

Head 210 - Department of Government Information - 2024

1. Financial Statements

1.1 Qualified Opinion

Head -210 The audit of the financial statements of the Department of Government Information 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 Department of Government Information was issued to the Accounting Officer on 21 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 Department was issued to the Accounting Officer on 28 July 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 Department of Government Information as at 31 December 2024 give a true and fair view on the financial position and its financial performance and cash flows and on all the material respects in compliance with the basis of preparation of the financial statements set out in Note 01 related 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 - Basis of Preparation of Financial Statements

I draw attention 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 use of the Department of Government Information, General Treasury and Parliament in accordance with the 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 only for the use of the Department of Government Information, General Treasury and Parliament of Sri Lanka. My opinion on this matter is not modified.

1.4 Responsibility of the Chief Accounting Officer and the Accounting Officer for the Financial Statements

The Accounting Officer is responsible for preparing financial statements that give a true and fair view in all material respects in accordance with Financial Regulations 150 and 151 and Public Accounts Guidelines No. 06/2024 dated 16 December 2024 as amended on 21 February 2025, and for determining 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.

As per Section 16(1) of the National Audit Act, No.19 of 2018, the Department is required to maintain proper books and records of all its income, expenditure, assets and liabilities to enable the preparation of annual and periodic financial statements.

In terms of Sub-section 38(1) (c) of the National Audit Act, the Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Department 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 summary 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 judgement and maintain professional scepticism 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 the Department's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- 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.

I communicate with the 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 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	Comment of the Accounting Officer	Recommendation
(i) According to the financial statements of the previous year, work in progress under non-financial assets was stated at Rs. 4,832,668, and when it was carried forward as the opening balance in the financial statements of the year under review, it was stated as Rs.3,000,000 accordingly a difference of Rs. 1,832,668 was observed.	According to the 2023 financial statements, out of the Rs. 4,832,668 stated as work in progress under non-financial assets, Rs.1,832,668 was capitalized due to the completion of the men's toilet system in the year 2024 and Rs.1,832,668 has been added to the value of the buildings, and the current balance of work in progress is Rs.3,000,000.	The closing balance of the previous year should be carried forward as the opening balance of the current year and adjustment should be made accurately.

- (ii) The two motor vehicles GB-4052 and GB-4219 worth Rs.4,000,000 were owned to the Department of Government Information were legally taken over to the Department of Postal by the letter of Postmaster General No. POST/OP/CO/IMT/965/2024 dated 31 July 2024. and it was also confirmed as per the motor vehicle registration certificates, that the ownership had been transferred to the Postal Department, but the value of these vehicles had been included in the financial statements of the year under review. The value of the non-financial assets had increased by that value due to the fact that two vehicles, the legal ownership of which was not owned by the Department, were stated under the non-financial assets of the Department.
- Necessary actions will be taken in this regard in year 2025 and those two vehicles will be removed from the asset register.
- The relevant deficiencies should be addressed promptly and the value of the relevant vehicles should be written off from the accounts.

(b) Non-maintenance of Registers and Books

It was observed during test checks of audits that the Department of Government Information had not maintained certain registers listed below, and that certain registers had not been maintained properly and up-to-date.

Audit Observation	Comment of the Accounting Officer	Recommendation
(i) Security Register	A security Register containing the details of the officers and employees who were required to provide security in accordance with Financial Regulation 891(1) had not been prepared.	It will be updated after obtaining securities from the relevant officials.
		A security register should be maintained of officers required to give securities, containing the information specified in Financial Regulation 891(1).

- (ii) **Records of Losses**
 A record of Losses had not been updated in accordance with Financial Regulation 110. It was noted to update. In terms provisions in Financial Regulation 110, a Record of losses should be maintained in the Form appended.
- (iii) **Record of Liabilities**
 A record of liabilities had not been updated in accordance with Financial Regulation 214. It was noted to update. In terms of Financial Regulation 214, liabilities should be recorded in a Record of Liability to ensure regular examination of such liabilities.
- (iv) **A Register of Vehicles**
 A Register of Vehicles had not been maintained in terms of Financial Regulation 1647 (e). Actions will be taken to maintain it from 2025. A Register of Vehicles should be maintained in terms of Financial Regulation 1647 (e).

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.

