

## **Head 207 - Department of Archaeology**

### **1. Financial Statements**

#### **1.1 Qualified Opinion**

Head 207 - The audit of the financial statements of the Department of Archaeology for the year ended 31 December 2023 comprising the statement of financial position as at 31 December 2023 and the statement of financial performance and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information 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 Department of Archaeology was issued to the Accounting Officer on 31 May 2024 in terms of Section 11(1) of the National Audit Act, No.19 of 2018. The Annual Detailed Management Audit Report relevant to the Department was issued to the Accounting Officer on 09 July 2024 in terms of Section 11(2) of the Audit Act. This report will be tabled in Parliament in pursuance of provisions in Article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka to be read in conjunction with Section 10 of the National Audit Act, No.19 of 2018.

In my opinion, except for the effects of the matters described in paragraph 1.6 of this report, the financial statements give a true and fair view of the financial position of the Department of Archaeology as at 31 December 2023, and its financial performance and cash flows 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 described in paragraph 1.6 of this report. I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibility for the financial statements is further described in the Auditor's Responsibilities Section. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **1.3 Responsibilities of the Chief Accounting Officer and the Accounting Officer for the Financial Statements**

The Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and provisions in Section 38 of the National Audit Act, No.19 of 2018 and for the determination of the internal control that is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 the preparation of annual and periodic financial statements.

In terms of Sub-section 38(1) (c) of the National Audit Act, the Accounting Officer shall ensure that an effective internal control system for the financial control exists in the Department 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.

#### **1.4 Auditor's Responsibilities for the Audit of the 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 summary 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 and its materiality depends on the influence on economic decisions taken by users on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Appropriate audit procedures were designed and performed to identify and assess the risk of material misstatement in financial statements whether due to fraud or errors in providing a basis for the expressed audit 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.
- An understanding of internal control relevant to the audit was obtained in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.
- Evaluate the 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.
- Evaluate the overall presentation, structure and content of the financial statements including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accounting Officer regarding, among other matters significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## 1.5. Report on Other Legal Requirements

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

- (a) The financial statements are consistent with the preceding year,
- (b) The following recommendations made by me on the financial statements of the preceding year had not been implemented.

<b>Reference to paragraphs of the preceding year report</b> -----	<b>Recommendation that was not implemented</b> -----	<b>Paragraph reference in this report</b> -----
3.8 (i)	The ownership of the land and buildings should be transferred to the department.	1.6.1 (b)

## 1.6. Comments on Financial Statements

### 1.6.1 Accounting Deficiencies

#### (a) Reconciliation Statement of Advance Account to Government Officials

<b>Audit Observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
The total balance of the individual balance classification summary of the advance "B" account of the government officers as at 31 December 2023 was Rs. 114,722,046 and the balance of the credit control account was Rs. 115,104,660. Accordingly, a difference of Rs. 382,614 was observed between those balances.	The balance difference between the control account and the individual account in advance 'B' account from the year 2014, have been reduced up to 382,614 by the month of December 2023. It was informed that, there is a difference between the balances and the difference is being sought gradually. Accordingly, the remaining balance to be found is Rs. 382, 614.	The difference between the individual balance register and the credit control account should be identified and resolved.

#### (b) Property, Plant and Equipment

<b>Audit Observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
Rs. 911,500,000 of land and Rs. 138,320,748 of buildings which included in the financial statements of the department were not revaluated	Regarding the land and buildings included in the non-financial assets, it was recognized that the	Asset Management Circular No. 04/2018 dated 31 December 2018, should be followed.

and the correct value had not been accounted as per the instructions of Asset Management Circular No. 04/2018 dated 31 December 2018. Furthermore, the acquisition of the property where the head office of the department is located was not completed.

valuation department has not done the valuations as per the asset management circular no. 04/2018. It was informed that further work will be done according to the provisions of that circular.

