

## Head 270 – District Secretariat - Ampara

---

### 1. Financial Statements

---

#### 1.1 Qualified Opinion

---

The audit of the financial statements of the District Secretariat, Ampara for the year ended 31 December 2019 comprising the statement of financial position as at 31 December 2019 and the statement of financial performance, and cash flow statement for the year then ended, 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. The Summary Report containing my comments and observations on the financial statements of the District Secretariat, Ampara was issued to the Chief Accounting Officer on 28 May 2019 in terms of Section 11 (1) of the National Audit Act No. 19 of 2018. The Annual Detailed Management Audit Report of the District Secretariat, Ampara was issued to the Accounting Officer on 24 June 2020 in terms of Section 11 (2) of the Audit Act. This report is presented to Parliament in terms of Section 10 of the National Audit Act No. 19 of 2018 which is read in conjunction with Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

In my opinion, except for the effects of the matters described in Paragraph 1.6 of this report, the financial statements which was prepared in accordance with the provisions of the Public Accounts Circular No. 271/2019 dated 03 December 2019, give a true and fair view of the District Secretariat, Ampara as at 31 December 2019 and its financial performance and cash flow for the year then ended, in accordance with Generally Accepted Accounting Principles

#### 1.2 Basis for Qualified Opinion

---

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 Chief Accounting Officer and Accounting Officer on Financial Statements

---

Preparation of financial statements in a manner that reflects a true and fair position and determines the internal control required to enable financial statements to be prepared without inadequate false statements that may result from fraud and error in accordance with Generally Accepted Accounting Principles and the provisions of Section 38 of the National Audit Act, No. 19 of 2018 is the responsibility of the Chief Accounting Officer.

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

The Chief Accounting Officer shall ensure that an effective internal control system is maintained for the financial control of the District Secretariat in terms of Sub-section 38 (1) (c) of the National Audit Act and it should be periodically reviewed the effectiveness of the system and make any necessary changes to keep the system running efficiently.

#### **1.4 Auditor's Responsibility on Audit of Financial Statements**

---

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 internal control.
- It is not intended to express an opinion on the effectiveness of internal control of the District Secretariat to plan appropriate audit procedures in a timely manner.
- Evaluate Structure of Financial Statements Including Disclosures and content-based transactions and events the structure that the financial statements are appropriate and reasonable.
- That the transactions and events underlying the structure and content of the financial statements are appropriately and fairly when submitting financial statements as a whole.

The Accounting Officer was made aware of important audit findings, key internal control deficiencies and other matters identified in my audit.

#### **1.5 Report on Other Legal Requirements**

---

I declare the following matters in terms of Section 6(1) (d) and Section 38 of the National Audit Act No. 19 of 2018.

- (a) The financial statements for the year under review were consistent with those of the previous year.
- (b) The recommendation in my report on financial statements for the previous year regarding the observation made in paragraph 1.6.2 (b) of this report had not been implemented.

## 1.6 Comments on Financial Statements

---

### 1.6.1 Statement of the Financial Performance

---

Following observations are made.

<b>Audit Observation</b>	<b>Recommendation</b>	<b>Comments of the Accounting Officer</b>
(a) According to the final report of the Treasury, although the receipts for the advance account to the public officers were Rs. 57,717,141, it was shown in the financial performance statement as Rs.57,686,391 understating Rs. 30,750.	It should be compared Treasury printouts and Departmental ledgers before preparing the financial performance statement.	This amount is a cross entry amounting to Rs. 30,750.00 related to Sub - 02 155011. This has been erroneously recorded in the other advance account and corrected in the imprest correction statement.
(b) According to the A.C.A. 5 format, although the payment of the advance account to the public officers were Rs. 73,365,521, it was shown in the financial performance statement as Rs.73,354,271 understating Rs. 11,250.	It should be compared A.C.A. 5 Treasury printouts and Departmental ledgers before preparing the financial performance statement	This is an amount which should be credited to 194011 but credited for 27011 by Akkaraipattu Divisional Secretariat. For rectification this was submitted by G 122 form on 31 December 2019 but it was not rectified by the Treasury. It was corrected by the Akkaraipattu Divisional Secretariat for the June 2020 Summary.

### 1.6.2 Statement of the Financial Position

---

Following observations are made.

