

Head 308 – Department of Posts

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statement of the Department of Posts 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 Posts was issued to the Chief Accounting Officer on 31 May 2019 in terms of Sub-section 11 (1) of the National Audit Act, No. 19 of 2018 and the Detailed Annual Management Audit Report relating to the Department of Posts in terms of Section 11 (2) of the National Audit Act, No. 19 of 2018 was issued to the Accounting Officer on 12 June 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 Posts as at 31 December 2018, and its financial performance and 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

The Chief Accounting Officer and the Accounting Officer are 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, significant audit findings, any significant deficiencies in internal control and other matters 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 the 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 Posts to prepare financial statements for the preceding year, recommendations on the financial statements had not been made.

1.6 Comments on Financial Statements

1.6.1 Statement of Financial Performance

The following observations are made.

Audit Observation	Recommendation	Comment of the Chief Accounting Officer
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(a) Instead of showing the sum of Rs.2,939,341,090 as other revenue under non-revenue receipts, a sum of Rs. 2,294,597,076 had been shown in the financial statement. As such, the said value had been understated by Rs. 644,744,014.	The other revenue should be identified correctly before being shown in the financial statements.	The audit observation is correct. But, as for many other items for which no adequate space is provided in the relevant format of the statement of financial performance so as for such items to be shown separately, the sum of Rs. 2,294,597,076 has been shown in the account after the adjustments were made.
(b) Receipts of Public Service Provident Fund amounting to Rs. 11,200,568 , had not been shown under receipts of revenue, whilst payments made to the Fund amounting to Rs. 4,382,021,	Action should be taken to include the correct values in the financial statements.	Due to lack of space in the Format pertaining to the Public Service Provident Fund, the receipts of PSPF amounting to Rs. 11,200,568 and the payments made to the Fund amounting to Rs. 4,382,021 had been adjusted to the values shown under the non-revenue receipts.

had not been shown under the main ledger expenses.

- (c) A sum of Rs.17,207,449 had been shown as expenses incurred by other Ministries and Departments in the statement of expenditure, ACA2 (ii), furnished along with the financial statement as at 31 December 2018. However, the said value amounted to Rs. 26,245,264 as per computer printouts of the Treasury. According to the cash book of the Department, the difference thereof, amounting to Rs.9,037,815, had been brought to accounts as expenses
- The expenses incurred by other Departments should be shown in the relevant column.
- This expense should have been shown as debits made by the Department so far. However, that value had been shown under the expenses incurred by the Department.
- (d) The sum of Rs.690,083,977 remitted to the Treasury, had not been shown under the main ledger expenses.
- The sum remitted to the Treasury should be shown under main ledger expenses.
- As a column is not specified in the Format - ACAF in the statement of financial performance to record the sum of Rs. 690,083,977 remitted to the Treasury, the said value had been adjusted to another value of receipt shown under the non-revenue receipts.

1.6.2 Statement of Financial Position

The following observation is made.

Audit Observation	Recommendation	Comment of the Accounting Officer
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A value of Rs.1,290,817,826 had been shown as Property, Plant and Equipment in the statement of financial position. However, that value could not be verified through the books of the Department.	The value of Property, Plant and Equipment shown in the financial statement should be verifiable through the books of the Department.	According to Cigas, a value of Rs. 1,290,817,826 comprising the value of assets recomputed as at 31 December 2018, and the assets purchased in the year 2018, had been shown. Actions is being taken to maintain Registers of Fixed Assets relating to the assets of the Regional Accounting Offices, Superintendent Sub Post Offices, and the Head Office. It has been informed that the old Register of Fixed Assets be updated in accordance with the computed values.

1.6.3 Cash Flow Statement

The following observations are made.