**(c) Non-maintenance of documents and books**

<b>Audit Observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
<p>(i) <b>Register of Electrical Equipment</b> A register of electrical equipment was not maintained in terms of financial Regulation 454(2).</p>	<p>It was informed that, a register of electrical equipment had not been maintained so far, and it would be maintained in the future.</p>	<p>According to the Financial Regulations, an inventory book should be maintained for all electrical appliances and equipment in government buildings.</p>
<p>(ii) <b>Centralized Inventory Register of Antiquities</b>  Centralized Inventory Register of Antiquities as per Financial Regulation 751 was not maintained.</p>	<p>28 inventory records of antiquities for all 28 museums belonging to this department, are maintained separately. Based on the information mentioned in those, it was informed that the preparation of the Centralized Inventory Register of Antiquities is being carried out.</p>	<p>The preparation of Centralized Inventory Register of Antiquities as per Financial Regulation 751 should be completed and submitted for audit.</p>

**2. Financial Review**  
**2.1. Cost Management**

<b>Audit Observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
<p>Without making adequate provision in the annual estimate for the purchase of office equipment required by the department, Rs.3,934,350 or 63 per cent of the sum of</p>	<p>There was a huge shortage of computers and devices in the department and the activities like preparation</p>	<p>Funds received for maintenance and management of archaeological sites should</p>

Rs.6,210,550 received in the year 2023, from the Central Cultural Fund which deposited in the general deposit account for the maintenance and management of archaeological sites, had been incurred on purchase of office equipment during the year under review.

of estimates, preparation of reports required for conservation, maintenance, exploration, excavation, academic etc. were delayed due to the lack of computers. As a solution to that, it was informed that the purchase was made on the special approval of the Chief Accounts Officer.

**2.2. Certifications to be made by the Chief Accounting Officer/ Accounting Officer**

<b>Audit Observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
The Chief Accounting Officer and the Accounting Officer shall ensure the department maintains an effective internal control system for financial control and the effectiveness of the system should be reviewed periodically. Necessary changes made accordingly to make the system effective, those reviews should have been done in writing and a same copy should have been submitted to the Auditor General, but statements which such reviews were done, were not submitted to the audit.	No comments were made.	Should be act in accordance with the provisions of Section 38 of the National Audit Act No. 19 of 2018.

**2.3. Non-compliance with laws, rules and regulations**

<b>Reference to laws, rules and regulations</b>	<b>Amount Rs.</b>	<b>Observation non-compliance</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
Section 43a (2) of the Antiquities Ordinance No. 09 of 1940 as amended by the Antiquities (Amendment) Act No. 24 of 1998	-	Although the Director General of Archeology should arrange for damage assessment surveys of proposed development projects to be carried out at the	Archaeological Damage Assessment Survey process were published through The Antiquities (Amendment) Act No. 24 of 1998 and	The archaeological damage assessment survey process should be done in accordance with the Antiquities (Amendment) Act No. 24 of 1998 and

expense of the sponsors of the project or scheme, necessary measures were not taken after an investigation for 08 development projects that were carried out without obtaining the relevant requests or necessary approvals.

Gazette Notification No. 1152 dated 04 October 2000. Accordingly, before starting a development project, the concerned institution should get the damage assessment report and proceed further. It was also informed that all local government institutions / government institutions have been informed in this regard.

#### 2.4. Deposit balances

Audit Observation	Comments of the Accounting Officer	Recommendation
The deposits of Rs. 22,742,458 in 02 deposit accounts maintained by the department for more than 02 years had not been settled in accordance with Financial Regulations 570 and 571.	It was informed that inquiries will be made these days to get the consent or disapproval of the party who gave the donation money to credit that external party deposits to the state revenue.	Settlement should be done as per Financial Regulations 570 and 571.

#### 2.5. Management of bank accounts

The deficiencies revealed during the sample audit inspection conducted in relation to the management of bank accounts as follow.

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) According to the cabinet approval received on 16 November 2021, to establish a separate account for crediting the aid received from donors to archaeological research and conservation activities, a current	It was informed that the accounts will be managed from the year 2024.	Actions should be taken as per the approval of the Cabinet and the instructions and agreements of the Treasury Operations

account was opened at the Timbirigasaya branch of the People's Bank in the year 2022. However, this account remained inactive due to non-receipt of donations from local or foreign donors as of the audited date of 28 March 2024.

Department.

- (b) According to the bank statement and bank reconciliation statement, the bank balance of Rs.67,168,182 as at 31 December 2023 was overstated by Rs.1,512,068,902 as Rs.1,579,237,084 in Annexure (viii) of the financial statements.
- Kindly note that the bank balance as at 31.12.2023 is 67,168,182. It was informed that the amount of 1,579,237,084 which was the value of credit and debit limit mentioned in the bank statement was recorded in the financial statement by mistake.
- Arrangements should be made to present the balance correctly as per the bank statement in status report on bank accounts as at 31 December 2023.