<b>Audit Observation</b>	<b>Recommendation</b>	<b>Comments of the Accounting Officer</b>
(a) The liability value for 21 instances was stated as Rs. 1,437,911 in the Treasury Accounts Statements but the balance was not shown in the Financial Statements.	It should be compared Treasury printouts and Departmental ledgers before preparing the statement of financial position.	There were no actual liabilities to be paid under Head No. 270 As at 31 December 2019. However, some sub-offices have settled all the liabilities by making the relevant payments on or before 31.12.2019 for the liabilities which were pointed out to them as liabilities, but due to not uploading them properly (Web upload), the system has listed them as unresolved liabilities.

- (b) Although the assets have not been disposed or destroyed in the year 2018, assets valued at Rs.26,316,881 were stated in the financial statement (ACA 6) as sales. It was not corrected during the year under review.
- Preparation of financial statements should be reported according to the nature of the relevant transaction.
- If something goes wrong with inserting an asset into a computer (Cigass), to correct this program has to be referred to as a sale or destruction. In fact, it is a weakness in the Cigass program.

### 1.6.3 Non Maintenance of Documents and Books

-----

<b>Audit Observation</b>	<b>Recommendation</b>	<b>Comments of the Accounting Officer</b>
----- Although a list of vehicles was required to be maintained in terms of Financial Regulations 1647 (e), the District Secretariat had not done so.	----- A list of vehicles must be maintained.	----- Correctly prepared and finished.

### 1.6.4 Certifications to be made by the Accounting Officer

-----

<b>Audit Observation</b>	<b>Recommendation</b>	<b>Comments of the Accounting Officer</b>
----- In accordance with the provisions of Section 38 of the National Audit Act No. 19 of 2018, the Chief Accounting Officer and the Accounting Officer shall ensure that an effective internal control system is developed and maintained for the financial control of the District Secretariat and the effectiveness of the system should be periodically reviewed and the necessary modifications should made to make the system work effectively and such reviews should be made in writing and submitted to the Auditor General, but statements that such reviews had been made had not been submitted to the audit.	----- Action should be taken in accordance with the provisions of section 38 of the National Audit Act No. 19 of 2018.	----- We have established an Internal Audit Division in the District Secretariat as one of the key components of internal control to control the finances of the District Secretariat and from that it is periodically inspects the financial control activities of the District Secretariat and the Divisional Secretariats and the copies of these reports are sent from time to time to the Auditor General's District Office, Ampara, the Director General of Department of Audit and Management, the Chief Accountant of the District Secretariat and the Chief Internal Auditor of the Ministry of Public Administration and Home Affairs.

These investigations are carried out in accordance with the audit programmes prepared by us according to the audit plan. I would like to draw your attention to the re-investigation of risky matters and I would like to inform you that I will inform you about this re-investigation method in future.

### 1.6.5 Non-compliance with Laws, Rules and Regulations

Instances of non-compliances with Laws, Rules and Regulations observed in the audit test check are analyzed and shown below.

Reference to Laws, Rules and Regulations	Non-compliance	Recommendation	Comments of the Accounting Officer
<b>(a) Establishment Code of the Democratic Socialist Republic of Sri Lanka</b>			
(i) Section 1.4 of Chapter xii	Although the application for foreign leave should be submitted not less than 03 months before the commencement date of the leave, an officer working in the Akkaraipattu Divisional Secretariat has applied for foreign leave within 14 days in November 2019. But approval for the leave has not been received until January 23.	Must comply with applicable laws, rules and regulations.	Mrs. KM Fathima Jasiya Development Officer III, Akkaraipattu Divisional Secretariat has applied for leave to go abroad and Submitted to the Ministry on 11 November 2019. Due to lack of documents such as the letter of service confirmation, the application has been returned to the Divisional Secretariat. I kindly inform you that all the documents have been completed and submitted to the Ministry of Public Administration on 24 February 2020.

