

Head 326 – Department of Community Based Corrections

1. Financial statements

1.1 Qualified Opinion

Head 326 – The audit of the financial statements of the Department of Community Based Corrections 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 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 summary report including my comments and observations on the financial statements of the Department of Community Based Corrections was issued to the Accounting Officer on 16 May 2024 in terms of Sub-section 11 (1) of the National Audit Act, No. 19 and the Detailed Annual Management Audit Report relating to the Department in terms of Sub-section 11 (2) of the National Audit Act, No. 19 of 2018 was issued to the Accounting Officer on 09 July 2024. This report will be presented in Parliament in pursuance of provisions in Article 154 (6) of the Constitution 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 fair view of the financial position of the Department of Community Based Corrections as at 31 December 2023, and its financial performance and cash flow 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 (SLAuS). 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 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 such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As per Sub-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 annual and periodic financial statements to be prepared.

As per Sub-section 38 (1) (c) of the National Audit Act, the Accounting Officer shall ensure that effective internal control system for the financial control of 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 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:

- 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 the 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 and Regulatory Requirements

I express the following matters in accordance with 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 in regard of the financial statements of the preceding year, had been implemented.

1.6 Comments on Financial statements

1.6.1 Accounting Deficiencies

(a) Non-revenue Receipts

The following deficiency was observed in accounting for non-revenue receipts in the financial statements.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>The sum of Rs. 86,850, earned through the sale of physical assets, should have been shown as the revenue through the sale of physical assets under the cash flow generated from investment activities in the cash flow statement. However, the Department had included that sum into the revenue collected with respect to other Heads of revenue under the cash flow generated from other operational activities.</p>	<p>It was informed that, as this Department had not maintained a revenue account, the proceedings from the disposal of goods, had been shown in the cash flow statement under the revenue collected with respect to other Heads of revenue.</p>	<p>The said sum should be shown in the cash flow statement correctly.</p>

(b) Property, Plant and Equipment

The following deficiencies were observed in accounting for the Property, Plant and Equipment.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>(i) Prices of the fixed assets disposed of in the year under review, had not been removed from the fixed assets; and hence, the value of Property, Plant and Equipment and the reserve value thereof had not been shown correctly in the statement of financial position.</p>	<p>All the fixed assets at the Head/regional or provincial offices of this Department, have not been included in the CIGAS programme. As none of the fixed assets disposed of in the year 2023, had been included in the CIGAS programme, those items had not been removed. It has been informed that, at present, all the assets are gradually being entered into CIGAS programme.</p>	<p>The correct values should be entered into the financial statements.</p>

- (ii) According to SA-80 Treasury printouts and purchases mentioned in the statement of non-financial assets (ACA-6) of the year under review, there existed a difference of Rs. 9,200,863 in the purchases made in the year. The reasons thereto had not been given in a note to the financial statements. It has been informed that measures would be taken to avoid further recurrence of such deficiencies. The correct values should be entered into the financial statements.
- (iii) As information on fixed assets at the regional offices of the Department had not been entered into the CIGAS programme, the value of Property, Plant and Equipment and the correct reserve value thereof, had not been observed in the statement of financial position. It has been informed that all the fixed assets of this Department not in the CIGAS programme, are being entered into the CIGAS programme. The correct values should be entered into the financial statements.

(c) Non-maintenance of Books and Registers

The Department had not maintained the loans and advances register in terms of Paragraph 05 of the State Accounts Circular, No. 256/2017 dated 05 July 2017.

2. Financial Review

2.1 Management of Expenditure

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) In addition to the provision of Rs. 18,000,000 and Rs. 3,000,000 made on local travel expenses and buildings & constructions respectively in the year under review, supplementary provision amounting to Rs. 7,500,000 and Rs. 850,000 had also been obtained through the supplementary budget estimate.	It was informed that savings occurred due to reasons such as, all the officers estimated for the year 2023 had not requested for travel expenses, many of the travelling vouchers for the months of October and November had not been presented for payment, and the provision obtained under constructions and buildings had been	Action should be taken to prepare the estimates after a careful study.