Audit Observation	Recommendation	Comment of the Accounting Officer
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(a) A sum of Rs. 170,722.18 million should have been shown in the cash flow statement as funds generated from operating activities. However, the sum shown amounted to Rs. 7,929.80 million, thus a sum of Rs. 162,993.38 million was understated.	The values pointed out in the Observation, should be shown as cash flows generated from the operating activities.	Only the transactions performed in cash had been shown in preparation of the statement for cash flow generated from operating activities. As the cross entries had not been taken into consideration in the cash flow statement, the understated values pointed out in audit, had been resulted in.

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| <p>(b) Even though a sum of Rs. 13,327.22 million should have been shown under the expenditure as personnel emoluments and operating expenses, that sum had been shown as Rs. 13,194.25 million in the cash flow statement. As such, a sum of Rs. 132.96 million had been understated.</p> | <p>Action should be taken to include accurate values in the financial statements as pointed out.</p> | <p>- Do -</p> |
| <p>(c) Instead of showing the value of Rs. 120,956,864 as relief and remittances under the cash flow generated from operating activities, the sum of Rs. 40,633,134 had been shown, thus understating a sum of Rs. 80,323,730.</p> | <p>- Do -</p> | <p>- Do -</p> |
| <p>(d) Instead of showing the value of Rs. 96,215,373 under the construction or purchase of physical assets in the cash flow statement, the sum of Rs. 242,736,583 had been shown, thus that value had been overstated by Rs.146,521,210.</p> | <p>- Do -</p> | <p>A column dedicated to record the values relating to the replacement of capital assets, had not been available in the relevant format. As such, action had been taken to indicate the financial value of the expenditure with cross entries eliminated, under the replacement of capital assets and acquisition of capital assets in the column titled – construction or purchase of physical assets and acquisition of other investments. Thus, a value of Rs. 242,736,583 had been shown.</p> |
| <p>(e) Payment of deposits, payment of Employees' Provident Fund, and payment on the transactions of post office agents, amounting to Rs.215,293,649,</p> | <p>Accurate values should be shown under the operating activities.</p> | <p>As pointed out by the Audit, action will be taken to record those values as non-revenue receipts under the cash flows generated from operating activities.</p> |

Rs.4,382,021, and Rs.156,200,520,949 respectively, had not been shown under the cash flow spent on the operating activities.

- (f) Receipts of advance amounting to Rs.772,514,500 and payments of advance amounting to Rs.845,813,729 had not been shown under the cash flow generated from the investment activities. Receipts of advance should be shown under the cash flow generated from the investment activities whereas payments of advance should be shown under expenses of that cash flow. Due to lack of specific instructions and non-availability of a column in the Format to record the Receipts of advance amounting to Rs. 772,514,500 relating to Government Officers' Advance "B" Account, and payment of advance amounting to Rs. 845,813,729, those values had been shown under deposit accounts and other liabilities in the column titled " expenses".
- (g) The sum of Rs.600,000,000 was shown in the cash flow instead of the sum of Rs.690,083,977 which was the total value of imprests settled to the Treasury; hence, that balance was understated by a sum of Rs. 90,083,977. The accurate value settled to the Treasury, be shown Of the total value of the imprest settled to the Treasury amounting to Rs. 690,083,977, only the sum of Rs. 600,000,000 had been shown under the settled imprests. The value in transit amounting to Rs. 90,083,977 settled to the Treasury, had been shown under the deposit accounts and other liabilities in the column titled " deposit accounts and expenses"
- (h) The balance existed in the imprest account amounting to Rs.461,740,639 as at 01 January 2018, and the balance of Rs.455,954,301 in the imprest account as at 31 December 2018, had not been disclosed in the cash flow statement. The unsettled imprest balance should be shown in the cash flow statement. As it was not recorded under the cash balance of the imprest account existing as an unsettled imprest in the imprest account, and the balance of the cash book was zero, the unsettled opening balance of Rs. 461,740,639 existed in the imprest account as at 01 January 2018, along with the imprest balance of Rs. 455,954,301 that had remained unsettled as at 31 December 2018, were not shown under the cash flow statement.

