

Aranayaka Pradeshiya Sabha

Kegalle District

1. Financial Statements

1.1 Presentation of Financial Statements

The financial statements for the year under review had been presented to audit on 02 April 2013 and the financial statements for the preceding year had been presented on 30 March 2012. The report of the Auditor General for the year was issued to the Chairman of the Sabha on 21 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 Aranayaka 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 Aranayaka Pradeshiya Sabha as at 31 December 2012 and the financial results of its operations for the year then ended.

1.3 Comments on Financial Statements

1.3.1 Accounting Deficiencies

The value of the crematorium owned by the Sabha amounting to Rs.10,429,917 had not been capitalized and therefore, the land and buildings had been understated by a similar amount.

1.3.2 Unreconciled Control Accounts

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- (a) Action had not been taken to recover revenue in arrears amounting to Rs.55,672 in respect of the weakly fair relating to the years 2002 and 2004.
 - (b) An agreement had not been entered into with the lessee in respect of leasing out the poultry shop No.02of the General Market for the year 2012. Further action had not been taken to recover the revenue in arrears amounting to Rs.58,934 relating to the years 2000, 2001 and 2004 due from the poultry shops No.01 and 02 and the fish stall No.01.
 - (c) Although an annual income of Rs.285,100 and Rs.285,000 respectively had been expected from the fish stalls No.01 and No.02 of the General Market, the Sabha had deprived of an income of Rs.213,825 and Rs.71,250 respectively due to action not being taken to call for tenders and lease out the stalls again.

2.2.3 Court Fines and Stamp Fees

Money receivable as at 31 December 2012 from the Chief Secretary of the Provincial Council and other authorities are shown below.

	Rs.
(i.) Court Fines	560,000
(ii.) Stamp Fees	5,704,648

2.3 Idle and Underutilized Physical Resources

Two tractors valued at Rs.1,056,128 had been lying idle and underutilized.

