

Head 229- Attorney General's Department - 2024

1. Financial Statements

1.1 Qualified Opinion

Head 229 - The audit of the financial statements of the Attorney General's Department 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 Attorney General's Department was issued to the Accounting Officer on 30 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 Department was issued to the Accounting Officer on 14 August 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, except for the effects of the matters described in Paragraph 1.6 of this report, the financial statements prepared give a fair view in all the material aspects of the financial position of the Attorney General's Department as at 31 December 2024 and its financial performance and cash flow in accordance with the basis of preparation of the financial statements set out in Note 1 to the financial statements.

1.2 Basis for Qualified Opinion

My opinion is qualified based on the matters appear in Paragraph 1.6 of this report. I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Attorney General's Department, 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 Attorney General's Department, 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 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 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.

The Accounting Officer shall ensure that an effective internal control system is maintained for the financial control of the Department 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 Accounting Officer is made aware of important audit findings, key internal control deficiencies and other matters identified in my audit.

1.6 Comments on Financial Statements

1.6.1 Accounting Deficiencies

(a) Receipts of Revenue

The following deficiencies were observed in accounting receipts of revenue relating to the department.

Audit Observation	Comments of the Accounting Officer	Recommendation
(i) According to the statement of arrears of revenue (ACA-I(i)) submitted together with the financial statements for the year ended 31 December 2024, the arrears of revenue for reporting year amounted to Rs. 241,155,870, although however, according to the report submitted by the corporate division, the amount was Rs. 242,326,345. Accordingly, there was a difference of Rs. 1,170,475.	The difference had arisen because a sum of Rs. 1,170,475, which should have been recorded as the arrears for previous years, had been recorded as the arrears of revenue for the year 2024. Furthermore, in instances where certain cheques did not record invoice numbers, it had become difficult to accurately identify the relevant year. It is kindly informed that action will be taken subsequently to correct those errors.	The information relating to the arrears of revenue in the financial statements should be presented accurately.
(ii) According to the statement of arrears of revenue (ACA-I(i)) for the year ended 31 December 2024, the arrears of reported for the previous year amounted to Rs.29,565,343, although however, according to the information submitted by the corporation division, the amount was Rs.29,775,118. Accordingly, there was a difference of Rs.209,775.	In certain instances, although invoices relating to the respective legal cases had been sent by the Attorney General's Department, the relevant officers were unable to appear in court on the scheduled dates for legal proceedings. The submission of revised invoices in such instances had caused the said discrepancy to receipt.	The information relating to the arrears of revenue in the financial statements should be presented accurately.

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| (iii) | According to the statement of the arrears of revenue (ACA– I(i)) for the year ended 31 December 2024, the arrears of revenue collected for the year prior to the previous year amounted to Rs19,659,253, although however, according to the information gained by the corporation Division, the amount was Rs. 23,659,252. Accordingly, there was a difference of Rs. 3,999,999. | The difference was due to the receipt of cheques with amendments related to the invoices sent and the invoice numbers issued by the Department, makes it impossible to identify the relevant year from the cheques received from the respective institutions. | The information relating the arrears of revenue in the financial statements should be presented accurately. |
| (iv) | According to the statement of the arrears of revenue (ACA– I(i)) for the year ended 31 December 2024, the arrears of revenue recorded for the year prior to the previous year final balance amounted to Rs213,420,885, although however, according to the information submitted by the corporation Division, the amount was Rs. 212,283,550. Accordingly, there was a difference of Rs. 1,137,335. | Since the preparation of invoices and the collection of revenue for the services performed by the corporate division are not conducted through a systematic computerized data system, delays in updating occasional amendments have led to discrepancies. I kindly inform that steps are being taken to promptly establish a systematic computerized data system for the corporate division. | The information relating to the arrears of revenue in the financial statements should be presented accurately. |
| (v) | According to the statement of the arrears of revenue submitted together with the financial statements for the year ended 31 December 2024, the arrears of revenue for the end of the year amounted to Rs. 484,142,098, although however, according to the information gained by the corporate Division, the amount was Rs. 484,633,913. Accordingly, there was a difference of Rs. 491,815. | Since the preparation of invoices and the collection of revenue for the services performed by the corporate division are not conducted through a systematic computerized data system, delays in updating occasional amendments have led to discrepancies. I kindly inform that steps are being taken to promptly establish a systematic computerized data system for the corporate division. | The information relating to the arrears of revenue in the financial statements should be presented accurately. |

