

Head-307 Department of Motor Traffic

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statement of the Department of Motor Traffic for the year ended 31 December 2018 comprising the statement of financial position as at 31 December 2018 and the statement of financial performance and cash flow statement for the year then ended, 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 including my comments and observations on the financial statements of the Department of Motor Traffic was issued to the Accounting Officer on 31 May 2019 in terms of Sub-section 11 (1) of the National Audit Act No. 19 of and the Detailed Annual Management Audit Report in terms of Section 11 (2) of the National Audit Act No. 19 of 2018 was issued to the Accounting Officer on 28 May 2019. This report will be tabled in Parliament in pursuance of provisions in Article 154 (6) of the Constitution 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 the Paragraph 1.6 of this report, the accompanying financial statements give a true and fair view of the financial position of the Department of Motor Traffic as at 31 December 2018, and of its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2 Basis for Qualified Opinion

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

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 such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As per Sub-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 annual and periodic financial statements to be prepared.

As per Sub-section 38 (1) (c) of the National Audit Act, the Accounting Officer shall ensure that effective internal control system for the financial control of the Department exists 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 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, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit 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 appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Evaluate the overall presentation, 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.

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 and Regulatory Requirements

I express the following matters in accordance with Section 6 (d) and Section 38 of National Audit Act, No. 19 of 2018.

- (a) Since there was no need for the preparation of financial statements for the preceding year, it could not be stated that the financial statements presented for the year under review were consistent with the preceding year.
- (b) Since there was no requirement for the Department of Motor Traffic to prepare financial statements for the preceding year, recommendations on the financial statements had not been made.

1.6 Comments on Financial Statement

1.6.1 Statements of Financial Performance

The following deficiencies were observed in recording receipt of relevant revenue to the Department in the Statement of Financial Performance.

1.5.2 Non-compliance with Sri Lanka Public Sector Accounting Standards.

Audit Observation -----	Recommendation -----	Comments of the Accounting Officer -----
(i) For the substantiation of Rs.273,262,450 stated in the Statement of Financial Performance as the other receipts necessary notes had not been furnished together with those financial statements.	The detailed schedules on the amounts included in the financial statements should be presented as an annexure in the financial statements.	Having corrected the amount included in the Statement of Financial Performance and illustrated the reconciliations; a statement has been presented to Audit.
(ii) An unreconciled difference of Rs.305 million was observed between the revenue as per the Revenue Estimate, 2018 and the estimated revenue stated in the Revenue Statement in relation to 02 revenue codes.	Transactions should be accounted by comparing with the relevant registers and source documents.	Due to a mistake occurred in the presentation of accounts, estimated revenue had been understated.
(iii) According to the Statement of Financial Performance, in comparing the receipts of Treasury imprests with the Treasury printouts related thereto, a difference of Rs.10,094,325,952 was observed. The reasons for this difference had not been explained.		.
(iv) The Adjustment Account presented for the settlement of imprest balance shown in the Statement of Financial Performance had not been properly balanced and the difference of the debit notes and credit entries of that account or the	Transactions should be accounted by comparing with the relevant registers and source documents	Answers had not been given

balance of the Adjustment Account amounted to Rs.47,494,026. Nevertheless, the balance of the Imprest Account according to the Treasury computer printouts had been stated as Rs.46,544,011 in the statement of financial position. Accordingly, reasons for the difference of Rs.950,015 had not been explained.

1.6.2 Statement of Financial Position

The following deficiencies were observed in accounting Property, Plant and Equipment in the Statement of Financial Position.

Audit Observation -----	Recommendation -----	Comments of the Accounting Officer -----
According to the Zigas Computer Programme, the machinery and equipment worth Rs.47,743,373 of the Department of Motor Traffic had not been disclosed in the statement of financial position.	Action should be taken to account transactions so as not to occur omissions.	Since this amount was not included in the Treasury books, it had not been disclosed in the financial statement. Action will be taken to disclose the same in preparing financial statements subsequent to updating the Treasury notes.