Nevertheless, sums of Rs. 8,505,447 and Rs. 1,002,287 had respectively been saved representing 113 per cent and 118 per cent of the provision so granted through the supplementary budget estimate.

transferred to the supreme court of Thangalle for repairing the roof of the office of the Department of Community Based Corrections in Hambanthota but no institution had presented bids in that connection although bids had been requested thus failing to carry out those works during the year.

- (b) In addition to the provision given through annual estimates for the Objects of other allowances and stationeries, and office requirements, sums of Rs.3,000,000 and Rs.1,500,000 had respectively been transferred in terms of Financial Regulation 66. Nevertheless, sums of Rs.1,759,144 and Rs. 420,059 had saved at the end of the year representing 59 percent and 28 percent respectively of the transfers so made.
- Although additional provision had been obtained for stationeries, no purchases had been made due to lack of imprests given at the end of the year. As such, it was informed that those provision had saved under Object 1201.
- Action should be taken to prepare the estimates after a careful study.
- (c) According to National Budget Circular No. 03/2022 and Section 03 (XVII) of the Circular relating to the control of Government expenses dated 26 April 2022, the savings, if any, in the provision allocated for incurring expenses during the year, should not be utilized on other expenses prior to the end of the year. Nevertheless, provision made under 05 recurrent Objects amounting to
- It was informed that transfers had been made among Objects due to reasons such as, inadequacy of provision allocated for Objects, non-receipt of the provision in its entirety, non-allocation of provision for the year 2023 through the budget estimate, and inadequacy of the provision of the Department to fulfill the requirements of stationeries and office affairs relating to maintaining the functions of the Department.
- Action should be taken in accordance with the Circulars.

Rs. 6,260,000 and the sum of Rs. 1,000,000 being the provision made under a Capital Object in the year under review, had been transferred to other Objects in terms of Financial Regulation 66.

2.2 Incurring Liabilities and Commitments

Audit Observation	Comment of the Accounting Officer	Recommendation
Liabilities valued at Rs. 212,835 not included in the statement of liabilities and commitments and register of liabilities of the year under review, had been settled in the year 2024.	There were 115 provincial and regional offices. As some of the bills presented for payment by those offices were not received during the period in which the preparation of financial statements was in progress, those liabilities could not be included in the register of liabilities and statement of liabilities; and doing so with precision is practically difficult. As such, it was informed that action would be taken in due course to minimize such instances.	The liabilities and commitments relating to the year should be correctly entered into the financial statements.

2.3 Responsibilities of the Chief Accounting Officer/Accounting Officer

The Accounting Officer is responsible for the following matters in terms of Section 38 of the National Audit Act, No. 19 of 2018, but it had not been so done.

Audit Observation	Comment of the Accounting Officer	Recommendation
(i) The Chief Accounting Officer and the Accounting Officer should ensure that an effective internal control system for the financial control exists in the Department and carry out periodic reviews to monitor the	Financial control of the Department and supervision thereof are done by the Accountant. Although meetings of the Audit and Management Committee have been conducted, meetings to review the effectiveness of the system have not been held. As such, reports of reviews could not be presented to the Auditor General. It has been	Action should be taken in accordance with provisions of Section 38 of the National Audit Act, No. 19 of 2018.

effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out. Such reviews should be done in writing and a copy of the reviews should be presented to the Auditor General . However, no statements had been made to the Audit that such reviews had been carried out.

informed that the relevant progress review meetings shall be conducted with the participation of a minimum number of officers in due course and the reports will be presented.

- (ii) The Chief Accounting Officer and the Accounting Officer should ascertain that an effective methodology exists to properly carry out the internal audits. However, that requirement had not been met in accordance with the observation given in Paragraph 05 of the report.
- It has been informed that the Ministry of Public Administration was requested to appoint an officer to the post of Internal Auditor.
- Action should be taken in accordance with provisions of Section 38 of the National Audit Act, No. 19 of 2018.