(b) Lack of Audit Evidence

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

Audit Observation	Comments of the Accounting Officer	Recommendation
According to Financial Regulation 272(3), all paid vouchers should be forwarded to the Auditor General monthly, not later than six weeks from the end of month to which they relate. However, 381 vouchers, amounting to Rs. 967,229,350 for the year 2024, had not been submitted for the audit.	I inform that the vouchers which were not submitted to the audit as mentioned in the audit query are now being processed for submission to the audit.	Action must be taken regarding the missing vouchers in accordance with Financial Regulation 272(1), and as per Financial Regulation 119 as per Treasury Circular letter No. 320 dated 21 July 1993, the financial value must be recovered from the related officers as a surcharge. Disciplinary action should be taken by the disciplinary authorized officer in accordance with Sections 8.1 and 8.2 of Chapter XLVII of the Establishments Code.

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 following recommendations made by me on the financial statements of the preceding year had not been implemented.

Reference to the paragraph in the preceding year	Non-Implemented Recommendation	Reference to the Paragraph in this Report
(i) 1.6.2 (a) (iv)	Arrears related to the reporting year in ACA - I(i) the Statement of arrears of revenue and as per the arrears of revenue register as at 31 December 2023, difference between that amount has not been corrected.	1.6.1 (a) (i)

(ii) 1.6.2 (a) (v)	As per the arrears of revenue balance as at 31 December 2023 and according to the arrears of revenue register difference between that balance has not been corrected.	1.6.1 (a) (v)
(iii) 1.6.2 (a) (vi)	As per the ACA - (i) the statement stated that the arrears collected for the year prior to the previous year and, as per the 2023 revenue schedule difference between that balance has not been corrected	1.6.1 (a) (iii)

3. Financial Review

3.1 Revenue management

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) In terms of Financial Regulations 128 (2) (e) the state revenue accounting officers should make special arrangements regarding promptly recover of the arrears of revenue due to the government, but by 31 December 2024, the arrears of revenue assigned to the department would be Rs. 484,633,913, that outstanding balance consists of Rs.114,639,151 over 10 years, Rs.28,840,247 from 07 to 09 years Rs. 42,072,857 from 04 to 06 years, and Rs.56,755,313 from 01 to 03 years and balance of Rs.242,326,345 below 01 year has been included	For institutions with an arrears of revenue exceeding Rs. 3.0 million, the chairmen have been instructed to convene and promptly recover the outstanding amounts. Similarly, other institutions have been repeatedly instructed in writing to make the necessary payments, emphasizing via telephone to the responsible officers in each institution the urgent need to settle balances of the debt. At the end of the financial year, all institutions with balances of the debt exceeding Rs. 10,000 were formally notified with schedule to ensure prompt recovery. Additionally, the Secretary of the Ministry of Justice conducted a separate discussion regarding the balances of the debt, and the relevant secretary of the ministries of the concerned institutions were informed accordingly to pay the balances of the debt	Action should be taken to recover arrears of revenue immediately.

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| (b) | Special attention must be given to outstanding amounts in accordance with Financial Regulation 175(2), and all actions should be carried out promptly and in strict compliance with the law. Where recovery through by law is not possible, long-outstanding amounts should be written off with the concurrence of the Treasury without delay. However, between 2005 and 2014, revenue amounting to Rs. 115,121,711 were due from 164 institutions. | According to the audit observations, I have recorded the necessary actions to be taken in future. | Action should be taken as per the Financial Regulations. |
| (c) | The department has recovered a total of Rs.82,506,552 arrears of revenue relating to the years 2003 to 2023 during 2024, which It was a relatively low percentage of 33.85 of the total revenue of Rs. 486,007,198 that was due for collection as of 31 December 2024. | I inform action should be taken to recover arrears of revenue. | Action should be taken to recover arrears of revenue immediately. |
| (d) | According to the confirmation of sample balances during the audit regarding the arrears of revenue balances as at 31 December 2024, there was a difference of Rs.28,585,300 between the balances to be received from the respective institutions and the balances collectible by the institutions. | Kindly be informed that this difference has arisen due to subsequent adjustments made to the invoices initially submitted to the respective institutions. | The arrears of revenue balances due and the balances recorded by the respective institutions should adjust with each other and should be accurate |

