

Head 025 - Delimitation Commission - 2025

1. Financial Statements

1.1 Opinion

Head 025 - The audit of the financial statements of the Delimitation 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 Summery Report contains my comments and Observations on the Financial Statements on the Financial Statements issued to the Delimitation Commission in terms of Section 11(1) of the national Audit Act No 19 of 2018, issued to the Chief Accounting Officer on 28 May 2025. The Annual Detailed Management Audit Report related to the Delimitation Commission will be issued to the Chief Accounting Officer on 11 June 2025 in terms of Section 11(2) of the National Audit Act, No. 19 of 2018. 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 Delimitation Commission 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 in all material respects, set out in Note 1 to the financial statements.

1.2 Basis for 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 the Note 1 related to the Financial Statements which describes the basis of preparing these financial statements. The financial statements have been prepared as per the Financial Regulation 150, 151 and the State Accounts Guideline No. 06/2024 dated 16 December 2024 amended on 21 February 2025 for the requirement of the Audit Service Commission, General Treasury and the Parliament. Consequently, these financial statements may not be suitable for other objectives. My report is only for the use of the Audit Service Commission, General Treasury and the Parliament of Sri Lanka. My opinion on this matter 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 Ministry is required to maintain proper books and records of all its income, expenditure, assets and liabilities to enable the preparation of annual and periodic financial statements.

In terms of Sub-section 38(1)(c) of the National Audit Act, the Chief Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Ministry 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 the failure to prepare the expenditure estimates on a realistic basis in terms of Financial Regulation 50, provisions ranging from 20 percent to 100 percent relating to 09 recurrent expenditure items, and 100 percent of the provisions relating to 03 capital expenditure items, remained unutilized during the year under review.	It was stated that the unutilized provisions had remain due to the expenditure restrictions imposed in terms of Budget Circular No. 01/2024.	Estimates should be prepared as realistically as possible with accurate forecasts.

3.2 Non-Compliance of Laws, Rules and Regulations

Refer to the Laws and Rules	Non-Compliance	Comments of the Chief Accounting Officer	Recommendation
Public Administration Circular No.02/2018 dated 24 January 2018.	A human resource development plan had not been prepared for the year under review.	Agreed with the observation.	Action should be taken as per the circular.

4. Operation Review

4.1 Planning

Audit issue	Comments of the Chief Accounting Officer	Recommendation
Although 13 activities had been included in the Action Plan prepared for the year 2024 as tasks to be carried out during the year, the audit revealed that none of those activities had been implemented during 2024.	It was observed that no requirement had arisen for providing training to the staff, and the relevant powers had not been delegated to hold discussions with Secretaries of various government institutions in relation to delimitation matters. However, the Commission has collected information pertaining to the boundaries of Provinces, Districts, and Grama Niladhari Divisions, and has also obtained Gazette notifications indicating boundary demarcations of Divisional Secretariat Divisions except for 16 Divisional Secretariat Divisions as well as reports of the Department of Elections relating to the Parliamentary Elections held in 1946, 1959, 1976, 1981, and 1988.	Only the activities to be carried out during the year should be included in the Action Plan, and revisions should be made as necessary.

4.2 Non-fulfillment of tasks

Audit issue	Comments of the Chief Accounting Officer	Recommendation
The Delimitation Commission was established by the President on 13 November 2015 for the purpose of determining electoral boundaries within Sri Lanka. Although nearly 10 years have passed since its establishment, It was observed during the audit that attention should be paid to clearly identifying the functions, responsibilities and powers of the Commission and to completing the tasks within a specified time frame.	Observation has been accepted.	Action should be taken to adhere to the objectives for which the Commission was established and to perform its functions accordingly.

5. Good governs

5.1 Internal Audit

Audit issue	Comments of the Chief Accounting Officer	Recommendation
To carry out internal audit activities the Chief Accounting Officer should appoint a suitable officer according to Section 40 of the National Audit Act, No. 19 of 2018. No internal auditor had been appointed and internal audit activities had not been implemented since 2015.	Observation has been accepted.	Action should be taken in accordance with the provisions of Section 40 of the National Audit Act.

5.2 Audit and Management Committee

Audit issue	Comments of the Chief Accounting Officer	Recommendation
In terms of Section 41 of the National Audit Act, No. 19 of 2018, an Audit and Management Committee should be established for every entity. However, the Commission has not maintained Audit and Management Committees since 2015	Observation has been accepted.	Action should be taken in accordance with the provisions of Section 41 of the National Audit Act.

6. Human Resource Management

Audit issue	Comments of the Chief Accounting Officer	Recommendation
Although the approved staff as at 31 December 2024 was 15, the actual staff was 08, resulting in 07 secondary level vacancies in the staff. Officers had been attached on an acting basis for the senior level Secretary and Accountant posts from 2016 up to the date of this report.	Observation has been accepted.	Action should be taken to fill the required vacancies.