

Office of Reparations - 2024

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Office of Reparations for the year ended 31 December 2024 comprising the statement of financial position as at 31 December 2024 and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and notes to the financial statements including material accounting policy information, 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 and Finance Act No. 38 of 1971. My comments and observations which I consider should be report to Parliament appear in this report.

In my opinion, except for the effects of the matters described in Paragraph 1.5 of this report, the accompanying financial statements give a true and fair view of the financial position of the Office as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Qualified Opinion

My opinion is qualified on the matters described in Paragraph 1.5 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 qualified opinion.

1.3 Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Public Sector Accounting Standards and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Office's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Office or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Office's financial reporting process.

As per Section 16(1) of the National Audit Act No. 19 of 2018, the Office 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 of the Office.

1.4 Audit Scope

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 exercise 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 Office's 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause to cease to continue as a going concern.
- 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 scope of the audit also extended to examine as far as possible and as far as necessary the following;

- Whether the organization, systems, procedures, books, records and other documents have been properly and adequately designed from the point of view of the presentation of information to enable a continuous evaluation of the activities of the Office and whether such systems, procedures, books, records and other documents are in effective operation;
- Whether the Office has complied with applicable written law, or other general or special directions issued by the governing body of the Office,
- Whether the Office performed according to its powers, functions and duties; and
- Whether the resources had been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws.

1.5 Audit Observations on the preparation of Financial Statements

1.5.1 Non-compliance with Sri Lanka Public Sector Accounting Standards

Non-compliance Reference to Standard	with the Management Comment to particular	Recommendation
(a) Although the entity should present current and non-current liabilities as separate classifications on the face of the statement of financial position, in accordance with paragraph 70 of Sri Lanka Public Sector Accounting Standard No. 01, the total of Rs. 122,432,713 to be remitted to the Treasury after maturity by investing in financial institutions under the Unified Assistance Scheme had been recognized under non-current liabilities. Due to the identification of investments of Rs. 67,500,000 maturing within the next year as current liabilities, current liabilities had been understated and non-current liabilities had been overstated by the same amount.	Actions will be taken to correct this error that occurred in the submission of the statement of financial position for the year 2024 in the final accounts for the year 2025.	Actions should be taken in accordance with Paragraph 70 of Sri Lanka Public Sector Accounting Standard No. 01 .

- (b) The residual value and useful life of an asset should be reviewed at least at the end of each annual reporting period in accordance with Paragraph 65 of Sri Lanka Public Sector Accounting Standards 7, and if the expected circumstances differ from the estimates, the difference should be accounted for as a difference in an accounting estimate in accordance with the accounting policies, changes in accounting estimates and errors of Sri Lanka Public Sector Accounting Standards 3. Nevertheless, the Office for Compensation had not taken such action in respect of the furniture and office equipment with at a cost of Rs. 823,515 which were fully depreciated but further being used as at 01 January 2024 .
- It was noted to make this disclosure in the final accounts for the year 2025 .
- Steps should be taken to review the useful life in accordance with Paragraph 65 of Sri Lanka Public Sector Accounting Standards 7.

1.5.2 Accounting Deficiencies

Audit Observation	Management Comment	Recommendation
(a) The computer data system which was put into operation from 28 April 2023 valued at Rs. 10,819,625, had not been recognized as an asset in the financial statements of the year 2023, and due to the amortization of Rs. 735,141 for the year 2023 was recognized as an expenditure in the year 2024, the deficit in the current year had been overstated by that value.	Observation is accurate.	Steps should be taken to accurately account for assets.
(b) The amount of Rs. 20,916,444 granted by the International Organization for Migration (IOM)	Observation is accurate.	Steps should be taken to accurately account for recurrent grants.

in 2024 for the establishment of community-based micro-projects had not been recognized as a recurrent grant by the Office and was credited to the International Organizations Migration Fund Account.