(ii) Section 23.18 of Chapter xii	The head of the department has not prepared a report on the foreign leave taken by a public servant and not submitted it to the Auditor General on a monthly basis.	- Do -	The report on leave taken by public officers outside the island will be sent to the Auditor General.
<b>(b) Financial Regulations of the Democratic Socialist Republic of Sri Lanka</b>			
-----			
(i) Financial Regulation 168(2)	Although double-sided carbon paper should be used when issuing receipt forms in General 172, Dehiattakandiya Divisional Secretariat has not used this process.	Must comply with applicable laws, rules and regulations.	When issuing receipt forms in General 172, the concerned officers have been instructed to use double-sided carbon paper and that system is currently being followed.
(ii) Financial Regulation 177(1)	Although it has been stated that the collected Government money should be paid daily or as soon as possible, Grama Niladharis of the Dehiattakandiya Divisional Secretariat had paid the money with a delay of 07 months.	- Do -	Relevant Grama Niladharis have completed the payment of unpaid dues (Relevant receipt attachment 03) Letters have been issued to the relevant officials warning them not to make such mistakes in future.
(iii) Financial Regulation 210(1)	Although it has been mentioned that if it is need to get discounts it should have to pay in advance to get them, the Divisional Secretariats of Saindamarudu, Sammanthurai, Akkaraipattu and Ampara were unable to obtain discounts due to non-payment of water bill arrears within the relevant period.	- Do -	Relevant officials have been informed that payments should be made within the stipulated time and relevant Divisional Secretaries have informed that the discounts which are not paid on time will be charged from the officer in charge of the relevant subject. Divisional Secretary Sammanthurai, Ampara, Saindamarudu, Akkaraipattu reports that after the audit, payments were made on the due date and discounts were obtained.

**Saindamarudu**

The Saindamarudu Divisional Secretariat consists of three floors. The water supply to this office is underground and inside the building, so there is no prior knowledge of water leaks. But after receiving a large water bill, a water leak was reported during the investigation. The water supply board has checked and repaired the water leak. The Divisional Secretary has reported that due to this there was a delay in the payment of water bills and steps have been taken to prevent such shortcomings in the future.

(c) Budget Circular No. 4/2019 dated 17 June 2019 of Ministry of Finance

Although steps have been taken to implement the project with the aim of saving 5 percent on the value of electricity bills, The use of 02 meters of electricity in the Akkaraipattu Divisional Secretariat had increased.

Must comply with applicable laws, rules and regulations.

The air conditioners in the conference hall of the Akkaraipattu Divisional Secretariat have been repaired due to a long period of malfunction. During the relevant period, the electricity bill increased as the new trainee graduates had to be accommodated in the conference hall due to lack of office space.

**2. Financial Review**

**2.1 Imprest Management**

**Audit Observation**

In the analysis of the monthly imprest planning, requisition and received imprest of the District Secretariat, a sum of Rs.7,903 million had been requested during the year under review but only Rs.5,472 million had been received with a shortage of Rs. 2,431 million.

**Recommendation**

Appropriate action should be taken to obtain the full amount of Imprest applied for.

**Comments of the Accounting Officer**

The monthly imprests required for this office will be planned and applied for but The disbursement of cash is decided by the Ministry of Finance. If it is not possible to pay within the year, it will be considered as bills at hand and the payment will be made in the coming year.

## 2.2 Expenditure Management

-----

<b>Audit Observation</b>	<b>Recommendation</b>	<b>Comments of the Accounting Officer</b>
-----	-----	-----
Supplementary estimates approved Rs. 4,050,000 for the Green Clubs program. However, out of the financial allocation received, only Rs. 2,675,592 had been spent for the relevant purpose.	Should use the full allocations approved under the Supplementary Estimates for the relevant program.	Provisions have been released by the letter No. BD / GPS / 115/09/65 / HA-2019 dated 19.08.2019 of the Secretary to the Ministry of Finance. Project proposal submitted by the Divisional Secretariat on 09.09.2019 and Occasionally connected via phone as well. When discussing with the Project Director in this regard, it has been temporarily postponed due to political pressure at the time.

## 2.3 Deposit Balances

-----

<b>Audit Observation</b>	<b>Recommendation</b>	<b>Comments of the Accounting Officer</b>
-----	-----	-----
Court fines and stamp duty amounting to Rs.10.5 million in 06 Divisional Secretariats were in the deposit account at the end of the year under review without referring to the relevant Ministries or Departments.	Penalties and stamp duty collected in respect of other Ministries or Departments should be sent to the relevant Institutions as soon as possible.	Payments could not be completed in <b>2019</b> due to a shortage of imprest and in this year, the respective Divisional Secretariats have completed the payments to the relevant Ministries and Departments.