2.4 Non-compliances with Laws, Rules, and Regulations

Instances of non-compliances with provisions of Laws, Rules and Regulations observed in audit test checks are analyzed below.

	Reference to Laws, Rules and Regulations	Observation		Comment of the Accounting Officer	Recommendation
		Value Rs.	Non-compliance		
(i)	Financial Regulations of the Democratic Socialist Republic of Sri Lanka.				
	447 (1)	-	Liabilities incurred had not been mentioned in Form General 138 of the vote ledger.	It has been informed that action will be taken to avoid recurrence of such instances in due course.	Action should be taken in accordance with the referenced regulation.
	447 (4) and (5)	-	All the liabilities should be recorded on the left side of the account as soon as incurred, but it had not been done so.	It has been informed that action will be taken to avoid recurrence of such instances in due course.	Action should be taken in accordance with the referenced regulation.
(ii)	Circulars of the Presidential Secretariat.				
	Circular No. CA/1/1/16/1 dated 09 July 2010 and Circular No. PPA/6/1/1 dated 31 December 1993		Four officers had not furnished the reports relevant to foreign travel as per the Circular.	It has been informed that those officers would be informed and as soon as the reports are presented, such reports would be forwarded to the	Action should be taken in accordance with the referenced regulation.

		relevant officer as per the Circular.	
(iii) Public Administration Circulars. Paragraph (i) of the Circular No. 02/2018 dated 24 January 2018.	Annual performance agreements should be entered into with respect to entire staff of the Department, but it had not been done so.	It has been informed that agreements have been sent to the senior community correction officers and community correction officers, and action is being taken again in accordance with the Public Administration Circular, No. 02/2018(1).	Action should be taken in accordance with the referenced regulation.
Paragraph 6(i) of the Circular No. 02/2018 dated 24 January 2018.	A training opportunity of at least 12 hours per annum should be mentioned in the human resources plan for each member of the staff. Nevertheless, it had not been planned to implement such a training plan.	It has been informed that, although an annual training plan had not been prepared as per the human resource plan, the annual training plan has been prepared covering all the officers, but training could not be provided due to lack of provision.	Action should be taken in accordance with the referenced regulation.

(iv) Public Finance Circulars.

Paragraph 04 of the Circular No. 02/2020 dated 28 August 2020.

The annual Procurement Plan for implementing the recurrent and capital programmes of the ensuing year should be prepared prior to 10 December of the current year and approval of the Chief Accounting Officer should be obtained thereon. Nevertheless, only capital programmes had been included in the Procurement Plan for the year 2023 and approval of the Chief Accounting Officer had been given on 30 December 2022.

It is not practical to prepare the Procurement Plan relating to the implementation of recurrent programmes of the ensuing year, and the Procurement Plan is prepared for the implementation of capital programmes. It has been informed that approval of the Secretary to the Ministry of Justice had been sought on 20 December 2022 and action would be taken accordingly from this year.

Action should be taken in accordance with the referenced regulation.

(v) Guidelines of the State Accounts.

Paragraph 06 of the Guideline 05/2023 dated 30 November 2023.

According to the Guideline, an empty report should be furnished in case of lack of information relating to the reports of the reporting institution, but the Department had not furnished empty reports along with financial statements with respect

It has been informed that similar incidents would be avoided in due course.

Action should be taken in accordance with Guidelines of State Accounts.

to statement of losses and omissions, statement of write-offs from books, and statement of misplaced vouchers.

Paragraph 8.3 of the Circular No. 05/2023 dated 30 November 2023.

All the reporting institutions should prepare the reconciliation statement for all the deposits and present to the Department of State Accounts on or before 28 February 2024 with a copy to the Auditor General. However, it had not been done so.

It has been informed that similar incidents would be avoided in due course. Action should be taken in accordance with Guidelines of State Accounts.