- (c) The expenditure of Rs. 12,787,722 related to the Community Based Micro Project in the year 2024 had not been identified in the statement financial performance as an expenditure for the year. It has been noted that the expenditure already identified for the year 2024 to be corrected by restating the financial performance statement in the final account for the year 2024. Similarly, I will act as indicated by your observations in accounting for such grants in the future. Steps should be taken to accurately account for expenses related to the year under review .

1.6 Non-compliance with Laws, Rules, Regulations and Management Decisions, etc.

	Reference to Laws, Rules, Regulations etc.	Non-compliance	Management Comment	Recommendation
(a)	Paragraph 272(1) of the Finance Regulations of the Democratic Socialist Republic of Sri Lanka	All paid vouchers should be arranged according to their serial numbers and kept safe until action is taken and officers in charge of documents should keep them safe so that they cannot be accessed by unauthorized persons. However, the Office for Reparations had not prepared vouchers for expenses incurred so using funds received from the International Organization for Migration.	Actions will be taken in the future to prepare all paid vouchers in order and to be maintained safely in accordance with Financial Regulation 272 (1) .	Steps should be taken to act in accordance with Financial Regulations.

(b) Public Finance Circular
No. 01/2020 dated 28
August 2020

(i) Paragraph 9(b)

Several staff members of the Office had gathered together and advance of Rs. 2,377,480 had been received and spent dividing as ad hoc sub-impressts in 08 cases more than Rs. 100,000 .

All programmes are reparations to be made to marginalized social groups in the North and East outside of Colombo. The necessary advance funds for implementing the programmes that provide collective reparations will be divided and obtained for the relevant tasks, and the relevant tasks will be carried out in the North and East regions and no officer has ever been given a temporary position exceeding Rs.100,000 .

Steps should be taken to act in accordance with the provisions of the Public Finance Circular.

(ii) Paragraph 11.1 and
Financial Regulation
756 (6)

Although the activities of the Board of Surveys should have been completed before 31 March 2025 and the reports submitted to the Auditor General, actions as such had not been taken.

The Board of Surveys activities carried out for the year 2024 have been completed, and arrangements have been made to send the Board of Surveys reports to the Secretary of the Ministry and the Auditor General.

Actions should be taken to conduct Board of Surveys within the time period specified in the Financial Regulations and submit the relevant reports to the institution.

- (c) Paragraph 3 of Schedule 1 to Section 2.3 of the Guidelines on Public Enterprises No. 01/2021 dated 16 November 2021
- The forecast income statement, forecast statement of financial position, and forecast statement of cash flows which should be included in the Main Budget had not been included in the Budget 2024 .
- Actions will be taken to present the forecast income statement, forecast statement of financial position and cash flow statement along with the Budget in the year 2025 .
- Actions should be taken as per the Guidelines of Government Circular No. 01/2021.
- (d) Paragraph 4.2.1 of the Procurement Guidelines
- Although a Master Procurement Plan should have been prepared, including the expected procurement activities for a period of at least 03 years, such a plan had not been prepared.
- The Office for Reparations currently has a Minor Procurement Committee. It is informed that we will be working to prepare a Procurement Plan for the next 3 years.
- Actions should be taken according to the Procurement Guidelines.
- (e) Paragraph 6 of National Budget Circular No. 01/2016 dated 17 March 2016 and Paragraph 05(c) ii (e) of National Budget Circular No. 03/2018 dated 16 July 2018
- The respective motor vehicle had been used without signing any written agreement between the institution that provided the motor vehicle and the Office for Reparations from 05 October 2023 to 31 December 2024 .
- Although the purchase of the car WP CAW – 0173 for the official duties of the Chairperson was made under the lease method for a period of one year from 02 October 2023, the supplier has refused to provide the vehicle based on the prevailing prices. Accordingly, the approval of the Procurement Board held on 09 November 2023 was given for the
- Actions should be taken in terms of Budget Circulars.

period from 02 October 2023 to 01 October 2024. Signing of the copies of the agreement have been omitted.

