fuel advances obtained so far will be settled within 10 days after the completion of the work.	Advances obtained should be settled immediately after the completion of the works.
(d) Advances amounting to Rs.45,887 had been obtained again without clearing the Sub-Imprest amounting to Rs.11,640 obtained on 02 occasions.	Advances were paid mistakenly again to the same officials before settlement of the early advances. It was informed that the relevant officials had been informed to ensure that such omissions do not occur in the future.	Advances obtained should be settled immediately after the completion of the works.

2.5 Operation of Bank Accounts

Deficiencies revealed at the audit test checks carried out on operation of bank accounts, appear below.

Audit Observation -----	Comment of the Chief Accounting Officer -----	Recommendation -----
(a) According to the Cheques Register, four cheques related to payments amounting to Rs.144,153 were not signed as received by the relevant institution/individuals.	It was informed that instructions were given to the relevant officials to ensure that such omissions do not occur in the future.	Cheques should be signed as received.

- (b) Even though the value of the cheques not presented to the bank within 06 months as at 31 December 2023 is Rs.185,536, it was stated as Rs.233,459 in the Status Report on Bank Accounts (Annexure viii) as at 31 December 2023 in the financial statement.
- It was informed that instructions were given to the relevant officials to take action to prevent such omissions in the future.
- Correct values should be included in the financial statements.

3. Operating Review

3.1 Non- performance of Functions

The following observations are made.

Audit Observation	Comment of the Chief Accounting Officer	Recommendation
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(a) Although the provision amounting to Rs.150 million had been made for Efficient and Effective Justice under Vote number 110-1-2-28-2509 (13), that program was not implemented. However, a sum of Rs.70 million from this provision had been transferred to the Supporting Effective Dispute Resolution – SEDR program.	It was informed that, the provisions of the Vote 110-1-2-28-2509(13) (Effective and Efficient Justice) were transferred as per Financial Regulation 66 due to sufficient provisions were not made under Vote 110-1-3-1-2509/13 (Supporting Effective Dispute Resolution - SEDR)	Programs should be implemented as planned.
(b) A provision of Rs.15 million was made for the Rehabilitation of Economic Empowerment Project (110-1-5-19-2509) and out of it a sum of Rs.10.96 million were used for economic empowerment projects of marginalized women-led families (North, East) since the inception of the project. Accordingly, provisions were not made for the rehabilitating persons as per the action plan.	Although a provision of Rs.15 million had been made in the year 2023 under the Rehabilitation of Economic Empowerment Project (REEP) under 110-1-5-19-2509 according to the Action Plan, the roject proposals on livelihood development projects for young people who have been rehabilitated from drug addiction had not been adequately presented. However, it was informed that the officials were instructed to prepare estimates by considering the project proposals in the future.	Planning by identifying the requirements and actions should be taken to implement the planned activities.

3.2 Non-achievement of expected Output Level

The following observations are made.

Audit Observation	Comment of the Chief Accounting Officer	Recommendation
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(a) According to the Action Plan of the Mediation Board Commission, although it was planned to appoint mediators for 07 special mediation boards by the third quarter of 2023, appointments had not been made in the year 2023 and only 06 interviews were conducted during the year.	The interviews could not be conducted in the first and second quarters as planned and although only 06 out of 07 planned interviews were conducted before the end of the year and officers had been selected for training, it was informed that it had not been possible to conduct training programs and make relevant appointments due to a lack of adequate provisions.	Action should be taken to implement the planned tasks properly.
(b) Although interviews and training programs for the establishment of 06 Financial Mediation Boards should be conducted from the second quarter of 2023, publication of a gazette notification for 06 Financial Mediation Boards only had been conducted during the third quarter of 2023. As per the action plan, although the gazette notification should be published during the first quarter of 2023, it was not possible to establish the Financial Mediation Boards as planned due to actions being taken contrarily.	Although 06 Financial Mediation Boards were planned to be established in the year 2023, the establishment of the Mediation Board was delayed due to amendments supposed to be made in the gazette were implemented and at present, foreign grants are available under the SEDR project for conducting interviews and conducting five-day training under Financial Mediation Boards. The Interviews had been conducted in Monaragala, Anuradhapura, Polonnaruwa, Gampaha, Kandy and Colombo. It was informed that five-day training programs were planned to be conducted for these Financial Mediation Boards in June and July.	Action should be taken to prepare and implement plans after a proper evaluation.