2.5 Issue and Settlement of Advances.

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) According to Public Finance Circular, No. 01/2020 dated 28 August 2020 and Financial Regulation 371 (2), the "ad hoc" sub-impressts should be settled by the staff officer soon after completion of the purpose for which the imprest was given. Nevertheless, a delay of 16-86 days had occurred to settle the sub-impressts obtained by officers of the Department in 07 instances.	It has been informed that similar incidents would be avoided in due course.	Action should be taken in accordance with Circulars and Financial Regulations.
(b) As advances had been given without properly evaluating the intended purpose, the percentage of settling the "ad hoc" sub-impressts given in the year 2023 ranged between 36 – 54 per cent.	It was informed that saving of imprest occurred due to reasons such as, the total of the estimated amount had not been spent, only the essential expenses had been incurred, and the expected number of	Action should be taken to grant impressts after properly evaluating the intended purpose.

officers had not taken part in the progress review meetings.

- (c) The imprest should have been settled on or before 31 December of the year of finance in which it was issued in terms of Public Finance Circular, No. 01/2020 dated 28 August 2020 and Financial Regulation 371 (5). However, cash imprests valued at Rs.24,840 relating to 06 branches had been settled by the Department on 15 February 2024.
- Due to existence of over 100 provincial and regional offices, it had been informed that, in order to avoid issues relating to accounting process, vouchers pertaining to the period from 01 January to 30 November of the relevant year be sent by 05 December whilst the bills of the month of December be sent in January of the ensuing year. However, it was informed that granting and settlement of imprests had been done in February at the relevant offices due to the fact that annual transfers of the officers at regional offices for the year 2024 had become effective from 2024.02.01.
- Action should be taken in terms of the referenced Circular and Financial Regulations.

3. Operating Review

3.1 Failure to Discharge Functions

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) Although a sum of Rs. 900,000 had been estimated in the Action Plan for repairing the office of the Department in Ampara, that work had not been done in the year under review.	Although the said repair had been included in the Action Plan, the repairs at the 02 offices in Udugama and Kebithigollewa, had been urgent and required priority. Hence, the said provision had been given thereon.	Priority should be given to the works planned.
(b) Despite being planned to spend a sum of Rs.1,980,000 to purchase a finger scanner, a photocopier for the Head Office, and machinery in the year under	It was informed that due to inadequacy of the provision amounting to Rs. 1,000,000 allocated through the budget estimate for the year 2023 to purchase essential furniture	Priority should be given to the works planned.

review, those purchases had not been made. and office equipment for the provincial/ regional offices of the Department, the furniture and office equipment scheduled to purchase under the Expenditure Code, 2103 at an expenditure of Rs.1.9 million had been purchased.

3.2 Failure to Achieve the Expected Outcome

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) The task force appointed to look into the legal issues and matters relating to courts in view of minimizing congestion at prisons, identified the community based correction process as a key alternative. Due to lack of space at 49 offices of the Department established at magistrate courts in 09 provinces, the process of implementing the community based corrections effectively had become obstructed. Attention of the Secretary to the Ministry of Justice had been brought thereon through the Letter No. DCBC/EST/04 of the Commissioner of the community based corrections dated 04 April 2022, but no substantial measures had been taken in that connection.	It has been informed that the Ministry of Justice had been requested to provide enough space and other facilities for several regional offices.	Enough space and office facilities should be provided for the officers responsible for community based correction process avoiding any obstructions to their duties.

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| (b) | It was planned to conduct 15 field inspections during the year in order to measure the progress of community based correction process, but only 07 such inspections equivalent to 47 per cent had been done in the year. | The Commissioner himself is responsible for the entire process due to vacancies in the Department. As such, it was informed that only 07 field inspections had been conducted amidst busyness and limitations. | Action should be taken to implement the plans. |
| (c) | Although 105 awareness programmes had been planned for the Police officers to promote the process of community based corrections in the year, only 54 programmes equivalent to 51 per cent had been conducted. | Having planned that one programme would be conducted by each regional office, a number of 105 programmes had been targeted. However, it was informed that the expected target could not be achieved due to failure in contacting the relevant officers to apprise the Police officers in the areas of authority of the relevant courts. | Action should be taken to implement the plans. |

3.3 Projects without Progress Despite the Release of Funds

The following observation is made.