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| <p>(e) As per the State Fiscal Policy Circular No. 01/2015 dated 20 July 2015, paragraph 04 of the Guideline on State Revenue Estimation, Collection, Monitoring and Reporting so therefore it is essential to Systematic maintenance of records for improving revenue administration and accounting, monitoring and policy analysis. The department had failed to act as per (a), (b) and (e) mentioned therein.</p> | <p>I have noted to take action in future accordance with audit observations.</p> | <p>Revenue administration and accounting should be carried out with greater diligence in accordance with the Circular.</p> |
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3.2 Management of Expenditure

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) Due to insufficient allocation of provisions in the annual estimate Rs. 28,129,098 provisions were saved out of Rs.142,000,000 allocated for 09 recurrent objects and 02 capital objects, and those savings ranged from 09 percent to 100 percent.	According to Budget Circular 01/2024, it had been informed that due to the control of expenses and restriction of purchases, there will be a saving of provisions in the relevant expenditure objects. Commitments had arisen for 04 recurrent objects.	Estimates should be prepared on a realistically.
(b) Due to the cancellation of participation in the planned foreign legal conference, Rs.1,640,420, i.e., 12 percent of the allocated provision, remained saved. The reasons for the cancellation, along with the relevant documentary evidence, were not submitted to the audit.	I inform that the relevant documentary evidence will be submitted to the audit.	Documentary evidence should be submitted to the audit without delay.

- (c) Due to insufficient allocation of provisions in the annual estimates, an amount ranging from 07 percent to 143 percent of the original provision was transferred by Financial Regulation 66. I wish to inform that, during the preparation of the estimates, provisions were transferred under Financial Regulation 66 to expenditure heads with deficit provisions in order to meet unforeseen expenses in addition to the anticipated expenses. This measure was taken to ensure the uninterrupted continuation of services. Estimates should be prepared on a realistically.
- (d) According to Paragraph 03 of Budget Circular No. 01/2024 dated 10 January 2024, appropriate expenditure control methods should have been adopted to minimize expenses on electricity, water, and telephone services. However, a provision of Rs. 4,000,000 had been transferred through Financial Regulation 66 for electricity and water expenses. As the allocated provisions were insufficient due to the increase in electricity and water charges, additional provisions were obtained through transfers made under Financial Regulation 66. Estimates should be prepared on a realistically.
- (e) According to Paragraph 3.1 of the National Budget Circular No. 01/2024 dated 10 January 2024, when purchase of office requirements should be carried out under strict control and procured only based on the actual annual requirement. However, provisions amounting to Rs. 10,000,000 had been transferred through Financial Regulation 66 for the purchase of furniture and office equipment, which represents an increase of 143 percent of the estimated provision. Due to the insufficiency of the provisions allocated for the purchase of computers, fulfill the requirement of computers that arose with the commencement of operational activities in the new building, funds were transferred through Financial Regulation 66 to fulfill the relevant requirement, ensuring the continuous functioning of services. Estimates should be prepared on a realistically.

3.3 Incurring of Liabilities and Commitments

Audit Observation	Comments of the Accounting Officer	Recommendation
According to Paragraph 3.3 of the State Accounts Guideline Circular No. 06/2024 dated 16 December 2024, commitments and liabilities of the reporting entity as at 31 December 2024 should be disclosed by commitment number. However, commitments and liabilities amounting to Rs. 610,039 relating to the year 2024 had not been included in the Statement of Commitments and Liabilities submitted with the financial statements and Treasury Printouts SA 92.	I acknowledge the audit observation and kindly inform that this occurred due to the failure to submit the relevant bills within the stipulated timeframe.	Liabilities should be disclosed as per the referred circular.

3.4 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.

Observation	Comments of the Accounting Officer	Recommendation
Reference to Value Laws, Rules and Regulations Rs.	Non-Compliance	
(a) Sub sections 28.5 and 28.6 of Chapter XIV of the Establishments Code of the Democratic Socialist Republic of Sri Lanka.	Although, as per Financial Regulation 115, payments for travelling expenses claim form not submitted within the prescribed time limit should be reduced accordingly, in 12 instances, the full	It is noted that necessary measures will be taken to prevent such deficiencies in the future, and kindly informed that action will also be taken to recover the delay charges that were
		Actions should be taken as per the Establishments Code.

travelling fee had not previously been paid without collected. recovering the delay charges.