1.6.4 Revenue in Arrears

The following observation is made.

Audit Observation	Recommendation	Comment of the Accounting Officer
----- According to the financial statements, revenue in arrears totaling Rs.310,047,173 had been recovered in the year under review, but as per details of the revenue in arrears, a sum of Rs. 707,549,824 had been recovered. Thus, a difference of Rs.397,502,651 was indicated.	----- Recovery of outstanding revenue should be disclosed accurately.	----- Outstanding revenue amounting to Rs. 397,502,651 that had been recovered relating to the period prior to 2017, had been included in the value of the recovery of outstanding revenue in the year under review.

1.6.5 Advances to Public Officers Account

The following observation is made.

Audit Observation	Recommendation	Comment of the Accounting Officer
----- Inequalities existed between the total of the individual loan balances relating to 15 regional accountant's offices, and the balance in the control account. As for those inequalities, the value of the variation relating to 05 regional accountant's offices of which the reasons for difference could not be identified, amounted to Rs. 3,493,191. There were instances in which the balance in the control account had been higher than the value of individual balances.	----- As a longer period has been spent on the inquiry of the Department, action should be taken to conclude the inquiry, and settle the balance of which the difference could not be identified.	----- Of the balance amounting to Rs. 3,493,191, a sum of Rs. 410,018 had been identified as at 31 May 2019. Furthermore, a sum of Rs. 1,295,400 is related to a financial fraud taken place at the regional accountant's office in Kalutara. Hence, a value of Rs. 1,705,418 had been identified. An internal investigation is being carried out at the Department level on the financial fraud whilst a separate investigation is carried out by the special crimes investigation unit, Kalutara. As for the difference of Rs. 1,787,773 remaining further, action is being taken to settle the difference by examining the old registers.

2. Financial Review

The following observation is made.

2.1 Revenue Management

Audit Observation	Recommendation	Comment of the Accounting Officer
<p>-----</p> <p>Comparison of the estimated values and the actual values revealed a favorable variance ranging from Rs. 302,251 to Rs. 73,532,190 in regard to 12 categories of revenue representing 35 per cent – 257 per cent. The unfavorable variance of 17 categories of revenue ranged between Rs. 2,259 and Rs. 84,092,351 equivalent to 25 per cent – 418 per cent. Revenue had been collected with respect to 04 categories of revenue for which no estimates had been prepared. As such, forecasting revenue and preparing estimates had not been done in terms of Section 3 of the Public Finance Policy and Economic Affairs Circular, No. 01/2015, dated 20 July 2015.</p>	<p>-----</p> <p>Revenue estimates should be prepared in terms of Section 3 of the Public Finance Policy and Economic Affairs Circular, No. 01/2015, dated 20 July 2015.</p>	<p>-----</p> <p>After an in-depth study of all those issues in the year 2020, action will be taken to prepare the revenue estimates.</p>

2.2 Management of Expenditure

The following observation is made.

Audit Observation	Recommendation	Comment of the Accounting Officer
----- Due to being over provisioned, the saving after utilization of net provision in one recurrent Object and 02 capital Objects, amounted to Rs. 21,787,622 indicating 16 per cent to 73 per cent of the net provision.	----- Estimates on expenditure should be prepared accurately in terms of Financial Regulation 50.	----- Due to reasons such as, failure to conduct the programs scheduled to be conducted on language proficiency, failure to complete the constructions of the post office in Pujapitiya in the year 2018, and non-receipt of bids for the procurement of stamp albums, provision over 5 per cent had been saved.

2.3 Incurring Liabilities and Commitments

The following observation is made.