Audit Observation	Comment of the Accounting Officer	Recommendation
Under the provision of the Department of Community Based Corrections for the year 2010, the Ministry of Justice had spent a sum of Rs. 1,009,934 on the construction of building of the Department at the court in Puttalam. However, the constructions had not been completed.	The Ministry of Justice had done all the activities relating to the said building such as, procurement activities, award of contract, and making payments in the year 2010. The Ministry had been informed in writing that the part of which the construction had been halted halfway, be completed expeditiously. However, as no response had been given thus far, Secretary to the Ministry of Justice will again be informed in that connection.	Action should be taken to expedite the completion of constructions.

3.4 Management of Assets

The following observation is made.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>According to Paragraph 07 of the Assets Management Circular No. 01/2017 dated 28 June 2017, information on assets purchased or disposed by each institution should be furnished to the office of the Comptroller General at the end of the relevant quarter. Nevertheless, information on electrical accessories valued at Rs. 13,830 purchased by the Department and the goods disposed in the year under review, had not been furnished to the office of the Comptroller General.</p>	<p>This electric item had been purchased in May 2023, and brought to the notice of the office of the Comptroller General at the end of the 04 quarter. It has been informed that such mistakes will be avoided in the future.</p>	<p>The Circular should be followed.</p>

3.5 Securities of the Government Officers

The following observation is made.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>The Accounting Officer is responsible for the custody and safety of public funds as per Financial Regulation 880 amended by Paragraph 09 of the Public Finance Circular, No. 01/2020 dated 28 August 2020 relating to securities of the Government servants. As such, he should ensure that the relevant officers give securities. However, officers in the posts of Accountant, Cashier, and Store Keeper who should give securities in terms of Financial Regulation 315, had not given securities.</p>	<p>The relevant formats and documents have been collected from the Division on securities of the Ministry of Justice, and it has been informed that, having completed the particulars of the relevant officers and the formats, those documents will be sent to the Secretary to the Ministry of Justice.</p>	<p>Action should be taken to obtain securities from the eligible officers as per the Circular.</p>

3.6 Losses and Damages

The following observation is made.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>Due to a fire that broke out on 30 June 2022 at the office of the Department of Community Based Corrections maintained in a room of the premises of the court in Puttalam, office equipment costing Rs.163,302 was completely destroyed. However, that had not been mentioned in the statement of losses and omissions in the financial statements of the year 2023.</p>	<p>Secretary to the Ministry of Justice was requested for approval to write of the 06 types of office equipment mentioned herein, but it was informed by him that a decision could not be given until the verdict of the case filed on the said incident was returned. As such, it was informed that the destroyed items were not shown in the financial statements of the year 2023.</p>	<p>Action should be taken to include the necessary information in the financial statements.</p>

3.7 Management Inefficiencies

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>(a) In order to supervise the arrival and departure of the officers, 97 finger scanners had been installed by incurring a sum of Rs. 2,889,145 in the year 2018 at Head Office of the Department and regional offices island-wide. Those machines had been installed with temporary electric circuits at many of the regional offices being maintained in small rooms with minimum facilities. As information system from which information was retrieved on all of the regional offices being</p>	<p>Centralizing the finger scanners installed at regional offices of the Department with the Head Office, is being done at present; and 84 out of 96 finger scanners have been linked to the Head Office. It has been informed that copies thereof have been forwarded to the senior community corrections offices through the Head Office.</p>	<p>Action should be taken to achieve the objectives expected from the installation of finger scanners.</p>

administered by the Head Office was not improved even in the year under review, the objectives expected from the installation of finger scanners could not be fulfilled.

