

Appropriation Head – 274 - Report of the Auditor General relating to the District Secretariat, Anuradhapura and the Divisional Secretariats functioning there under - 2010

1. Key Activities of the District Secretariat

- (a) To be in the forefront alleviating poverty, distribution and arrangement
- (b) To administer disaster relief and rehabilitation projects
- (c) To plan and administer development projects
- (d) Co-ordination of Elections
- (e) Administration and operation of districts projects
- (f) Collection of Income
- (g) To co-ordinate government activities and to carry out functions assigned by law through officers and organizations at the divisional and village levels
- (h) To act as representatives of other Ministries and Departments
- (i) To assist in the functions of the Provincial Council

2. Divisional Secretariats under the District Secretariat

- (a) Nuwaragam Palatha, East
- (b) Nuwaragam Palatha, Central
- (c) Thalawa
- (d) Galenbidunuwewa
- (e) Mahavilachchiya
- (f) Rambewa
- (g) Mihinthale
- (h) Palagala

- (i) Nochciyagama
- (j) Ipalogama
- (k) Galnewa
- (l) Medawachchiya
- (m) Padaviya
- (n) Palugaswewa
- (o) Horowpothana
- (p) Kebithigollewa
- (q) Kekirawa
- (r) Kahatagasdigiliya
- (s) Thambuththegama
- (t) Nachchaduwa
- (u) Thirappane
- (v) Rajanganaya

3. Annual Action Plan

The District Secretariat had not prepared an Annual Action Plan at commencement of the financial year.

4. Accounts

4.1 Total Provision and Expenditure

The total provision made for the District Secretariat, Anuradhapura and 22 Divisional Secretariats functioning thereunder amounted to Rs. 478,225,000 and out of that, a sum of Rs. 461,385,136 had been utilized by end of the year under review. Thus, the net savings of the District Secretariat and the Divisional Secretariats amounted to Rs. 16,839,864 and represented 3.52% of the total net provision. Details appear below.

252	Department of Census and Statistics	2,886,220	2,592,951	293,269
253	Department of Pensions	550,648,785	511,338,877	39,309,908
254	Department of the Registrar General	268,800	254,992	13,808
286	Department of the Land Commissioner	26,301,051	25,324,132	976,919
300	Department of the Food Commissioner	2,345,072	2,327,594	17,478
304	Department of Meterology	953,378	596,486	338,892
307	Department of Motor Traffic	7,585,948	7,279,395	306,553
		-----	-----	-----
Total		2,087,516,105	1,885,976,686	201,539,418
		=====	=====	=====

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, Anuradhapura for the year ended 31 December 2010 was carried out in pursuance of provisions of the Constitution of the Democratic Socialist Republic of Sri Lanka. The audit observations, comments and findings on the accounts and the reconciliation statements were based on a review of the accounts and the 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 as audit coverage as possible within the limitations of staff, other resources and time available to me.

4.4 Responsibility of the Chief Accounting Officer and the Accounting Officer for the Accounts and the Reconciliation Statements

The Chief Accounting Officer and the Accounting Officer are responsible for the maintenance, preparation and fair presentation of the Appropriation Account and the Reconciliation Statements in accordance with the provisions of Articles 148,

- (ii) Action should be taken to settle the loan balances of officers who had on change of station transfers, within 2 months, according the paragraph 1.1.7 of the National Budget Circular No. 118 dated 11 October 2004. However, loan balances aggregating Rs.1,446,694 remaining unsettled on behalf of 17 officers who had come on transfers to the District Secretariat from other Ministries / Departments had not been settled.

- (iii) A loan balance of Rs.11,156 was further due from the loan obtained by a Grama Niladari of the Kekirawa Divisional Secretariat who had been dismissed from service.

4.6 Lack of Evidence for Audit

Non-rendition of Information

Many goods received from various Ministries / Departments and under the Decentralized Budget Project of 2007 at the Ipolagama Divisional Secretariat were lying in the premises of the stores. The documents relating to those goods had not been furnished to audit.

4.7 Assets Management

(a) Idle and Under Utilized Assets

- (i) It was observed in audit that the following assets of 4 Divisional Secretariats remained idle or under utilized, as per information called for, from the Divisional Secretariats.