1.6.3 Advance Account Balances

The following deficiencies were observed in accounting balances of the Advance Accounts as at the end of the year.

Audit Observation -----	Recommendation -----	Comments of the Accounting Officer -----
According to the statement of financial performance, in comparing payments and receipts relating to the Advances to Public Officers' Account with the relevant Treasury printouts, a difference of Rs.2,481,058 was observed.	Transactions should be accounted by comparing with the relevant registers and source documents.	A reconciliation statement has been presented after recognising the relevant differences.

1.6.4 Lack of Evidence for Audit

Audit evidence had not been made available relating to the following transactions.

Audit Observation -----	Recommendation -----	Comments of the Department -----
Replies for 10 audit queries issued to the Department during the year under review had not been furnished even by 30 May 2019.	In terms of Financial Regulation 155, The Chief Accounting Officer/Accounting Officer should inspect the Audit Query Register referred to in F.R. 452(1), on first assuming office, and at regular intervals thereafter and take steps to correct any shortcomings which have been pointed out by the audit queries. Replies to those queries should be furnished forthwith. In case of delays in furnishing replies to the audit queries, action should be taken to submit an interim report thereon.	Audit observation is accepted. Action is being taken to furnish replies to the audit queries.

1.6.5 Assurance to be made by the Accounting Officer

In terms of provisions in Section 38 of the National Audit Act, No.19 of 2018, the Accounting Officer should assure on the following matter, whereas action had not been taken accordingly.

Audit Observation -----	Recommendation -----	Comments of the Department -----
Even though the Accounting Officer should ensure that audit queries be answered within the specified time as required by the Auditor General, answers for 10 audit queries had not been given in terms of Paragraph 1.6.1 (d) of the report.	Answers to audit queries should be given expeditiously by taking steps in accordance with Section 38 of the National Audit Act, No.19 of 2018.	Answers had not been given

1.6.6 Non-compliance with Laws, Rules and Regulations

Instances of non-compliance with Laws, Rules and Regulations observed at the audit test checks are analysed below.

	<u>Observation</u>	<u>Recommendation</u>	Comments of the Accounting Officer
Reference to Laws, Rules and Regulations	Non-compliance		
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(a) Financial Regulations of the Democratic Socialist Republic of Sri Lanka.			

(i) Financial Regulation 118	Although a sum of Rs.245,800 recovered mistakenly in the collection of funds under various sources have been refunded during the year under review, approval of the Department of State Accounts had not been obtained thereon.	Approval of the Department of State Accounts should be obtained for making repayments from the Revenue in accordance with the Financial Regulations.	This repayment had been made within the relevant month before the revenue was brought to account in the Treasury books.
(ii) Financial Regulation 165 (4)	Monies daily collected in the Verahera Office had not been kept in the safe under the supervisions of a Staff Officer. Similarly, one of the keys of the safe should be kept in the custody of the Assistant Commissioner in charge of the Shroff's Division as a desirable internal control system. Nevertheless, all the keys had been kept under the custody of the Shroff.	A proper supervision should be exercised by the officers who have been assigned the custodian of the keys and monies.	Answers had not been given.

(iii) Financial Regulation
175 (1) and (2)

Although revenue had been collected under 08 different matters, those had been entered in a same register and as such, it had not been possible to identify money received under each matter. Hence, obtaining correct records on the revenue in arrears, recovery of such revenue and imposition of provisions relating to recovery of such revenue had remained uncertain.

Registers should be maintained in a manner able to identify the source of revenue collected.

Action has been taken to classify and correctly maintain the records on the collection of revenue.

(b) State Fiscal Policy
Circulars

Paragraph 04 (a) and
(b) of the State Fiscal
Policy Circular
No.01/2015 of 20
July 2015.

Records had not been properly maintained in a manner clearly depicting the outstanding revenue from the year 1995 to 2009 and necessary steps had not been taken to prevent further accumulation of revenue. Accordingly, as per the financial statements, there observed a tendency in annual increase in the total revenue in arrears.

