

Appropriation Head 275 – District Secretariat - Polonnaruwa

Report of the Auditor General on the Accounts of the District Secretariat, Polonnaruwa and the Divisional Secretariats functioning thereunder

1. Key activities of the District Secretariat

- (i) To fulfil the authority and responsibilities assigned by constitutional laws.
- (ii) To ensure activities in accordance with main development programmes and development projects, (Samurdhi and Decentralized Programmes) directions, advices and guidance of the Government.
- (iii) Necessary instructions, co-ordination and guidance leading to proper activities pertaining to development programmes and administrative activities carried out for the benefit of the people in the district by Government and Non Governmental Organizations.
- (iv) To act as the district representative of the Government.
- (v) To practically interfere in the activities whenever there are national and other calamities within the district.

2. Divisional Secretariats under the District Secretariat

- (i) Thamankaduwa
- (ii) Hingurakgoda
- (iii) Medirigiriya
- (iv) Lankapura
- (v) Dimbulagala
- (vi) Welikanda
- (vii) Elahera

3. Annual Action Plan

The District Secretariat had prepared an Annual Action Plan.

4. Accounts

4:1 Total Provision and Expenditure

The total net provision made for the District Secretariat Polonnaruwa and the 07 Divisional Secretariats functioning thereunder amounted to Rs.231,675,000 and out of that, a sum of Rs.221,991,173 had been utilized by the end of the year under review. Thus, the net savings of the District Secretariat and the Divisional Secretariats amounted to Rs.9,683,827 and represented 4 per cent of the total net provision. Details appear below.

Appropriation Head	Ministry / Department	Net Provision		Utilization		Savings	
		Recurrent	Capital	Recurrent	Capital	Recurrent	Capital
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
275	District Secretariat,	198,725,000	32,950,000	189,486,599	32,504,574	9,238,401	445,426

4:2 Utilization of Provision made available by other Ministries and Departments

Provision totalling Rs.1,425,987,372 was made available by various Ministries and Departments for various activities as shown below. The details of utilization of same is shown below.

Head	Ministry / Department	Provision Received	Actual Expenditure	Savings (As at 31 December 2010)
		Rs.	Rs.	Rs.
103	Ministry of Defence	294,275	271,650	22,625
105	Ministry of Economic Development	976,967,351	498,292,234	478,675,117
106	Ministry of Disaster Management	2,885,876	1,851,962	1,033,914
110	Ministry of Justice	985,950	632,540	353,410
118	Ministry of Agriculture	5,037,000	5,187,378	(150,378)

252	Department of Census and Statistics	1,444,831	921,001	523,830
253	Department of Pensions	187,133,454	137,777,189	49,356,265
254	Department of the Registrar General	189,782	189,531	251
284	Department of Wildlife Conservation	1,329,775	445,017	884,758
286	Department of Land Commissioner	15,261,267	10,626,766	4,634,501
300	Department of Food	2,063,107	2,164,938	(101,831)
307	Department of Motor Traffic	469,500	394,002	75,498
311	Department of National Physical Planning	400,877	268,905	131,972
	Total	1,425,987,372	874,876,394	551,110,978
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4:3 Audit and Scope of Audit

The audit of the Appropriation Account including the financial records, reconciliation statements, books, registers and other records of the District Secretariat Polonnaruwa 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 furnished to the District Secretary on 05 December 2011. 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 tests 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.

Reason	Age Analysis				Total
	Less than 1 year	Over 1 year and less than 2 years	Over 2 years and less than 3 years	Over 3 years	
	Rs.	Rs.	Rs.	Rs.	Rs.
(i) Change of Station Transfers	-	-	-	209,870	209,870
(ii) Deaths and Retirements	134,761	-	-	568,233	702,994
(iii) Vacation of Posts	1,800	33,837	-	49,620	85,257
(iv) Interdictions	1,018,548	-	271,531	213,385	1,503,464
(v) Others	118,292	-	-	-	118,292
Total	1,273,401	33,837	271,531	1,041,108	2,619,877

4:6 Assets Management

(a) Idle and under utilized Assets

It was observed at audit test checks that certain assets remained idle as analysed below.

Divisional Secretariat	Type of Asset	Number of units or quantity	Period	
			Over 1 year and less than 3 years	Over 3 years
(i) Elahera	Vehicles	1	-	1
	Office Equipment	20	19	1
	Vehicle	1	-	1
(ii) Thamankaduwa	Vehicles	3	-	3
(iii) Hingurkoda	Buildings	1	-	1
	Vehicles	1	1	-
(iv) Lankapura	Buildings	1	-	-
	Buildings	1	-	-
(v) Dimbulagala	Buildings	1	-	-
		28	20	8

awarded to a Community Based Organization during the 10 days that is 1 to 11 November 2010.

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| <p>(vi) Public Finance Circular No.359 dated 04 August 1988</p> | <p>Divisional Secretariat Welikanda</p> | <p>It has been instructed to maintain registers of fixed assets and to update them in order to ascertain the security of fixed assets in state institutions. However, the land belonging to the new office building, official residence of the Divisional Secretary and the land belonging to the Divisional Secretariat had not been included in the register of fixed assets.</p> |
| <p>(vii) Paragraph 5 of the Management Audit Circular No.DMA/2009(2) dated 01 September 2009</p> | <p>Divisional Secretariats Thamankaduwa, Lankapura and Dimbulagala</p> | <p>A register of fixed assets containing the details of costs, details of properties extent of land and the current improvements made to the buildings had not been maintained.</p> |

4:8 Weaknesses in Implementing Projects

Instances revealed at audit test checks with regard to abandoning projects without commencement and delays in projects are shown below.

(a) Abandoning Projects without Commencement

Name of the Divisional Secretariat	No. of Projects	Total Estimated Cost	Reason for non commencement
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		Rs. (Mn)	
Medirigiriya	02	1.9	Provision withdrawn by the District Secretariat

- (ii) A sum of Rs.2,400,000 had been made available by the Human Disaster Management Council of the President's office on 28 November 2005 for the Drinking Water Project of the Lankapura Divisional Secretariat Area. The Divisional Secretariat had allocated this amount for the Weppampura Drinking Water Project. The work concerned had not been completed even by the month of March 2011. As a result, a sum of Rs.1,750,909 remained idle for over 5 years.
- (iii) The Divisional Secretary, Lankapura had entered into an agreement with the Somapura Rural Samurdhi Task Force on 25 July 2007 for the construction work of the Somapura Ussana Water Project estimated at Rs.517,211. However, the Project concerned had not been completed even by the month of March 2011.
- (iv) Items such as library books, cupboards, plastic chairs, wire codes and notice boards valued at Rs.49,654 had been purchased by the Lankapura Divisional Secretariat under the 2005 Decentralized Programme. These had not been distributed among the beneficiaries concerned even by the month of March 2011.
- (v) The building where the Elahera Divisional Secretariat functions and other buildings belonging to the office continues to be maintained in a 2 acre land belonging to the Mahaweli Development Authority for many years. But, the ownership of the land and building had not been vested with the Divisional Secretariat.
- (vi) Purchases for Rs.1,301,683 made in 5 instances by the Elahera Divisional Secretariat in 2010 had been made without the knowledge of the Procurement Board and the Technical Evaluation Committee.
- (vii) The Elahera Divisional Secretariat had spent Rs.142,500 to purchase musical instruments and had spent Rs.70,000 to purchase a set of dresses used for dances for 2 schools in 2010 under the Decentralized Budget. Quotations had not been called for, for these purchases.