(b) **Financial Regulations of the Democratic Socialist Republic of Sri Lanka**

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| (i) F.R. 104(4) | - | <p>Although a full report on an accident should be submitted within 03 months from the date it occurred, full reports were not submitted in respect of 23 vehicle accidents that took place during the years 2023 and 2024.</p> | <p>I wish to inform that the final reports are currently being prepared.</p> | <p>Action should be taken in accordance with the Financial Regulations regarding vehicle accidents.</p> |
| (ii) F.R. 137 | 576,828 | <p>Upon completion of services, works, or supplies, although the accounting officer is accountable, approval must be obtained from the authorized officer empowered to take custody of the relevant entitlements in this regard, Payments were made for 06 payment vouchers without obtaining the necessary approval, Although, for each payment, the expenditure</p> | <p>It has been reported that action is being taken to correct the deficiencies identified during the audit observation, and the relevant division has been instructed to ensure that payments are not made with such deficiencies in the future.</p> | <p>Actions should be taken as per the Financial Regulations.</p> |

		should have been certified by the certifying officer in respect of the matters stipulated under Financial Regulation 137, However, such procedures were not carried out in respect of 07 vouchers.		
(iii)F.R. 165(2)(a) (i)	115,664,500	Although it was indicated that the executive officer should immediately record and certify the amounts of receipts in the relevant register, including cheques, money orders, etc., however, cheques and cash received after 12 July 2024 were not recorded in the cash book and receipt of test checks, it could not be confirmed whether such receipts had been brought into the accounts.	At present, action has been taken to complete the deficiencies noted in the audit observation.	Action should be taken as per the Financial Regulations.
(iv)F.R. 237(a) (i)	4,110,122	Although, in making payments for works or supplies carried out under any agreement, payments should have been made based on a certificate confirming that the work had been satisfactorily	It was observed in the audit query that, due to delays in the completion of the services and repairs, the relevant certification had not been recorded on the original invoices, The relevant officers	Action should be taken to obtain a certificate confirming that the work has been completed in accordance with the Financial Regulations

		completed in accordance with the agreement, Payments were made for 08 services and repair works without obtaining a certificate from the responsible officer for the respective task.	have been informed to take necessary actions to ensure that such lapses do not occur in the future.	
(v) F.R. 237(b)	119,449	Although a certificate confirming the received goods in the relevant goods register should have been attached, such procedures were not carried out in respect of 04 instances of goods purchase.	As indicated by the audit, a certificate confirming that the goods had been included in the goods received register has been attached, and it is kindly informed that future actions will be carried out in accordance with audit observation.	Actions should be taken as per the Financial Regulations.
(vi) F.R. 1642	-	Although all vehicle accidents should have been reported to the nearest police station, 04 vehicle accidents that occurred during the year under review and the preceding year had not been reported to the police	The log books have been updated in respect of the relevant accidents mentioned in the audit.	Action should be taken with regard to the accidents in accordance with the provisions of the Financial Regulations.
(c) Public Finance Circular				
(i)According to Public Finance Circular No.	-	Although the Department should have carried out the relevant duties	As indicated in the audit, the instructions have been given to the	Actions should be taken as per the Public Financial

01/2020 Section 11.1, dated 28 August 2020, and FR.756(6)	pertaining to the 2023 and 2024 board of survey and submitted the reports within the prescribed period in accordance with the departmental circular, such actions had not been taken within the stipulated timeframe.	relevant officers to act in accordance with the provisions of the relevant circulars.	Circular.
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(ii)F. R. 371(2) 709,115 and 371(5) of Circular No. 01/2020 dated 28 August 2020	Although, ad -hoc sub imprest up to a maximum of Rs.100,000 may be issued on a single occasion only to officers of executive positions for specific purposes, such imprests should be settled within 10 days after the completion of the respective task. The sub imprests provided by the Department on 40 occasions from 01 January to 30 June 2024 were settled with delays ranging from 19 days to 04 months.	It was observed in the audit query that the settlement of other sub- imprests had been delayed by several days, and the relevant officers have been informed to ensure that such delays do not occur in the future	Action should be taken to settle the advances in accordance with the Public Finance Circular and the Financial Regulations.
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3.5 Deposit Balances