- (i) The financial statements submitted for audit were not consistent with the financial statements of the previous year as per the following audit observations.

Audit Observation	Reference to the Paragraph
The closing balance of 2023 and the opening balance of 2024 did not match with respect to non-financial assets.	1.6 (a)

3. Financial Review

3.1 Management of Expenditure

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) There was a net provision of Rs.183,300,000 for capital expenditure for the Department, Out of this, Rs. 52,531,163 had been utilized by the end of the year under review. Accordingly, 71 percent of the capital expenditure was remained.	These provisions have been remained due to reasons such as the lack of an officer with technical knowledge regarding civil works, the repair and use of existing goods, the reduction of costs by reviewing all requirements and procuring them at once, and the inability to obtain the participation of resource persons in training programs.	Estimates should be prepared as accurately as possible.
(b) In terms of Financial Regulation 50, it is the responsibility of the Accounting Officer to ensure that the draft estimates relating to his department are prepared in accordance with the Financial Regulations. It was observed that out of the total 22 recurrent expenditure codes provided for the year under review, the provisions of Rs.26,534,060 provided for 08 recurrent expenditure codes had been transferred to 05 other recurrent expenditure codes and a capital expenditure code, and therefore the estimates had not been prepared in accordance with the requirements of the Financial Regulations.	It is stated that allocations have been transferred from other expenditure codes due to the increase in the monthly living allowance, the unexpected need to have officers participate in media coverage of international conferences held abroad, the participation of officers in foreign training programs, the insufficient allocations allocated in the annual budget for security services and cleaning services, the increase in maintenance costs of vehicles as they are more than 10 years old, and the insufficient allocations allocated in the budget for software maintenance.	Estimates should be prepared as accurately as possible.

3.2 Incurring of Liabilities and Commitments

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) According to the financial statements of the year under review, the outstanding Liabilities and Commitments were Rs.9,484,680, but as per the statement of Liabilities and Commitments, the liabilities were Rs.10,510,212, accordingly a difference of Rs.1,025,532 was observed.	It is not possible to include commitments in the CIGAS system, therefore all those commitments are stated as liabilities.	The liabilities register should be kept up to date and the liabilities should be recorded accurately in the financial statements and liabilities register.
(b) Department shall not incur any expenditure or obligation for any work, service or supply unless there is provision in the annual estimates in terms of F.R 94 (i). Similarly, the amount of liabilities and expenditure incurred for the same should not exceed the provisions of the financial year, but in the year 2024, Rs.1,041,633 had been incurred exceeding the provisions in relation to two recurrent expenditure codes.	The provisions for certain expenditure codes were not sufficient, the liabilities related to those expenditure codes were included in the liabilities register and therefore they could not be entered into the CIGAS system, the liabilities value of Rs.1,025,532 could not be included in the financial statement.	Liabilities beyond the limits of the provisions should not be incurred.

3.3 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.

	Reference to Laws, Rules and Regulations	Observation		Comments of the Accounting Officer	Recommendation
		Value Rs.	Non-compliance		
(i)	Code of Financial Regulations of the Democratic Socialist Republic of Sri Lanka				
	F.R.104	-	02 vehicles belonging to the department were involved in an accident during the year 2024 and investigations had not been initiated to determine those responsible in accordance with financial regulations regarding these accidents.	It was not possible to complete the internal investigation before the end of year 2024 as legal action had been taken regarding the vehicles.	Actions should be taken in accordance with Financial regulations.
	F.R 802	-	The Head of Institution should take steps to ensure that vehicles are not idle, but a vehicle owned by the Department remained idle from the year 2023 until the date of the audit report.	The vehicle bearing no.GB-4070 needed to be repaired and the repairs were not carried out due to insufficient provisions.	The vehicle should be repaired and put into use.
(ii)	Paragraph 12.1 of Public Finance Circular bearing No. 2/2020 dated 28 August 2020	-	The Annual Performance Report should be prepared in three languages and tabled in Parliament under the prescribed provisions before 150 days from the end of the financial year, the Annual Performance Reports of the	The performance report for the year 2022 is scheduled to be presented to Parliament in May 2025.	Annual performance reports should be properly submitted to Parliament as per the circular.