### 3 Operational Review

#### 3.1. Vision and Mission

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) The Department had not introduced a formal monitoring plan that integrates all Archeology Zonal Offices and Regional Offices with the Head Office to measure the success of all activities of the Department of Archaeology including Protecting, preserving and maintaining archaeological sites and reserves, taking legal action against people who damage archaeological sites and monuments, emphasizing other issues related to all archaeological sites in the country, identifying the progress of exploration activities, documenting and storing antiquities received in time and streamlining the processes.	A plan to monitor all aspects of the department is currently being prepared and will be implemented soon. Therefore, it was informed that the information observed by the audit is expected to be monitored.	A formal monitoring plan should be followed.
(b) Due to the fact that, there is no formal system of getting the antiquities identified by external parties to the department through	After the completion of the project, a technical report will be obtained within 03 months and accordingly Artifacts	There should be follow-up to get the excavation reports at the correct periods, and a formal program should be

excavation permits issued by the Director General of Archaeology and also it took a long time like 04 years to provide the related excavation reports, it was observed that the role of the department is not being done efficiently.

found are reported. A maximum of 4 years is given only to further analyze the artifacts found during excavation and provide a full report. It was informed that decisions regarding antiquities will be taken after formal reporting.

set up by the department to take charge of the antiquities found during the excavations.

(c) Instead of annual archaeological recommendation for mineral and rock extraction was given from 01 June 2018 as per Circular No. 02/2018 dated 01 June 2019 of the Director General of Archaeology, long-term recommendations were given as per Cabinet decision dated 05 March 2020. Since that Antiquities may be damaged due to non-disclosure of information about ancient factors and also due to lack of staff and transport facilities, re-inspections were neglected.

Long-term licenses granting for mineral and rock extraction was done on the basis of a cabinet decision. It was informed that due to having to incur more costs than the income to give recommendations annually, attention was not paid to the preparation of a system for issuing licenses annually.

Follow-up is essential in providing archaeological recommendations for mineral and rock extraction and the relevant internal circulars should be revised in time and necessary conditions should be included.

(d) During the field inspection conducted in 2013 in connection with the granting of licenses to 03 granite projects in Kurunegala district, archaeological factors could not be discovered, after archaeological damage evaluation recommendations were made, granite mining projects were carried out. However, again in 2019, those licenses were revoked due to the discovery of antiquities during an on-site inspection. Accordingly, archaeological monuments were damaged during quarrying and extraction of black stone by giving archaeological recommendations without proper inspection.

At the first field test, the rock surface or some area might be covered by soil. Since archaeological recommendations are given only based on the visibility of the surface of the land, factors may be discovered during excavations at a place where recommendations have been given or in a re-inspection. In such a case, it was informed that the license will be revoked.

Procedures should be prepare in accordance with internal procedures and circulars for providing necessary facilities to officers who engage in field inspections for follow-up and that should be enforced.

(e) Only the preliminary excavations have been carried out in most of the archaeological sites in the Northern

During the recruitment for the posts of the department, a minimum number of staff

The top management should prepare accurate plans for archaeological works



Province and no further archaeological work has been carried out through a comprehensive exploration.

have been assigned for the duties in those areas due to the inability to recruit a sufficient number of people residing in the Northern Province.

through the 15 regional offices related to the 09 provinces and carry out.

For that, it was informed that a formal work arrangement is being prepared to provide a hard allowance as an incentive to the staff in other areas.

(f) According to the cooperation agreement between the Disaster Management Center, the Central Environment Authority and the Department of Archaeology Under the financial and technical support provided by the United Nations Development Program in 2010, Archeology Regional Offices were established in the Northern Province and initial exploration of archaeological sites was started in 2018. By July 2023, the ownership of 252 archaeological sites out of a total of 479 identified archaeological sites in the Northern Province had not been taken over by using the boundary posts to publish them in the gazette.

No answers were given.

In accordance with the provisions of the Antiquities Ordinance No. 09 of 1940, as amended by the Antiquities Amendment Act No. 24 of 1998, the ownership of archaeological sites should be taken over using boundary posts and publish them in the gazette.

(g) The stupa mounds at the identified archaeological sites of Nagathambaran, Vavunikulam, Sivapuram Srimale Temple, had already been completely flattened to the ground by now and other religious places were built on top of the stupa mounds of those places and also at the archaeological sites of Nedunkeni Shiva Nagar, Kulamurippu, Koddiamalai.

