

Bibile Pradeshiya Sabha
Monaragala District

1. Financial Statements

1.1 Presentation of Financial Statements

The financial statements for the year under review had been presented to audit on 29 July 2013 and the financial statements for the preceding year had been presented on 10 September 2012. The report of the Auditor General for the year under review was issued to the Chairman of the Sabha on 20 September 2013.

1.2 Opinion

In view of the comments and observations appearing in my report, I do not express an opinion on the financial statements of the Bibile Pradeshiya Sabha for the year ended 31 December 2012 presented for audit.

1.3 Comments on Financial Statements

1.3.1 Accounting Deficiencies

- (a.) The loan balance of Rs.15,451,860 of the Local Loans and Development Fund as at the beginning of the year under review had been shown in the account as Rs.4,237,282.
- (b.) The sum of Rs.13,921,746 obtained from the Local Loans and Development Fund for the construction of the Multipurpose Building as at end of the year under review had not been brought to account and the concessionary interest amounting to Rs.1,390,983 payable had not been shown in the accounts as an expenditure payable.
- (c.) The value of the lands and buildings owned by the Sabha had not been assessed and brought to account.
- (d.) Salary reimbursements amounting to Rs.1,395,464 receivable as at end of the year under review had not been brought to account.

amounting to Rs.2,268,500 relating to the period July 2009 to December 2011 and the write-off had been done based on the Sabha Decisions dated 27 September 2012.

2.4 Surcharges

According to the surcharges levied by me against the persons responsible in terms of the provisions of Section 172(3) of the Pradeshiya Sabha Act No.15 of 1987, a sum of Rs.16,287 had been recoverable as at 31 December 2012.

2.5 Solid Waste Management

The following observations are made.

- (a.) A yard had been constructed during 2009 under the Solid Waste Management Programme at an expense totaling Rs.1,579,290 under the Provincial Specific Grants and from the Sabha funds. However, compost production had not been commenced even as at 02 August 2013.
- (b.) The waste collection of the Bibile Town had been improperly disposed of to the Puwak Pelaya forest reserve near the Bibile Baticoloa Main road. Due to this manner of disposal of waste polythene had been spread all over the area and was full of flies.

3. Systems and Controls

Special attention is needed in respect of the following areas of control.

- (a.) Accounting
- (b.) Internal Control
- (c.) Revenue Administration