Department for the years 2019, 2020 and 2021 were submitted to Parliament on 26 July 2023, while the Annual Performance Report for the year 2022 had not been submitted to Parliament by 31 March 2025.

4. Operational Review
4.1 Non- performance of Functions

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) According to the action plan, there were 12 programs for which there was no physical progress, out of which 08 programs had been allocated Rs. 41.33 million, but the financial allocation had not been used for the relevant programs during the year.	It was informed that certain programs were not implemented due to media constraints, some others were temporarily suspended, and other activities could not be implemented.	Actions should be taken to utilize financial provisions for the activities planned to be carried out during the year.
(b) According to the action plan prepared for the year under review, there were 05 programs that showed less than 50 percent progress in considering performance progress of the year.	It was stated that there are only 05 activities.	Performance should be achieved as planned.

4.2 Non-achievement of expected Output Level

Audit Observation	Comment of the Accounting Officer	Recommendation
Installation work of PABX system, which is essential for the internal communication activities of the institution was commenced in 2023, but it had not been completed by the end of the year under review.	The progress of this project has been stated as 30 percent due to the completion of the initial phase of work..	Planned functions shouldt be completed within the stipulated time.

4.3 Non-achievement of expected Outcome

Audit Observation	Comment of the Accounting Officer	Recommendation
During the year 2024, 04 laptop computers and 11 desktop computers worth Rs.5,103,500 were purchased from a private company on 31 December 2024 and had not been put into use as at 31 March 2025 as those computers did not comply with the expected specifications	It was observed that there were deficiencies in the acceptance of computers and after correcting those deficiencies on 03 April 2025, actions are being taken to distribute those computers to the district offices.	Procurement activities should be carried out according to the prescribed specifications and the relevant assets should be utilized without delay.

4.4 Procurements

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) In accordance with Section 4.2 of the Government Procurement Guidelines, a master procurement plan should be prepared by listing the expected procurement activities for a period of	The procurement plan has been prepared only for the year 2024.	The procurement plan should be prepared in accordance with the Government Procurement Guidelines.

at least 03 years and the procurement activities for the year should be prepared in detail. The procurement plan prepared by the Department was prepared only for the year 2024.

- (b) The procurement plan had been prepared indicating the need to acquire only 15 laptop computers for the year under review, but later, 17 laptop computers and 12 desktop computers worth Rs.9,877,779 were purchased as requirements of the Department's head office and district offices.
- It was stated that actions were taken to provide new laptops for computers that were in a condition beyond repair, and there were several officers who had taken 5 years of domestic/foreign leave and returned to duty early, which has led to an increase in the need for the relevant computers.
- Requirements should be identified accurately and procurements should be made in accordance with the procurement plan.
- (c) The National Budget Circular No. 01/2024 dated 10 January 2024 require to avoid urgent purchases by identifying needs in advance and implementing procurement activities in accordance with the approved procurement plan in a manner that minimizes delays, decisions regarding the needs of purchasing computers were made on 26 November 2024 and actions had not been taken to determine the institutional needs in advance and include them in the procurement plan and also actions had not been taken to prepare the revised procurement plan.
- The approval for the revision of the 2024 action plan was received on 30 December 2024, Therefore, there was not enough time to revise the procurement plan.
- Requirements should be identified accurately and procurements should be made in accordance with the procurement plan.

incorporating the relevant amendments for the year 2024.

- (d) Rs.1, 633,781 had been spent on the establishment of the Institute's Library Management System, Human Resource Management Information System, Work Flow and Postal Management System and the above work had been carried out by Sri Lanka Telecom. Formal agreement had not been entered into with Sri Lanka Telecom so far and without any confirmation that the relevant work had been carried out optimally, 02 cheques for the total invoice value of Rs.1,633,781 had been prepared on 30 December 2024 and had been held by the Director (Administration) till 10 April 2025. The requirements of the relevant systems had not been specifically identified to suit the nature of the Institute. Although a technical committee had been appointed in this regard by the letter of the Director General of Government Information dated 07 October 2024, it was observed that the committee was not composed of qualified and experienced officers.
- Authority limits of the Procurement Committee in the development of the Human Resources Management System, Work flow and Postal Management System and Library Management System, when making procurements under the direct contract system, have been issued as amendments to the Procurement Code of Practice on 25 June 2024 and are mentioned in Supplement 40, and accordingly the Departmental Procurement Committee has taken actions to approve this project. The relevant cheques have been kept under the control of the Director until then, so that the money can be paid only after a formal service agreement is entered into and after these systems are prepared according to the needs of the department.
- Procurement should be carried out in accordance with the needs of the department, and actions should be taken to appoint qualified and experienced officers in the appointment of technical evaluation committees. Payments should be made after ensuring that the relevant work has been completed as expected.

