

Head 189 - Ministry of Public Security - 2024

1. Financial Statements

1.1 Qualified Opinion

Head 189 - The audit of the financial statements of the Ministry of Public Security 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 Ministry of Public Security was issued to the Chief Accounting Officer on 13 June 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 Ministry was issued to the Chief Accounting Officer on 16 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, 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 Ministry of Public Security 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 Ministry of Public Security, 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 Ministry of Public Security, 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 Ministry 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 Ministry 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.

1.6 Comments on Financial Statements

1.6.1 Accounting Deficiencies

(a) Property, Plant and Equipment

The following deficiencies were observed in accounting for Property, Plant and Equipment.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(i) Although Rs. 226,373,135 had been spent on the acquisition of non-financial assets during the year under review, the value had been stated in the statement non-financial assets (SA-82) as Rs. 173,856,707, by understating Rs. 52,516,428 .	(i), (ii) and (iii). The problem of the balances not being equal when comparing the closing balance of non-financial assets of previous years with the opening balance of the audited year is not an accounting error of the Ministry and it happened due to a technical problem in the CIGAS accounting system. It has tried to correct by discussing with the Department of State Accounts of the Treasury regarding this matter and the same error occurs again and again. The Director General, Department of State Accounts has been informed in writing regarding this with reference No. PS/03/FIN/02/84/2025 dated 24.03. 2025 and verbal awareness has also been provided. Although it has been reported that the necessary corrections have been made, this has not been confirmed	Account balances should be prepared and presented accurately by correcting technical issues of changes in opening balances.
(ii) Although the balance of work in progress for buildings and construction as at 31 December 2023 was Rs. 732,237,046 due to it was shown as Rs.762,739,186 as at 01 January 2024, the opening balance of SA-82 had been overstated by Rs. 30,502,140 .		
(iii) Although the transportation equipment as at 31 December 2023 was Rs. 852,430,841, due to it was shown as Rs.715,330,840 as at 01		

January 2024 , the opening balance of SA - 82 had been understated by Rs. 137,100,001 . by the Treasury printouts for August either. The Treasury has also been informed that the corrections will not be reflected in Treasury printouts.

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| <p>(iv) Although the balance of other machinery and equipment as at 31 December 2023 was Rs. 2,888,360,739, due to it was shown as Rs.2,802,095,873 as at 01 January 2024, the opening balance of SA-82 had been understated by Rs. 86,264,866 .</p> | <p>The typographical error in the statement of financial position 2023 has been corrected and the correct non-financial asset balances have been included in the 2024 statement of financial position.</p> | <p>Balances should be recorded not to occur printing errors.</p> |
| <p>(v) Nine vehicles belonging to the Ministry of Public Security were experienced in accident during the year under review and information in this regard had not been presented in Notes I and II of the financial statements.</p> | <p>The Register of Losses had not been updated in the year 2024 and the information in this regard had not been presented in Notes I and II of the financial statements.</p> | <p>Information related to accidents should be presented in the financial statements.</p> |

(b) Non-maintenance of Registers and Books

It was observed during audit test checks that the Ministry had not maintained the following registers while certain other registers had not been maintained in the proper and updated manner.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
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(i) Register of Damages

<p>The Register of Damages had not been updated in accordance with Financial Regulation 110 .</p>	<p>Although separate books are required to be maintained to record losses on advance accounts and losses arising from other activities in terms of Section 110(1), since damages have not been reported to the advance accounts so far, a book has not been maintained for that purpose. However, actions will be taken to start and maintain a book for the coming year.</p>	<p>A record of damages should be maintained in accordance with the provisions of Financial Regulation 110 and the format provided for therein.</p>
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(ii) Register of Liabilities

A Register of Liabilities had not been maintained in accordance with Financial Regulation 214.

Since a report on liabilities is provided through the CIGAS computer system in accordance with financial regulations, records had not been maintained. However, as stated in the audit report, steps have been taken to maintain a Register of Liabilities in the future.

Those liabilities should be recorded in a Register of Liabilities.

