

Head 255 – Colombo District Secretariat

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Colombo District Secretariat for the year ended 31 December 2021 comprising the statement of financial position as at 31 December 2021 and the statement of financial performance, and cash flow statement for the year then ended, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018. The Summary Report containing my comments and observations on the financial statements of the Colombo District Secretariat was issued to the Accounting Officer on 26 May 2022 in terms of Section 11 (1) of the National Audit Act No. 19 of 2018. The Annual Detailed Management Audit Report pertaining to the District Secretariat was issued to the Accounting Officer on 29 June 2022 in terms of Section 11 (2) of the Audit Act. This report is presented to Parliament in terms of Section 10 of the National Audit Act No. 19 of 2018 which is read in conjunction with Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

In my opinion, except for the effects of the matters described in Paragraph 1.6 of this report the financial statements prepared give a true and fair view of the financial position of the Colombo District Secretariat as at 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2 Basis for Qualified Opinion

My opinion is qualified based on the matters appear in Paragraph 1.6 of this report.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidences I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Responsibilities of the Accounting Officer on Financial Statements

Preparation of financial statements in a manner that reflects a true and reasonable position and determines the internal control required to enable financial statements to be prepared without inadequate false statements that may result from fraud and error in accordance with Generally Accepted Accounting Principles and the provisions of Section 38 of the National Audit Act, No. 19 of 2018 is the responsibility of the Accounting Officer.

As per Section 16 (1) of the National Audit Act No. 19 of 2018, the Department is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared.

The Accounting Officer shall ensure that an effective internal control system is maintained for the financial control of the Department in terms of Sub-section 38 (1) (c) of the National Audit Act and it should be periodically reviewed the effectiveness of the system and make any necessary changes to keep the system running efficiently.

1.4 Auditor's Responsibility on Audit of Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercised professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of its internal control.
- Evaluate that the underlying transactions and events are appropriately and fairly included in the financial statements for the structure and content of the financial statements that include disclosures.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The Accounting Officer was made aware of important audit findings, key internal control deficiencies and other matters identified in my audit.

1.5 Report on Other Legal Requirements

I declare the following matters in terms of Section 6 (1) (d) of the National Audit Act No. 19 of 2018 .

- (a) The financial statements are in consistent with those of the preceding year.
- (b) The recommendations made by me regarding the financial statements of the preceding year had been implemented.

1.6 Comments on Financial Statements

1.6.1 Accounting Deficiencies

(a) Recurrent Expenditures

Audit Observation	Comments of the Accounting Officer	Recommendation
<p>Although the electricity and water bills of the Nila Medura building should be charged according to the floor area used by the established institutions, it had not been so done. As a result, out of the electricity and water bill amounting to Rs. 44,995,794, the electricity and water bill to be charged was Rs. 23,973,170 as per the square footage used by the District Secretariat and Thimbirigasaya Divisional Secretariat. Thus it was Rs. 26,621,115 as per the account, a difference of Rs. 2,647,945 was observed.</p>	<p>It has been informed that the balance is accurate as per the Vote Ledger.</p>	<p>The expenses related to the District Secretariat should be accurately calculated and brought to accounts in accounting for the expenditure accounts.</p>

(b) Reconciliation Statement on Advances to Public Officers' Account

Audit Observation	Comments of the Accounting Officer	Recommendation
<p>(i) The balance of Advances to Public Officers' "B" Account as at 31 December 2021 was Rs.203,620,678 as per the Books of the Colombo District Secretariat and Rs.204,771,372 according to the Treasury Books. Even though a period of 09 years had elapsed since 2013 up to</p>	<p>It is informed that a report has been forwarded to the Public Accounts Committee and the State Ministry of Home Affairs asking for recommendations to write off this outstanding balance from the books.</p>	<p>Actions should be taken to promptly settle the unreconciled balances relating to the difference as per Treasury Books and Departmental Books.</p>

now, the unreconciled debit balance which was not settled amounting to Rs.1,150,694 had caused for this.

- (ii) The balance receivable as at 31 December 2021 pertaining to 35 employees on the reasons such as transferred, deceased, retired, interdicted and left the service was Rs. 3,631,960 and out of which, 19 debt balances amounting to Rs. 1,257,867 had to be received for more than 2 years.