Action should be taken in accordance with the provisions in circulars.

Since it was found difficult to furnish half yearly reports on the revenue in arrears, annual reports have been submitted to the Auditor General. However, it was noted down to submit half yearly reports in future.

2. Financial Review

2.1 Management of Revenue

The following observations are made.

Audit Observation	Recommendation	Comments of the Accounting Officer
(a) According to the Annual Estimate, 2018, the expected revenue from the recovery of Carbon Tax under the Revenue Code 1003-07-09 amounted to Rs.2,500 million. Nevertheless, since the Government had not taken a policy decision to on the implementation of the recovery of Carbon Tax, the Department had informed the Department of Public Finance to revise the estimate by taking into account the above expected revenue as zero in value. This expected revenue had not been stated in the annual revenue statement presented along with the financial statements.	Only the activities that can be carried out within the year should be estimated.	Answers had not been given.
(b) Although the computation of revenue in arrears from the year 1995 to 2009 relating to the luxury motor vehicles taxes under the Revenue Code, 1003-01-00 had been commenced in the year 2016, any records on those revenue in arrears had not been furnished to Audit. Therefore, it was not possible to substantiate the amount of revenue in arrears relating to the above period. However, the outstanding tax revenue recovered in respect of 13 years prior to the year 2009 amounted to Rs.34.9 million.	All the records should be furnished without delay.	

2.2 Management of Expenditure

The following observations are made.

Audit Observation -----	Recommendation -----	Comments of the Accounting Officer -----
(a) Since estimates had not been properly prepared, 27 per cent of the net provision of 08 Objects had been saved. (b) An amount ranging from 17 per cent to 94 of the estimated value of 06 Objects had been transferred to other Objects through F.R.66 and a percentage from 12 per cent to 560 per cent of the estimated value of another 08 Objects had been transferred from another Objects.	Estimates should be prepared in realistic manner.	Answers had not been given.

2.3 Incurring commitments and liabilities

The following observations are made.

Audit Observation -----	Recommendation -----	Comments of the Accounting Officer -----
Irrespective of the provisions in Paragraph 3.4 of the State Accounts Circular No.267/2018 dated 21 November 2019, commitments of Rs.274,501 incurred in 05 instances during the year 2018 had not been reported with the financial statements and those had been settled in the year 2019.	By taking action in accordance with the laws, rules and regulations, the details on the commitments and liabilities should be disclosed together with the financial statements.	Answers had not been given.

2.4 Issuance and Settlement of Advances

The following observations are made.

Audit Observation -----	Recommendation -----	Comments of the Accounting Officer -----
(a) Sixteen loan balances totalled Rs.755,811 older than 05 years of the deceased persons had not been settled. Attention is drawn on Section 04 of Chapter XXIV of the Establishments Code in this connection.		

(b) In terms of F.R.485 (4) and Public Enterprises Circular No.89 dated 22 October 1993, the loan balances of the officers left on transfers should be settled within a period of three months. Nevertheless, there were 04 loan balances totalled Rs.226,230 that remained unsettled up to 31 December 2018 of the officers who had left on transfers. The delayed period for the settlement of those balances had exceeded 05 years.

Action should be taken to settle all the loan balances without any delay in terms of provisions.

The observations stated from (a)- (g) relating to the Advances to Public Officers' "B" Account are accepted. Every effort hitherto made for the recovery of old outstanding loan balances became futile and further steps are in progress in that respect

(c) The balance of Rs.302,722 due from 07 officers whose pension had been suspended had exceeded 05 years.

(d) Even though a period of more than 02 years had elapsed from the last recovery of instalments of 19 interdicted officers, action had not been taken even by 31 December 2018 to recover the recoverable loan balance of Rs.1.3 million either from those debtors or the guarantees. It had included 17 balances totalling Rs.1.1 million older than 05 years.

