

Galewela Pradeshiya Sabha

Matale District

1. Financial Statements

1.1 Presentation of Financial Statements

The financial statements for the year under review had been presented to audit on 08 April 2013 and the financial statements for the preceding year had been presented on 31 March 2012. The report of the Auditor General for the year under review was issued to the Chairman of the Sabha on 08 August 2013.

1.2 Opinion

In view of the comments and observations appearing in my report I do not express an opinion on the financial statements of the Galewela Pradeshiya Sabha for the year ended 31 December 2012 presented to audit.

1.3 Comments on Financial Statements

1.3.1 Accounting Deficiencies

- (a.) Although the balances of the fixed assets account and the revenue contribution to the capital outlay account should be agreed with each other, a difference of Rs.2,306,909 was observed between the said account balances.
- (b.) An expenditure of Rs.3,892,263 incurred during the year under review for the construction of stalls of the New Trade Complex and the weekly fair owned by the Sabha had not been capitalized.
- (c.) Although the old Pradeshiya Sabha building and the old library building valued at Rs.500,000 had been demolished, the value had not been removed from the accounts.
- (d.) Stock of goods purchased during the year had been debited to the expenditure account at the time of purchase and at the end of the year, the stocks purchased had been credited to the expenditure account and transferred to the stocks in hand