A sum of Rs. 450 as monthly installments out of Rs. 113,607 from the loan balance of one officer who had transferred to Moratuwa Municipal Council, monthly installment of Rs. 1,020 from a retired officer from his pension, the balance due from 12 interdicted officers was Rs.1,007,794 and actions had been taken to reduce this amount to the current amount by discussing in Audit and Management Committee Meetings. Actions will be taken to recover a debt balance of Rs.134,430 of a retired officer from 04 to 05 years of outstanding period after reinstatement.

Arrangements should be made to recover outstanding loan balances from the relevant officers at once.

(c) Deposits

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
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(i) Although the deposit account balance as per Treasury Books was Rs.953,922,168, thus the balance was Rs. 963,922,168 as per the books of the District Secretariat, a difference of Rs. 10,000,000 was observed. Although more than 14 years	It was discussed in the Committee on Public Accounts Affairs on 26 January 2017 about the debit balance of Rs. 10 Million in this general deposit account which has been remaining since 2007. A Committee was	Actions should be taken in accordance with the circular provisions to get settled this debt balance.

had elapsed, actions had not been taken to settle in accordance with the provisions of Paragraph 3.7 of the State Accounts Circular No. 269/2019 dated 15 October 2019 .

appointed based on the advice received therein and The recommendation of the Committee was that the write off is appropriate. Accordingly, a discussion was held under the chairmanship of the Director General of State Accounts and the decision taken

was to carry out a re-investigation by calling the officers who had worked in the District Secretariat at the time of debit balance occurred in this general deposit account. Accordingly, those officers were called and an investigation was conducted and the relevant report was submitted to the Department of State Accounts on 09.03.2022 . According to the report, the Department of State Accounts has informed the Treasury Operations Department to get advice on how to account for the relevant error correction note. Although a letter was sent to the Treasury Operations Department on 26.04.2022 to give instructions, this has not been resolved furthermore.

(ii) As the adequate measures were not taken to settle the deposit balance after paying the land compensation by completing basic activities for land acquisitions before

It is accepted that there are unresolved balances in the general deposit account maintained to pay the compensation for land and there are active

Actions should be taken to settle the unsettled deposits as per the provisions of the Financial Regulations solving the existed

paying compensation, the value of overdue deposits for 05 years or more than that pertaining to 13 Divisional Secretariats amounting to Rs.102,827,540 was observed. A sum of Rs.12,127,493 in 38 deposits related to 03 Divisional Secretariats were the balances that were for more than 10 years old. Although it should be credited to government revenue as previous deposits after 10 years from the date of deposit of land compensation as per Financial Regulation 570 (a), it had not been so done in respect of those balances.

- (iii) Even though the Ministry of Home Affairs and the Department of Elections have received Rs.6,946,207 and Rs.1,011,589 respectively for reimbursement of electricity and water bill expenses in the year 2021 for the floors used by those institutions in the Nila Medura building, they had remained in the general deposit account without making adjustments for the expenditure.

files among these balances and arrangements will be made to take prompt actions in respect of those files and to check other files and credit them to Government Revenue.

Adjustments have been made to the balances of the General Deposit Account shown as per audit observations.

problems quickly to release deposit.

The money received for reimbursement of expenses should be settled within the respective year itself.

(d) Property, Plant and Equipment

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
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(i) Although the balance of non-financial assets at the end of preceding year was Rs.8,430,427,962, due to showing Rs.8,459,216,204 as the opening balance of the year under review, a difference of Rs.28,788,242 was observed.	Observation is accepted. This difference has occurred due to inclusion of recognized opening balances and closing balances from previous year date	Actions should be taken to show the accurate balance in the accounts.
(ii) According to the statement of financial performance, the acquisition of capital assets during the year under review was Rs.341,558,089, thus it was Rs. 312,774,417 as per the records of the Treasury, a difference of Rs.28,783,672, was observed.	-do-	-do-
(iii) Although a sum of Rs.8,777,578,249 had been stated as the property, plant and equipment in the statement of financial position, a Register of Fixed Assets was not submitted to certify the individual balances of those assets. Individual balance information that is, the information related to identifying the asset such as price, date of purchase and serial number had not been included and prepared as per the computer data report	It is informed that, although it was not possible to submit a Register of Fixed Assets, the BOS Report has been given.	The Register of Fixed Asset or the computer data record used instead thereof, should be prepared as included all information related to individual balances and as each asset is grouped.

submitted instead. Aggregate value of the balances grouped in that same computer data record was not matched with the balances in the Treasury Table.

