

**Appropriation Head 256 District Secretariat - Gampaha**  
**Report of the Auditor General on the District Secretariat, Gampaha and the**  
**Divisional Secretariats functioning thereunder**

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1. Key Activities of the District Secretariat

- Poverty alleviation Initiatives
- Co-ordination of Elections
- Planning and Supervision of Development Projects
- Administration of Disaster Relief Projects and Rehabilitation Projects
- Administration and Direction of District Projects
- Collection of Revenue

2. Divisional Secretariat under the District Secretariat

Attanagalla

Biyagama

Dompe

Divulapitiya

Gampaha

Ja-Ela

Katana

Kelaniya

Mahara

Minuwangoda

Mirigama

Negombo

Wattala

3. Annual Action Plan

The District Secretariat had not prepared an Annual Action Plan at the beginning of the year of accounts.



|     |   |               |               |             |
|-----|---|---------------|---------------|-------------|
| 105 | Ministry of Economic<br>Development                                       | 2,859,650,972 | 2,146,193,402 | 713,457,570 |
| 106 | Ministry of Disaster<br>Management  | 33,384,992    | 31,212,861    | 2,172,131   |
| 110 | Ministry of Justice   | 2,688,087     | 2,006,283     | 681,804     |
| 117 | Ministry of Highways  | 20,000        | 19,824        | 176         |
| 118 | Ministry of Agriculture   | 132,000       | 84,785        | 47,215      |
| 120 | Ministry of Child<br>Development and<br>Women's Affairs                   | 10,132,767    | 8,363,906     | 1,768,861   |
| 121 | Ministry of Public<br>Administration and Home<br>Affairs                  | 3,839,462     | 3,793,131     | 46,331      |
| 124 | Ministry of Social Services   | 5,472,694     | 5,311,834     | 160,860     |
| 127 | Ministry of Labour<br>Relations and Productivity<br>Improvement           | 306,500       | 236,361       | 70,139      |
| 128 | Ministry of Traditional<br>Industries and Small<br>Enterprise Development | 1,272,450     | 1,095,019     | 177,431     |
| 133 | Ministry of Technology<br>and Research                                    | 8,887,457     | 7,187,338     | 1,700,119   |
| 134 | Ministry of National<br>Languages and Social<br>Integration               | 129,320       | 128,440       | 880         |
| 139 | Ministry of Fisheries and<br>Aquatic Resources<br>Development             | 5,543,086     | 5,393,405     | 149,681     |
| 142 | Ministry of National<br>Heritage and Culture                              | 4,013,909     | 95,066        | 3,918,843   |
| 145 | Ministry of Resettlement  | 4,541,572     | 3,803,296     | 738,276     |





4.5 Audit Observations on the Accounts and Reconciliation Statements

According to the Records and Books for the year ended 31 December 2010, it was observed that except for the effects of the general observation appearing at (a) to (e) and the other major observations in appearing paragraphs 4.6 to 4.13 herein, the Appropriation Account and the Reconciliation Statement of the District Secretariat, Gampaha had been prepared satisfactorily.

(a) Presentation of Accounts

- (i) The District Secretariat had not presented the following account to audit by 31 March 2011.

| Head         | Account                        | Date of Presentation of<br>Accounts |
|--------------|--------------------------------|-------------------------------------|
| -----<br>256 | -----<br>Appropriation Account | -----<br>09 May 2011                |

- (ii) The accuracy of Fixed Assets valued at Rs.96,447,286 as at the end of the year under review according to the Report on the Movement of Non-current Assets could not be established in audit as the District Secretariat and the Divisional Secretariats had not maintained Registers of Fixed Assets.

(b) Budgetary Variance

Excess provisions had been obtained for 14 Objects and as such, the savings thereunder after utilizing the provisions ranged between 07 per cent to 51 per cent of the net provision.

(c) Imprest Account

According to paragraphs 2.2.2 of the Circular No.6/2010 dated 04 November 2010 of the Department of Treasury Operations, the imprest balance should have been settled by 05 January 2011. The balance of Rs.50,423,061 of the District Secretariat as at 31 December 2010 had been settled in three instances

from January to the end of March 2011 due to the delay on the part of the 13 Divisional Secretariats in the settlement of imprests.

(d) General Deposit Account

A sum of Rs.782,608 made available by other Ministries and Departments for various purposes, had been retained in the General Deposit Account without carrying out respective activities.

