Head 008 – National Police Commission

1. Financial Statements

1.1 Opinion

Head 008 –The audit of the financial statements of the National Police Commission for the year ended 31 December 2024 comprising the statement of financial position as at 31 December 2024 and the statement of financial performance, and cash flow statement for the year then ended 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 containing my comments and observations on the financial statements of the National Police Commission was issued to the Chief Accounting Officer on 26 May 2025 in terms of Section 11 (1) of the National Audit Act No. 19 of 2018. The Annual Detailed Management Audit Report pertaining to the National Police Commission was issued to the Chief Accounting Officer on 09 September 2025 in terms of Section 11 (2) of the Audit Act. This report is presented to Parliament in terms of Section 10 of the National Audit Act No. 19 of 2018 which is read in conjunction with Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

In my opinion, the financial statements of the National Police Commission for the year ended 31 December 2024 give a true and fair view on the financial position and its financial performance and cash flows and all the materialities in compliance with the basis of preparation of the financial statements set out in Note 1 related to the financial statements.

1.2 Basis for Opinion

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 opinion.

1.3 Emphasis of Matter - Basis of Preparation of Financial Statements

I draw attention to Note 1 of the financial statements, which describes the basis of preparation of these financial statements. The financial statements had been prepared for the requirement of the National Police Commission, the Treasury and the Parliament in accordance with Financial Regulations 150 and 151 of the Government and State Accounts Guideline No. 06/2024 dated 16 December 2024, as amended on 21 February 2025. Therefore, these financial statements may not be suitable for other purposes. My report is intended only for the use of the National Police Commission, the Treasury and the Parliament of Sri Lanka. My opinion in this regard is not modified.

1.4 Responsibilities of the Chief Accounting Officer and Accounting Officer on Financial Statements

The Chief Accounting Officer is responsible to prepare financial statements that give a true and fair view in all material aspects and to determine such internal control as is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error in accordance with Government Finance Regulations 150 and 151 and State Accounts Guideline No. 06/2024 dated 16 December 2024 as amended on 21 February 2025.

As per Section 16 (1) of the National Audit Act No. 19 of 2018, the National Police Commission 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.

The Chief Accounting Officer shall ensure that an effective internal control system is maintained for the financial control of the National Police Commission in terms of Sub-section 38 (1) (c) of the National Audit Act and it should be periodically reviewed the effectiveness of the system and make any necessary changes to keep the system running efficiently.

1.5 Auditor's Responsibility on 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 exercised professional judgment and maintain professional skepticism 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 its internal control.

- Evaluate that the underlying transactions and events are appropriately and fairly included in the financial statements for the structure and content of the financial statements that include disclosures.

- 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 Chief Accounting Officer is made aware of important audit findings, key internal control deficiencies and other matters identified in my audit.

2. 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.

3. Financial Review

3.1 Management of Expenditure

	Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a)	As at 31 December 2024, supplementary estimates amounting of Rs.16,415,000 had been obtained for four expenditure heads which had exceeded the original estimates and the supplementary estimate was 164 percent of the original provision indicating that the original estimates had not been effectively used as a management control tool for expenditure item 2102.	After the issuance of the annual estimates for 2024 the Legal Officer and five posts in the Sri Lanka Administrative Service were created, and officers were recruited on a contract basis as an additional post of the National Police Commission. Accordingly, additional provisions were made under expenditure item 2102 for furniture and office equipment and under item and 2103 for computer accessories.	The preparation of estimates should be based on accurately identified requirements and should be used as an effective management tool.
(b)	During the year 2024, a total of Rs.225,550 had been and transfers had also been made to expenditure	Due to the inadequacy of provisions under the expenditure item for stationery and office	The preparation of estimates should be based on accurately

item 1102 for which was original provision had not been made and transferred under FR 66 representing 56 percent of the original provision of expenditure item 1201**.**	requirements necessary for handling about 5,000 annual public complaints and appeals and maintaining court case files, and as two officers participated in overseas training, funds were transferred under FR 66 with the concurrence of the Department of National Budget to meet those payments.	identified requirements.

4. Operating Review

4.1 Vision and Mission

Although powers have been given under Article 155(g)(3) of the Constitution of the Democratic Socialist Republic of Sri Lanka for the achievement of the objectives of the Commission, the following functions had not been fulfilled by the end of the year under reviewed.

	Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a)	The Rules of procedure of National Police Commission had not been prepared and published in the Gazette in accordance with Article 155(g)(1)(a) of the Constitution.	The drafted Rules of procedure of the National Police Commission had been completed, as required under Article 155(g)(1)(a) of the Constitution. Letter dated on 07.11.2024 and reminder letter dated on 21.04.2025 have been sent to the Inspector General of Police (acting) requesting him to submit proposals for further amendments or observations. Once the observation report is received from the IGP, action will be taken to finalize and publish the rules of procedure in the Gazette.	The Rules of procedure of the National Police Commission should be prepared and published in the Gazette.
(b)	Procedures relating to the recruitment, promotion, and transfer of all officers in the Sri Lanka Police Service and its supporting services unable to prepared.	The National Police Commission has informed the Secretary to the relevant Ministry that amendments to the recruitment procedures of the Sri Lanka Police and Regulatory Service	Procedures for recruitment, promotion, and transfer of officers in the non-executive and supporting service

		categories have been approved by the Commission and should be presented after necessary revisions. The Sri Lanka Police has also been informed to prepare and submit procedures for recruitment and promotion in supporting services.	categories of the Sri Lanka Police should be prepared.

4.2 Non-achievement of expected Output Level

The following observations are made.

	Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a)	The investigations of 4,902 complaints or 82 percent had not been completed as at 31 December 2024 out of 5,935 public complaints received during the period 2016–2024 and none of the complaints received at the Head Office had been investigated.	Delays occurred due to inadequate and unclear information submitted by the parties involved, delays in receiving police investigation reports, the vacancy in the post of Deputy Director of the Investigation Division, and the high volume of complaints received in 2024.	The investigation of public complaints should be taken to an efficient level.
(b)	Public complaints received by the National Police Commission against the Sri Lanka Police have increased progressively from 2021 to 2024 accordingly 1,893, 1,676, 2,448 and 2,863 due to the public's concerns regarding the performance of the Sri Lanka Police and out of the total complaints received in the year under review 29 percent were related to police inaction and 23 percent to misuse of power. Therefore, adequate actions had not been taken to improve the efficiency and independence of the police service as required under Article 155(g)(3) of the Constitution.	Delays occurred due to inadequate and unclear information submitted by the parties involved, delays in receiving police investigation reports, the vacancy in the post of Deputy Director of the Investigation Division, and the high volume of complaints received in 2024.	The investigation of public complaints should be taken to an efficient level.

(c)	As at 31 December of the year under review only 119 cases had been concluded during the year out of 957 court cases filed in the Supreme Court, Court of Appeal, and Administrative Appeals Tribunal under the Legal Division.	The completion of cases depends solely on the judgments delivered or withdrawals permitted by the respective courts and the final decisions or withdrawal of cases pending in the Supreme Court and the Court of Appeal are beyond the control of the National Police Commission.	Necessary action should be taken to obtain judgments promptly for pending cases.
(d)	As at the end of 2024 the 150 disciplinary files relating to government notified officers of the Sri Lanka Police had been received by the Establishment and Discipline Division of the National Police Commission, of which only 54 had been concluded. The disciplinary notices had not been given to 05 cases out of 08 disciplinary files received for Deputy Inspectors General (DIGs) and Senior DIGs by 31 December 2024.	According to the notify by the audit at the end of year 2024 all disciplinary files of government notified officers received by the Commission are being actively processed, and priority has been given to those nearing retirement. Action is being taken on primary investigation reports.	Disciplinary complaints should be examined and decisions should be given without delay.
(e)	As at 31 December 2024 the decisions had not been given for 3,015 which were 69 percent appeals out of 4,375 appeals received by the Appeals Division of the National Police Commission.	It takes a long time and a lengthy process to review the appeals received.	The work of the Appeals Division should be systematized, and appeals should be dealt with efficiency level.

5. Good Governance

5.1 Internal Audit

The following observation is made.

Audit Observation	**Comments of the Chief Accounting Officer**	**Recommendation**
An internal audit unit had not been established for the Commission in accordance with the provisions of Section 40 of the National Audit Act	Although several requests had been made to the appointing authority to assign an officer to the post of Internal Auditor and	Action should be taken in accordance with the provisions of Section 40 of the

No. 19 of 2018, and therefore the internal audit had not been carried out for the year under review.	suitable officer has no been appointed yet. As a result, it has not been possible to establish an Internal Audit Division, and consequently, no internal audit was conducted for the year under review.	National Audit Act No. 19 of 2018

6. Human Resource Management

The following observation is made.

Audit Observation	**Comments of the Chief Accounting Officer**	**Recommendation**
The National Police Commission had 26 vacant positions, out of which 7 were at the senior level, one at the tertiary level, 17 at the secondary level and one at the primary level. Accordingly vacancies at 7 senior-level positions, or 23 percent had become an obstacle in achieving the objectives of the Commission	The stated number of vacancies is accurate. Action have been taken to fill these vacancies promptly, and the National Police Commission has repeatedly informed the relevant authorities that these vacancies have caused operational difficulties within the institution.	Sufficient staff should be appointed to enhance performance.