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 those of 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	Audit Observation	Recommendation
(i)	1.6.1	Four vehicles belonging to the Ministry have been experienced in accidents on five occasions and information regarding this had not been presented in Annexure I and Annexure II of the financial statements.	1.6.1(a) (v)
(ii)	1.6.2(a) (i)	Actions should be taken to take the Previous year's closing balance of work –in-progress of buildings and construction as the opening balance of 01 January of the following year.	1.6.1(a) (ii)
(iii)	1.6.2(a) (ii)	Arrangements should be made to take the closing balance of other machinery and equipment of the previous year as the opening balance as at 01 January of the following year.	1.6.1(a) (iv)

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| <p>(iv) 1.6.2(a) (iv)</p> | <p>Although a sum of Rs. 237,371,259 had been spent on acquiring assets during the year under review according to the expenditure ledger, due to the fact that Rs. 77,732,482 has been shown as purchases in the Statement of Financial Assets (ACA-6), the purchases during the year had been understated in the statement of non-financial assets by Rs. 59,639,777 .</p> | <p>1.6.1(a) (i)</p> |
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3. Financial Review

3.1 Management of Expenditure

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
<p>(a) The total provision of Rs. 200,000 allocated for expenditure objects No. 189-1-01-1202-009 (Fuel and Others) and 189-1-01-1203-002 (Uniforms) at Rs. 100,000 each had been saved and as reasons for that, it was stated that the provisions were saved due to the non-submission of bills for fuel used for other purposes and the non-appointment of government officers to ministerial staff respectively.</p>	<p>This expenditure object has been allocated for the Minister's staff, and although the estimates for these expenditure objects have been prepared with a very low value in expectation of essential emergency expenses, provisions have been left over due to the fact that expenses have not been incurred as expected.</p>	<p>Estimates should be prepared identifying the needs precisely.</p>
<p>(b) Due to weaknesses in the preparation of estimates the variance between the original estimate and the revised expenditure estimate for 21 expenditure items had ranged from 50 per cent to 2600 per cent as a percentage of the original estimate.</p>	<p>Due to salary increases in accordance with public administration circulars, additional provisions received for salary and allowance expenditure objects and transfers under F.R. 66 should be made in compulsory and authority has been given by the Appropriation Act and the</p>	<p>Estimates should be prepared identifying needs precisely.</p>

Financial Regulations, to transfer various provisions within the overall estimate in the event of essential changes occurring during the year at the government and ministry level in other expenditure objects and accordingly, there are differences between the original estimate and the revised estimate due to the relevant transfers.

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| <p>(c) Out of the net provision totalled to Rs. 3,315,898,000 made available for 16 expenditure items, a sum of Rs. 2,160,749,118 had been saved ranging from 36 per cent to 90 per cent as a percentage of the net provision.</p> | <p>Out of the savings of allocation of Rs. 2,160,749,118, a sum of Rs. 1,943,373,939 has been allocated for the electronic identity card project and due to the reasons such as failure to complete certain procurements related to the e-ID Project as expected, failure to recruit officers for approved vacancies as expected, and failure to conduct training programs as expected, those provisions have been saved.</p> | <p>Estimates should be prepared identifying needs precisely.</p> |
| <p>(d) Out of the provision of Rs. 125,900,000 transferred under Financial Regulation 66 for 7 expenditure objects, a sum of Rs. 39,729,790 had been saved and the saving had ranged from 13 per cent to 150 per cent as a percentage of the Financial Regulation 66 transfers.</p> | <p>Since procurement cannot commence without adequate provisions, although relevant procurements have been initiated making available provisions under F.R.66, provisions show savings due to the inability to complete the relevant projects as expected.</p> | <p>Estimates should be prepared accurately and provisions should be made.</p> |

