

Dambulla Pradeshiya Sabha

Matale District

1. Financial Statements

1.1 Presentation of Financial Statements

Financial Statements for the year under review and the years 2012, 2013 had not been submitted to the Audit even up to 30 June 2015.

2. Financial Review

2.1 Revenue Administration

Following matters are observed.

- (a) License Fees for the year under review amounting to Rs. 54,000 relevant to the Transmission Towers erected in the area of authority and License Fees for the Trade Publicity and Advertisement Boards amounting to Rs. 21,300 had not been recovered.

- (b) Lease Money amounting to Rs. 143,558 outstanding for 07 months from the Sigiriya Vehicles Park had not been recovered even up to the end of the year under review.

3. Operational Review

3.1 Operational Inefficiencies

Following matters were observed.

- (a) Six Certificates of Conformity valued at Rs. 70,540 had been issued without carrying out inspections at the relevant locations by the Technical Officer and the Public Health Inspector during the year under review.

- (b) Action had not been with regard to shortages of 313 units of goods observed at the Annual Board of Survey carried out in the General Stores of the Office during the year 2013.

- (c) Contrary to the provisions in Sections 9.1, 10.1 and 10.2 in Chapter VIII of the Establishments Code of the Republic of Sri Lanka, a sum of Rs. 84,797 had been paid to the Superintendent of Works as 1/20th Allowance for working on public holidays and during weekends without getting confirmed that 08 hours work was performed per day and that he engaged on duties on the day prior to that and the day following.
- (d) Action had not been taken to transfer the ownership of 03 vehicles received from various institutions in favor of the Sabha, even up to the end of the year under review.
- (e) Although Audit and Management Committees had been established Committee Meetings had not been conducted.

3.2 Improper Transactions

- (a) Although Holiday Pay could be obtained for 05 days per month for supervision of the Health Affairs, Road construction and Development Works, a sum of Rs.19,701 had been paid for 13 days exceeding those limits to the Superintendent of Works, contrary provisions in the Circular No. 1/2000 dated 30 November 2000 of the secretary to the Ministry of Local Government.
- (b) Overtime allowance amounting to Rs. 20,380 had been paid for 269 hours to three officers of the Sabha without obtaining proper approval

3.3 Contracts Administration

Following matters were observed.

- (a) At the physical inspection of the location carried out on 21 April 2015 with regard to development of Kalapuraya Purana Nagaslena Road having spent a sum of Rs. 300,000 out of the Sabha Fund during the year under review, it was observed that although Hume Pipes had been supplied and fixed, the road had not been made covering the Hume Pipes fully by filling earth and that the cement concrete had been cracked.

- (b) Although 02 buildings and a playground had been constructed in lands belong to private parties having spent a sum of Rs. 3,450,000, action had not been taken to vest those lands in favor of the Sabha even up to the end of the year under review.
- (c) The relevant contract for tarring the Sigiriya Polaththawa Road on the basis of provisions amounting to Rs. 5,000,000 under Development Proposals – 2014 (Palath Neguma) had been divided into three parts and had been entered into agreements with the relevant Farmers Association in the same month as three contracts. It was a situation of non-compliance with Section 3.9.1 of the Government Procurement Guidelines and provisions in Public Finance Circular No. 452 dated 27 September 2011.

3.4 Solid Waste Management

Daily accumulating garbage in the area of authority of the Dambulla Pradeshiya Sabha is Collected in two days per week and haphazardly dumped into a Teak Reservation situated in the Digampathana without making use of the Garbage Recycling Centre constructed in the Library Ground. Attention had not been paid for a formal recycling scheme with regard to solid waste management.

3.5 Audit Queries not removed and not replied

Replies had not been furnished to 04 audit queries issued during the year under review. The value of transactions which could be worked out, subject to those queries was Rs.571,589.

4. Systems and Controls

Special attention is needed in the following areas of controls.

- (a) Revenue Administration Accounting
- (b) Contracts Administration
- (c) Vehicles Control
- (d) Solid Waste Management