(e) Reconciliation Statement of the Advances of Public Officers Account

According to the Reconciliation Statement, of the Advances to Public Officers Item No.25601, the balances that remained outstanding as at 31 December 2010 totalled Rs.1,700,215 and the follow up action on the recovery of the outstanding balances had been at a weak level.

4.6 Assets Management

Conduct of Annual Boards of Survey

According to Financial Regulation 756 and the Public Finance Circular No. PF/FS/Board of Survey/01 dated 17 December 2010, the District Secretariat and the Divisional Secretariats should have conducted the Boards of Survey for the year 2010 before 15 March 2011. Nevertheless, the Boards of Survey of the District Secretariat and 08 Divisional Secretariats had been conducted after 15 March 2011.

4.7 Non-compliances with Laws, Rules, Regulations, etc

Instances of non-compliances with the provisions of laws, rules, and regulations observed during the course of audit test checks are analyzed below.







The District Secretariat had not prepared a Procurement Plan in terms of Section 4.2.1 of the Procurements Guidelines.

4.9 Losses and Damage

The purchases of 10 Water Filters of 15 Liter capacity for distribution among the pre-schools in the area of the District Secretariat, Wattala had been made at the highest price of Rs.4,985 per unit by rejecting the lowest price of Rs.2,450 per unit thus resulting in a loss of Rs.25,350.

4.10 Operating Inefficiencies

Even though the Divisional Secretariat Wattala, had purchased 03 body building sets, 04 volley balls, 96 tennis balls, 10 plastic chairs, and 09 plastic water tanks valued at Rs.112,959 under 04 Decentralized projects of 2010, those goods had not been distributed even up to the end of the year under review.

4.11 Management Weaknesses

The following weaknesses were observed.

- (a) A sluggishness was shown by the authorities concerned in the implementation of the directives made by this Committee on Public Accounts made after the examination of the audit paragraphs relating to the District Secretariat included in the Reports of Auditor General.

| Reference to the Report of<br>the Auditor General |                     | Item under Reference   | Date of Meeting<br>of the<br>Committee on<br>Public Accounts | Directive of the<br>Committees                                      |
|---|---------------------|--|--|---|
| Year  | Paragraph<br>Number |  |  |   |
| 2006  | 2.4                 | The balances of the Advances to Public Officers Account that remained outstanding as at 31 December 2006 totalled Rs.4,413,253 out of that, balances | 10 September<br>2009   | The Chief Accounting Officer and the Accounting Officer to submit a |

amounting to Rs.474,658 had been  
balances older than 02 years.

detailed report.

A further sum of Rs.192,495 remained  
receivable as at 31 December 2010 from  
05 officers.

|      |      |  |                      |   |
|------|------|--|----------------------|---|
| 2006 | 9.2  | Non-functioning of the Audit and<br>Management Committee   | 10 September<br>2009 | To take steps to<br>discuss all audit<br>queries and<br>management affairs<br>take remedial action. |
| 2006 | 10.8 | <u>Management Weaknesses</u><br>Sixteen Grama Niladhari Offices had been<br>maintained in Public buildings of the<br>Government and the office allowance had<br>been paid in that connection over a<br>number years. | 10 September<br>2009 | To take action against<br>Grama Niladharis if<br>the Offices<br>allowances are not -<br>recovered.  |

#### 4.12 Human Resources Management

##### Approved Cadre and Vacancies

The position of the cadre as at 31 December 2010 had been as follows.

| Category of Employees | Approved<br>Cadre | Actual<br>Cadre | Number of<br>Vacancies | Excess |
|-----------------------|-------------------|-----------------|------------------------|--------|
| -----                 | -----             | -----           | -----                  | -----  |
| (i) Senior Level      | 61                | 57              | 04                     | -      |
| (ii) Tertiary Level   | 25                | 18              | 07                     | -      |
| (iii) Secondary Level | 1,653             | 1,476           | 177                    | -      |
| (iv) Primary Level    | 119               | 112             | 07                     | -      |
| (v) Casual            | -                 | 01              | -                      | 01     |
| -----                 | -----             | -----           | -----                  | -----  |

|       |       |       |       |       |
|-------|-------|-------|-------|-------|
| Total | 1,858 | 1,664 | 195   | 01    |
|       | ===== | ===== | ===== | ===== |

4.13 Internal Control

Implementation of Audit and Management Committee

According to the Circular No.DMA/2009(1) dated 09 June 2009 of the Department of Management Audit under the Ministry of Finance and Planning, the Audit and Management Committee should meet at least once in each quarter. Nevertheless the Committee had met only once in the year 2010.