(e) Even though a period of more than 05 years had elapsed from the last recovery of instalments relating to loans of 06 officers who had vacated the service, action had not been taken even by 31 December 2018 to recover the loan balance of Rs.185,388 either from those debtors or the guarantees.

(f) A difference of Rs.2.2 million was observed between the total indicated in the individual balance classification summery as at 31 December 2018 and the balance of the Departmental books as at that date.

(g) In comparing opening balance of the Advance Account of the year 2018 and the value of debits and credits made in

Transactions should be brought to account by reconciling with the relevant registers and source documents

The observations stated from (a)- (g) relating to the Advances to Public Officers' "B" Account are accepted. Every effort hitherto made for the recovery of old outstanding loan balances became futile and further steps are in progress in that respect.

that year as per the Treasury computer printouts with the balance of Advance “B” Account, a difference totalling Rs.2.48 million was observed. Nevertheless, that difference had not been stated in the statement which indicates the reasons for not correcting difference between the Departmental books and the Treasury Printouts.

(h) There observed an unreconciled -Do- difference of Rs.10 million between the maximum expenditure limit according to the Treasury computer printouts and that balance as per the annual reconciliation statement of the Advance “B” Account and it had been stated as a typing error to the Audit.

Due to a mistake, the maximum expenditure limit had been stated as Rs.25 million in the financial statements instead of Rs.35 million.

(i) There observed an unreconciled -Do- difference of Rs.5,000 between the balance according to the financial statements of the Advances to Public Officers Account as at 01 December 2018 and the balance as per the control account of that Advance Account as at that date. Similarly, a difference of Rs.1.5 million among the payments and a difference of Rs.1.5 million among the receipts could be observed.

This difference has continued from the beginning of the year and it had been corrected subsequently.

2.5 Deposit Balances

The following observations are made.

Audit Observation -----	Recommendation -----	Comments of the Accounting Officer -----
<p>(a) Action in terms of Financial Regulation 571 had not been taken on 31 deposit balances worth Rs.24.68 million which had exceeded 02 years as at 31 December 2018 relating to 03 deposit accounts. That value included a sum of Rs.24.4 million payable to the contractors.</p>	<p>Action should be taken in accordance with Laws, Rules and Regulations.</p>	<p>Answers had not been given.</p>
<p>(b) A list on all the lapsed deposits had not been prepared at the end of each half year as required by F.R.571 (1).</p>		

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| (c) Although there were deposit balances of Rs.7.6 million in the District Offices as at 31 December 2018 in terms of the lists of individual balances of 03 deposit accounts, that balance had not been included in the deposit balance summary prepared as at that date according to the types of deposits. | Reports should be prepared so as to include all the transactions. | Answers had not been given. |
| (d) In case any person to whom the deposited amount is payable, the name of such person should be mentioned. Nevertheless, without doing so, 26 deposits worth Rs.285,284 had been retained in the deposit account as unsettled cheques. | Action should be taken to prepare reports correctly. | In transferring the cheques which had not been presented to the bank temporary to the General Deposit Account before crediting it to the Revenue, this error had taken place. Action will be taken to separately indicate the transfers made to the General Deposit Account in future. |

2.6 Maintenance of Bank Accounts

The deficiencies observed at the audit test check carried out on the maintenance of bank accounts are indicated below.

Audit Observation -----	Recommendation -----	Comments of the Accounting Officer -----
(a) There were unidentified payments of Rs.107,498 and unidentified receipts of Rs.118,490 in the bank reconciliation statements presented as at 31 December 2018 and action had not been taken to settle them.	Action should be taken to properly identify the transactions and account the same.	It is informed that the said unidentified receipts and payments are not actual receipts/payments, but the notes stated in making corrections. Action will be taken to identify and eliminate them in the preparation of bank reconciliation statements.
(b) According to the bank reconciliation statements, there were cheques worth Rs.507,148 elapsed over a 06 months from the date of issuance which had not been presented for the payments. Nevertheless, action had not been taken to credit it to the Revenue in terms of F.R.396 (d). The above value included the cheques worth Rs.107, 543 older than one year.	Action should be taken in accordance with the Financial Regulations.	In the preparation of bank reconciliation statement, action will be taken to identify the payments older than 06 months which had not been presented to the bank for payments and credit it to the Revenue.