(iv) Although the values of the official quarters belonging to the Ratmalana and Sitawaka Divisional Secretariats according to the books of the District Secretariat were Rs. 5,120,000 and Rs. 8,000,000 respectively, thus those values were Rs.6,970,000 and Rs. 130,500,000, a deference of Rs.1,850,000 and Rs.122,500,000 was observed.

(v) Actions had not been taken to assess the values of 05 quarters belonging to 04 Divisional Secretariats and shown in the financial statements.

Since, only a certain amount of time has been allowed to include assets in the CIGAS Programme as an opening balance, after receiving the correct values from the Valuation Department, it has been made a note to enroll in the CIGAS Programme.

It is informed that the actions will be taken to assess and to enter accurate figures in CIGAS Programme.

Necessary corrections should be made by checking for discrepancies in the records maintained regarding quarters and CIGAS records.

Actions should be taken to assess the value of the official quarters and entered in the financial statements.

(e) Imprest Balance

Audit Observation

Although the imprest receipts and payment of the year under review was Rs. 10,943,141,463, thus it was Rs. 11,047,371,463 as per Treasury Books, a difference of Rs. 104,230,000 was observed.

Comments of the Accounting Officer

A sum of Rs. 57,380,000 and Rs. 46,850,000 respectively has been mistakenly entered as receipts to the imprest account by the Treasury on 10 February 2021, that value has been entered

Recommendation

The difference should be settled by comparing the Departmental Books with the Treasury Books.

again as payment. The accounts could not be rectified as a result of non-receipt of a transfer paper in this regard.

(f) Certifications to be made by the Accounting Officer

Audit Observation

The Chief Accounting Officer and the Accounting Officer should ensure that an effective internal control system for the financial control exists in terms of Section 38 of the National Audit Act No 19 of 2018 and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out and even though such reviews should be made in writing and submitted a copy to the Auditor General, the statements that such reviews were made, had not been furnished to audit.

Comments of the Accounting Officer

Actions are being taken as per the Action Plan and the related records in respect of the activities of the District Secretariat and internal control systems and reviews are carried out in that regard, follow-up actions on Grama Niladhari Offices and District Secretariat Offices, progress reviews related to financial management and carrying out discussions at Audit and Management Committee Meetings, necessary steps will be taken to maintain the systems effectively by reviewing the internal control system by holding the Divisional Secretarial Conference monthly.

Recommendation

Actions should be taken in terms of Section 38 of the National Audit Act No 19 of 2018 .

2. Financial Review

2.1 Expenditure Management

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
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(a) The net provision for the year under review was Rs.3,364 Million and a sum of Rs. 2,857 Million had been spent during the year. Accordingly, the saving of net provision was Rs. 507 Million or 15 per cent and it was mainly, the saving of 36.78 per cent in capital provision had mainly caused to that.	It was a mistake occurred in estimating the expenditure object 255-1-1-0-2104, curtailment of acquisitions and purchases in 2021 along with the global pandemic situation in respect of other expenditure objects and imposing curtailment on expenditure management by the Memorandum of Cabinet of Ministers No. 21/1596/304/134 dated 28 August 2021 have caused for this.	Provisions should be utilized efficiently.
(b) A sum of Rs. 1,850,417 that is 61.68 per cent out of the provision of Rs. 3,000,000 provided by the Supplementary Estimates for the preparation of a method to provide essential food items to the public at a low price under expenditure object No. 255-1-1-3-1205 had not been utilized.	This programme which was introduced for providing essential food baskets at subsidized prices has been organized by bringing excess vegetable products from Nuwara Eliya, Hambantota and Anuradhapura Farms to Colombo District and selling them at wholesale prices by coordinating wholesalers in Colombo District. However, this project had to be stopped due to perishable vegetables, transport damages and failure to identify the market properly.	While requesting funds for a specific task, accurate estimates should be prepared and it should be efficiently utilized.