3.3 Projects abandoned without completing

The following observations are made.

Audit Observation -----	Comment of the Chief Accounting Officer -----	Recommendation -----
(a) The India grant amounting to Rs.100 million and foreign grants amounting to Rs.20 million for financing the construction of 3000 rainwater cultivation systems in Jaffna District was completely saved due to non-execution of the project as unable to extend the project period.	The High Commission of India had agreed to extend the period of the relevant Memorandum of Understanding and the related draft letter had been forwarded to this Ministry through the Ministry of Foreign Affairs. The Cabinet approval should be obtained after determining the related matters and it was informed that after receiving that approval, the agreement will be signed and the rest of the project will be completed.	The activities which were planned should be completed properly.
(b) Although the provision is Rs.5,000,000 under vote 110-1-2-8-2509 for Strengthening the Process of Dispensation of Justice, the overtime allowances and daily wages paid for 03 temporary drivers amounting to Rs.49,781 were included in this expenditure and also, there was a translation allowance of Rs.22,598. Thus, the Strengthening the Process of Dispensation of Justice program was not implemented.	The expenses incurred under the Strengthen the Process of Dispensation of Justice Project are accounted under the Vote 110-01-02-08-2509. Even though the project was not implemented in 2023, the expenses related to that project in 2022 were debited to the Vote 110-01-02-08-2509 on behalf of the project and accordingly, it was informed that the expenses related to that project had been debited also in 2023 to this Vote.	The activities which were planned should be completed properly.

3.4 Delays in the Execution of Projects

The following observations are made.

Audit Observation -----	Comment of the Chief Accounting Officer -----	Recommendation -----
The provision had not been allocated for costs related to foreign financing of the project which enhances legal aid services by assessing direct intervention and capacity development, the current situation relating to providing legal aid to children under Vote No. 110-1-2-29-	The workshop implemented at the national level under this project was conducted in October 2023 and further informed that it was decided to hold provincial-level programs after implementing the priority needs identified from the recommendations presented in the workshop.	Activities that were planned should be executed within the planning periods.

2509(17). However, a sum of Rs.560,046 had been incurred out of the provision of Rs.15,000,000 under the Vote 110-1-2-29-2509 (13) for the initial program related to this project conducted at the Bandaranaike Memorial International Conference Hall in October 2023. Accordingly, it was observed that this project has not been implemented during the year.

3.5 Procurements

The following observations are made.

Audit Observation -----	Comment of the Chief Accounting Officer -----	Recommendation -----
Although a suitable supplier should be selected by quotations invited from at least three suppliers as per 2.14.1 of the Government Procurement Manual, quotations were called from only one supplier mentioned in the telephone directory and the vehicle repair was done contrarily.	The competitive prices have been invited firstly from the agent and after from 07 other companies. It was informed that, a single estimate had been obtained considering the recommendation of the Mechanical Superintendent due to the practical difficulty in obtaining spare parts that had arisen on the situation in the country as restricting the import of spare parts because the competitive bidding failed.	Action should be taken as per the referenced clauses in the Procurement Manual.

3.6 Assets Management

The following observations are made.

Audit Observation -----	Comment of the Chief Accounting Officer -----	Recommendation -----
The land acquisition process had not been completed regarding the land extended 0.2023 hectares of Nuwara Eliya tourist bungalow is enjoyed by the Ministry of Justice, the land extended 01 roads and 10 perches of Rakwana tourist bungalow, the land extended 0.1760 hectares of Battaramulla Children's	It was informed to the Commissioner General of Lands to hand over the land where the Nuwara Eliya Tourist Bungalow is located to the Ministry, the Superintendent of Surveying to take over the land where the Rakwana Tourist Bungalow is located and the Kaduwela Divisional Secretary to formally hand over	Action should be taken to acquire lands expeditiously and account by valuation.