3.2 Incurring of Liabilities and Commitments

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a) An appropriation ledger should be maintained in accordance with Financial Regulation 447(i) and not only the amount of money spent in the account but also the liabilities incurred should be shown so that the correct amount of money remaining can be known, all the liabilities incurred in the expenditure ledgers had not been shown as per General-138 prepared by the Ministry.	Arrangements have been made to maintain a Register of Liabilities by now .	An expenditure ledger should be maintained in order to know the amount of money saving in accordance with F.R. 447(1) .
(b) Although commitments and liabilities incurred should be disclosed separately, in accordance with Paragraph 3.3 of the Department State Accounts Guideline No. 06/2024 dated 16 December 2024 and Financial Regulations 94(2) and 94(3), commitments and liabilities as at 31 December 2024 relating to 11 expenditure items amounted to Rs. 2,827,638 had not been shown in the statement of liabilities and Commitments.	A liability has been entered into with a view to being settled within the next financial year, in accordance with F.R. 94(2) and it has not been included in the liability statement of Cigas application due to the inadequacy of the provisions in the estimates for the current financial year.	Actions should be taken in accordance with Paragraph 3.3 of the Department of State Accounts Guideline No. 06/2024 dated 16 December 2024 and F.R. 94(2) and 94(3) .
(c) Although it should not enter into an expenditure or a liability exceeding the provisions for the year under review in accordance with Financial Regulation 94(1), liabilities and Commitments amounting to Rs. 2,086,431 had been entered into under 13 expenditure items during the year under review exceeding the provisions.	When provisions are made in the estimates of the current financial year for expenses of a recurrent nature and if such expenditure is expected in the next financial year in accordance with Paragraph 94(2) of the Act, a department may incur a liability that will have to be settled in the next financial year notwithstanding the provisions of Paragraph 94(1) of the F.R.	It should not enter into an expenditure or a liability exceeding the provisions for the year under review in terms of Section 94(1) of the F.R.

3.3 Certification of Chief Accounting Officer/Accounting Officer

Chief Accounting Officer/Accounting Officer should certify the following matters in terms of provisions set out in Section 38 of the National Audit Act, No. 19 of 2018. However, it had not been so done.

Audit Observation	Comments of the Accounting Officer	Recommendation
The Chief Accounting Officer and Accounting Officer should ensure that an effective internal control system for the financial control exists in the Ministry 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. Such reviews should be carried out in writing, and a copy thereof should be presented to the Auditor General, but no statements had been furnished to the Audit that the reviews had been carried out.	An effective internal control system is established and maintained for the financial control of the Ministry and the effectiveness of the system will be reviewed periodically and changes will be made to the control system accordingly and it is kindly informed that the financial statements for the year 2024 have been certified by the Chief Accounting Officer through ACA-P and submitted for audit.	Action should be taken in accordance with Provisions in Section 38 of the National Audit Act No.19 of 2018.

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 Chief Accounting Officer	Recommendation
Reference to Laws, Rules and Regulations	Value Rs.	Non-compliance	
(a) Financial Regulations of the Democratic Socialist Republic of Sri Lanka			
(i) F.R.104 - (3),(4)		Although the Preliminary Reports in terms of Financial Regulation 104(3) and Full Reports in terms of Financial Regulation 104(4) regarding losses and damages should be submitted to the Deputy Secretary to the Treasury and copies thereof should be submitted to the Auditor General, the copies of those reports had not been submitted.	The reports under 104(3) and 104(4) have not been submitted to the Auditor General and we have noted that these reports will be sent to the Auditor General in the future. The Preliminary Reports and Full Reports should be submitted to the Auditor General as scheduled in terms of Sections 104 (3) and 104 (4) of the F.R..

(ii) F.R. 156 (b) -

Every officer at all times be responsible for the safe custody, proper use of any property issued to him or placed in his temporary or permanent custody by the Government. Nevertheless, the driver had complained to the police that no legal action was necessary regarding two vehicle accidents.

Although the drivers of vehicle numbers KX – 5893 and KX – 5897 had been recorded as such in the police complaint, official investigations into those accidents are still being carried out.

The property issued by the government or given to his custody should be kept safe according to F.R. 156(b) .

(iii) F.R. 1647 -
(b)

A survey of the vehicles of the Ministry and their equipment should be conducted and although such a survey should be carried out immediately after the vehicle is handed over from one officer to another, as well as immediately after a change in the drivers of the vehicle, a survey had not been conducted regarding vehicles belonging to the Ministry.

Since a Board of Survey with a technical expertise had not been appointed to survey vehicle equipment, the vehicle equipment survey was not conducted and it was noted to pay attention in future Board of Surveys.