Audit Observation	Comments of the Accounting Officer	Recommendation
Retention money amounting to Rs.28,638,265 for contracts more than 02 years had not been settled and remained in the general deposit account.	It is informed that action will be taken to settle the retention money pertaining to the contracts noted in the audit observation in the future.	Retention money should be settled

4. Operating Review

4.1 Non-Performance of Functions

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) According to the information submitted to the audit, as at 31 December 2024, there were 25,718 instructing files, of which 7,698 files had been completed during the year 2024, Furthermore 18,020 files still pending. Accordingly, as at 31 December 2024, 70 percent of the instructing files remained pending.	According to the report dated 24.03. 2025 on instructing files, based on the information we submitted, action has been taken to complete within the year all instruction files received by the Criminal Division and the Child Abuse Division from 01.01.2024 to 31.12.2024. Furthermore, a significant proportion of the current cases/instructing files consists of files carried forward from previous years, and that number is also included in the aforementioned report submitted by the Department. The reason for this is the significant vacancies among the legal officers in the Department and the incompleteness of the files referred by the institutions from which instructions are received	Action should be taken to expedite the completion of instructing files.

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| <p>(b) As at 31 December 2024, the number of pending court case files was 18,553, of which 2,957 files had been completed during the year 2024, further 15,596 case files still pending as at 31 December 2024. Accordingly, the remaining case files were 85 percent of the total court case files.</p> | <p>After examining the case files submitted to the Attorney Department and taking the necessary measures, Filing of cases and providing instructions for filling cases .are carried out, and among these, the files related to indictments filed before the High Court cannot be concluded and closed at the Attorney Department until the court proceedings are completed, and it is further informed that the number of such files is also included in the aforementioned report we submitted.</p> | <p>Action should be taken to expedite the completion of work on case files.</p> |
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4.2 Procurements

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) As per the Treasury Secretary's Circular No. 02/2020 dated 28 August 2020 and Paragraph 04 of the Public Finance Circular, all Accounting Officers are required to prepare the Annual Procurement Plan for the implementation of recurrent and capital programs of the next year, in accordance with the subjects and functions assigned to their institutions, before the 10 of December of the recurrent year, obtain the approval of the Chief Accounting Officer, and forward copies thereof to the National Procurement Commission, the Auditor General and the Department of Public Finance, the Department's Procurement Plan had been submitted to the Chief Accounting Officer only on 06	Due to delays in obtaining the necessary information from the relevant divisions, the submission of the Annual Procurement Plan for the year 2024 had been delayed. It is informed that action will be taken to prepare and submit it by the stipulated date in the future.	Action should be taken to complete the Procurement Plan by the stipulated date.

February 2024. Furthermore, copies of the Procurement Plan had not been submitted to the relevant institutions.

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| (b) | According to the information submitted for audit, since the year 1998 to year 2024, the cleaning contract had continuously been awarded to the same cleaning institution for a period of 25 years. Further, it was observed that payments amounting to Rs. 39,542,785 had been made to that institution for cleaning services from 22 November 2021 to 10 December 2024 without entering into a formal contract agreement. | Approval of the Cabinet Appointed Procurement Committee had been obtained for making payments for the period up to December 2024. | Action should be taken to operate under a formal contract agreement with the relevant institution. |
| (c) | In accordance with Section 2.11.3 of the Procurement Manual, the procuring institution is required to report Procurement Committee meeting reports using the specific format prescribed in the Procurement Manual. However, the Department had not acted in compliance with this requirement. | The relevant officers were instructed to act in accordance with the audit. | Action should be taken in accordance with the Procurement Guidelines. |
| (d) | In accordance with Section 4.2.1(b) of the Procurement Guidelines, the expected procurement activities should have been listed in the Main Procurement Plan for a minimum period of 03 years; however, the Department had not prepared such a plan. | It is informed that a three year projected Procurement Plan will be prepared for the next years | Action should be taken in accordance with the Procurement Guidelines. |
| (e) | the tenders received in accordance with 6.3.1(a) of the Procurement Guidelines, as per 6.3.1(b) However, no condition had been stipulated in the bids calling documents requiring | It is informed that, henceforth, procurement activities will be conducted in accordance with the Procurement Guidelines. | Action should be taken in accordance with the Procurement Guidelines. |

that all bids be submitted under a sealed cover. The bids were not submitted under a sealed cover.