Audit Observation	Recommendation	Comment of the Accounting Officer
----- Liabilities should not be incurred with lack of provision in terms of Financial Regulation 94. However, liabilities valued at Rs. 173.56 million had been incurred with respect to 10 Objects by exceeding the provision in the year under review.	----- Financial Regulation 94 should be adhered to.	----- Due to reasons such as, the expenditure of the final quarter in regard to international postal transactions and local postal transports is made available in the ensuing year, and incurring expenses by exceeding the estimated expenses owing to unfavorable variations in foreign exchange rates, the said situation had arisen.

3. Operating Review

3.1 Procurements

The following observations are made.

Audit Observation	Recommendation	Comment of the Accounting Officer
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(a) When bids were called for purchasing polysack bags, a certain private institution had submitted bids for Lot 1 and Lot 2, but the bid security furnished was sufficient only for one Lot. Failure to furnish a sufficient bid security was not considered a major deviation in terms of Guideline 7.8.4 (b) of the Government Procurement Guidelines, and the Technical Evaluation Committee considered the said bid security as being furnished with respect to Lot 2 thereby purchasing 75,000 white colored bags from the said institution at a value of Rs. 4,132,410.	Guideline 7.8.4 (b) of the Government Procurement Guidelines should be followed.	Bid securities should have been furnished separately for Lot 1 (red) and Lot 2 (white), but only one bid security was furnished by DSS Polysacks (Pvt) Ltd. As the lowest bid for polysack bags under Lot 2 was submitted by DSS Polysacks, the only bid security furnished was considered therefor.
(b) Construction of the building for the installation of scanners of the Central Mail Exchange.		
(i) If prices quoted by the single bidder are high, the TEC may negotiate with the bidder for a downward revision of prices in terms of	Section 7.12.2 (b) of the Government Procurement Guidelines should be followed.	The only bidder qualified for this procurement was Jayathunga Constructions and his bids were less than the estimated prices. Hence, each price had not been

Section 7.12.2 (b) of the National Procurement Guidelines. However, without doing so, the procurement had been awarded at a value of Rs. 5.09 million to the only bidder who presented the valid bid with higher prices for certain items in the BOQ.

analyzed separately.

- (ii) Works could not be completed on time. However, action had not been taken to recover penalties for the delay of 42 days amounting to Rs. 560,709 in accordance with Paragraph 6.4 of the instruction manual of the constructors (ITB)
- Action should be taken in accordance with Paragraph 6.4 of the instruction manual.
- Upon being agreed by the contractor, action will be taken to recover the relevant penalty for delay amounting to Rs. 560,709 from the payments to be made to the same contractor with respect to the other contract awarded to him for repairing the engineering division in Narahenpita.
- (c) For the purchase of 03 X-Ray Scanners to be installed at the Central Mail Exchange of the Department of Posts, a private company had been awarded the procurement on 22 November 2017 at a total value of Rs. 39.21 million comprising sums of Rs. 25.42 million and Rs. 13.78 million for 02 and 01 machines respectively. The following observations are made in this connection.
- (i) The Accountant Procurement should be It was proposed to purchase

responsible for done in a well-planned X-Ray machines on 09
 procurements had been manner. September 2016, and the
 instructed by the relevant contract had been
 Postmaster General on 23 awarded to Excel Lanka
 August 2016 to International (Pvt) Company
 commence the said by 22 November 2017. As
 procurement process. such, the procurement had
 However, the taken a period of about one
 procurement had been year. Furthermore, a Major of
 awarded on 22 November the armed forces with
 2017. The procurement technical expertise had been
 had been completed in appointed to the evaluation
 July 2018 thus observing committee. Due to his
 that a period of 2 years busyness and proceeding
 had been spent thereon. abroad from time to time on
 official matters during that
 period, scheduling dates for
 the meetings of the Technical
 Evaluation Committee had
 been problematic. This
 situation had caused the
 delay.

- (ii) A period of 11 months had Action should be taken As of now, all the three
 elapsed from the date of to ensure the machines are fully functional.
 receiving 02 of the said 03 to maximum utilization of
 machines whilst 06 the 03 machines.
 months had passed after
 receiving the other
 machine. Nevertheless,
 those machines remained
 unutilized even by
 January 2019.