No answers were given.

Antiquities should be protected in accordance with the provisions of the Antiquities Ordinance No. 09 of 1940 as amended by the Antiquities Amendment Act No. 24 of 1998, and arrangements should be made to obtain the support of the Ministry of Defense where necessary.

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| <p>(h) Vedickinarimalai Archaeological Site in Northern Province, Nelukkulama, Monuments in Kimbulagala Nandimithragama Archaeological Site, Nedunkeni Shivanagar Archaeological Site, Samalankulam Archaeological Site in Samalankulam Divisional Secretariat Area, Mathota Port Town and the Thonigala archaeological site, which has been declared as a protected monuments by Gazette No. 1553 dated 06 June 2008, the relevant boundaries have not been identified and gazetted as an archaeological reserves or monuments until now.</p> | <p>Agreed.</p> | <p>The boundaries should be identified and gazetted as an archaeological reserves or monuments and further archaeological work should be carried out without delay.</p> |
| <p>(i) Although requests had been made from the relevant government agencies since November 2020 to prepare the measurement plans of 229-acre land where the ruins of the Kurudumale (Kurindi) archaeological site were widely scattered, these tasks had not been completed till the date of audit.</p>   | <p>Agreed.</p> | <p>Surveying should be done by contacting the relevant government agencies and declared as an archaeological reserve.</p>   |

**3.2. Non- reaching of the expected output level**

<b>Audit Observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
<p>Although the 2023 budget estimate had allocated Rs.161 million for 170 essential and priority projects for the department, the physical progress of 10 projects was not mentioned, and the physical progress of 20 projects was less than 50 per cent.</p>	<p>No answers were given.</p>	<p>Provisions should be taken to spend in planned manner.</p>

**3.3. Foreign aid projects**

<b>Audit Observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
<p>Although the United States government had contracted to provide approximately Rs.52,997,350, which was US dollars 265,000, for the</p>	<p>The project has been extended till 31 August 2024. Bills could not be paid due to several issues with the contract</p>	<p>The money received as foreign aid should be used optimally to achieve the respective objectives.</p>

renovation of the Kandy Royal Palace and Museum, by considering the physical performance conditions of the project the amount given by the United States government was US dollars 156,750 which was approximately Rs. 45,940,561 only. The contract period of this project which was two years had been extended until 31 August 2024.

By the end of the year under review, the physical progress of this project was 57 per cent, and the financial progress was only 21 per cent. Furthermore, Rs. 41,879,303 received from the treasury for the year 2023, from that 63 per cent or an amount of Rs. 26,788,750 had been diverted back to the treasury which had caused by the Poor management of the department.

awarded for conservation work. However, it was informed that the diverted money can be used again as the project has not expired

### 3.4. Assets Management

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) HP type Desing Jet 800 Ps model plotter printer purchased for map printing to the GIS unit which was disabled in the year 2015 and repaired at a cost of Rs.128,520 in the year 2016. As at July 2023, it was still inactive and reported that it was difficult to find specific information about the time of purchase and cost of this machine.	No answers were given.	An evaluation should be done regarding the machine and whether it is in usable condition, if not, a technical report should be obtained regarding disposal and appropriate steps should be taken.
(b) It was observed that there is a problem in obtaining the most accurate GPS coordinates for the relevant archaeological sites due to the fact that 04 of the 05 GPS machines used to locate the archaeological sites in the GIS unit are not in working condition.	No answers were given.	Necessary procurements should be done after included in the annual estimates

- (c) Two vehicles owned by the department had been parked without making the necessary repairs until the audit date of 31 May 2024, despite the recommendations given by the mechanical engineer on 21 November 2022 and 28 August 2023 that they could not be driven. The drivers had informed on 17 November 2021 and 27 September 2022 that the two concerned vehicles could not be driven. It was also observed that mechanical engineering recommendations for the 2 vehicles were delayed for 01 year and 11 months respectively and due to having parked without cover more than the prescribed costs have to be incurred.
- It was informed that the repair estimates of the two vehicles have been received and the repairs are to be carried out based on the mechanical engineering recommendations, and a cover is to be constructed by the maintenance section as indicated in the audit inquiry to protect the vehicles from rain water.
- Repair should be done and put into running condition as soon as possible.
- (d) Although a fine of Rs.46,500 was imposed on the driver of the vehicle, who was the accused, in connection with the accident that occurred in the double cab belonging to the Central Regional Archeology Office on 09 October 2018. The loss to the vehicle of Rs.5,882,769 was not recovered as per Financial Regulation 104 and the cab was not repaired for over 5 years.
- The driver of the PG 4006 double cab attached to the Central Regional Archeology Office was the accused in the accident and has now been dismissed. An inspection board has been appointed for the investigation as per F.R. 104(4) and after its recommendations, further work will be done. It was informed that the repair estimates of this car is being called and the work is being done for that.
- Losses should be dealt with in accordance with Financial regulations.