2. Financial Review

2.1 Financial Result

The operating result for the year under review was a deficit of Rs. 1,276,563, and the corresponding deficit for the previous year was Rs. 13,642,455. Accordingly, an improvement of Rs. 12,365,892 was observed in the financial result. The increase in Treasury imprest income for compensation included in recurrent grants and increase in capital grants had mainly caused this improvement.

3. Operational Review

3.1 Management Inefficiencies

Audit Observation	Management Comment	Recommendation
<p>A total of Rs. 17 million had been allocated from the Budget 2024 of the Office of Reparations for 4 programmes planned under other reparations grants, and when examining their progress, 73 per cent of the allocated funds had not been utilized.</p>	<p>Provisions have been made by planning other reparations include implementation, livelihood support development, psychosocial support, administrative support and peace and reconciliation promotion programmes by the Budget 2024 and livelihood and psychosocial support programmes were implemented through foreign aid grants received. The remaining funds were used to provide financial relief to those who suffered property damage in the war.</p>	<p>Steps should be taken to prepare Budget Estimates accurately and obtain allocations.</p>

3.2 Operational Inefficiencies

Audit Observation	Management Comment	Recommendation
(a) A sum of Rs. 698,860,000 had been paid as at 31 December 2024 as compensation in respect of 3,495 files relating to deaths and injuries. The compensation of Rs. 6,185,000 was payable for 33 files under the general public compensation procedures as at 31 December 2024 and since there were 23 files between 1 and 5 years old and 10 files between 5 and 10 years old according to the time analysis related to this compensation amount, there was a significant delay in paying compensation.	Due to essential documents required for payment, the institution has 33 files for General Public Compensation - Deaths and Injuries. Although information has been called for on several occasions for those files, no response has not been received. Since the relevant files are files of deceased individuals, it is essential to provide relief to the beneficiary, although those files are maintained, if the beneficiaries do not respond in the future, those files will be considered to the process of closing them.	Formal actions should be taken to pay compensation for files remaining for long.
(b) Property compensation of Rs. 924,184,606 had been paid, for 7,459 files under the property compensation scheme as at 31 December 2024 and further, a number of 3,060 files for general public property had remained to be compensated. All of those files were for more than 10 years old.	The institution has 2425 property compensation files, which are unable to make payments due to incompleteness of essential documents and although information has been called for on several occasions, responses have not been received. Further, The institution has 553 files for sacred places due to non-payment of fees. The amount of compensation to be paid cannot be assessed due to the incompleteness of the documents in those files. The institution has 82 files due to the incompleteness of the necessary documents under Public Administration Circular No. 49/89 relating to the payment of property	Steps should be taken to pay compensation by completing documents related to compensation files promptly.

compensation files for public servants, and although information has been called for, no response has been received.

- (c) A sum of Rs. 30,000,000 remained to be paid as at 31 December 2024 for 6 compensation files for those who died and were injured in the Aragalaya that took place in 2022. Further, Due to incomplete files and lack of valuation reports, 128 immovable properties and 453 movable properties were not compensated under the compensation scheme for property damaged in the incident, assessment had not been made regarding the amount of compensation to be paid.
- Payments have been made by the Parliamentary Affairs Division of the Ministry of Public Administration and the Police Department for 06 persons who died in the Aragalaya. Since the remaining 04 persons are in the process of being sued in the Honorable Court, payments have not been made due to the non-fulfilment of the documentary requirements. Payments are made based on the valuation report issued by the Government Valuation Department, and although valuation reports exist in a very small number of files, it is informed that it is not possible to assess the amount of compensation to be paid due to the lack of valuation reports in the majority number of files.
- Steps should be taken to pay compensation by completing documents related to compensation files promptly.
- (d) Although cheques were issued for compensation payments during the year under review, the process had not been carried out properly due to compensation activities being carried out based on information that was not updated at the time of issuing cheques to beneficiaries. Out of the cheques issued to compensation recipients as at 31 December 2024, the bank had returned 292 cheques valued at Rs. 38,922,823 due to incorrect information. A sum of Rs.
- We always make every effort to update account information before disbursing financial grants to beneficiaries. Our process may not be successful in all cases due to reasons such as inability to locate the current addresses of the beneficiaries and remaining of accounts inactive. However, out of the amount of Rs.38,922,823 that was frozen based on the number of financial allocations made in the year 2024, an amount of
- Compensation payments should be recommended based on updated information of the relevant beneficiaries.