4.5 Assets Management

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) The value of the land measuring 2 acres 2 roods 9.25 perches on which the Government Information Department is located has been assessed at Rs.1,227,750,000 and included in the financial statements as at 31 December 2024, but the necessary actions had not been taken to transfer its ownership to the department. The value of the land represents 63 percent of the total assets.	That was noted for future action.	Actions should be taken to acquire ownership of the land.
(b) The Debri color laboratory machine, was purchased under French loan assistance in 1999 and has no future economic benefit due to the obsolescence of technical methods, is stated in the financial statements at a value of Rs.12,000,000, and until now, no actions have been taken to identify the scrap value and remove it from the financial statements.	It has been informed that the Debri color combination machine purchased under French loan assistance is worth about Rs. 160 million at the exchange rate prevailing at that time, and its cost has been assessed and accounted for at a value of Rs.12 million, which is a small value of about 7.5 percent of the value of the machine, and that the loan for this machine is scheduled to be paid off by the year 2042.	The scrap value should be identified and removed from the financial statements.

4.6 Security of Public Officers

Audit Observation	Comment of the Accounting Officer	Recommendation
Security was required in accordance with Section 612 of the Government Officers' Bail Ordinance Act in terms of Financial Regulation 880, four officers of the Department were required to be given securities had not been bailed.	Action are being taken to charge for securities from June 2025.	Actions should be taken in accordance with financial regulations and relevant ordinances.

4.7 Uneconomic Transactions

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) A documentary production on the modernization of the Northern Railway had been produced at a cost of Rs. 239,481 but it had not been broadcast on any media network to date. Although the relevant program was planned to be produced for 05 minutes but it was produced for 30 minutes.	It has not been possible to broadcast the documentary so far, and the running time of this documentary has exceeded 15 minutes, and despite the exceeding running time, no additional expenses have been incurred beyond the estimated amount for the first phase.	Actions should be taken to achieve the desired objectives.
(b) The agreement signed between the Government of Sri Lanka and the Committee of Official Lenders in Paris, France, between 26 and 29 June 2024, and the failure to obtain visas on the due date to travel abroad to carry out media coverage activities, resulted in the	Although it was not possible to participate in the relevant tasks in that country on June 26 due to the delay in obtaining visas for this task, these officers left on the night 26 June 2024, went to Paris, France in the morning on 27 June 2024, and have been performing the relevant duties since that day.	Actions should be taken to achieve the desired objectives.

postponement of the dates of the passports, and a fine of Rs.169,200 had to be paid for this. Since it was observed that the relevant agreement had already been signed when the media team went to France, it was observed during the audit that the amount of Rs.1,804,421 incurred for this was an idle expenditure.

4.8 Management Weaknesses

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) The printing and publishing costs of the Desathiya magazine in the year 2024 were Rs.3,299,994 and the sales revenue was Rs.772,339. Accordingly, a loss of Rs. 2,527,655 had been incurred. Arrangements had not been made to cover the costs in a way that would minimize the loss, and arrangements had not been made to identify the sales revenue separately according to the regions wise in which it was printed.	It has been informed that this is not a sales-based function but merely a national function in the initial stage, and that, as per a decision of the staff meeting, the number of copies has been reduced to 500 from May 2024, and It was also informed that Desathiya News Magazine had to be limited to one region per month.	A method should be developed that can accurately identify sales revenue, minimize costs, and develop a program at least cover costs.
(b) The acquisition of a power generator for the new auditorium of the Department of Government Information on a rental basis had been carried out since the year	It has not been possible to purchase a new machine in 2024.	Essential procurements should be planned and purchased in accordance with the requirements.

