

Head 013 – Human Rights Commission - 2024

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of Head 013 – Human Rights Commission for the year ended 31 December 2024 comprising the statement of financial position as at 31 December 2024, 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 Human Rights Commission was 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 relevant to the Human Rights Commission was issued to the Chief Accounting Officer on 13 June 2025 in terms of Section 11(2) of the Audit Act. 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, except for the effects of the matters described in paragraph 1.6 of this report, the financial statements of the Human Rights Commission as at 31 December 2024 give a true and fair view of the financial position, financial performance and cash flows in accordance with the basis of preparation of the financial statements as stated in Note 1 to the financial statements.

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 (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 paragraph - Basis for preparation of Financial Statements

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 needs of the Human Rights Commission, General Treasury and Parliament in accordance with Financial Regulations 150 and 151 and, Public 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 solely for the use of the Human Rights 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 Financial Regulations 150 and 151 and, Public Accounts Guideline No.06/2024 dated 16 December 2024 as amended on 21 February 2025

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 Human Rights Commission 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 Human Rights Commission 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 due to fraud or error and to issue an Auditor General'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 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.

1.6 Comments on the Financial Statements

1.6.1 Property Plant and Equipment

The following deficiencies were observed in the accounting of property, plant and equipment.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a) Although the non-financial assets purchased in the year under review as per the financial statements were Rs.14,905,920, a difference of Rs.1,556,807 was observed since the value as per the fixed assets register was Rs.13,349,113.	The observation has been accepted and the reason for this difference is that purchases by regional offices were not included in the fixed assets register and several purchased items were not included in the fixed assets register, and action will be taken to correct this.	The fixed asset register should be maintained up to date.
(b) Although 83 goods items had been disposed according to the Board of Survey Report 2023, the cost of those goods had not been identified and actions had not been taken to derecognize from non-financial assets.	That since it is difficult to identify the cost of these items and it is difficult to identify these items through CIGAS, it has not been derecognize from financial assets and actions are being taken to correct it.	The cost of disposed assets should be removed from non-financial assets.
(c) According to the information submitted for audit on vehicles and the BOS Report, the cost or assessed value of 02 motorcycles had not been accounted during the year under review.	It has been stated that the two motorcycles will be re-evaluated and entered into the CIGAS computer system in the future.	All assets should be identified and accounted.
(d) In accordance with paragraph 8.2 of the Public Accounts Guideline No. 06/2024 dated 16 December 2024, as amended on 21 February 2025, assets prior to the year 2004 had not been assessed and included in the financial statements.	Actions will be taken to correct it in the future.	Accounts guidelines should be followed.
(e) Although library books worth Rs.701,786 were included under non-financial assets, these library books had not been used for the annual Board of Survey for many years.	The observation has been accepted and, that the library book censuses will be conducted in 2025 and accordingly, and action will be taken to submit the items for survey in the future.	Library book should be considered in the Board of Survey.

1.6.2 Imprest Balance

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
Although showed Rs.375,167,059 as the imprest settlement in the ACA3 form, due to the consolidated balance sheet showed that the value was Rs.380,489,153, a difference of Rs.5,322,094 was observed.	According to the departmental consolidated balance sheet, the imprest settlement by expenditure is Rs.375,167,059, the imprest settlement by cash is Rs.5,322,094, and the total is Rs.380,489,153.	Financial statements should be prepared accurately.

1.6.3 Failure to maintain Records and Books

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
The ad-hoc advance register maintained to cover project expenses had not been updated properly.	The observation has been accepted and action will be taken to correct it.	The advance register should be properly maintained and updated.

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 Imprest Management

Following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a) There were 74 cases where the sub imprest was settled within a period ranging from 11 days to 170 days, contrary to the Financial Regulation 371(05), as amended by the Public Finance Circular No.01/2020 dated 28 August 2020.	It has been stated that the observation was accepted and the relevant officers and divisions have been informed to ensure that such delays do not occur again.	Financial regulations should be followed.

- (b) In accordance with the Financial Regulation 371(2)(b), although the Accounting Officer can grant a sub imprest up to a maximum of Rs.100,000 at a time only to the staff officers for specific task, it was observed that a sub imprest had been issued in excess of that limit.
- It has been stated that the Financial Regulations observation has been accepted and that it was noted down to not happen again in the future.

3.2 Expenditure Management

Audit Observation

Comments of the Chief Accounting Officer Recommendation

Due to the failure to prepare expenditure estimates properly in accordance with Financial Regulations 50, the savings in 14 recurrent expenditure items and 02 capital expenditure items ranged from 13 percent to 73 percent of the net provision.