35,164,860 of the compensation related to these returned cheques had been returned to the same compensation recipients, and out of this, a sum of Rs. 7,312,963 had been given to the remaining 36 beneficiaries on the waiting list. Accordingly, the efficiency of compensation payments remained at a minimum level due to the fact that the compensation payment process was not carried out based on updated information.

Rs.35,164,860 was able to be credited back to the updated accounts of the beneficiaries.

3.3 Transactions in Contentious Nature

Audit Observation	Management Comment	Recommendation
<p>(a) The following are observed relating to compensation for damaged properties in the Aragalaya as per the revised reply dated 08 October 2025 after the release of the final report submitted for publishing in the Annual Report of this Office in terms of Section 12 of the National Audit Act, No. 19 of 2018 for the year ended 31 December 2024 .</p>		
<p>(i) The government's Chief Valuer was instructed to conduct new valuations based on guidelines recommended by a committee of six expert professionals as per the Decision of Cabinet of Ministers No. Amap/22/1939/ 601-008-1 dated 06 December 2022. Accordingly, it was submitted to the Valuation Department to carry out re-evaluations of properties related to the first assessments and the initial assessment and the second or third assessed values</p>	<p>As the third of the three proposals presented by Memorandum of Cabinet of Ministers PS/CM/PCA/61/ 2022 dated 22 September 2022, "Direction to the Director General of the Office of Reparations to take steps to pay the advance/total amount based on the new valuations prepared by the Valuation Department" has been submitted and this proposal, including other proposals, has</p>	<p>These assessments should be carried out more accurately and transparently through good coordination between institutions and compensation should be paid and actions should be taken to provide accurate responses to audit reports within the stipulated time.</p>

varied within a range of 10 per cent to 72 per cent in 39 instances.

been notified by Decision of Cabinet of Ministers No. 22/1939/601/ 008-1 dated 28 November 2022. It is kindly informed that the valuation of damaged property is a matter outside the control of the Office of Reparations, and that reporting on the variance in assessed values or the reasons underlying a revaluation is not a function assigned to the Office of Reparations.

- (ii) In paying compensation for business premises in the compensation payment process regarding the Aragalaya, as approved by the Board of Directors on 09 May 2022, the evaluation criteria included the following business types such as small-scale businesses and unregistered small-scale businesses. The Office for Reparations had paid compensation of Rs. 12,416,190 in the year 2024 for 14 business premises ranging from Rs. 77,215 to Rs. 5,134,350 without using a small business definition or quantitative identification measures. Out of this, a sum of Rs. 2,239,450 was made in respect of 02 private companies, Rs. 2,729,665 to 05 sole enterprises, and Rs. 5,134,350 to a hotel complex under construction.
- Payments for business premises were made after payments for houses. Damages to the house were considered as an urgent property to be compensated in accordance with the priority of needs, and according to the documents in the files, payments were made for workplaces maintained with a house and for existing business premises under construction that were not covered by insurance and had not commenced business activities. In compensating for property damages, payments were made on the basis of priority decided by the Board of Directors in accordance with the above-mentioned policy guidelines, rather than categorizing them as small-scale, medium-scale, large-scale, or sole proprietorship. In the process of compensating for property damage, payments were made on the basis of priority decided by the Board of Directors in accordance with the above-
- Formal criteria should be introduced for assessing damaged property and actions should be taken accordingly to pay compensations.

mentioned policy guidelines, rather than categorizing small, medium, large, or individual businesses.

