

Appropriation Head 255 - District Secretariat - Colombo

Auditor General's Report on the accounts of the District Secretariat Colombo and the Offices of the Divisional Secretaries functioning there under - Year 2010

1. Key Activities of the District Secretariat

Initiation of poverty alleviation, coordination of elections, planning and supervision of projects, administration of disaster relief projects and rehabilitation projects, administration and guidance of district projects and revenue collection are the key functions of the District Secretariat.

2. Offices of Divisional Secretaries under District Secretariat

Colombo , Rathmalana , Dehiwala , Padukka, Thimbrigasyaya, Kolonnawa, Kaduwela, Sri Jayawardanepura, Maharagama, Moratuwa, Kesbewa, Homagama and Hanwella.

3. Annual Action Plan

The District secretariat had not prepared the Annual Action Plan at the beginning of the year of accounts.

4. Accounts

4.1 Total Provision and Expenditure

The total net provision made for the District Secretariat Colombo and 13 offices of the Divisional Secretaries functioning thereunder amounted to Rs.528,575,000

and out of that a sum of Rs.514,425,594 had been utilized by the end of the year under review. Accordingly the net savings of the District Secretariat and the offices of Divisional Secretaries amounted to Rs.14,149,406 or 2.6 per cent of the total net provision. Details appear below.

Category of Expenditure	Estimated Provision	Net Provision	Utilization	Savings	Savings as a Percentage of Net Provision
	Rs.	Rs.	Rs.	Rs.	%
Recurrent	401,075,000	401,075,000	389,543,835	11,531,165	2.87
Capital	97,500,000	127,500,000	124,881,759	2,618,241	2.05
Total	498,575,000	528,575,000	514,425,594	14,149,406	2.67

4.2 Utilisation of provisions made available by other Ministries and Departments

Provisions totalling Rs.4,352,169,612 had been made available as shown below by other Ministries and Departments for various purposes and the particulars of utilization of such provisions are given below.

Expenditure Head	Ministry / Department which made the provision	Provision received	Actual Expenditure	Savings / (Excess) as at 31 December 2010
		Rs.	Rs.	Rs.
101	Ministry of Buddha Sasana and Religious Affairs	525,000	450,000	75,000

105	Ministry of Economic Development	560,315,827	469,615,967	90,699,860
106	Ministry of Disaster Management	83,468,340	37,711,423	45,756,917
110	Ministry of Justice	2,217,216	1,763,161	454,055
117	Ministry of Highways	10,000	49,998	(39,998)
118	Ministry of Agriculture	147,000	57,000	90,000
120	Ministry of Child Development and Women's Affairs	7,401,362	5,558,068	1,843,294
121	Ministry of Public Administration and Home Affairs	8,088,901	21,102,644	(13,013,743)
124	Ministry of Social Services	9,609,296	6,426,751	3,182,545
127	Ministry of Labour Relations and Productivity Improvement	255,000	196,250	58,750
133	Ministry of Technology and Research	6,776,157	5,868,129	908,028

134	Ministry of National Languages and Social Integration	88,150	88,150	-
142	Ministry of National Heritage and Cultural Affairs	461,755	818,172	(356,417)
145	Ministry of Resettlement	4,943,236	4,306,972	636,264
153	Ministry of Lands and Land Development	185,165,863	171,675,261	13,490,602
156	Ministry of Youth Affairs	434,550	397,307	37,243
160	Ministry of Environment	800,000	-	800,000
201	Ministry of Buddhist Affairs	7,121,020	6,839,259	281,761
203	Department of Christian Religious Affairs	2,000,000	1,000,000	1,000,000
204	Department of Hindu Religious and Cultural Affairs	400,000	241,384	158,616
206	Department of Cultural Affairs	309,966	306,606	3,360
210	Department of Information	8,000	6,160	1,840

216	Department of Social Services	6,763,023	6,327,054	435,969
217	Department of Probation and Child Care Services	4,888,569	4,365,315	523,254
218	Department of Commissioner General of Samurdhi	321,801,469	286,400,066	35,401,403
219	Department of Sports Development	911,864	382,367	529,497
227	Department of Registration of Persons	24,090	17,256	6,834
252	Department of Census and Statistics	4,550,422	2,759,063	1,791,359
253	Department of pensions	3,125,138,253	2,956,383,268	167,754,985
254	Department of Registrar General	7,545,283	6,144,056	1,401,227
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	Total	4,352,169,612	3,997,257,107	354,912,505
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4.3 Audit and Scope of Audit

The Appropriation Account including the financial records, reconciliation statements, books, registers and other records of the District Secretariat, Colombo for the year ended 31 December 2010 were audited in pursuance of provisions of Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka. The Management Report for the year under review was issued to the District Secretary on 30 August 2011. 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 an wide an audit coverage as possible within the limitations of staff, other resources and time available to me.

