

Manmunai West Pradeshiya Sabha

Batticaloa District

1. Financial Statements

1.1 Presentation of Financial Statements

The financial statements for the year under review had been presented to audit on 08 April 2013 and the financial statements for the preceding year had been presented on 27 March 2012. The report of the Auditor General for the year was issued to the Chairman of the Sabha on 11 June 2013.

1.2 Opinion

So far as appears from my examination and to the best of information and according to the explanations given to me, I am of opinion that the Manmunai West Pradeshiya Sabha had maintained proper accounting records for the year ended 31 December 2012 and except for the effects on the financial statements of the matters referred to in my report the financial statements have been prepared in accordance with Generally Accepted Accounting Principles and give a true and fair view of the state of affairs of the Manmunai West Pradeshiya Sabha as at 31 December 2012 and the financial results of its operations and cash flows for the year then ended.

1.3 Comments on Financial Statements

1.3.1 Accounting Deficiencies

- (a) Provision for audit fees in terms of Section 172(2) of the Pradeshiya Sabha Act, No. 15 of 1987 had not been made in the financial statements.
- (b) Provision for replacement reserve for fixed assets had not been made in the financial statements.
- (c) The value of goods received as donations during the year under review had not been brought to the financial statements.
- (d) The assets amounting to Rs.183,122 lost had not been removed from the fixed assets account but shown in the financial statements as fixed assets.