A survey should be conducted of the vehicles and their equipment belonging to the Ministry in accordance with F.R. 1647(b)

(b)	Section 3.1 of - Public Administration Circular No. 30/2016 dated 29 December 2016	Although a fuel test should be performed again after a period of 12 months or after 25,000 kilometres of driving, or after a major engine repair, whichever comes first, actions had not been so taken.	Although the fuel test was conducted and the report was submitted for the mechanical engineer's observation and since fuel combustion in the same type of vehicle shows different values, actions are being taken to appoint a committee headed by the mechanical engineer has been appointed to re- test the fuel since the mechanical engineer informed that a fuel test should be performed again.	Actions should be taken to conduct a fuel combustion inspection as per the circular.
(c)	Procurement Guidelines			
	(i) Section 5.4.8 24,800,000	Although a performance security of not less than 5 per cent of the estimated contract amount should be obtained to protect the procurement entity in case the contractor breaches the contract agreement, and also an amount of	Since it is maintained under an annual maintenance service agreement, I meant that the performance security required for construction work is not required here. However, it is accepted that the security of	A performance security should be obtained when entering into a contract agreement.

Rs. 24,800,000 procurement had been paid to entity would be E.W. Information assured if a System (PVT) Ltd. performance to update ICAO security had been software related obtained, steps services, the will be taken to relevant act accordingly performance from now on. security had not been obtained.

(ii) Section 8.7.1 -

Although a letter of acceptance should be issued as soon as the final decision to award the contract is made, arrangements had not been made in the procurement for updating ICAO software related services. Since this is not a new procurement, and it felt that it was not necessary to issue a letter of acceptance, such letter was not issued, and steps will be taken to issue a letter of acceptance in future software-related procurements. A letter of acceptance should be issued as soon as the final decision to award the contract is made in accordance with Section 8.7.1.

(iii) Section 8.9.3 -

Although a formal agreement should be entered into with the contractor who provided the relevant work, a contract agreement had not been entered into in respect of the contract for updating ICAO software related services. Agree. As this is not a new procurement and is an upgrade to the existing software system, agreement was not entered into. Further, the maintenance agreement also covers the entire software system also caused to it. A formal agreement should be entered into with the contractor who provided the relevant works according to Section 8.9.3 .

3.5 Deposit Balances

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
Although a list of all lapsed deposits was to be prepared at the closure of each half year, it had not been so done in terms of F.R. 571(1) .	A list of lapsed deposits had not been prepared and actions will be taken to prepare a list of deposits at the closure of each half year as per F.R.571 (1) in the future.	A list of deposits should be prepared as per F.R. 571(1)

4. Operating Review

4.1 Delays in the Execution of Projects

The following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a) Approval had been received to establish a Special Task Force Combat Transport Battalion in Mali for United Nations peacekeeping missions and to procure the necessary weapons and equipment, including related training in accordance with a decision Cabinet of Ministers in the year 2016 . Accordingly, government funds of Rs. 1,872.8 million had been spent on this project from the year 2017 to 2023. After that, the approval of Cabinet of Ministers had been again given in 2024 for the prompt implementation of this project. According to the note of Cabinet of Ministers submitted by the Minister-in-charge of Finance on 06 September 2024, although it was confirmed that nearly Rs. 2000 million had been spent on this project as at that date, it was observed that the government has not	The necessary funds for this project, which was initiated in 2016, were provided on several occasions through budget allocations. The COVID-19 pandemic and economic crisis that spread across the country between 2019 and 2023 have had a significant impact on the progress of the project. However, the project has now reached its final stage. It is clear that active operation of any kind has not been initiated by the United Nations Peacekeeping Operations Office during the year 2024/25. However, the Peacekeeping Force of the Special Task Force belongs to the Formed Police Unit section mentioned here, and in that section, China and Nepal are currently positioned at the Rapid Deployment Level	Actions should be taken to achieve the desired goals without delay.

received proper benefits from the project due to the fact that the battalions have not been sent so far.

