

Head 009 - Administrative Appeal Tribunal - 2024

1. Financial Statements

1.1 Opinion

Head 009-The audit of the financial statements of the Administrative Appeals Tribunal 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.This report contains my comments and observations on the financial statements of Administrative Appeals Tribunal issued to the Chief 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 related to the Tribunal will be issued to the Chief Accounting Officer 12 June 2025 in terms of Section 11(2) of the National Audit Act, No. 19 of 2018 in due course. This report will be tabled in Parliament in pursuance of provisions in Article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka to be read in conjunction with Section 10 of the National Audit Act, No.19 of 2018.

In my opinion, the financial statements give a true and fair view of the financial position of the Administrative Appeals Tribunal as at 31 December 2024, and its financial performance and cash flows for the year then ended 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

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs).My responsibility for the financial statements is 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 Emphasis of matter - Basis of preparation of financial statements

The attention is drawn to Note 1 to the financial statements, which describes the basis of preparation of these financial statements. The financial statements have been prepared for the need of the Administrative Appeals Tribunal, the Treasury and the Parliament in accordance with Government Financial Regulations 150 and 151 and Government Accounts Guideline No. 06/2024 dated 16 December 2024, as amended on 21 February 2025. Accordingly, these financial statements may not be suitable for other purposes. My report is intended only for the use of the Administrative Appeals Tribunal, 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 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 Government Financial Regulations 150 and 151 and Government Accounts Guideline No.06/2024 dated 16 December 2024 as amended on 21 February 2025 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 Administrative Appeals Tribunal 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 Administrative Appeals Tribunal at 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.

1.5 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 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 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 Ministry's internal control.
- Evaluate the structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Evaluate the overall presentation, structure and content of the financial statements including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Audit Issue	Comments of the Chief Accounting Officer	Recommendation
Due to not preparing the expenditure estimate as per the provisions of F.R.50 the 10 recurrent expenditure items and 2 capital expenditure item which remain un-utilizing within the range of 18 percent to 94 percent.	Reason to remain the un-utilized provisions were, the assistant secretary was on no pay leave out of the island, limitation of the traveling expenses and over-time payments, fluctuation of the fuel charges, the machines and equipment repair expenses and uniform allowances were not occurred up to the expected level, letters were send by normal post, electricity expenditures become less and use economically were shown.	Expenditure estimate should be prepared in accordance with the provisions of F.R.50 with the focus of efficiency and economically.

3.2 Non-Compliance of the Laws, Rules and Regulations

Reference to the Laws, Rules and regulations	Non-Compliance	Comments of the Chief Accounting Officer	Recommendation
Section 4 of the Public Finance Circular No, 02/2020 dated 28 August 2020.	The Tribunal had not been prepared a procurement plan for the year under review.	Has been informed a procurement plan was prepared for the year 2025.	Should prepared a procurement plan in accordance with the circular.

4 Operational Review

4.1 Vision and Mission

The following observation are made

Audit Issue	Comments of the Chief Accounting Officer	Recommendation
(a) At the beginning of the year under review 1007 complaints had been remained to be resolved and received 522 complaints within the year. Accordingly total number of 15290 complaints were remained to settle and 455 were resolved. According to the way it settled, 141 complaints were adjourn, 216 complaints were dismissed, 67 complaints were withdrawn and 36 cases were resolved whereas the percentage of the concluding cases was 30.	According to the Section 7 of Administrative Appeal Tribunal Act No 04 of 2002, an appropriate action should take regarding the appeal within 02 months since the date it was filed, though I have been informed you and the Parliament Selected Committee through my reply dated 28.03.2025 and the reply to the audit quarry before that. Further, at the occasion the Hon. Attorney General paid his attention towards this matter, he emphasized it was as an instructive and not a compulsory thin. The troublesome situation come across which the un-control the situation and the situation beyond the control of the Tribunal effect the of 02 months time period and delayed to fulfill that term practically	A system should be establish to resolve the complaints without any delay.

- | | | |
|--|---|---|
| <p>(b) Out of the total complaints received as at 31 December 2024 from Public Service Commission and National Police Commission, 1074 complaints were remained as unsettled matters. According to the date the complaint was filed in the Tribunal 341 complaints remain less than 02 years as un settled, while 395 appeals remain as un-settled between 02 years to 04 years. At the end of the year, 136 complaints remain as un-settled matters for more than 04 years. It was observed at the audit the requirement of implementation of a resolving method without delay to make the relief to the aggrieved party who apply for the above said complaints/appeals.</p> | <p>In the process of resolving the appeals either parties (such as; Public Service Commission, National Police Commission, Audit Commission and Appellant) delay in action, the delay of submitting the relevant information and request another date for the herring cause for the delay to give the order and therefore such delays are un avoidable.</p> | <p>The reasons caused to delay to resolve the appeals should avoid.</p> |
|--|---|---|

4.2 Management Deficiencies

Audit Issue	Comments of the Chief Accounting Officer	Recommendation
Although more than 22 years had passed since the establishment of the Tribunal, the recruitment procedures for each post had not been prepared by the end of the year under review.	Accomplished recruitment procedure had been sent to the Department of Management Services and has been informed to make the amendments and submit it again. The accomplishments are processing.	The preparation of recruitment procedure should accomplish in due time.

5. Human Resource Management

Audit Issue	Comments of the Chief Accounting Officer	Recommendation
According to the information submitted by the Tribunal for audit, although the approved carder as at 31 December 2024 was 32, there were 14 permanent staff and 08 appointed on a contract basis, and 10 positions remained vacant. All three senior level posts of Secretary, Assistant Secretary and Accountant had been reappointed annually on a contractual basis since the year 2017.	It has been stated arrangements setup that applications have been invited and interviews will be held these days to recruit for 09 secondary level vacancies and 01 primary level vacancy.	Action should taken to fill the essential posts.