

Porativupattu Pradeshiya Sabha -2015

Batticaloa District

1. Financial Statements

1.1 Presentation of Financial Statements

The financial statements for the year 2015 had been presented to audit on 22 April 2016 and the Report of the Auditor General had been furnished to the Secretary of the Sabha on 01 September 2016.

1.2 Opinion

In my opinion , the financial statements give a true and fair view of the financial position of the Porativupattu Pradeshiya Sabha as at 31 December 2015 and its financial performance for the year then ended. in accordance with Generally Accepted Accounting Principles.

2. Financial Review

2.1 Financial Results

According to the financial statements presented, the excess of revenue over recurrent expenditure for the year ended 31 December 2015 amounted to Rs.2,565,666 as against the excess of recurrent expenditure over revenue amounting to Rs. 1,013,784 for the previous year thus indicating an improvement of Rs. 3,579,450 in the financial results.

2.2 Revenue Management

2.2.1 Rates and Taxes

Action had not been taken to assess and collect the rates and taxes for the year 2015 in terms of Section 134 of the Pradeshiya Sabha Act No. 15 of 1987 for the lands, houses and buildings constructed within the area of authority of the Sabha.

3. Performance Review

3.1 Management Inefficiency

Even though the staff loan balances amounting to Rs. 501,868 receivable from 6 employees who went on transfer had remained outstanding for over 5 years, action had not been taken up to 06 May 2016 to recover from them or from their sureties.

4. Systems and Controls

Special attention is needed in respect of the following items of systems and controls.

- (a) Accounting
- (b) Revenue management