(RDL) to participate in operations at any time. After that, there are 04 countries under Level III, out of which, the Special Task Force has taken the first place. Also, 30 countries are on this waiting list after the Special Task Force under the Formed Police Unit. Accordingly, the Special Task Force has reached the final stage of this project, surpassing other countries in the face of major economic challenges.

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| <p>(b) According to the information provided in the letter from the Special Task Force Commander, the Peacekeeping Police Force had not yet reached the Rapid Deployment Level (RDL) required to be deployed for UN peacekeeping duties, although the Assessment of Operational Capability (AOC) and Verification Visit (VV) inspections should be completed for this, those inspections have not been completed yet, the investigation had not yet been completed.</p> | <p>Necessary actions are being taken to expedite the next test, conducting the Assessment of Operational Capability (AOC), which should be done to promote to the next level of the UN Peacekeeping Capability Readiness System (PCRS), the Rapid Deployment Level (RDL) need to send the Special Task Force Peacekeeping Police Unit for United Nations peacekeeping missions.</p> | <p>Actions should be taken to achieve the desired goals without delay.</p> |
| <p>(c) A number of 53 vehicles valued at Rs. 1,264,019,078 purchased for the had been parked in 17 camps From 2018 to the date of audit and the expenditure incurred for the maintenance of those vehicles up to 31 December 2024 was Rs. 3,018,272 .</p> | <p>As stated in the Statement of Unit Requirement (SUR) documents issued by the United Nations in 2017 and 2020, since the vehicles purchased for this project should be submitted to the Assessment of Operational Capability (AOC) test to be conducted by the United Nations inspection teams, vehicles should be properly maintained and operated until they are deployed for peacekeeping duties.</p> | <p>Assets purchased for the project should be used for the desired purposes.</p> |

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| (d) | <p>Twenty eight training courses have been conducted for the project from 2015 to 2024 and although it has been supported by the Special Task Force budget and affiliated agencies of the United Nations, the expenses incurred had not been submitted for audit.</p> | <p>This project was initiated in 2015 and by 2024 and the officers have completed about 28 local and foreign courses. Out of this, the courses taken by the Special Task Force have been spent from the provisions of the Special Task Force Training Expenditure Head. In addition, officers have been sent to courses conducted under the sponsorship of United Nations affiliated institutions (IPPOS, UNITAR) and since those institutions have borne all the expenses for the courses, the costs incurred for the courses taken by officers in relation to the Peacekeeping Police Force project cannot be calculated.</p> | <p>There should be a method to clearly identify the expenses incurred for training courses.</p> |
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4.2 Procurements

The following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a) Although the time given for inviting bids should be reasonably sufficient for the preparation of bids in accordance with 6.2.1(c) of the Procurement Guidelines relating to the procurement process for the purchase of 05 million electronic passports for the Department of Immigration and Emigration under the Ministry of Public Security, sufficient and reasonable time was not given to suppliers to submit bids.	The notice for the invitation to bid was published on 2023.11.09 and the last date for receipt of bids was announced as 21.12.2023. Later, after the pre-bid meeting, the Procurement Committee, considering the request of the potential bidders, extended the last date for receipt of bids by 26 days from 16.01.2024. Considering the requests made by the former Controller General that the existing stock of passports is limited and that the procurement be carried out	Bidding should be carried out in accordance with 6.2.1 (c) of the Procurement Guidelines.

expeditiously, further extension has not been made. A period of 68 days has been given for submission of bids.