## 3. Operational Review

-----

### 3.1 Planning

-----

According to the Public Finance Circular No. 2014/01 dated 17 February 2014, deficiencies revealed on Performance-related planning and other design are as follows.

<b>Audit Observation</b>	<b>Recommendation</b>	<b>Comments of the Accounting Officer</b>
-----	-----	-----
Although the District Secretariat had prepared an action plan for the year 2019, According to the Public Finance Circular No. 2014/01 dated 17 February 2014, the following matters which should have been included in it were not included..		



(a) Approved cadre and Actual cadre details	All relevant matters should be included in the preparation of an action plan in accordance with the circular.	It has been instructed to work out a comprehensive action plan that includes all the information for the coming year.
(b) Imprest Requitments plan for the annual activities	- Do -	- Do -
(c) Annual Procurement Plan for the planned main development programmes	- Do -	- Do -
(d) Internal Audit Plan	- Do -	- Do -

### 3.2 Failure to obtain the expected benefits

-----  
 Following observations are made.

<b>Audit Observation</b>	<b>Recommendation</b>	<b>Comments of the Accounting Officer</b>
-----	-----	-----
(a) Under the financial provisions of the Ministry of National Integration, Official Languages, Social Progress and Hindu Religious Affairs, provision of Rs. 10 million allocated in the year under review for the construction of an indoor sports ground for Carmel Pattuma National School in the Kalmunai Regional Division and the contract was signed with a contractor on 11 November 2019 and agreed to end on 25 December. But no work had started until 31 December 2019.	Necessary action should be taken to complete the work within the stipulated time frame for a project.	The contract for the construction of the indoor sports ground of Carmel Pattuma National School was entered into on 11 November 2019 and due to the prevailing weather conditions, the work could not be completed by the due date on 25 December 2019. The Divisional Secretary has reported that it was requested for approval for the uninterrupted work of 2019. This is due to the fact that from time to time the Ministry of Finance has announced to delay the commencement of projects.
(b) Akkaraipattu Divisional Secretariat had not commenced 12 works valued at Rs. 13 million and 05 works worth Rs.3.5 million provided under the Ministry of Resettlement of Long Displaced Persons, and Cooperative	- Do -	Akkaraipattu Divisional Secretariat has decided to call for bids for 03 out of 05 relevant projects on 22 and 26 December 2019, but the Ministry of Finance has informed not to implement any project after 21.11.2019 as

Development, until the audit date of 23 January 2020.

per the letter BD/GPS/155/09/01 / HA-2019 dated 20.11.2019. 03 projects have been started and work on 02 projects have not been started.

(c) A sum of Rs. 1.4 million has been allocated to Akkaraipattu Divisional Secretariat in the year 2019 for the construction of toilets for 28 persons through the SACOSAN toilet construction program under the project of the Ministry of Urban Planning, Water Supply and Higher Education. However, only 100 toilets worth Rs. 500,000 had been completed and the remaining 18 toilets worth Rs. 900,000 had not been constructed.

- Do -

Cancelled Toilets

Twenty-eight beneficiaries who were in need of toilets were selected. Out of that the names of 18 beneficiaries were rejected as they had informed in writing that the toilets could not be constructed as per the map sent by the Ministry regarding the construction of toilets and that they could not contribute more due to lack of adequate source of income.

(d) Although the entire program of Rs.170,631,000 has been approved for 15 Divisional Secretariats with the financial allocations under the projects of RIDP, ONUR, Task Force on Resettlement of Protected IDPS, Lagoon Conservation and Development, Let's together for nation and DCB for various programs such as renovation of Devalaya, sports equipment, weekly fair, renovation of concrete road etc., Relevant projects could not be implemented during the year under review due to land issues, misconceptions and lack of approval from the Coast Conservation Department.

- Do -

Although it was stated that the decentralized financial allocations of the Ministry of Resettlement could not implement the total programs of Rs.110,631,000 in 15 Divisional Secretariats due to various reasons, None of the projects approved for implementation by the provisions of the Ministry of Resettlement were halted in 2019 and all the relevant projects of that program were implemented in that year. Under the decentralized budget program, only 09 projects of valued at Rs. 1.14 million approved to be implemented in the five Divisional Secretariat Divisions of Dehiattakandiya, Kalmunai (M), Sammanthurai, Thirukkivil and Pottuvil could not be implemented in 2019.