It is stated that expenditure in other expenditure items was limited due to expenditure not being spent as expected in expenditure items 1502 and 1505 mentioned here and expenditure control in accordance with the National Budget Circular.

Expenditure estimates should be prepared with due regard to economy and efficiency in accordance with the F.R.50.

3.3 Incurring Liabilities and Commitments

Following observations are made.

Audit Observation

Comments of the Chief Accounting Officer Recommendation

- (a) The expenses amounting to Rs.3,107,679 relating to the year under review, which had been paid in the year 2025, were not disclosed in the Statement of Commitments incurring liabilities (Annexure iv) in the financial statements of the year under review.
- It is stated that since commitments and liabilities should be entered into the CIGAS web system before 31 January 2025, only liabilities that existed as of 25 January have been entered into the CIGAS system accordingly.
- All liabilities relating to the year under review should be included in the financial statements.
- (b) Rs.255,000 of building rent paid in advance from 01 January 2025 to 31 March 2025 had been included in the statement of liabilities in the financial statements of the year under review.
- Observations have been accepted.
- Only liabilities related to the year should be included.

3.4 Non-compliance with Laws, Rules and Regulations

Following Non-compliance was observed.

	Reference to Laws, Rules and Regulations	Non-compliance	Comments of the Chief Accounting Officer	Recommendation
(a)	Section 3.1 of Public Administration Circular No.30/2016 dated 29 December 2016	As per the referred Circular, Fuel combustion had not been checked for 39 vehicles owned by the Commission as at 31 December 2024.	Action will be taken to conduct fuel combustion tests in accordance with the provisions of the aforementioned Circular.	Action should be taken as per the Circular.
(b)	Paragraph 07 of Asset Management Circular No.01/2017 dated 28 June 2017	Action had not been taken in accordance with the referenced Circular.	Information on assets purchased and disposed will be forwarded to the Office of the Comptroller General in the future as above.	Action should be taken as per the Circular.

4. Operational Review

4.1 Planning

Following observations are made.

	Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a)	An action plan for the year 2024 had not been prepared and approved in accordance with paragraph 03 of Public Finance Circular No.02/2020 dated 28 August 2020.	It has been stated that action will be taken to prepare the annual action plan in the correct format in the future.	An action plan should be prepared and approved in accordance with the relevant Circular and relevant format.
(b)	Complaints received by the Commission and their resolution		
(i)	Since there were 8,778 complaints pending resolution as at 01 January 2024 while the number of complaints received during the year under review was 9,844, the total number of complaints pending for resolution was 18,622. The 8,135 complaints or 44 percent of the total number of complaints were closed	It has been informed that 8572 complaints remained as of 31.12.2024 due to the shortage of staff in the institution and the fact that other extra-curricular duties are being performed by the officers in addition to the work of examining complaints.	A new method should be adopted to resolve complaints promptly.

during the year. The 4,984 complaints were closed out of the 8,135 complaints, as 1,599 due to non-violation of fundamental rights, 2,458 due to lack of interest in the complaint and 927 due to not within the scope.

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| <p>(ii) The 352 complaints were resolved and 897 complaints were closed on relief during the year 2024. The 55 recommendations were made during the year and on the time taken to resolve those complaints according to the year in which they were received, was 11 complaints within a year of receiving the complaint, 22 complaints between 02 and 04 years, 09 complaints between 06 and 08 years, 03 complaints within 08 years, and one complaint over 10 years. Furthermore, only 05 recommendations had been implemented out of the 55 complaints for which recommendations were given and 02 recommendations had been withdrawn by the complainants.</p> | <p>The Human Rights Commission of Sri Lanka Act No.21 of 1996 provides that the initial task is to mediate, and investigation and making recommendations is the final task. Furthermore, in cases where a violation of fundamental rights is not confirmed after examining the complaints, recommendations will not be made regarding such complaints. It has been informed that recommendations have been made only for 55 complaints where evidence has been established that a violation of fundamental rights has occurred.</p> | <p>Attention should be paid to adopting a new method for resolving complaints promptly.</p> |
| <p>(iii) According to the follow-up review conducted by the Commission on 68 recommendations made after examining complaints received between 2001 and 2024, it was possible to implement or obtain agreement only for 12 recommendations within a period of 20 years after the recommendations were made. It was 17 percent of the total number of recommendations followed up. Although the final duty according to the Act is to report to the President on the non-implementation of recommendations, only 04 recommendations were reported to the President.</p> | <p>The failure of the respondents to implement the recommendations is followed up. However, the Commission is follow up and report to the President regarding the failure to implement the recommendations in accordance with the Act.</p> | <p>Attention should be paid to the actions required to implement the recommendations.</p> |