3.2 Management Inefficiencies

The following observations are made.

Audit Observation	Recommendation	Comment of the Chief Accounting Officer
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(a) According to Section 3.2 of Chapter VIII of the Establishments Code, overtime is payable only for work which has been	Paragraph 3.2 of Chapter viii of the Establishments Code should be followed.	Taking into account the matters such as, maintaining the continuity of the service, ensuring the convenience of the consumer & maintaining

specifically ordered, falls quite outside the normal work, is urgent and cannot possibly be performed within the normal hours. However, the workload-based overtime and covering overtime had been paid during normal hours.

the efficiency of the service, and when a counter falls vacant, the duties of the vacant counter is performed by the officer next to the vacant counter. As such, the Department of posts has introduced a work-load based overtime scheme to address this situation.

- (b) In terms of Section 3.5 of Chapter VIII of the Establishments Code, application should be made to the Director of Establishments for fixing a commuted overtime allowance when overtime work is a regular feature. However, the provisions set out in the said Section had not been heeded. Paragraph 3.5 of Chapter viii of the Establishments Code should be followed Discussions are underway with the relevant parties to introduce a special allowance by properly examining the overtime payment scheme in effect at the Central Mail Exchange.
- (c) According to Paragraph 7.1 & 7.2 of Chapter viii of the Establishments Code, approval of the Secretary to the Ministry should be obtained for overtime exceeding 20 hours per month. However, without obtaining approval in such a manner, payments had been made for overtime exceeding 20 hours. According to the audit test check conducted in December 2018, the overtime payment made in excess of 20 hours for 1509 employees of the Central Mail Exchange, totaled Rs. 40.32 million. Paragraph 7.1 of Chapter viii of the Establishments Code should be followed Under delegation of powers mentioned in Financial Regulation 135, action has been taken to obtain approval of the Secretary to the Ministry in every year.
- (d) According to the Public The Public The Central Mail Exchange,

Administrations Circular, No. 03/2017, dated 19 April 2017, every public institution should use fingerprint scanners to record arrival and departure of its employees. However, fingerprint scanners had not been installed at the Central Mail Exchange.

Administrations Circular, No. 03/2017, dated 19 April 2017 should be adhered to.

remaining open for 24 hours, employees staff for operations such as, working on duty rosters, execution of railway duties, and using Vans for transporting posts. Their shifts do differ from each other. Hence, using fingerprint scanners is not viable.

(e) In terms of Paragraph II of Schedule VIII of the new Scheme of Recruitment approved by the Public Service Commission to be effective from 21 June 2012, the Postal Service Officers not qualified enough to be promoted to Grade I of the said Service, should be absorbed into Grade II. However, 668 officers who had not met the qualifications stated in 10.2.1 of the new Scheme of Recruitment, were promoted to Grade I.

Promotions should be granted only after accurately defining the relevant clauses of the Scheme of Recruitment. A formal inquiry should be conducted on the promotions already granted, and the conclusions thereof should be informed to the relevant parties.

Irrespective of the requirement that the officers of Grade II meeting the qualifications stated in 10.2.1 of the new Scheme of Recruitment, should pass the General Examination, the Public Service Commission had decided that such officers could be promoted to Grade I with effect from 22 June 2012. As such, it was questionable as to what the Efficiency Bar for the Grade II was, and the Public Service Commission was again requested in that connection. The Public Service Commission informed that, despite the requirement sated in the old Scheme of Recruitment to pass the General Examination, those who met the qualifications mentioned in 10.2.1 of the new Scheme of Recruitment would be promoted to Grade I whereas the said officers should pass the Efficiency Bar Examination relating to Grade II of the Postal Service Officer mentioned in old Scheme of Recruitment.

