

Appropriation Head - 266

District Secretariat - Vavuniya

Summary report on the on the Accounts of the District Secretariat Vavuniya and the Offices of the Divisional Secretariat functioning there under - 2010

1. Key Functions of the District Secretariat.

- i. Co-ordination of Government activities and performance of the functions delegated by law through officers and organizations at village and divisional level
- ii. Acting as an agent of other Ministries and Departments.
- iii. Collection of Revenue.
- iv. Implementation of the Decentralized Budget Programme.
- v. Assisting the Provincial Council in its activities.

2. Offices of Divisional Secretariat under the District Secretariat.

- (a) Vavuniya North
- (b) Vengalachettikulam
- (c) Vavuniya
- (d) Vavuniya South Sinhala

3. Annual Action Plan

The District Secretariat had not prepared an Annual Action Plan at the beginning of the year of Accounts.

4. Accounts

4:1 Total Provision and Expenditure

The total provision made for the District Secretariat Vavuniya and four Offices of Divisional Secretariat functioning there under amounted to Rs. 139,800,000 and out of that a sum of Rs. 137,729,813 had been utilized by the end of the year under review. Thus the net savings of the District Secretariat had been Rs. 2,070,187 or 1.48 per cent. Details appear below.

Expenditure	Estimated Provision	Net Provision	Utilization	Savings	Saving as a Percentage of Total Net Provision
	Rs.	Rs.	Rs.	Rs.	%
Recurrent	96,750,000	96,750,000	94,891,705	1,858,295	1.92
Capital	43,050,000	43,050,000	42,838,108	211,892	0.49
Total	139,800,000	139,800,000	137,729,813	2,070,187	1.48

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

Provisions totalling Rs.166,424,325 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.

Head Number	Ministry/ Department which made the provisions	Provisions	Actual Expenditure	Savings/ Excesses (As at 31 December)
		Rs.	Rs.	Rs.
101	Ministry of Religious and Cultural Affairs	250,000	250,000	-
105	Ministry of Economic Development	8,536,596	8,535,986	610
110	Ministry of Justice	68,400	31,160	37,240
118	Ministry of Agriculture	70,000	53,464	16,536
120	Ministry of Child Development and Women's Empowerment	4,352,995	4,309,338	43,657

121	Ministry of Public Administration and Home Affairs	10,768,610	10,742,205	26,405
124	Ministry of Social Services	4,822,915	4,130,209	692,708
127	Ministry of Labor Relation and Productivity Improvement	33,000	30,061	2,939
133	Ministry of Science and Technology	236,430	223,782	12,648
145		25,701,956	25,645,099	56,857
153	Ministry of Land and Land Development	909,500	827,196	82,304
201	Department of Buddhist Affairs	2,507,465	2,474,770	33,695
206	Department of Cultural Affairs	4,150	4,150	-
210	Department of Government Information	38,000	36,650	1,350
216	Department of Social Services	294,080	276,007	18,073
217	Department of Probation and Child Care Services	585,300	583,125	2,175
218	Department of Commissioner General of Samurdhi	52,686,415	47,230,315	5,456,100
226	Department of Immigration and Emigration	1,500,000	1,500,000	-
252	Department of Census and Statistics	819,430	527,637	291,793
253	Department of Pensions	51,895,083	51,462,381	432,702
254	Department of Registrar General	24,500	20,047	4,453
307	Department of Motor Traffic	319,500	281,568	37,932
	Total	166,424,325	159,175,150	7,249,175

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 Vvuniya 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 Audit Report for the year under review was issued to the District Secretary on 16 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 as wide as audit coverage as possible within the limitations of staff, other resources and time available to me.

4.4 Responsibilities of the Accounting Officer for the Accounts and the Reconciliation Statements.

The Accounting Officer is responsible for the maintenance, preparation and fair presentation of the Appropriation Account and the Reconciliation Statements in accordance with the provisions of Articles 148,149,150 and 152 of the Constitution of the Democratic Socialist Republic of Sri Lanka 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 Observation on the Accounts and Reconciliation Statements

According to the Financial Accounts and the Books of the District Secretariat for the year ended 31 December 2010, it was observed that except for the effects of the general observations appearing at (a) to (c) and the other major audit observations appearing in paragraphs 4.6 to 4.09 herein the Appropriation Account and the Reconciliation Statements of the District Secretariat Vvuniya have been prepared satisfactorily.

(a) Presentation of Accounts

The District Secretariat had presented the following accounts by 31 March 2011.

Head	Name of Accounts
266	Appropriation Account
26601	Advances to Public Officers Account

(b) Imprest Account.

Unsettled sub-impressts of Rs. 28,113 had been reported in the imprest account as at 31 December 2010 and the action had not been taken to settle the sub impressts within the year.

(c) Reconciliation Statement of the Advances to Public Officers.

- (i) According to the Reconciliation Statement of the Advances to Public Officers Account as at 31 December 2010 the balances that remained outstanding as at 31 December 2010 totalled Rs. 1,094,102 and the follow up action on the recovery of those outstanding balances had been at a weak level.
- (ii) According to the General Treasury books the outstanding balances as at 31 December 2010 was Rs. 32,492,871 and according to the District Secretariat vavuniya it was Rs. 32,458,071 thus showing a difference of Rs. 34,800 which had not been reconciled.

4:6 Assets Management

(a) Conduct of Annual Boards of Survey

Even though the District Secretariat and the Offices of Divisional Secretariat there under should conduct Annual Board of Survey in terms of Financial Regulation 756 and Public Financial Circular No.441 dated 09 December 2009, the Divisional Secretariat, Vavuniya had not conducted Boards of Survey for the year 2010.

(b) Unsettled Liabilities

The unsettled liabilities of the District Secretariat as at 31 December 2010 amounted to Rs. 274,398 and these liabilities remained unsettled for less than one year.

4:7 Non-compliances

(a) Non-compliance with Laws, Rules and Regulations, etc.

Instances of non-compliance with the provisions of laws, rules, and regulations observed during audit test checks are analyzed below.

Reference to Laws, Rules and Regulations	Value	Non-compliance
	Rs.	
<u>Circular Provisions</u>		
(i) Treasury Circulars		
Treasury Circular No. IAI/2002/02 of 28 November 2002	-	Registers of Fixed Assets for Computer, Accessories and Software had not been maintained.
Treasury Circular No 28 of 24 March 2006	Unable to ascertain the value	Procurement Plan for the year 2010 had not been prepared
Public Enterprise Circular No.438 of 28 November 2002	-	Action had not been taken for six unserviceable items in the Divisional Secretariat, Vengalchettikulam
National Budget Circular No 01/2004 of 24 February 2004	-	Performance Report for the year 2010 had not been presented on the due dates
(ii) Public Administration Circulars		
No. 41/90 of 10 October 1990	1,308,448	A sum of Rs. 1,308,448 had been paid for repair of seventeen vehicles without obtaining a certificate from a recognized Mechanical Engineer.

4:8 Deficiencies in the Operation of Bank Accounts

Balances for Adjustment

According to information revealed at an analysis of the adjustments shown in the Bank Reconciliation Statements prepared December 2010 by the District Secretariat and four Offices of Divisional Secretariate, 29 cheques valued at Rs. 468,045 issued had not been presented for payment for over six months.

4:9 Human Resources Management.

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	06	11	01
(ii)	Secondary Level	34	136	06
(iii)	Primary Level	10	46	01
(iv)	Others	04	04	-
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	Total	54	46	08
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