- (b) The specifications for the goods or works to be procured should not be described in a more narrow manner than is necessary to achieve the relevant procurement objective in accordance with 5.6.1(a) of the Government Procurement Guidelines. The Technical Assessment Committee has observed that PKI (Public Key Infrastructure) is an essential key element in the introduction of e-passports to enable the exchange of information between countries and accordingly, the bidder should create a PKI infrastructure with the employer in Volume 02, Section IV (2)(C) of the original bidding document relating to this procurement and it had been stated that all components requested on the employer's website should be installed and tested as part of this contract. However, it was decided to carry out the provision of PKI infrastructure as a separate procurement at a committee meeting chaired by the Secretary to the Ministry of Public Security as per letter No. DIE/PRO/03/2022/20 dated 12 December 2023. It had been decided to remove the said component from the technical specifications based on that decision. Accordingly, Volume 02 Section VI 2 (C) of the original bidding documents had been removed by Supplementary 01.
- Although it was stated in VI 2C of the original bid document that Public Key Infrastructure (PKI) facilities should be provided, the clause has been removed by Supplementary 1. The then Secretary of the Ministry of Public Security appointed a consultant for this procurement and as per the recommendations given by him, a trade monopoly could arise, the Technical Evaluation Committee and the Procurement Committee have agreed to carry out the provision of PKI as a separate procurement and further works have been carried out. Although only three members of the Technical Evaluation Committee attended the meeting held on 12.12.2023, all members of the Technical Evaluation Committee have agreed to that decision.
- Actions should be taken in accordance with 5.6.1(a) of the Procurement Guidelines.

4.3 Assets Management

The following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a) A sum of Rs. 469,415,000, had been shown as adjustments to the opening balance of the statement of non-financial assets (SA-82) for the current year and a sum of Rs. 22,014,287 for the buildings and structures being constructed within it, confirmations related to transport equipment valued at Rs. 137,100,000 and other machinery and equipment valued at Rs. 86,955,366 had not been submitted for audit.	The problem of the balances not being equal when comparing the closing balance of non-financial assets of previous years with the opening balance of the audited year is not an accounting error of the Ministry and it is caused by a technical problem in the CIGAS accounting system. The Department of State Accounts has been informed in writing and verbally. Although it has been informed that the necessary corrections have been made, this is not confirmed by the Treasury printouts for April.	Actions should be taken to resolve technical issues promptly and indicate the accurate value in the financial statements.
(b) Although 8 vehicles belonging to the Special Task Force were sent to garages for repairs, a period of 1 to 3 years had passed by 31 December 2024, the vehicles had not been repaired and put into run.	Due to the reasons such as the spare parts needed for repairs should be imported, to have repairs carried out by an outside agency, implementing the procurement process and informing suppliers that they are unable to supply spare parts for repairs, these repairs have not been done.	Vehicle repairs should be completed quickly and put back into service.

4.4 Security of Public Officers

The following observation is made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
The Government Officers who are required to furnish security in terms of Financial Regulations 880 of the Democratic Socialist Republic of Sri	The necessary works have been initiated to make security deposits from all staff/executive officers, warehouse keeper,	The requirement to take securities from officers who are required to keep

<p>Lanka are required to furnish security in accordance with Section 612 of the Government Officers' Security Ordinance and although an officer required to furnish security in terms of Financial Regulation 881 should furnish security within two months from the date of appointment to that post or from the date of transfer to such post, actions had not been taken to charge securities from 19 Ministry Officials.</p>	<p>shroff officers and all drivers who have not deposited security deposits.</p>	<p>securities in terms F.R. 880 and 881 and Authority 612 of the Government Officers' Security Ordinance.</p>
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4.5 Losses and Damage

The following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a) There were unclaimed damages valued at Rs. 45,136,076 that were not functioned with, in accordance with F.R. 109 as at 31 December 2024 and there were unwritten off balance of Rs. 1,768,477 relating to 03 vehicle accidents over 10 years, a balance of Rs. 4,180,534 relating to 5 vehicle accidents between 05 and 10 years and a balance of Rs. 11,053,645 relating to 17 vehicle accidents between 02 and 05 years within that.	Actions will be taken in the future in terms of F.R. 109 .	Actions should be taken in terms of F.R. 109 .
(b) Although the statement of write-offs shows an amount of Rs. 21,252,831 related to 20 vehicle accidents and other damages as write-offs during the year, out of this a sum of Rs. 9,327,740 had been written off without obtaining an approval.	Copies of the General Format 285 approved for writing off by the government under F.R.109 are submitted for audit.	The writing offs should be done with formal approval when writing off from books.

4.6 Uneconomic Transactions

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
An amount of Rs. 218,786 had been paid as surcharge in relation to outstanding electricity bills due to non-payment of electricity bills on time at the Secretariat building for personal identification.	Surcharges have been calculated for outstanding electricity bills, due to non-payment of relevant bills by government institutions established in the Personal Identity Building before the due date and steps will be taken to inform institutions established in the building to pay bills before the due date.	Monthly electricity bills should be paid on time.