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

The Chief Accounting Officer is responsible for the maintenance, preparation and fair presentation of the Appropriation Account in accordance with the provisions of Articles 148,149,150 and 152 of the Constitution of the Democratic Socialist Republic of Sri Lanka, other Statutory Provisions and the Public Financial and Administrative Regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Accounts and Reconciliation Statements that are free from material misstatements, whether due to fraud or error.

4.5 Audit Observations on the Accounts and Reconciliation Statements

According to the Financial Accounts and the Books for the year ended 31 December 2010, it was observed that except for the effects of the general observations appearing at (a) to (d) and other major audit observations appearing in paragraphs 4.6 to 4.9 herein, the Appropriation Account and the Reconciliation Statements of the District Secretariat, Colombo have been prepared satisfactorily.

(a) Presentation of Accounts

The following accounts had not been presented for audit by the District Secretariat as at 31 March 2011.

Head	Name of Account
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255	Appropriation Account

(b) Budgetary Variance

Excess provisions had been obtained for 17 Objects and as such, the savings thereunder after being utilized the provisions ranged between 5 per cent and 88 per cent of the net provision.

(c) Imprest Account

The imprest balances of the District Secretariat that remained without being settled by 30 April 2011 totalled to Rs.30,000.

(d) Reconciliation Statement of the Advances to Public Officers

According to the Reconciliation Statements of the Advances to public Officers Account, item No. 25501 as at 31 December 2010, the balances that remained outstanding as at that date totalled to Rs.8,018,854 and the follow up action on the recovery of those outstanding balances had been at a weak level.

4.6 Losses and Damage

Loss of 2 items and one loss item,

Action had not been taken in terms of Financial Regulation 104 in respect of damages caused by accident to 8 vehicles valued at Rs.263,469 , loss of 2 items and one loss item even by 30 June 2011.

4.7 Uneconomic Transactions

The existence of transactions entered into uneconomically without accruing any favourable terms to the institution was observed at test checks. The following instances can be cited as examples.

- (a) As a result of using the concrete mix C-06 in the schedule, instead of using the concrete mix buildings / roads / irrigation C-05 in the charges register No. 41718 (2009) dated 02 March 2009 of the Deputy Chief Secretary (Engineering) of the Western Provincial Council an overpayment of Rs.746,581 had been made for 145.25 concrete cubes in respect of 10 works in the Maharagama Divisional Secretarial division.
- (b) A physical verification of 5 road projects carried out by the Maharagama Urban Council costing Rs.1,040,679 observed an over payment of Rs.91,465 for 2.88 concrete cubes as a result of length, width and thickness (height) of 4 roads projects had been less than the quantities stated in the measurement reports.

4.8 Operating Inefficiencies

A summary of the operating inefficiencies observed at test checks is given below.

- (a) Even though a provision of Rs.6,269,332 had been released to the Maharagama Urban Council by the Maharagama Divisional Secretariat for the implementation of 24 projects under Jathika Saviya Maganeguma and Decentralized Budget Development programmes, any supervision or follow up action whatsoever had not been carried out by the Maharagama Divisional Secretariat to ensure the implementation of those projects and the accuracy of the payments.
- (b) A sum of Rs.626,933 to be retained by the Divisional Secretariat relating to the above constructions in terms of Chapter 5.4.6 of the Government Procurement Guidelines of 2006 had been released to the Maharagama Urban Council before the warranty period of such works was elapsed.

4.9 Human Resources Management

(a) Approved Cadre and Vacancies

The position of the cadre as at 31 December 2010 had been as follows.

	Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies
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(i)	Senior Level	01	01	-
(ii)	Tertiary Level	82	72	10
(iii)	Secondary Level	666	562	104
(iv)	Primary Level	133	116	17
(v)	Others (Grama Niladharis and Registrars)	562	506	56
	Total	1,444	1,257	187
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