### 3.5. Losses and damages

Audit Observation	Comments of the Accounting Officer	Recommendation
From 18 September 2018 to 19 July 2023 a formal investigations have not been carried out in accordance with Financial Regulation 104 (1) regarding 10 vehicles of the department which have been	It was informed that, they had not been duly dealt with the vehicle accidents from 2018 to 2022 as per F.R.104 (4) but, For the vehicle accidents that occurred in the year 2023,	Financial Regulations should be followed.

involved in accidents. The loss had not been assessed and the persons responsible had not been identified and also it had not been entered in to the loss and damage register in accordance with Finance Regulation 110. Furthermore, the total loss of Rs. 274,000 of 06 vehicles involved in accidents from 12 April to 18 November 2023, for that investigations were not completed and reimbursements were not made from those responsible as per Finance Regulation 104

Officers are appointed for investigations as per F.R. 104 (4). In relation to one vehicle accident, F.R. inspection report has been received by now and further work is to be done based on the recommendations given. The investigating officers appointed for other accidents have been informed to submit reports to the committees immediately.

### 3.6. Management Inefficiencies

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) According to the conditions mentioned in the letter giving archaeological recommendations for mineral and rock extraction, at Rankethgama Gala in Vavuniya and at Chamalankulam surrounded by Oddusudan Chamalankulam Reserve in Mullaitivu District, Without obtaining special approval from the Department of Archaeology, the stones were removed to a depth of 50 feet and the abandoned sites were filled with water, but no legal action was taken against it. Furthermore, it was stated in the conclusions and proposals that no historical or archeological factors were found based on the observations made only on the surface of the earth within a 50 meter area around the proposed site of Rankethgama, but it was observed that there were factors throughout the adjacent cliff during the audit field investigation.	In a case of mineral extraction, the Department of Archeology inspects the site and gives recommendations if there are no archaeological factors on the surface. Permits for this purpose are issued by the Geology and Mining Department and it was informed that in case of violation of the conditions of the said permit, the relevant agency has been assigned to take the related measures.	Archaeological recommendations should be given with proper study.

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| <p>(b) The 2022 On-Site Development Plan for essential construction to open the Thonigala archaeological site for public exhibition had not been implemented.</p>  | <p>Due to the financial crisis faced by the department at that time, it was not possible to carry out these works and it was informed that it is expected to carry out the works as soon as the necessary provisions are received in future.</p> | <p>Action should be taken to protect archaeological sites and monuments by planning.</p>   |
| <p>(c) The archeological site of Mamaduwa Mula Historical Graveyard, which is a Mahashila burial ground, a type of Shila Manjusa, where the archaeological ruins were scattered in an area of about 26 acres, were damaged due to deforestation without obtaining archaeological recommendations by the Department of Forest Conservation. After being severely damaged, it was declared as an archaeological reserve on 28 July 2022 by Gazette No. 2290/33.</p>                              | <p>Agreed.</p>   | <p>All government agencies and private agency officials should be informed that archaeological recommendations should be obtained when making an impact on the shape of the existing land.</p> |
| <p>(d) Arippu fort is spread over an area of 0.4465 hectares and is located at Mukkariputthuraya village in Arippu East Grama Niladhari domain of Musali Divisional Secretariat Division of Mannar District, where there are source evidences that it was built by the Portuguese and then restored by the Dutch. It has been declared as Ancient / Protected Monument by Gazette No. 1823/73 dated 16 August 2013 but till the date of audit no archaeological work has been carried out.</p> | <p>Agreed.</p>   | <p>Archaeological sites should be protected in accordance with the Act, Gazette Notifications, internal procedures and internal circulars.</p>   |
| <p>(e) An inscription which is 160 cm long and 61 cm wide located at the Murunkan Hospital site in the domain of Murunkan Grama Niladhari, Nanattan Divisional Secretariat, Mannaram District Considered as belong to AD 2-3 centuries. It was declared as ancient/protected monument by the Gazette</p>   | <p>It was informed that a safety fence and a name board will be installed in 2024 to protect the inscription by the Epigraphy and Numismatics section by now.</p>  | <p>Measures should be taken to protect the archaeological monuments as per the provisions given by the Act.</p>  |

No. 1868 dated 20th June 2014, but it was observed that the characters were worn off due to insecure use of it by the hospital staff for seating.