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| (f) | In accordance with 6.3.3(b) of the Procurement Guidelines, It was stipulated that the bids should be opened in the presence of the bidders or their authorized representatives willing to attend, and signatures should be recorded accordingly. No information had been submitted to the audit indicating the presence of the bidder or their representatives in the bid opening records notes format. | The agents of applicants did not participate in the bid opening session, and the bids were opened by the relevant Bid Opening Committee. | Action should be taken in accordance with the Procurement Guidelines. |
| (g) | In accordance with Section 6.3.6 of the Procurement Guidelines, the bid opening proceedings should have been recorded in the prescribed format. However, Although it was stipulated that, under the financial information of the bid opening report for the cleaning services procurement, the bank name and the amount of the bid security should be presented, No record was provided regarding the bid security submitted by the relevant institution. | The relevant institution had submitted a bid security through recognized financial bank; however, it was not presented for observation of the Bid Opening Committee. It is informed that, henceforth, actions should be conducted in accordance with the Procurement Guidelines. | Action should be taken in accordance with the Procurement Guidelines. |
| (h) | In accordance with 6.3.6 of the Procurement Guidelines, bid opening proceedings should have been recorded in the prescribed format. However, during 06 instances of stationery purchases totaling Rs.6,893,775, the bid opening formats were not utilized. | It is informed that, henceforth, procurement activities will be conducted in accordance with the Procurement Guidelines. | Action should be taken in accordance with the Procurement Guidelines. |

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| (i) | <p>No estimate had been approved for the purchase of 50 computers and 50 UPS machines, and computer equipment worth Rs.14,728,482, which was not included in the activity on 2024 Procurement Plan, had been purchased. Further, in accordance with 8.7.1(b) of the Procurement Guidelines, a letter of acceptance should have been issued within the validity period of the bid and upon taking the final decision to award the contract. However, no such document was submitted to the audit when computer procurement.</p> | <p>It is informed that, henceforth, procurement activities will be conducted in accordance with the Procurement Guidelines.</p> | <p>The relevant estimates should have been approved and the purchases should have been in compliance with the Procurement Plan. Furthermore, all actions should be carried out in accordance with the Procurement Guidelines.</p> |
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4.3 Management Weaknesses

The following observations are made.

	Audit Observation	Comments of the Accounting Officer	Recommendation
(a)	More than 35 percent of the advances amounting to Rs.252,000 was not taken for the relevant purpose and was settled again in cash.	It was instructed to the relevant officers that, in future money required for the relevant ad-hoc should be accurately assessed and requested for sub-imprest.	Advances should be provided for the respective tasks only based on requirement.
(b)	An amount of Rs. 769,860 recoverable from three officers suspended from the Department's service and five officers who had left the service, remained unrecovered for a period of 10 to 20 years.	It is informed that measures are being taken to recover the outstanding loan.	Immediate action should be taken to recover the loan balances.

5. Human Resources Management

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) As at 31 December 2024, the approved cadre of the Department was 1,295, while the actual cadre was 690, therefore there was 605 vacancies. This represented 47 percent of the approved cadre.	It is informed that necessary action is being taken to fill the existing cadre vacancies.	Action should be taken to fill the vacancies.
(b) Although the Department had 523 approved senior level positions that directly affect its performance, as at 31 December 2024, there were only 231 actual cadre, resulting in 292 vacancies. This represented 56 percent of the approved cadre.	Interviews have been conducted for the recruitment of officers to senior-level positions.	It has a direct impact on the performance of the Department, therefore necessary action should be taken to fill them.
(c) Although according to paragraph 2.12 of the guidelines included in the Schedule of Public Administration Circular No. 02/2018(1) dated 30 November 2023, an expenditure estimate for the Human Resource Development Plan should have been prepared, However, the Department had not prepared such an expenditure estimate.	It is informed that the relevant expenditure estimate will be prepared and submitted.	Action should be taken as per the Circular.