3. Operating Review

3.1 Assets Management

The following observations are made.

Audit Observation -----	Recommendation -----	Comments of the Department -----
<p>Eight vehicle inspection equipment received by the Vehicle Examination Centre, Werahera in the year 2004 as a donation from the German Government for issuing the vehicle inspection report efficiently to the clients had remained idle even by 31 December 2018. Although those equipment had been manufactured in Germany, according to the information received, equipment with state-of-the-art technology has been introduced to the market at present. Accordingly, the technical standard of those equipment had comparatively deteriorated.</p>	<p>Purchasing should be made by properly recognizing the requirements and decisions should be timely taken so as to receive more benefits.</p>	<p>Answers had not been given.</p>

3.2 Losses and Damages

The audit observations revealed in this connection are specified below.

Audit Observation -----	Recommendation -----	Comments of the Accounting Officer -----
<p>(a) After the use of generator with the capacity of 500 KW by the Werahera Office, the previously used generator with 200 KW in capacity had been retained disused in the same Section instead of taking steps to install it in another Section by determining the requirement or to dispose of the same. As such, the amount of Rs.451,720 paid in respect of service agreement and the repairs had become futile.</p>	<p>i) Decisions should be taken in a manner favourable to the Government. ii) The Generator should be suitably used.</p>	<p>Answer had not been given.</p>
<p>(b) Since the Department had entrusted the task of issuing international driving licences to the Lanka Automobile Association, Department had not earned income as per the Driving Licence (Surcharge) Orders No.01 of 2009 specified in the Gazette</p>	<p>iii) Issuance of driving licences should be planned so as to receive an income to the Government.</p>	

Notification No.1594/27 dated 26 March 2009 and the Department lacked any details on the number of driving licences issued during a particular period of time. Similarly, there was no evidence that any written agreement had been entered into between Lanka Automobile Association and the Department in this connection.

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| <p>(c) Any charges had not been recovered in respect of water and electricity used by the institutions such as Metropolitan Institute, National Transport Medical Institute and the Milk Bar maintained at the Werahera Office premises. Likewise, any agreement entered into by those institutions with the Department relating to the use of the office premises had not been furnished to Audit.</p> | <p>Decisions should be taken in a manner favourable to the Government.</p> | <p>Answers had not been given.</p> |
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3.3 Operating Inefficiencies

The following observations are made.

Audit Observation	Recommendation	Comments of the Accounting Officer
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| <p>(a) Although the Peoples' Bank branch located in the Departmental premises charged Rs.30 in respect of one payment made to the Departmental Account by a client, action had not been taken to recover a rental from the above bank for using a building belonging to the Department. Likewise, rentals had not been recovered from the Milk Bar, Insurance Institute, photocopy stall maintained within the Departmental premises.</p> | <p>Decisions should be taken in a manner favourable to the Government and steps should be taken to look into the possibility of recovering rentals from the relevant institutions.</p> | <p>Answers had not been given.</p> |
| <p>(b) Before storing the files at the Werahera premises, 18 containers had been used for temporarily storing the files. The following matters were observed in this connection.</p> | | |

- (i) Files in 06 containers had been irregularly heaped up by storing them in fertilizer sacks. Similarly, due to lack of proper maintenance, vehicle files contained in 02 containers had remained decaying. Proper steps should be taken to ensure protection of the vehicle files without delay.
- (ii) Action had not been taken to store the files relating to new registrations and transfers of motorcycles and the files relating to the three-wheelers in “Y” category in the new record room. Accordingly, they remained insecure within the containers. Written instructions should be given on storing the files and those activities should be constantly monitored.
- (iii) Contrary to the international information technology standards, all the Backups had been maintained in the Server related to the information system that included the details of the files in the Record Room. Backups should be kept in a cold site. Answers had not been given.