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| <p>(b) An additional amount of Rs. 600,000 had been paid to three individuals doing the first compensation payment for deaths or injuries to the same person, and the second compensation payment for disappearances during the audit test check carried out regarding the compensation payment system.</p> | <p>The two payments are two payments made under two relief schemes based on policy decisions. The first payment is a payment made to the next of relative of the deceased under the Death and Injury Compensation Scheme. The second payment was made by the Office of Missing Persons after conducting investigations and sending a recommendation to the Office of Reparations to pay a resuscitation allowance for the resuscitation of the families, and the said allowance has been paid in accordance with the approval of the Cabinet of Ministers and the compensation policies and guidelines of the Office of Reparations. It is stated that a policy decision has not been taken to make payments by reducing the compensation paid in the payment of the resuscitation allowance.</p> | <p>Actions should be taken to pay compensation with a high transparency.</p> |
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3.4 Human Resources Management

Audit Observation	Management Comment	Recommendation
<p>(a) Although the first computer system of the Office for Reparations was implemented on 16 September 2016, since then, there has been no approved staff for the post of Information Technology Officer, which is an</p>	<p>The recruitment procedure for the said post has been recommended by the Secretary of the Ministry of Justice on 18 February 2025 and forwarded to the Department of Management Services for</p>	<p>Steps should be taken to identify vacancies in the institution and make prompt recruitments based on formal approval.</p>

essential position in the Office and although, the Office of Reparations had got approved 01 Information Technology Officer post through the Department of Management Services on 12 July, the relevant Scheme of Recruitment had not been approved even by the end of the year under review.

approval. Instructions have been given to revise the Scheme of Recruitment by the Department of Management Services on 26 March 2025. Accordingly, the revised Scheme has been forwarded to the Ministry of Justice on 23 April 2025. It is informed that recruitment will be made after the relevant Scheme of Recruitment is approved.

- (b) Although the approved staff of the Office for Reparations as at 31 December 2024 was 76, there was a shortage of 28 officers in 08 posts as at that date.

Requests were made to the Ministry, Department of Management Services and the Prime Minister's Review Committee on numerous occasions seeking approval to fill the vacancies. Due to the Public Expenditure Management Circulars and the Presidential and General Elections held in the year 2024, it was not possible to obtain approval to fill the relevant vacancies. Once approval is received, it is possible to fill the vacancies in the year 2025.

The Management should take actions to conduct a staff review to maintain an effective service level and take necessary actions accordingly.

4. Accountability and Good Governance

4.1 Annual Report

Audit Observation

The minimum elements such as the statement of the Chairman of the institution, the Board of Directors' report, and information on the financial position of the institution for the last 10 years that should be disclosed had not been included in the Draft Annual Report which should be submitted with the financial statements.

Management Comment

Answers have not been given.

Recommendation

Actions should be taken in accordance with the Guidelines of Government Circular No. 01/2021.

4.2 Effectiveness of Management Information System

Audit Observation	Management Comment	Recommendation
(a) Actions had not been taken even by 31 December 2024 to include any other compensation scheme except for the compensation scheme for missing persons in the second computer system implemented on 28 April 2023 and data migration of compensation system related data from the first system to the second computer system had not been done since the second computer system was installed.	The process of integrating data from the first system related to compensation procedures into the second computer system has been completed by 04 May 2025 . Currently, the data verification process is being done. It is informed that this process can also be completed within this month. It is mentioned that the shortage of essential employees in the institution to carry out the works on the computer system has been the reason for these delays.	Steps should be taken to complete the work on the computer system as soon as possible.
(b) The computer database system valued at Rs. 10,819,625, which was implemented from 28 April 2023, was received as a grant from the International Organization for Migration (IOM) and formal documents to verify the value of the asset were not submitted to the audit. Further, since an agreement made upon by both parties between the institution that provided this computer system and the Office for Reparations was not presented to the audit, it was not confirmed in audit that the actions were taken by the Office for Reparations for maintenance, upgrades and breakdowns of the new data system.	Since this database was a grant from the International Organization for Migration (IOM), the International Organization for Migration (IOM) and Iterminal Technologies have been contracted to handle the maintenance, upgrades, and breakdowns of the data system. However, once the data from our first system is fully integrated into the second computer system, an agreement will be signed with Iterminal Technologies, and we have now received the draft of that.	Actions should be taken to enter into a formal agreement.