Magistrate's Court and the land extended 2.4281 hectares (06 acres) belonging to a company who construct the 'Adhikarana Piyasa' and the valuations had also not been done.

the land where the Battaramulla Children's Magistrate Court is located.

A compensation amount has been decided for the acquisition of the land belonging to the BCC Lanka company, which is building the 'Adhikarana Piyasa' and it was stated that the Divisional Secretary had informed that he would inform about the handover timeframe in the future.

3.7 Security of Public Officers

The following observations are made.

Audit Observation -----	Comment of the Chief Accounting Officer -----	Recommendation -----
Ten officials who were required to give securities had not been given securities as at 31 December 2023 as per Financial Regulations 880, Public Officials' Security Ordinance and the Circular 01/2011 dated 18 January 2011 of Ministry of Justice.	It was informed that security arrangements are being made for these officers and they have been referred to the Attorney General's Department for approval.	Action should be taken as per the referred Circulars and Financial Regulations.

3.8 Management Weaknesses

The following observations are made.

Audit Observation -----	Comment of the Chief Accounting Officer -----	Recommendation -----
(a) After the term of a Mediation Board was over, it had taken almost 04 years to appoint the Mediation Board. Although the tenure of most of the Mediation Board members have expired, the completion of the activities up to appointment of members got delay due to delay in publication of notices (Gazette Notifications) for new appointments. As per the sample audit conducted, although the tenure of the Mediation Boards had expired, 45 instances were observed where the appointed had not been made up to audited date of 06 February 2024.	In order to avoid the delays in making appointments, it is referred to the gazette notification before the end of tenure of the Mediation Boards and it was informed that it will be done 06 months before the end of the tenure.	Appointments should be made soon after the expiry of the tenure.

- (b) Some members had attended all the meetings while paying the monthly allowance of Rs.25,000 paid to the Mediation Board members for attending the meetings and some members had attended only one session of meetings. However, it was not possible to obtain the maximum contribution of all the members for the meetings due to the fact that the monthly allowance was paid to all the members without considering the participation.
- Allowances are paid to the Commissioners including the Chairman of the Mediation Board Commission as per letters of the Director General of Management Services No. DMS/1281/II dated 11 August 2016 and 05 October 2016, and it was informed that, the Management Services Department will be consulted and arrangements will be made to pay allowances accordingly in the future.
- Action should be taken to obtain maximum contribution from all members.
- (c) The loan balances amounting to Rs.790,912 from 05 interdicted officers and 2 officers who were vacated post had not been recovered for more than 05 years.
- The loan balances of the 05 interdicted officers are Rs. 552,516 and it was informed that a case had been filed in the Colombo High Court for Mr. P.V. Gunawardena's loan of Rs.162,215, efforts are being taken to recover the loan of Rs. 111,832 from the sureties of Mr. G.A.C. Gamaarachchim, a complaint had been filed at the Keselwatta Police to recover the loan balance of Rs.49,150 of Mr. M.I. Fernando, there are cases for the loan balances of Rs. 110,855 of Mr. A.N.A. Samaranayake and the loan balance of Rs. 118,465 of Mr. J.M.S. Kumarasiri in the District Courts of Colombo and Gangodawila respectively. Considering the loan balances of Rs. 238,395 under 02 officers who were vacated post, it was informed that the details related to taking legal action for the loan of Rs.117,003 of H.A.A. Chamara and the loan balance of Rs.121,392 of H.A.C. Pushpakumara had been forwarded to the Attorney General's Department.
- Action should be taken to recover the loan immediately.
- (d) When vehicle repairs were carried out by calling quotations, it was observed that repairs were done twice in June from outsiders other than the registered suppliers in 2023.
- Garages had been registered from 05 July 2023 to repair and services of this Ministry vehicles and it was informed that the repairs were carried out in 2022 from the registered garages on the covering approval of the procurement committee.
- The Register of Suppliers should be maintained up to date.