4.7 Management Weaknesses

The following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a) The total outstanding balance of more than one year from officers and employees who are not currently in the service of the Ministry due to death, retirement, interdiction, leaving of service and other reasons was Rs. 711,648 as at 31 December 2024 and there was an outstanding balance of Rs. 218,187 receivable from an employee who had been suspended for more than 10 years and a balance of Rs. 40,085 receivable from an employee who had left the service for more than 05 years.	some officers are being collected, Information have been given by some officers for collection from retirement gratuity and pension. Reminder letters have been sent to officers who have not done so.	A formal process should be followed to promptly recover outstanding loan balances.
(b) It was observed the cases where the electricity charges payable according to the number of electricity units used by each Ministry/Department and each institution operating in the	All the institutions mentioned therein have been informed to take steps to settle the outstanding electricity bills along with the applicable	Actions should be taken to settle the fees related to electricity bills from institutions as per the

<p>Secretariat for Personal Identity building have not been settled and an electricity bill of Rs. 12,613,858 is to be settled for a period of 01 to 18 months as at 31 December 2024 according to the reports calculated by the Ministry regarding the electricity charges to be received from each institution.</p>	<p>interest. Accordingly, some institutions have already settled the outstanding electricity bills in full along with the applicable interest, and other institutions have informed that they have already taken the necessary steps at the institutional level for the relevant settlements.</p>
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(c) National Secretariat for Non-Governmental Organizations

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| <p>(i) Although, the accounts of a Non-Governmental Organization should be audited in a prescribed manner at least once every year by the members of the organization in terms of Section 9(d) of the Voluntary Social Service Organizations Act No. 31 of 1980, many registered voluntary organizations do not have their accounts audited at present and Out of 625 active Non-Governmental Organizations in 2023, only 90 organizations have submitted audited financial reports. Further, the level of updating the Annual Action Plans, Progress Reports, Annual Reports and Asset Reports provided to the Non-Governmental Organization Secretariat was very low.</p> | <p>The number of audit reports received during the relevant period was 90. However, 123 audit reports have been received by our office so far, and we have sent emails and letters to the relevant organizations to receive the audit reports. In addition, telephone calls have been made to 625 organizations. As a result, audit reports are still being received by the office. Also, newly registered organizations have been informed that audit reports will be sent after the end of the audit period. Organizations that have not submitted the audit report and other reports within 03 consecutive years will be informed by letters and if they do not respond to those letters, they will be designated as inactive organizations and will also be posted on the website.</p> | <p>Steps should be taken to obtain audited financial reports from non-governmental organizations that are at an operational level and actions should be taken to obtain updated Annual Action Plans, Progress Reports, Annual Reports and Asset Reports.</p> |
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| <p>(ii) Out of the complaints received regarding NGOs registered at the District Secretariat and Divisional Secretariat levels in the year 2024, there are 12 unresolved complaints at present.</p> | <p>Since preliminary works have been carried out in relation to the 12 unresolved complaints received in 2024, relevant parties have been informed that audit reports should be provided.</p> | <p>Actions should be taken to resolve complaints received.</p> |
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5. Human Resource Management

The following observations are made.

Audit Observation	Comments of the Chief Accounting Officer	Recommendation
(a) Ministry of Public Security		
Existing of sixteen per cent out of the approved staff had become an obstacle to the conduct of Ministry activities and within the above vacancies, there were the senior level posts of Director (S.L.E.S.), Director (Planning/S.L.A.S.) and Internal Auditor (S.L.A.S.). Further, 60 posts of Administrative Officer, Tamil Translator, Development Officer and Public Management Service Officer remained vacant.	Letters have been sent to the Ministry of Public Administration, Provincial Councils and Local Government informing them of the vacant positions in the Ministry and those vacant positions have not been filled yet.	Prompt actions should be taken to fill the vacancies.
(b) Special Task Force		
(i) All 54 approved posts equivalent to 100 per cent, including 02 Deputy Inspector General of Police posts, 07 female Police Inspector posts, 37 Sergeant Major posts and 08 Sergeant Major Driver posts, had remained vacant.	Senior Superintendents of Police who have fulfilled the qualifications for promotion to the two DIG posts approved for the Special Task Force are currently attached to the Special Task Force and approval has not yet been received to hold examination boards for promotions to the post of Deputy Inspector General of Police. It is informed that the approval has not yet been received to fill the vacancies in the posts of Female Police Inspectors, Sergeant	Adequate steps should be taken to fill the existing vacancies