4.3 Internal Audit

Audit Observation	Management Comment	Recommendation
Although the Office should have its own Internal Auditor appointed by the Board of Governors to conduct internal audit activities in terms of Section 40 (1) of the National Audit Act, No. 19 of 2018, an Internal Auditor had been appointed within the staff of the Office since 29 August 2024 .	The Internal Auditor of the Office of Reparations has resigned on 28 August 2024 and the Ministry of Justice, Prison Affairs and Constitutional Reforms has requested on 02 August 2024 to make the necessary arrangements for recruitment to the vacant position. However, we have not received approval for this yet, and it is informed that we will take steps to recruit for the position of Internal Auditor once the relevant approval is received.	Prompt actions should be taken to fill vacancies in Internal the Audit.

4.4 Budgetary Control

Audit Observation	Management Comment	Recommendation
(a) According to the Budget prepared by the Office for Reparations for the year 2024, provisions of Rs. 2,483 million had been allocated for the compensation payment process and the following points were observed during the physical progress examination as at 31 December of the year under review in this regard.		
(i) A sum of Rs. 4.26 million, equivalent to 85 per cent, had been spent on deaths, injuries and disappearances over the estimated cost during the year 2024 .	After receiving the monthly imprests during the year, funds have been allocated for compensation payments based on humanitarian and institutional needs based on the files submitted for completed payments. Accordingly, funds	Steps should be taken to prepare budget estimates accurately and make provisions.

- (ii) A sum of Rs. 1,000 million had been allocated in the year 2024 to pay compensation to the missing persons, of which Rs. 310 million had not been utilized as at 31 December of the year under review, which is 31 per cent of the allocated amount. have been transferred to various compensation schemes based on institutional needs and the agreement of the top management within the limits of the allocations provided for financial grants (compensation payments) during the year.
- (iii) A sum of Rs. 600 million was allocated in the year 2024 for the award of compensation in relation to the 2022 incident, out of that Rs. 227 million had not been utilized as at 31 December of the year under review, which is 38 per cent of the allocated amount. After receiving the monthly imprests during the year, funds have been allocated for compensation payments based on humanitarian and institutional needs based on the files submitted for completed payments. Accordingly, funds have been transferred to various compensation schemes based on institutional needs and the agreement of the top management within the limits of the allocations provided for financial grants (compensation payments) during the year. Actions should be taken to prepare budget estimates accurately and make provisions.
- (iv) A sum of Rs. 10,763,000 had been paid as on 31 December of the year under review through the compensation scheme for government officers under property damage, and provisions had not been identified for it in the Budget prepared by the Office for Reparations. compensation schemes based on institutional needs and the agreement of the top management within the limits of the allocations provided for financial grants (compensation payments) during the year.
- (b) Although the estimated expenditure of the institution was Rs. 2,588 million, the actual expenditure was Rs. 2,145.14 million. The Budget Estimates had not been prepared realistically and used as a control factor due to the difference in the amount between 20 per cent and 757 per cent between budgeted expenditure and actual expenditure in 29 items out of 52 expenditure items. In particular, there was a difference The difference between the budgeted gratuity allowance and the actual expenditure was the reason to the retirement of 08 officers. Due to the retirement of 07 officers before completing 60 years of service, we do not have the forecasts to include in the estimate. Since the building rental cost was estimated according to the expenditure limits provided by the Treasury, the estimate Steps should be taken to prepare Budget Estimates more accurately and allocate provisions.

of 758 per cent and 543 per cent shows a value that is between the budgeted expenditure and the actual expenditure on gratuity and building rental expenses. The budget should be prepared within the limited allocations available, and since this monthly building rent is reimbursed by the Line Ministry, we have also taken steps to consider the monthly reimbursement at the time of budget preparation.