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| <p>(f) Due to inundation of rainwater in the premises of the small stupas of Kandarodai (Kandurugoda) archaeological site, Hume pipes which had been purchased at a cost of Rs.67,000 based on the estimate of Rs.534,150 presented in 2016 for laying a pipe system to drain rainwater, were piled up on the premises in idle.</p> | <p>On the permission of the Divisional Secretary, 08 palm trees were cut and removed and it was informed that the work could not be done due to the objection raised by the farmers during the arrangement for the use of hume pipes to drain the water.</p>   | <p>According to the provisions given by the Act, efforts should be made to protect the archaeological monuments and archaeological sites. The Ministry of Defense should be informed about the disturbing activities.</p> |
| <p>(g) Under the issuance of mining licenses to external parties, the number of final academic reports due on June 30, 2023 was 53, of which 07 mining licenses exceeded 10 years and 15 mining licenses exceeded 05 years.</p>   | <p>Reminders have been sent to those who have not given the reports and it has been informed that the licenses have been suspended for those who have not given the reports so far.</p>  | <p>Excavation reports should be obtained promptly.</p>  |
| <p>(h) According to Section 6.1.3 of the Excavation Work Procedure, the artifact survey reports of 13 archaeological museums under the department for the year 2022 were not submitted and also the annual control report for the year 2022 as per Section 7.1 of the Excavation Work Procedure was not prepared.</p>               | <p>Reminder letters have been sent to the museums that did not provide reports in the year 2022 to provide the artifact survey reports and arrangements have been made to obtain the survey reports related to the year 2022. The person who should directly intervene to provide information in the control reports should be a director of mining or an assistant director who has authentic knowledge. But related to the year 2022, it was informed that it is being obtained locally.</p> | <p>The annual control report should be prepared with the participation of officers with authentic knowledge within the department.</p>  |
| <p>(i) As per Section 16 of Excavation Guidelines 03 mentioned in the Standing Order and Section 2.1.2.2 of the Excavation Work Procedure, no new excavation permit should be issued to a person who did not complete the previous excavation reports. However, two professors of</p>   | <p>Reminder letters have been issued to professors whose reports have not been submitted. It was informed that further action is being taken on the recommendations of an expert committee on the advice of the Archaeological Advisory</p>  | <p>The department should acquire the rights of the archaeological artifacts obtained from the excavations and the reports including the observations made under the permits granted for the excavations</p>               |

the Post Graduate Institute of Archeology who did not provide the previous excavation reports were issued excavation permits again. Also From 2006 to 2017, 08 mining licenses have not submitted their final academic reports, but 14 new mining licenses were issued up to 2022. Also, the period for submission of reports under the permits given for excavations at Thuparama statue, Vijayarama statue and Kiribathwehera had also expired.

Council to streamline the granting of permits and records.

of Thuparama statue, Vijayarama statue and Kiribathwehera and support the implementation of future archaeological works.

- (j) It was observed that many antiquities were perishing due to lack of attention to conduct a systematic survey to document the movable artifacts as per the Section 02 of the Excavation Procedure, display for public and other alternative measures, also a large number of antiquities identified under departmental excavations, illegal excavations and public assistance were piled up in Hambantota and Kegalle archaeological office premises.
- It was informed that the process related to identification and documentation of movable artifacts has been speeded up by now.
- Identification and documentation of movable artifacts should be expedited.
- (k) According to Section No. 1.2.22 of the Code of Procedures, exploration reports have been submitted for 18 exploration projects implemented by the department after the year 2020, but the collected data has not been provided to the Geographical Data Processing (GIS) Unit.
- This deficiency has occurred due to the lack of GPS equipment and it was informed that GPS equipment will be purchased in the year 2024 and the work will be done promptly.
- The exploration reports should be given to the Geographical Data Processing (GIS) Unit and the work should be completed promptly.
- (l) The number of archaeological sites identified by the department till the year 2023 was 5,664. Among them, as of 31 December 2023, the total number of archaeological sites published by the Gazette in the National Archaeological Site Directory was 2,958, and the number of archaeological sites included in the geospatial data file included in
- It was informed that the Department of Archeology did not have the necessary equipment to carry out this work quickly, and arrangements were made to get them quickly, and the training of officials at the regional level was also completed.
- The necessary capital equipment should be procured to acquire the geospatial calibration data and include them in the geospatial data file, and officers should be trained to achieve the required performance indicators.