Major and Sergeant Majors Driver and in accordance with the Scheme of Recruitment and promotion, those vacancies will be filled at the first opportunity when promotions are granted to officers of the Sri Lanka Police and the Special Task Force.

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| <p>(ii) There were 24 vacancies out of the approved number of 44 posts for the post of Assistant Superintendent of Police and it was 55 per cent as a percentage.</p> | <p>The approval of the National Police Commission to hold a Promotion Examination Board to fill the vacancies in the Assistant Superintendent of Police position has not yet been received.</p> | <p>Prompt actions should be taken to fill the vacancies</p> |
| <p>(iii) Although the approved number of Sub-Inspector posts was 812, there were 266 vacancies, and it was 33 per cent as a percentage.</p> | <p>Approval has not been received to hold a Promotion Examination Board to fill the vacancies in the post of Sub-Inspector of Police.</p> | <p>Prompt actions should be taken to fill the vacancies</p> |
| <p>(iv) Although the approved number of police constables was 6,999, there were 2,814 vacancies, which was 40 percent as a percentage.</p> | <p>Letters have been submitted to the Inspector General of Police seeking approval to recruit for the posts of Apprentice Police Constables to be filled through direct recruitment. Approval has not been received to make new recruitments yet. Similarly, to fill the vacancies in the post of Apprentice Police Constables, the Inspector General of Police has approved the recruitment of 250 Apprentice Police Constables out of the 1,770 Apprentice Police Constables approved for recruitment to the Sri Lanka Police in accordance with the new state policy, and accordingly, further works are currently being done.</p> | <p>Prompt actions should be taken to fill the vacancies</p> |

(c) National Secretariat for Non-Governmental Organizations

Out of the approved staff of 77 for the institution, 19, that is 27 per cent, were vacant, the post of Director General, 03 Assistant Director posts, Accountant, 11 Development Officer/Development Assistant posts and 03 Driver posts had included in it.

Since this position has become vacant and the registration of NGOs has been suspended, these 19 positions should be filled urgently.

Prompt actions should be taken to fill the vacancies.

- (d)** Although every officer who has served in the same place of work for 05 years should be granted a transfer to allow him to serve in other places of work in accordance with Public Administration Circular 18/2001 dated 22 August 2001, actions had not been taken to transfer 18 officers who have completed 05 to more than 11 years of service in the Ministry.

The said officers had applied for annual transfers in previous years and those officers had not received annual transfers. Similarly, in each year, a list of officers with more than 6 years of service has been forwarded to the Ministry of Public Administration, Provincial Councils and Local Government. However, those officers have not received transfers so far.

Actions should be taken in accordance with the Circular.

- (e)** Although the position to be appointed on acting basis should be a full-time position for which it is intended to appoint a full-time officer in the near future in accordance with Section VII (12:2:3) of the Establishments Code, an officer had been appointed to perform acting duties for more than 11 years without appointing a permanent officer for the post of Administrative Officer.

The officer (Management Service Super Grade) who was serving in the post of Administrative Officer in this Ministry was transferred on 15.03.2019, the position became vacant from 16.03.2019. Thereafter, Mr. D.M.N. Disanayake, who is serving in the post of Management Service I of this Ministry, has been appointed on acting basis in addition to the regular post from 01.07.2020 to date, with cover up approval of the Public Service Commission. Similarly, a female officer has been appointed for the said post by the letter dated 24.03.2025 of the Secretary to Public

The appointment of officers should be made in accordance with vii (12.2.3) of the Establishments Code.

Administration, and so far that female officer has not reported to the service of this Ministry.