(e) Asum of Rs. 1 million had been allocated for the purchase of equipment for the textile industry for the Aljesira Elders' Organization of the Akkaraipattu Divisional

Before purchasing the relevant equipment, it should be

Aljesira Senior Organization was provided with handicraft equipment for the handicraft industry with the agreement of the Akkaraipattu Rural

Secretariat under the Long Term Internal Transfer Resettlement Program. Although 06 textile industry equipments have been provided to this organization which has no building facilities, only 02 of them are used in a part of the Grama Niladhari Society building and The remaining 04 equipments were left unused due to lack of space. Therefore, the expected welfare was not obtained from them.

considered whether there is sufficient space for it in the selected locations.

Development Society 14 to use the building. Due to the use of one part of the building by the society, there was not enough space.

### 3.3 Delays in project execution

Following observations are made.

Audit Observation	Recommendation	Comments of the Accounting Officer
(a) It was agreed to provide cheques worth Rs.3,999,000 for the construction of a Elderly day care center in the Navithanveli and Kalmunai Tamil Divisional Secretariat by the Letter No. NSE / DEV / 02101 dated 30 July 2019 of the National Secretariat for Elders of the Ministry of Primary Industries and Social Welfare and hand it over to the elders before 30 October 2019. But the construction of these buildings had not been completed till 12 December 2019.	Steps required to taken to complete a project within the stipulated time frame	Payments has been made in the year 2020 after the completion of the construction work of the Kalmunai Elderly Day Care Center. Navidanveli Center has been contracted to complete the work before 30.10.2019. But according to the request made to extend the period, it has been extended till 30.11.2019. (Relevant documents are attached as Annexure 8). Navidanveli Divisional Secretary reports that although the contractor informed that the work was completed on 28.11.2019, due to minor parts remaining, payments were made on 12.12.2019 after completion.
(b) The Ministry of Rural Infrastructure Development has allocated Rs. 6 million for the construction of Smart Class Rooms for two schools belonging to the Sammanthurai Divisional Secretariat. According to the letter dated December 16, 2019 from the Zonal Director of Education, Sammanthurai, it was stated that	Expenditure should be identified only after receiving the relevant equipment.	All work has been completed and payments made.

equipment worth Rs.3,860,000 had been purchased and money had been claimed and The Divisional Secretariat had shown this expenditure in the accounts as liabilities. However, the equipment had not been purchased and distributed to the relevant schools till 19 February 2020.

### 3.4 Projects that have been funded but have not made progress

Audit Observation	Recommendation	Comments of the Accounting Officer
<p>Provisions of Rs. 60 million had been provided for the year 2018 under the Grama Shakthi Development Program for Livelihood Development, Skills Development and Infrastructure Development, out of that a sum of Rs.59,999,700 had been shown as expenditure under the object 001-2-6-11-2-2202. However, Rs.49,948,900 was left in the bank accounts of 66 Grama Shakthi Community Societies selected by the Divisional Secretariats without being spent for the relevant purpose by the end of the year 2018. Further, a sum of Rs. 66 million had been allocated for the first phase and Rs. 64.4 million for the second phase in 2019, and a sum of Rs. 53 million and Rs. 20 million were shown as expenses respectively. However, out of this Rs. 54,756,118 had been deposited in the relevant Grama Shakthi (Praja) Janatha Samithi bank accounts without being used for the relevant purpose at the end of the year.</p>	<p>Identify suitable programs so that the funds provided to the Grama Shakthi Janatha Samithi under the Grama Shakthi Project can be fully utilized and Should provide guidance to the relevant societies.</p>	<p>All projects under the Grama Shakthi Janatha Project 2018 have been completed by 31.12.2018 under the provisions allocated for infrastructure development.. Although provisions have been made to provide revolving loans to the members of the societies as microfinance loans, although instructions have not been given by the Presidential Secretariat to provide the basic training required for the officers to implement this loan scheme and the books required to provide loans, The program has been implemented using the experience of parallel programs. Also, the training are not able to conduct the training programs properly due to training resource persons are not available in the district to conduct capacity building and capacity building training programs and non-compliance with the government approved rates for importing them. Due to this, the funds allocated for it could not be fully released in that year.</p>

With the commencement of election activities, it has not been possible to start projects in the implementation of projects by depositing the funds received from time to time by requesting imprest for the allocations made under the first phase of the year 2019.. (According to the Ministry of Finance Circular dated 20.11.2019).