3.4 Transactions of Contentious Nature

The following observations are made.

Audit Observation	Recommendation	Comments of the Accounting Officer
<p>(a) In terms of F.R.177 (1), although the money collected should be banked as early as possible, there was a practice in the Werahera Office to deposit the daily collected money in the bank on the following day. Accordingly, the monies collected on Friday are kept in the safe of the Chief Shroff until next Monday. Accordingly, there may be possibility of arising a risk in misappropriating the funds. It was observed at an audit test check carried out over a 03 months that a sum of Rs.39.6 million collected in 15 instances had been so retained over a period ranging from 04 to 05 days.</p>	<p>(i) Action should be taken in accordance with the Financial Regulations. (ii) Attention should be drawn on establishing a Government bank branch at the Werahera premises so as to enable the clients to directly deposit his</p>	<p>Action is being taken with the Peoples’ Bank in relation to depositing the monies collected in the Werahera Office daily in the bank.</p>

Accordingly, the average amount of money retained in a day stood at Rs.03 million.

service charge in the bank, thus avoiding the above situation.

(b) A sum of Rs.41.2 million had been spent for the construction of examination hall of the Werahera Office premises for the conduct of Online examinations relating to the new driving licences and the staff consisting of 08 members daily perform duties therein. The matters observed in this connection were as follows.

Necessary regulations should be made to conduct examination so as to ensure their transparency and those regulations should be maintained in an updated manner.

(i) Three examination sessions are conducted daily and facilities had been provided for 143 candidates at a time. Nevertheless, the registration had been limited to 120 candidates per one session and as such there was an excess of 69 candidates every day. However, by using the above excess, additional candidates had been registered using the special password. Any confirmation regarding the recovery of monies from those candidates had not been furnished to Audit.

(ii) The facility for using these special passwords had been provided for 51 officers. These facilities had been provided for 16 officers in the Werahera Office and 14 of those officers were not the officers of Staff Grade.

Necessary regulations should be made to conduct examination so as to ensure their transparency and those regulations should be maintained in an updated manner.

(iii) Transfers had not been given for the supporting staff attached to the Examination Division and it was observed that the above staff had been daily engaging in this duties over a period from 06 years to 13 years.

Proper evidence should be filed and maintained in respect of the expenditure.

(c) Although Rs.798,000 had been paid for 8,400 liters of fuel purchased for the generator in two instances during the year 2016, any details were not available regarding the manner in which the above fuel had been used for the generator.

Answers had not been given.

4. Achievement of Sustainable Development Goals

The following observations are made.

<u>Audit Observation</u>	<u>Recommendation</u>	<u>Comments of the Accounting Officer</u>
The resources should be efficiently utilized for the achievement of goals referred to in Sections 3.6, 3.9,11.2 and 11.6 of the Sustainable Development Act, No.19 of 2017, whereas the Department of Motor Traffic had not identified such goals and prepared programmes relevant to the achievement of such goals up to date.	Measures should be taken in accordance with the Sustainable Development Goals Act, No.19 of 2017.	Answers had not been given.

5. Human Resources Management

The following observations are made.

<u>Audit Observation</u>	<u>Recommendation</u>	<u>Comments of the Accounting Officer</u>
(a) In terms of Paragraph 06 of the Internal Circular No.05/2012 dated 30 December 2012 of the Department, an officer who completes 05 years period of service in one station should be transferred to another station. Nevertheless, contrary to that, 07 officers and 05 officers of the Werahera Office had been employed therein over a period of 11 years and 05 years respectively as at 31 December 2018. Even though this matter had been pointed out by the Audit in several instances, it had not been corrected.	The officers who have completed the prescribed period should be transferred in accordance with the laws, rules and regulations.	Answers had not been given.
(b) Action had not been taken to fill 92 vacancies existed as at the end of the year under review.	Action should be taken to fill vacancies by paying attention on the necessity.	Answers had not been given.