(f) Due to controversial issues that arose between

Prior to granting promotions, the

It was stated in the Minutes of the meeting that it should be

the Department of Posts and the Public Service Commission regarding the said matter, a meeting was held at the office of the Public Service Commission on 17 August 2018 chaired by the Secretary to the Commission with the participation of representatives of that Commission, the Salaries and Cadre Commission, and the Ministry of Posts. At the meeting, it was said that in case the recommendation made by the Public Service Commission relating to the said Efficiency Bar Examination be revised, the Post Master General should make a written request to the Public Service Commission in that regard. However, it was not done so.

controversial issues should be resolved through dialogue thereby solving the problems, and the prevailing situation should be observed and reported.

taken into consideration to revise the decision. However, the Post Master General was not entrusted with such a responsibility at the said meeting, and hence, the Secretary to the Ministry sent letters to the Public Service Commission requesting to correct the said Minute and include the matters which were not in the Minute.

- (g) The total of the unrecovered loan balances pertaining to the officers who had transferred, deceased, retired, been interdicted, vacated the service, along with the other employees, amounted to Rs. 47.92 million as at 31 December 2018. The value of loan balances continued to exist over 5 years therein amounted to Rs. 24.76 million indicating 52 per cent. Furthermore, action had not been taken in terms of Section 4.5 of Section 4.2.5 of Chapter xxiv of the Establishments Code should be followed with respect to retired officers whilst Sections 4.5 and 4.6 should be adhered to regarding officers who had vacated the service, or been interdicted. Non-recoverable loan balances should be further examined, and the possibility to write them off under the Government expenditure should be identified, thus action will be taken accordingly. Legal action will be taken in regard to the recovery of remaining balances.

Chapter xxiv of the Establishments Code to recover the balance of Rs. 23.87 million , pertaining to officers who had been interdicted or vacated the service, from the guarantors.

- (h) An outstanding loan balance existed over 06 years relating to a financial fraud of Rs. 1.29 million taken place at the regional Accounting Offices in Kalutara. Action had not been taken to settle that balance even in the year under review.
- Investigations on financial frauds should be expedited, and action should be taken to identify the accounting error.
- An internal investigation is in progress at the Department level on the financial fraud of Rs. 1,295,4000 apart from the inquiry conducted by the Special Crimes Investigation Division, Kalutara. Furthermore, action is being taken on the difference of Rs. 340,217 relating to the accounting errors, and that error will be rectified as soon as it is found.

4. Achievement of Sustainable Development Goals

The following observation is made.

Audit Observation	Recommendation	Comment of the Chief Accounting Officer
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<p>Every public institution should comply with the “2030 Agenda” of the United Nations on sustainable development. Information on 17 objectives identified by the Department of Posts had been furnished in the preceding year. Despite being stated that priority would be given to the “Bepost” Project out of those objectives, it was observed that action had not been taken to establish an accurate database in view of evaluating the achievement of targets relating to the sustainable development targets of the said project. As such, the targets achieved during the year under review could not be examined.</p>	<p>A flexible database without ambiguities should be identified for evaluating the sustainable development targets.</p>	<p>Targets and indicators relating to implementation of the e-business, titled “b-post” have been introduced with 200 medium scale entrepreneurs registered. Furthermore, it is included in the five year plan scheduled to be implemented in 2019-2023. Although provision amounting to Rs. 9 million had been requested through the estimate for the year 2019 in view of implementing the said project, the project could not be proceeded with due to non-receipt of the requested provision. Provision has been requested in this connection for the year 2020 as well.</p>

5. Human Resource Management

The following observation is made.

Audit Observation	Recommendation	Comment of the Accounting Officer
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<p>There existed 1,182 vacancies in the overall staff of the Department of Posts as at 31 December of the year under review. Nine</p>	<p>Action should be taken to fill the vacancies without delay. The number of employees should be revised in</p>	<p>Promotions and recruitments are underway.</p>

categories of posts remained the case of excessive
continuously vacant from the posts.
periods before the year
2015.