- (e) Two cheques amounting to Rs.976,250 dated 30 December 2022 withheld 12 days and transferred to the General Deposit Account on 13 January 2023. Again these cheques were canceled and new cheques were issued on 24 January 2023.
- It was estimated an amount of Rs.577,550 and Rs.398,700 for the repairs of the vehicles numbered 69-1017 and KM-4565 respectively and the Superintendent of Motor Vehicles had given recommendations by deducting Rs.25,000 from the original estimate. However, the original estimate had been prepared mistakenly without considering the amount of Rs.25,000, when preparing the vouchers. Later, it was informed that the cheques were transferred to the General Deposit Account and an amount of Rs. 25,000 was credited to the government revenue and the remaining amount was paid to the relevant institutions. It was further informed that relevant instructions were given to the officials to prevent such omissions occurring in the future.
- Payment should be made after verifying the due amount.
- (f) 12 vehicles had been given to 6 institutions including 4 institutions under the Public Trustee Department, the Ministry of Fisheries and the Ministry of Justice and action had not been taken to acquire the possession of those again.
- It was informed that action are being taken to transfer the vehicles given to Legal Aid Commission, Office for National Unity and Reconciliation, Debt Consolation Department, that the repair and other work of the vehicle given to the Mediation Board Commission are being done by the Ministry of Justice, that after the completion of the transportation of the case files, the given vehicle will be provided to the Supreme Court and that that requests have been made to return the vehicles given to the Department of Public Trust and the Ministry of Fisheries.
- Action should be taken to take over the vehicles.
- (g) Although there are 16 Special Mediation Boards (land) established at the District level, the Special Mediation Boards had not been reappointed in Mannar, Vavuniya, Jaffna, Anuradhapura, Trincomalee, Batticaloa and Special Mediation boards had not been established in Galle, Matara, Puttalam, Kegalle Districts.
- Even though Special Mediation Boards (lands) had not been reappointed, it was informed that there are many duties to be performed according to the duty lists of the officers.
- The establishment of Mediation Boards and the appointment of members should be done immediately.

- (h) A cab confiscated by the Trincomalee Magistrate's Court was given to the use of Ministry of Justice in 2010 and it was decided to repair this car after 05 years as per the final investigation report regarding the accident in 2018 and the interim report dated 12 May 2021. However, as per the Motor Traffic Department letter dated 03 May 2023, since it was problematic to take over to the Ministry, it was parked in the Ministry premises almost 06 years due to mismatch of registration number and engine number of this vehicle with data of the Motor Traffic Department.
- It was informed that the Department of Motor Transport is conducting an investigation on the reason that the data related to the vehicle's chassis number did not match during the disposal of the vehicle.
- The suitable actions should be taken by obtaining the valuation report.
- (i) Action had not been taken to dispose a three-wheeler which was not in running condition for more than 05 years.
- The valuation report given by the valuation committee for the disposal of the QB-2005 three-wheeler has already been given and it was informed that further actions related to the disposal are being in processed.
- Actions should be taken to dispose.
- (j) Although 06 institutions operating as a separate unit with separate staff have been identified as projects under the Ministry of Justice by an Act and the expenses of those projects have been included in the financial statements of the Ministry, the evidences were not furnished to the audit, whether the Secretary of the Ministry as the chief accounting officer and accounting officer of those institutions supervises the efficiency of spending money allocated to that institution.
- It was informed that the President has included these institutions under the purview of the Minister of Justice when allocating scope and roles to the Ministers under the powers assigned to him in the Constitution by Extraordinary Gazette No.2289/43 dated 22 July 2022.
- The effectiveness of these programs should be supervised.
- (k) Although the progress reports of the projects implemented by the National Integration Promotion Division should be sent to the Ministry with relevant details within 07 days after the completion of the project, it was not confirmed to the audit regarding the actual cost of the projects due to the District/Divisional Secretariats had not acted accordingly.
- Almost 85 per cent of the officers attached to the Divisional Secretariats had provided the progress reports of the projects with relevant details to the Ministry by May 2024 and officers were instructed to prepare a system for calling reports using new technology. It was also informed that, it was noted to properly submit the progress review reports and final
- The relevant reports should be requested.

project reports of the officers attached to the divisional secretariats to the audit.