The Director of Planning has reported that the selected Grama Shakthi Samithi companies in the second phase were unable to implement the projects due to delays in registration with the Registrar's Department and non-receipt of funds. I kindly inform you that we have prepared plans for the successful implementation of these programs during this year and have informed the Assistant Directors and Development Officers and given them the necessary advice.

### 3.5 Management Weaknesses

-----

Following observations are made.

<b>Audit Observation</b>	<b>Recommendation</b>	<b>Comments of the Accounting Officer</b>
-----	-----	-----
(a) Saboor Sanasa Society of Sammanthurai Divisional Secretariat was given 0.847 hectare Government Land located at Sennel Village 01 on 23 March 2000 on long term lease (30 years) basis for setting up a model farm under the State Land Act. In July 2011, the Grama Niladhari and the Colonial Officer had reported that the land had been divided into many plots without using the land for the purpose and	When giving long-term lease, it is important to ensure that they are used for the relevant purposes, Failure to do so should result in immediate action.	The Divisional Secretary has reported that the Sammanthurai Divisional Secretary is unable to take any action as the approval of the Provincial Land Commissioner has not been obtained to cancel the lease related to these lands. However, the Provincial Land Commissioner has requested by the letter No. EP/28/LB/Ls/Amp/Gen dated 26.05.2020 to provide documents to take action to cancel these leases. Accordingly, the Divisional Secretariat has taken the following action.

that there were 22 completed houses, 04 partially completed houses and 03 permanent buildings with foundations. However, no action was taken to reclaim the land until 18 February 2020.

- (i) Grama Niladhari reports
- (ii) Field reports on the current condition of the land are requested.

(b) Although the Sammanthurai Divisional Secretariat had given 0.19 hectares of land to two lessees on a long term lease basis, it had failed to recover the arrears of Rs. 87,774..

Should take steps to collect arrears of lease rentals in due course.

A sum of Rs. 51,770.00 has been recovered from the land for the model farm of Senneli village No. 01 and action is being taken to recover the remaining amount. The village has been leased out for trade, but the provincial land commissioner is currently in the process of approving Mrs.Hajara Ghafoor who was the wife of the deceased. Recoveries will be made as soon as the approval is received.

(c) It was reported that the Damana Divisional Secretariat had misused Rs. 6,512,909 in the implementation of five projects signed under the "Deyata Kirula 2013" development project.

Steps should be taken to expedite the ongoing investigations into the problematic situation.

Payments for these projects were made from time to time by the then officers of the Damana Divisional Secretariat on the reports of the Technical Officer of the Damana Pradeshiya Sabha. However, the matter was investigated after a problematic situation was reported with regard to the completion of the projects. The Chief Engineer of this office obtained the reports for that. Those reports have been submitted to you before. Also, the Special Crime Investigation Division of the Police is conducting a special investigation in this regard and I kindly inform you that they have taken the relevant files into their custody for further investigations.

#### 4. Human Resource Management

-----  
Following observations are made.

<b>Audit Observation</b>	<b>Recommendation</b>	<b>Comments of the Accounting Officer</b>
-----	-----	-----
(a) 266 vacancies had not been filled as appropriate at the end of the year under review.	Action should be taken to fill the vacancies for essential posts.	(a), (b) Although there were 266 vacancies as at 31.12.2019, according to the approved cadre approved by the Department of Management Services and the actual cadre, I kindly inform you that the Department of Management Services and the Ministry of Public Administration and Home Affairs have been informed from time to time of the existing vacancies as I am not authorized to recruit officers to fill that number. I further inform that the staff data of the District Secretariat and the Divisional Secretariats are being updated every fortnight through the online system introduced by the Ministry. I attach the approved cadre and the actual cadre as at 31.12.2019 as annexure 10.
(b) At the end of the year under review, there were 27 main vacancies in the Dehiattakandiya Divisional Secretariat such as Administrative Officer, Additional District Registrar, Development Officer and Management Officer.	Relevant steps should be taken to fill the essential vacancies existing at the Divisional Secretariat level.	