

Hali-ela Pradeshiya Sabha

Badulla District

1. Financial Statements

1.1 Presentation of Financial Statements

The financial statements for the year under review had not been presented to audit even by 31 October 2014 and the financial statements for the preceding year had been presented to audit on 13 May 2013.

1.2 Comments on Transactions, Operations and Performance

1.2.1 Employees Loans

Employees loans amounting to Rs.163,253 remained unrecovered for over 04 years from 14 employees/officers who had been transferred, interdicted and deceased had not been recovered in terms of provisions of Section 1:6 and 4 of Chapter xxiv of the Establishments Code of the Republic of Sri Lanka.

2. Financial Review

2.1 Revenue Administration

2.1.1 Rates and Taxes

The percentage of recovery of rates and taxes in arrears at the beginning of year 2013 was 37% and the percentage of recovery of income billed during the year was in a weak level such as 36%.

2.1.2 Lease of Land

The land to the extent of 02 Roods, 6.9 Perches at Haliela town adjoining to the Bandarawela Road had been leased at an annual lease of Rs.48,000 on long-term basis, and tenders had not been called for the above, with a view to make room for competition.

The annual lease rent had been decided by the Sabha without obtaining assessment through the Government Valuer. Further, the approval of the Minister had been obtained to lease out to an extent of ½ an Acre of the land; but, according to the agreement entered into with the lessee, only 02 Roods and 6.9 Perches had been leased.

3. Operating Review

3.1 Contract Administration

Contract for raising up the roof of the Ayurveda Room, Public Health Inspector's Room and the Stores Room if the Atampitiya Sub-office Building through raising walls.

An agreement had been entered into with the Katugaha Rural Samurdhi Development Society for the repairs to the Atampitiya Sub-office building for Rs.315,794 on 26 November 2012 and an advance of Rs.63,158 had been paid on 04 December 2012.

The following observations are made in this connection.

- (a) The recommendation of three persons committee consists of the Head of the Department and two representatives nominated by the Divisional Secretary in terms of Paragraph 3:1 of the Public Finance Circular No.01/2012 dated 05 January 2012 had not been obtained for selecting the community based organization which had carried out the contract.
- (b) The qualifications of the community based organization had not been found out in terms of Paragraph 3.2 of the above circular.
- (c) The field inspection of this contract carried out with the assistance of the female Technical Officer of the Sabha on 23 January 2014 observed that the works estimated had not been duly carried out after removing the roof of the portion which should be repaired and due to this negligence rain water gathered within the building and the walls had collapsed, and the construction works had been completely abandoned.
- (d) The shelter materials, rafters, reefers, doors, windows etc. removed from the Atampitiya Sub-office building for this work had not been made available for physical verification and these materials had not been recorded in the registers.

3.2 Idle/Underutilized Assets

- (a) A large size concrete mixing machine bearing No.JZC 350 donated by the Ministry of Disaster Management.
- (b) Hand Tractor (V9055257/WV 90028884)