- (c) The original expenditure estimate of 20 expenditure objects totalled to Rs. 1,464,800,000 had been revised during the year under review and it had ranged from 77 per cent to 334 per cent of the original estimate.
- Observations have been accepted.
- Estimates should be accurately prepared.

2.2 Entering into Liabilities and Commitments

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
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(a) Since the CIGAS Accounting System has been updated to cover the "Process of Settlement of Commitments and Liabilities" in terms of Paragraph 3 of State Accounts Circular No. 255/2017 dated 27 April 2017, it is stated that all the steps in the transaction related process should be included in the CIGAS Programme. Nevertheless, it was not so done during the checking of CIGAS reports related to the District Secretariat. It was observed that a balance of commitments and liabilities amounting to Rs.500,487 identified for the years 2018, 2019 and 2020 of 04 Divisional Secretariats in Treasury Statement (SA-92) had remained in the CIGAS Accounting System even by 31 December 2021 .	As it has happened by a mistake, the relevant officers have been instructed to prevent such situations from happening in the future.	Actions should be taken in terms of circular provisions.

(b) Liabilities shown in the Statement of Liabilities and Commitments (Note iii) to the Financial Statements should be matched with the liability balance in the Statement of Commitment and Liabilities (SA – 92) issued by the Treasury in respect of each expenditure item in terms of the provisions of Paragraph 3.4 of the Department of State Accounts Guideline No. 06 as per Paragraph 10.1 of State Finance Circular No. 02/2020 dated 28 August 2020 . Thus the liability balance was Rs.6,430,089 as per note iii of the financial statements and Rs.515,187 as per Treasury Statement (SA - 92), a difference of Rs. 5,914,902 was observed.

Even though the time has been given until 21 January 2022 to enter the liabilities related to the year 2021 in the CIGAS Programme, most of the liabilities are the liabilities recorded after that date and even if those liabilities have been entered in the financial statements , not being entered in the CIGAS Programme as a credit had caused.

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3. Operating Review

3.1 Planning

Audit Observation

Comments of the Accounting Officer

Recommendation

(a) Preparation of Action Plan

(i) Although the Organizational Structure of the institution updated for the relevant year, details of the approved staff and existing staff should be included, Divisional Secretariat staff details had not been included in the

Audit observations are accepted. I made a note to focus on observations in the future years.

Annual Action Plan should be prepared properly.

staff details. Further, although two additional posts of District Secretary had been mentioned in the staff details, the Organizational Structure of the institution had not been updated accordingly.

(ii) Instead of the prioritized Action Plan based on the approved budget for the respective year, the daily tasks performed by the sections of the District Secretariat had been presented.	The District Secretariat is not an institution that prepares Budget Estimates only for the District Secretariats and it is also an organization where a large amount of activities are coordinated. Therefore, the Action Plan prepared based on the Budget based priorities and preparation of the report simultaneously considering the sectorial functions performed by the District Secretariat .	-do-
(iii) The Procurement Plan for the major development programmes planned had not been submitted.	Audit observations are accurate.	All procurement plans should be submitted.

3.2 Failure to Achieve Expected Output Level

 The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
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(a) Sixteen projects in which the allocation of Rs. 2,990,000 has been approved for 6 Divisional Secretariats that is two goods and services projects for Rs. 105,000 and 12 construction	It is accepted that the projects have not achieved the desired output level as shown in the audit inquiry regarding the Decentralized Budget Programme. The officials	Actions should be taken to achieve the desired output level .

projects related to Rs. 2,885,000 could not be able to complete by 31 December 2021 .

were informed to suggest such projects based on the allocations that will be allocated in the future years.

(b) The number of approved projects in Saubhagya Production Village Infrastructure Development Programme-1 was 47. Accordingly, it was observed that the total expenditure as at 31 December was Rs. 54,502,410 and the bills in hand was Rs. 8,995,587 . Out of this, a project belonging to a Divisional Secretariat valued at Rs. 441,000 has been cancelled and a project pertaining to Rs. 559,000 had failed to complete its works as at 31 December 2021 .

Only two projects of the Saubhagya Production Village Infrastructure Development Programme could not be implemented and all the other projects have been completed.