Divisional Secretariat	Number of Vehicles	Whether Idle / Underutilized	Period
-----	-----	-----	-----
Galenbidunuwewa	01	Idle	5 years
Ipalogama	01	Underutilized	1 year
Palagala	01	Idle	From 2011
Thambuththegama	01	Idle	From October 2010

- (ii) The Department of Registration of Persons implemented a Project Programme to establish branch offices at each Divisional Seretariat and branch offices had been established at the Divisional Secretariat at Kahatagasdigiliya, Ipalogama, Thalawa, Thirappane, Galenbudunuwewa, Viliachchiya, Galnewa, Nochchiyagama, Thambuththegama, Mihinthale and Rambewa in 2008 by spending Rs.7,578,316 from the approved provision of Rs.7,682,090. But the office activities had not commenced yet. In this connection, the District Secretary had replied that the reason for this situation was non rendition of physical and human resources and necessary information from the Department of Registration of Persons.

(b) Balance Receivable

Advances granted to various institutions for purchasing paddy should be recovered within 6 months. However, the recovery of advances granted to 6 institutions by the District Secretary in the years 2001, 2004/2005 and 2005/2006 was at a very weak level. A further sum of Rs.78,274,586 remained recoverable as at 31 December 2010.

(b) Establishments Code

Chapter XIX

Section 3.1

- The Mihinthale Divisional Secretariat had assessed rent for a government quarters situated in the Mihinthale Gamudawa premises based on the assessed rent of the year 2000.

(c) Financial Regulations

F.R.R. 104 (3) and 104 (4)

- Action should be taken with regard to the damage caused to vehicles and the related copies of preliminary and final reports should be furnished to the Auditor General. However, action had not been taken in terms of those provisions with regard to accidents caused to vehicles at the District Secretariat and Divisional Secretariats.

F.R. 880

- Officers required to furnish security deposits at the Kahatagasdigiya Divisional Secretariat had not furnished security deposits.

F.R. 1646

- Daily running charts of 2010 pertaining to 3 Divisional Secretariats, namely Kahatagasdigiya, Mahawilachchiya and Galenbiduniwewa had not been furnished to audit.

4.10 Weaknesses in Constructions

The following observations are made.

- (a) Six Jathika Saviya Gama Neguma special projects had been implemented within the Divisional Secretariat Divisions of Rajanganaya. Of these, a sum of Rs.12,000 had been overpaid in respect of 2 name boards of 2 projects and 3 items of work had been completed not in accordance with standards in relation to 3 projects and their total value amounted to Rs.629,828. The Divisional Secretary had pointed out that it would be recovered from the retention money. Meanwhile, certain persons had destroyed 3 name boards to totally valued at Rs.18,000.
- (b) Three multi work buildings which commenced under the Gama Neguma Programme in Rajanganaya Divisional Secretary`s Division had been completed upto the value of Rs.2,277,227. This had been abandoned due to lack of adequate imprest. It was observed that the land was covered with shrubs and the construction already done was getting destroyed.
- (c) According to Work Item No. 13 of the estimate for constructing the latrine system within the the 670, Andiyagala Week End Fair in the Palagala Divisional Secretary`s Division under the Jathika Saviya Gama Neguma Project, a sum of Rs.12,520 had been overpaid by estimating a length of 8 metres for supply and installation of P.V.C. pipes with a circumference of 14 inches.

4.11 Performance

A Corporate Plan pertaining to the fulfilment of mission and functions entrusted to the District Secretariat and an Action Plan comprising the functions expected to be implemented during the year under review with regard to that Corporate Plan had not been prepared.

- (f) According to the Circular No. &.à½./10/í\$ µqÉ s Óhî àØ´Ô÷ÀÛ dated 16 July 2007, 50% of the cost of the project given under the Livelihood Development Project Programme should be recovered in 10 equal instalments from the beneficiaries from the month of granting the loan. However, out of the loans granted to 5,086 Samurdhi Beneficiaries belonging to 7 Divisional Secretariats namely, East Nuwaragama Palatha, Kahatagasdigiliya, Ipalogama, Thalawa, Thirappane, Galnewa and Thambuththegama to uplift their position, the recovery of Rs.7,727,864 was at a weak level.
- (g) Economic rent at the rate of Rs.125 and Rs.250 had been recovered from 4 government quarters belonging to the Galenbidunuwewa Divisional Secretariat based on the valuations made by the Department of Valuation in 1997.
- (h) A sum of Rs.114,000 had been paid by a cheque to the Sri Lanka Transport Board on 31 December 2010 from the provision of members of Parliament under the Decentralized Budget Programme 2010 by the East Nuwaragam Palatha Divisional Secretariat for obtaining light vehicle driving licence to 13 youngsters and for obtaining heavy vehicle driving licence to 3 youngsters. But, any action