- (b) Due to delays in constructing the office of the community based corrections at the court in Puttalam, counseling of the convicts and other office activities had been done with many difficulties by the officers involved in community based corrections at a small room of the size 11*11 feet in the premises of the court. Although the computer, photocopier, finger scanner and other office furniture had been completely destroyed due to the fire that had broke out on 21 June 2022, no investigation had been launched in that connection by the Department even during the year under review.
- With the report of the primary inquiry and the report of comprehensive investigation conducted again to write off the said 06 items of office equipment, Secretary to the Ministry of Justice had been requested for approval to write off the destroyed items from the books. However, as a case was in progress relating to the fire in the office in Puttalam, the Secretary to the Ministry of Justice informed that a decision could not be given until the verdict of the case was returned.
- An investigation should be launched and officers responsible should be identified.
- (c) The Department had not taken action in the year under review either to find a temporary place for the destroyed office or complete the constructions of the half-constructed building.
- It has been informed that, based on the proposals and decision of the Audit and Management Committee of the Department, the Ministry of Justice had been informed to provide a building to establish the office of the community based corrections in Puttalam.
- It is necessary to expeditiously find a location or complete the constructions.

4. Achievement of Sustainable Development Goals

The following observation is made.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>The Department, having recognized a sustainable development goal in the year under review, had prepared 03 main targets to achieve that goal. It was expected through the goal to transform 40 percent of the persons sent to community based corrections to become good persons, but the progress thereof remained 45 percent. Although it was targeted to free 35-40 percent of the drug addicts through treatments, the progress remained 40 percent. Although it was the objective to uplift the persons referred to community based corrections socially, economically and spiritually in view of their social well-being, the targets in reaching those goals had not been identified.</p>	<p>Of the targets relating to sustainable development goals, the third target had been identified, but the performance indicators had not been identified. However, performance indicators had been identified since the year 2024. It has been informed that action will be taken to include the progress in the performance report of the year 2024.</p>	<p>Action should be taken to achieve the sustainable development goals.</p>

5. Good Governance

5.1 Internal Audit

The following observation is made.

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>An Internal Audit Unit had not been established by the Department in accordance with Section 40 (i) of the National Audit Act, No. 19 of 2018.</p>	<p>It has been informed that an Internal Audit Unit could not be established as an internal auditor had not been employed in the Department.</p>	<p>Action should be taken in accordance with the National Audit Act.</p>

6. Human Resource Management

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) Due to failure in conducting a timely review on the number of cadre and maintaining a productive service, there existed 55 vacancies in the Department at the end of the year under review comprising 03 vacancies in staff grades, 20 vacancies in the tertiary level, 26 vacancies in the secondary level and 06 vacancies in the primary level.	It has been informed that instructions of the Attorney General had been sought by the Public Services Commission as to whether appointments could be given in terms of the Scheme of Recruitment for the post of Senior Community Based Correction Officer due to failure in earning salary increments within a period of 05 years despite the service period of one year in the post of Community Based Correction Officer. Recruitments had been made to one of the 03 posts of Assistant/Deputy Commissioner. At present , there are no officers qualified enough for the other posts as per the Scheme of Recruitment. Requests had been made in writing and through the Misco system to fill vacancies in the posts of Sri Lanka Administrative Service, Internal Auditor, and Translator.	Action should be taken to make recruitments to the relevant posts to properly discharge functions of the Department while achieving objective.
(b) Although approval had been given for 10 posts of the Senior Community Based Correction Officer, the chief administrative post in the hierarchical order of operations of the Department, those posts	It has been informed that, according to Scheme of Recruitment for the post of Senior Community Based Correction Officer, a service period of 05 years is required in Grade 01 of the post of Community Based Correction	Action should be taken to make recruitments to the relevant posts to properly discharge functions of the Department while achieving objective.

remain vacant since the year 2010. Community Based Correction Officers had been appointed to cover duties in those permanent posts without making recruitments or promotions as per the Scheme of Recruitment.

Officer. The existing officers had met that qualification in the year 2022, but instructions of the Attorney General had been sought by the Public Services Commission as to whether appointments could be given since salary increments had not been earned within a period of 05 years, and hence, making appointments to 10 of those posts had delayed.