the department's website was 1,758. Accordingly, 48 per cent of the total archaeological sites identified by 31 December 2023 had not been gazetted, and 69 per cent had not received geospatial calibration data and entered them into the geospatial data file.

- (m) It was observed that an amount of Rs. 2,105,152 is being held still in the general deposit account from 14 February 2017 to obtain archaeological damage assessment survey reports of the Yanoya Irrigation Reservoir Project. No answers were given. Regarding the money deposited by the project proponents to the department for obtaining archaeological damage assessment survey reports should be dealt with in accordance with the provisions of the Act.
- (n) Although, an advance amount of Rs.2,239,596 was given to the Government Factory Department on 25 August 2020 for the production of a rotatable arched template for the reconstruction of Dighavapi Dagaba at a cost of Rs.4,147,400, since the implementation of the work has done by the Ministry of Defense later, it was decided to do according to the method of obtaining measurements by measuring equipment. Then It was proposed to use the iron parts which already prepared with the advance payment to be used for maintenance work to complete a series of ramparts required after the construction of the pagoda, but the work was not done accordingly. No answers were given. Since it has been almost 04 years an advance amount of Rs.2,239,596 was given to the government factory, the top management should be responsible for the future actions to be taken regarding the advance amount and steps should be taken to settle the advance immediately.
- (o) Even though the Department of Archeology maintains 28 museums all over the island under the grade classification as A, B, and C, bearing annual maintenance expenses by the government, only the Trincomalee Maritime and Naval History Museum followed the system of charging fees. No answers were given. A common policy should be implemented in relation to the 28 museums under the A, B, C classification which are operating under the department.

and did not charge fees from other museum visitors. Since that the revenue which could have been obtained had been lost.

- (p) 2,000 copies of books on tracing the past of man, local diet of Hela people, anthropology, stone carvings of our Helas, preservation of mural paintings, non-minor arts, 1,000 copies of the catalog of archaeological sites Ratnapura and 100 copies of the book of Proceeding of the National Archeology Symposium were printed in December 2023 after paying Rs. 3,732,210. Since that 02 planned projects of Rs.1,632,210 had been suppressed due to exceeding the allocated amount. It was observed during the physical inspection conducted on 27 March 2024 that due to the lack of a properly planned program to sell or distribute the printed books, around 12,380 books were stored in the two containers installed in the department premises.
- Books of the Department are printed on the basis of Archeology Department Book Store, Ministry Book Store and International Book Fair. Due to the inability of government agencies to participate in the International Book Fair last year, the expected wholesales could not be achieved. It was informed that the printing activities will be planned to maintain minimum stock in the book printing in the coming years.
- Should be focused on providing opportunities for users to purchase this 12,380 printed books and the previously printed books placed in the warehouse.
- (q) As per the Section 46 (1) of Antiquities Ordinance No. 09 of 1940 as amended by Antiquities Amendment Act No. 24 of 1998, did not established an Antiquities Gift Fund for the purpose of protecting illegally exploited antiquities or providing gifts to informants and enforcement authorities. Although this fund should be created for the purpose of providing financial contribution as an incentive for prevent illegal activities, Due to the delay in the formulation and implementation of draft laws, the fund was not established even by the year under review. Half of the court fine amounting of Rs.130,479,050 collected during the year was not
- Problematic situations have arisen regarding the percentage distribution of the gift fund and a draft prepared in this regard has been submitted to the Legal Draftsman on 05 April 2024. It was informed that necessary activities are being carried out for prompt action through follow-up.
- The necessary assistance should be provided and the amendment of the relevant sections of the Act should be completed promptly.

credited to the Archeology Gift Fund and was unable to perform the required tasks.