Actions should be taken to achieve the desired output level .

3.3 Losses and Damages

Audit Observation

Nine years had passed since the fire damage to the Colombo District Secretariat and more than 06 years had passed since the fire damage to the Maharagama Divisional Secretariat as at 31 December 2021 . However, the value of losses and damages that have not been recovered or write off from those damages had totalled to Rs.93,231,180 as

Comments of the Accounting Officer

It has been informed that the police investigations related to the fire at District Secretariat and Maharagama Divisional Secretariat have not been completed yet.

Recommendation

Actions should be taken to investigate losses and damages promptly and to take disciplinary actions against the responsible officers and employees and to reimburse from the parties responsible for the loss to the Government as per the provisions of the Financial Regulations and to settle the damages after that.

Rs.92,606,688 and Rs.629,492 respectively. Since the police investigations in this regard had not been completed even after 09 years, it was impossible to recover or write off those damages.

3.4 Management Weaknesses

 The following observations are made.

Audit Observation -----	Comments of the Accounting Officer -----	Recommendation -----
<p>(a) The pensioners were improperly and irregularly overpaid in the jurisdictions of the 13 Divisional Secretariats of the Colombo District due to the reasons such as errors in calculation and conversion, double payment of pensions, payment of further pensions after the death of pensioners without verification, payment of cost of living allowance twice for military pensioners etc.. Although it was so overpaid for 167 pensioners as at 31 December 2021, the value of pension to be charged furthermore was Rs. 24,207,556 and a sum of Rs.21,475,400 of that amount for less than 5 years and a sum of Rs.2,732,156 from a period of 5-10 years had to be received.</p>	<p>Many of these overpayments are beyond our control and this calculation is done with maximum accuracy on very minimal training officer contribution and although proposals have been submitted to the Pension Department on several occasions, both in writing and orally, regarding the methods of reducing these overpayments, there was no favourable response has been given so far. Also pensions are paid through Divisional Secretariats by Post Offices, Rural Banks and Sanasa Societies to an average of 5191 pensioners (as at 31 May 2022) only and there was no more payment are made after the death of the pensioner concerned and it has also been informed that there is a possibility of recovery although a payment is made for some reason.</p>	<p>Necessary arrangements should be taken immediately to pay pensions after properly and accurately preparation and verification of pensions and to pay pensions for the pensioners only after confirming the surviving of pensioners.</p>

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| <p>(b) There are 11 encroachers residing in the land where Kolonnawa Divisional Secretariat is located and even though they had been informed that necessary measures would be taken to evacuate them, the information related to that was not submitted to the audit.</p> | <p>Eviction Notices have been issued under the Repossession Act to the encroachers to vacate the respective unauthorized lands if not moved, legal actions will be taken.</p> | <p>Actions should be taken to get clear ownership of the land without delay.</p> |
| <p>(c) Before establishing a Divisional Secretariat, the divisions and delimitation of the Divisional Secretariat should be determined and published in the Gazette in Trilingual, the Gazetted Notifications for delimitation and establishment of Divisions for Thimbirigasaya and Padukka Divisional Secretariats commenced on 03 March 1999 and 19 May 1999 respectively had not been published.</p> | <p>The Draft Report prepared on behalf of Thimbirigasaya and Padukka Divisional Secretariat determining the relevant boundaries has been forwarded to the State Ministry of Home Affairs for further activities.</p> | <p>Before establishing the Divisional Secretariat, the divisions and boundaries of the Secretariat should be determined and published in the Gazette in Trilingual.</p> |
| <p>(d) Even though the Urban Development Authority had taken over the land belonging to the Transport Board under the acquisition of land for the development of Maharagama city, a sum of Rs. 112 Million which was the assessed value of compensation of the Valuation Department dated 02 February 2016 had not been paid to the Transport Board.</p> | <p>Actions will be taken to prepare by taking into account in the preparation of Annual Estimates in the future years with regard to the payment of that amount and to pay the amount after making provision for compensation</p> | <p>Actions should be taken to obtain the relevant provisions and to pay the compensation .</p> |
| <p>(e) The ownership of lands where Divisional Secretariats of Colombo, Dehiwala, Kolonnawa, Kesbewa and</p> | <p>Although a request has been made through the letter dated 08 June 2016 to allocate the building and</p> | <p>Immediate steps should be taken to transfer the ownership of the land where the Divisional</p> |

