

1. Appropriation Head 113 - Ministry of Ports and Aviation
Auditor General's Report – 2010

1.1 Scope of Audit

The audit of the Appropriation Account including the financial records, reconciliation statements, books, registers and other records of the Ministry of Ports and Aviation for the year ended 31 December 2010 was carried out in pursuance of provisions of Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka. The Management Audit Report for the year under review was issued to the Secretary to the Ministry on 25 January 2012. The audit observations, comments and findings on the accounts and the reconciliation statements were based on a review of the accounts and reconciliation statements presented to audit and test of samples of transactions. The scope and extent of such review and tests were such as to enable as wide an audit coverage as possible within the limitations of staff, other resources and time available to me.

1:2 Responsibility of the Chief Accounting Officer for the Accounts and Reconciliation Statements

The Chief Accounting Officer is responsible for the maintenance, preparation and fair presentation of the Appropriation Account, Revenue Account and the Reconciliation Statements in accordance with the provisions of Article 148, 149, 150 and 152 of the Constitution of the Democratic Socialist Republic of Sri Lanka and the Public Financial and Administrative Regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Accounts and Reconciliation Statements that are free from material misstatements whether due to fraud or error.

1:3 Audit Observations on the Accounts and Reconciliation Statements

According to the Financial Accounts and the Books for the year ended 31 December 2010, it was observed that except for the effects of the general observations appearing at (a) to (c) and other major audit observations appearing in paragraphs 1:4 to 1:6 herein, the Appropriation Account, and the Reconciliation Statement of the Ministry of Ports and Aviation had been prepared satisfactorily.

(a) Annual Action Plan

The Ministry of Ports and Aviation had prepared an Annual Action Plan.

(b) Appropriation Account

(i) Total Provisions and Expenditure

The total net provisions made under the Ministry of Ports and Aviation amounted Rs.30,580,255,000 and out of that a sum of Rs.29,287,295,352 had been utilized by the end of the year under review. Therefore, the net savings amounted to Rs.1,292,959,648 and represented 4.23 per cent of the total net provisions. Details appear below.

Category of Expenditure	Estimated Provisions	Total Net Provision	Total Expenditure	Savings	Savings as a Percentage of net provision
		Rs.	Rs.	Rs.	%
Recurrent	155,690,000	151,747,000	138,109,253	13,637,747	8.99
Capital	30,411,865,000	30,428,508,000	29,149,186,099	1,279,321,901	4.20
Total	30,567,555,000	30,580,255,000	29,287,295,352	1,292,959,648	4.23

(ii) Budgetary Variance

The entire net provision of Rs.1,220,364,000 relating to following 02 Objects under Head 113 had been saved.

Object

Savings

Rs .

113-1-1-2401	100,000
113-2-3-2104 -12	1,220,264,000