- (r) The Director General of State Finance had instructed that the fees charged for providing the archaeological recommendation for mineral and rock extraction should be revised to Rs.10,000 with effect from 25 February 2019 in the letter dated 28 February 2019 and that fee should be revised once in 03 years in the future. As per State Finance Circular No. 01/2020 (II) dated 28 August 2020, paragraph No. 05 the rates were to be revised subject to a maximum of 15 percent once in 03 years. However, since the Department of Archeology had not revised the fee in that way, the government had lost the revenue it should have collected. Furthermore, the Department had temporarily leased the Nupe Old Holland Market building complex in Matara metropolitan area for an inadequate fee of Rs.5, 000 without revising the fees as per the circular instructions.
- It was informed that drafts have been submitted for amend the fee Rs. 10,000 to Rs. 25,000.
- The draft submitted for making the relevant amendments should be followed up and further work should be done.
- (s) There was evidence that on 08 May 2017, a lecturer accepted the archaeological information and factors discovered by the Bulathsinghala Pahiangala Prehistoric Excavation Project in 2009, 2010 and 2012 and the Kitulgala Belilena Excavation Project in 2013 had been taken to Sri Jayawardenepura University for scientific analysis. After the completion of the research work, the necessary arrangements were not made to accept the antiquities back to the Department of Archaeology.
- The human bones found in Pahiyangala prehistoric excavations should be kept very safe under laboratory facilities. Since the Department of Archeology does not have sufficient facilities for that, the bones were handed over to the Faculty of Medicine of the University of Sri Jayawardenepura to keep them safe in a formal environment. It was informed that the primary objective has been to use by the scientists who are doing research more effectively for academic studies and research rather than
- Adequate measures should be taken to protect antiquities.

exhibiting it to the common people.

- (t) From the provision of Rs. 15,000,000 reserved for the Remedial project of the water leak in the underground floor of the department by 2023 budget estimate and action plan, Rs.2,146,736 was spent only for preparation of the preliminary report, 77 per cent of the total provision was not utilized and instead, a new project of Rs.3,000,000 was substituted for the repair of the disabled internal telephone system, and the revised plan was not approved by the Ministry Secretary. That task was also not accomplished.
- According to the 2023 budget and action plan, money had been allocated to prevent water leakage in the underground floor, but the National Building Research Institute (NBRO) gave the related report on November 15, 2023.
- Spending public money should be exercise prudently.
- It was informed that since the complex engineering works in that report could not be implemented by the end of November, the relevant amount was presented as a new project to re-install the internal telephone system, it was not approved by the Ministry as there was not enough time to complete the work.

#### 4. Human Resource Management

The following observations are made.

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) As at 31 December 2023 1,660 or 38 per cent of the total approved staff of 4,317 in the Department of Archeology were vacant, including 07 executive level director posts for academic affairs unique to the department who have been vacant for more than 15 years. The legal officer position of the department was also included.	The number of vacancies has been reduced to 1576 by 31 March 2024 which is 36.5 per cent of the number of approved posts. Apart from this, the Department of Management Services has also approved the recruitment of 25 technical posts and 14 technical (officer maintenance assistant) posts and the recruitment related activities are still being carried out. It was informed that the requests have been made from the management services department to recruit 07 executive level director posts on several times but it has not	Emphasis should be placed on filling vacancies.

been possible to recruit due to non-approval.

- (b) Although the approved number of Development Officer posts for the Department is 250, there is an excess of 35 out of the actual number of 285 in service as at 31 December 2023, and no action had been taken to revise the number of approved posts or release them for combined service.
- As at 31 March 2024, the number of surplus Development Officer posts has been reduced to 29. Requests have been made from the Department of Management Services to approve the number of excess development officers, but no approval has been received. It was informed that 44 approved management service officer positions for the department are vacant and the duties of those positions have to be fulfilled by the officers.
- Arrangements should be made to revise the approved number of posts or to release the excess number of development officers for the combined service.
- (c) It was observed that the multi-purpose development task assistant trainees recruited in the year 2023 to fill the vacancies in the primary level positions of the department which were 688 for the post of Archaeological Assistant, 201 post of watchman and two post of driver were assigned more than the proposed planned number for the regional offices regardless of the service requirement.
- Appointments were made in such a way that the total number of vacancies in the posts of Archeological Assistant and Watchman in the Department were divided among all the regional offices. But based on the facts agreed upon in the recruitment of multi-tasking assistants and instructions received from the Ministry to assign them to the district of their residence or to a district that they can easily reach, the relevant assignments were made and the number of vacancies would not be exceeded.
- Assigning staff should be done as planned.