Homagama are run, were not owned to those Divisional Secretariats and so far no formal steps have been taken to take over their ownership. The Divisional Secretariats had spent a lot of government money for the construction work on these lands where the ownership of which was not owned by the Divisional Secretariats.

land where the Colombo Divisional Secretariat is run, survey activities have been made so far. The land on which the Dehiwala Divisional Secretariat is maintained is owned by the Dehiwala Mt. Municipality according to the judgment of the District Court and the land where the Kolonnawa Divisional Secretariat is located is an acquired land, but the information is not available at present and the instructions were given to take immediate actions to open a new file and acquire the ownership.

Secretariat Offices are located.

(f) It was observed that the 337 files as 125 files of civil pensioners and 212 files of widow and orphan pensioners related to the pensions of the pensioners of Thimbirigasaya Divisional Secretariat area were unavailable in Thimbirigasaya Divisional Secretariat or Pension Department also. However, the Divisional Secretariat had not taken formal and sufficient measures regarding the re-arrangement of the temporary files related to those pensioners.

It has been informed that the 07 missing files have been found and 108 temporary files have been prepared and forwarded to the Director of Pensions for approval and arrangements will be made to carry out in respect of the missing files.

Formal and adequate actions should be taken to find old files relating to misplaced pensions or to re-arrange temporary files.

(g) The rental income related to the government offices located in Avissawella Kotabodawatte had not been collected since 1999 . It had been decided in the case filed in the Supreme Court by the tenants to get the ownership of the respective houses that

A Sub-committee was appointed by me in this regard and after the decision of the committee, Arrangements will be made to take further measures after receiving the decision of that Committee.

Steps should be taken to collect rent from the tenants residing in the quarters and make arrangements as per the court order.

to give land plots of 20 perches per person from Avissawella Manikkawatta land and to pay the loan amount to be paid by obtaining the value of quarters and valuation of land plots from Chief Valuer within a period of 30 years as a loan amount without an interest to the National Housing Development Authority. However, the actions had not been taken as per the court order.

4. Achieving Sustainable Development Goals

Audit Observation

The progress on 136 indicators under 75 Sustainable Development Goals pertaining to 29 sectors had been indicated under the performance of achieving the Sustainable Development Goals in the Annual Performance Report of the year 2021 as the sustainable development goals were achieved. Out of that, the progress of 16 indicators was lower than 50 per cent, and the progress of 42 indicators was in between 50-74 per cent. The progress was not presented for 15 indicators.

Comments of the Accounting Officer

Thus the role of the Government was to predominantly carrying out the functions of maintaining public life, the progress in the performance indicators has remained low.

Recommendation

Actions should be taken to achieve sustainable development goals and targets .

5. Human Resources Management

Audit Observation

The approved number of employees for the District Secretariat was 1,423, the actual number of employees was 1,237, the number of vacant employees was 248 and the number of excess employees was 62 as at 31 December 2021. The number of approved posts in the Development Officer Service was 107, thus the actual number of employees of that service was 169, the number of excess employees was 62. Thus a number of 90 vacancies in the Government Management Service and 87 vacancies in the posts of Gramasevaka Officers were observed in the number of vacant employees, it was also observed that it can adversely affect the efficiency and effectiveness of the services provided to the public.

Comments of the Accounting Officer

The number of available vacancies was forwarded to the Management Services Department in writing, although the competitive examination for the recruitment of grade III Gramasevaka Officers was gazetted, it was not held due to the Covid epidemic situation in the country, arrangements have been made to provide an efficient and effective public service by taking actions to fulfil Covering these duties by new Development Officers for Management Service vacancies and by deploying acting officers for Grama Niladhari vacancies. The recruitment of development officers has been done in accordance with the government policy, as the responsibilities of the District Secretariat and Divisional Secretariats have expanded in a wide range, these excess development officers have been employed in effective and efficient public service activities.

Recommendation

Arrangements should be made if the existing staff of the District Secretaries is sufficient to provide continuous efficient service to amend the approved number of employees, or to fill the relevant vacancies also.