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| (iv) | Due to the fact that initial data had not been entered into the computer database and the database was not updated on a daily basis, although the number of recommendations given during the year under review according to the computer database was 38, the number according to the documents maintained was 55. | In addition to the complaint files related to 2024, the database will be updated and corrected, and it has been stated that out of the 55 recommendations made in 2024, only 38 recommendations were included in the database, and necessary actions are being taken to correct the 17 files that were not included in the database. | The computer system should be maintained up to date. |
| (v) | According to the resolution of complaints in the district offices and sub offices during the year 2024, the number of complaints received per officer per month ranged from 02 to 16 complaints depending on the number of officers deployed and the number of complaints received and 2351 complaints remained unresolved in the district offices at the end of the year under review. Accordingly, it was further observed that attention should be paid to improving the efficiency by following up on the complaint resolution process at the district level. | It has been stated that the Commission has drawn attention to this matter and has decided that a team of officers from the head office including a Commissioner will visit the regional offices to inspect the complaint files in the future and provide the necessary instructions for their expeditious completion. | The activities of district offices should be properly supervised. |

4.2 Assets Management

Following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a) Although the assets have been accounted through the CIGAS system in accordance with Asset Management Circular No.01/2017 dated 28 July 2017 and although these classification codes should be used in asset identification and management activities as per paragraph 09 of the said circular, the assets could not be identified precisely during the Board of	It has been stated that the annual Board of Survey was conducted according to the old coding system and commodity classification in this year as well as done in previous years and that the asset numbering will be done under the codes of the CIGAS package under the new coding system in the future.	Relevant Circular should be followed.

Survey due to failure of act accordingly.

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| (b) | The Commission did not maintain a vehicle register and information on the mileage of 21 vehicles for the year 2024 was not submitted for audit. | It has been stated that, since the vehicle register in the possession of the Commission was currently misplaced and the document will be re-prepared in accordance with the formal format and submitted. | The vehicle register should be updated and prepared. |
| (c) | Although the Board of Survey relating to the financial year under review should have been completed before 15 th March 2025 in accordance with F.R.756(6), the Board of Survey had been completed only in the Jaffna office. | It has been stated that since it is an institution consisting of 10 regional offices and 05 sub-offices, the Board of Survey in those offices will be carried out promptly in the future and the reports will be submitted to the Accounting Officer and the Auditor General before 15 th July. | Financial Regulations should be followed. |
| (d) | According to the Board of Survey in 2023, goods had not been disposed at the head office and 05 branch offices as at 31 April 2025. | It has been informed that actions will be taken to afford, sell or destroy the goods that are to be disposed of this year. | Financial Regulations should be followed. |

5. Good Governance

5.1 Internal Audit

Audit Observation

Although an Internal Auditor was appointed on 01 November 2023 with the approval of the Board of Governors in accordance with Section 40 of the National Audit Act, No.19 of 2018, any internal audit had not been conducted until the date of the audit.

Comments of the Chief Accounting Officer

Due to the limited recruitment, the appointment of officers to assist the Internal Auditor has been delayed and actions will be taken to efficiently carry out the work of the Internal Audit Division in the future after the recruitment of Management Assistants during this year.

Action should be taken in accordance with Section 40 of the National Audit Act.

5.2 Audit and Management Committee

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
Although every entity is required to have an Audit and Management Committee under Section 41 of the National Audit Act, No.19 of 2018, only one Audit and Management Committee was held from 2017 to 31 December 2024.	It is indicated that plans have been made to properly conduct Audit and Management Committees after the necessary officers have been recruited for the Internal Audit Division.	Action should be taken in accordance with Section 41 of the National Audit Act.

6. Human Resource Management

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
As of 31 December 2024, 61 posts were vacant as the approved carder was 221 and the actual staff was 160. Out of those vacancies, 05 posts were filled on the basis of performance of duties, 14 posts on a contract basis and one post on a daily basis.	Recruitment could not be made due to the fact that one officer had filed a case in the Supreme Court, the government had suspended filling of vacancies, and applications were invited but the required qualifications were not met. It has been informed that cabinet approval has been given to appoint development officers for the position of Research Assistant and action will be taken in the future.	Action should be taken to fill vacancies in essential positions.