2022 and a rental cost of Rs.1,206,703 had been incurred for the year 2024 alone. It was observed that the constant presence of a power generator within the institution is essential to continue to educate about the nationally important government policy plans and development processes. Although a provision of Rs.100,300,000 had been allocated for the purchase of machinery and equipment in the year 2024, no action had been taken to include the requirement of a power generator in the procurement plan for 2024.

- (c) Cheque No. 312329 dated 29 December 2024 had been prepared to make payment for 15 computers purchased from a private company and it had not been handed over to the relevant party until 31 March 2025 and it had been held in the accounts division. It was observed from the procurement file that the relevant computers had been received by the departmental store on 31 December 2024 and it was observed that the relevant cheque had been written before the relevant computers were received to the store.
- It was informed that since the accounts for the year 2024 had to be settled, a cheque was written on 29 December 2024 and funds were set aside for that expense. Since several minor defects were observed in the computers, actions were taken to issue the cheques later. The officials of the relevant institution were informed verbally several times about the defects, and since it was not fulfilled quickly, a written notice was given on 20 March 2025. The computer equipment was received on 04 April 2025 as per the specifications, and the cheque has been released to the institution.
- Payment should be made after confirming that the relevant goods have been received according to the specified specifications.

Although the Head of the Division, Digital and Information Technology Unit had informed the Accountant of the Department of Information in writing on 31 December 2024 that there were deficiencies in the relevant computers, the same had been informed in writing to the Sales Manager of the purchasing company on 20 March 2025.

5. Achievement of Sustainable Development Goals

Audit Observation	Comment of the Accounting Officer	Recommendation
<p>The institution had identified 06 objectives in identifying sustainable goals in accordance with the orders applicable to the Sri Lanka Sustainable Development Act No. 19 of 2017, but it was observed that the challenges to achieving the goals were the lack of adequate provisions and the government had limited provisions through various circulars from time to time, it had not been observed that the provisions received were used efficiently and effectively and that no actions had been taken to establish sustainable goals that were in line with the scope and financial capacity of the institution.</p>	<p>Further attention has been paid to these facts in identifying sustainable development goals from 2025 onwards.</p>	<p>Actions should be taken to establish sustainable goals that are consistent with the organization's scope and financial capabilities.</p>

6. Good Governance

6.1 Internal Audit

Audit Observation	Comment of the Accounting Officer	Recommendation
It was planned to conduct an internal audit in relation to 12 areas according to the internal audit plan for the year 2024, but an internal audit had not been conducted in relation to 07 of them.	It was stated that due to difficulties encountered in performing the duties of the division, it was difficult to achieve the goals of the 2024 Internal Audit Plan and that actions will be taken to carry out work in accordance with the Internal Audit Plan from the year 2025.	Internal audit activities should be carried out as planned during the relevant year.

7. Human Resource Management

The following observations are made.

Audit Observation	Comment of the Accounting Officer	Recommendation
(a) The role of the Director General of the Department of Information had not been enforced through a formal list of duties or through an Act/Gazette Notification.	Since the personal files of the Director General of Government Information and related matters are controlled by the Ministry of Health and Mass Media, further actions will be taken to inquire with the Ministry regarding this matter in the future.	Actions should be taken to enforce it through a formal list of duties assigned or through an Act/Gazette Notification.

- (b) It was observed that 63 development officers attached to the department who received new appointments in the development officer service in 2022, and in addition, 102 posts, including 24 information officer posts, 11 media investigation assistant posts, and 04 web writer posts, are working in the institution without being included in the approved staff of the department.
- It has been informed that information has been sent to the Department of Management Services for approval regarding the inclusion of the attached development officers in the approved staff of this department, and a committee has been appointed to obtain recommendations from the Media Development Center regarding officers in other positions related to the staff attached to this department, and further action will be taken on the instructions of the Public Service Commission after receiving recommendation of the committee.
- The necessary actions should be taken immediately to accurately prepare the approved staff for the department.
- (c) It was observed that out of the 68 employees who have been serving in the department for more than 5 years, 13 have served in the department for between 11 and 15 years, and 30 have served in the department for more than 15 years.
- Since the graduates Development Officer recruited in 2005 expressed their preference to be absorbed into the Information Officer position of this department, information was not submitted for transfers based on the service period of those officers as per the instructions given.
- Actions should be taken to provide transfers to officers who have been in service for more than 5 years.