- (1) The costs for the comprehensive modernization project of the Sri Lanka Supreme Court Complex, which is being renovated with the assistance of the Chinese government, will be directly carried out by the donor and Although provision of Rs.350 million had been made under 110-2-27-2001(13) for the year 2023, expenditure was not incurred in relation to the year 2023 according to the financial statements of the Ministry. However, the reasons for the delay were given as "it was not possible to report expenditure under this expenditure vote due to difficulties in obtaining expenditure reports "
- The direct costs related to this project are borne by the donor and it was informed that it was not possible to submit the expenditure reports under this vote due to the difficulties in obtaining the expenditure reports.
- Action should be taken to obtain expenditure reports.

4. Human Resource Management

The following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(අ) There was a surplus of 07 officers including one officer for Assistant/Deputy Director (Planning), one officer in translator, one officer in the position of driver and 04 officers in office assistant service as at 31 December 2023.	One officer has now completed all the qualifications for promotion to Grade I among the officers in Assistant/Deputy Director (Planning) and according to the Public Service Commission Circular 04/2023 and the letter of the Ministry of Public Administration dated 21 March 2024, requests had been made to appoint full-time Grade-I posts and it had been recommended and forwarded to the Ministry of Public Administration. The Translator in excess cadre is scheduled to retire on 31 December 2024 attaining the age of 55 years. Further, the driver and 3 offices in office assistant service in excess cadre had now been transferred. Further, the driver and 3 offices in office assistant service in excess cadre were already	The approval of the Director General of Management Services should be obtained for excess cadre.

transferred and it was informed that the remaining excess officers were also received transferred to the Presidential Secretariat.

- (b) Although an acting appointment should be made as a temporary remedy until the permanent appointment is made according to Chapter II of Section 13.3 of the Establishment Code of the Democratic Socialist Republic of Sri Lanka, appointments for 02 senior level positions were given from 21 April 2022 and acting appointments had been given for further 03 senior-level posts from 2023. The acting appointment was given for one post at the Tertiary level from 06 February 2023.
- Although a request had been made from the Secretary to the Ministry of Public Administration who is the appointing authority to fulfill the vacancies related to those posts, acting appointments had been made due to non-filling of vacancies. At present, an officer had been appointed on a permanent basis for one of the senior level positions according to Public Service Commission Circular No. 02/2022 and it was informed that the other acting appointments were also made according to the same Circular.
- Action should be taken as per the provisions of the Establishment Code.
- (c) Although 02 Supervisory Mediation Board Training Officers had been vacant for more than 8 years, action had not been taken to fill the vacancies.
- The approval had been given for recruitment from the letter of the Director General of Management Services dated 01 January 2024 and accordingly, it was informed that recruitments will be carried out in the future.
- Action should be taken to recruit for the vacant post.
- (d) The 72 posts are vacant out of the approved cadre of 441 of the Mediation Board Commission and out of it, 50 per cent of those positions directly contributes to the achievement of the
- Out of 72 vacancies, 50 are mediation training officer posts and there are currently 30 vacancies. As per Director General of Management Services' letter No. DMS/1279 dated 17 June 2014, although 50 posts of Mediation Training Officers had been approved in the cadre review, 20 posts had been suppressed after
- Action should be taken to recruit for the vacant post.

organization's goals. recognizing that 30 posts were sufficient. The number of available vacancies related to those 30 posts is 10, and it was informed that necessary arrangements have been made to recruit mediation training officers in the future.

- (e) A sum of Rs.332,132 was paid as salaries and allowances during the year 2023 for a post of driver which was not included in the approved cadre. This position was vacant from 01 January 2020 and the attentions of the responsible officers were not drawn relating to the payment of salaries and allowances without formal appointment.
- Although requests were made to the Public Service Commission for permanent this position of the driver which has prevailed since 2019, the approval was not received. However, it was informed that a request had been made to the Department of Management Services to consider the requirement to approve a temporary driver position for the Ministry staff considering the official requirement on the necessity of the drivers exceeds the number of approved driver positions due to the officials also had to assign vehicles and drivers so that several vacancies were fulfilled at present in the staff grade posts of the Ministry.
- The approval of the Management services should be obtained for the positions.