

Head 255 – Colombo District Secretariat

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Colombo District Secretariat for the year ended 31 December 2020 comprising the Statement of Financial Position as at 31 December 2020 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 containing my comments and observations on the financial statements of the Colombo District Secretariat was issued to the Accounting Officer on 14 June 2021 in terms of Section 11(1) of the National Audit Act, No.19 of 2018. The Annual Detailed Management Audit Report relevant to the District Secretariat was issued to the Accounting Officer on 12 August 2021 in terms of Section 11(2) of the National Audit Act, No.19 of 2018. This report will be tabled in Parliament in pursuance of provisions in Article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka 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 paragraph 1.6 of this report, the financial statements give a true and fair view of the financial position of the Colombo District Secretariat as at 31 December 2020, 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

My opinion is qualified based on the matters described in paragraph 1.6 of this report. I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibility for the financial statements is further described in the Auditor's Responsibilities Section. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

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

As per Section 16(1) of the National Audit Act, No.19 of 2018, the District Secretariat is required to maintain proper books and records of all its income, expenditure, assets and liabilities to enable the preparation of annual and periodic financial statements.

In terms of Sub-section 38(1)(c) of the National Audit Act, the Accounting Officer shall ensure that an effective internal control system for the financial control exists in the District Secretariat 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 summary 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 and its materiality depends on the influence on economic decisions taken by users on the basis of these financial statements.

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

- Appropriate audit procedures were designed and performed to identify and assess the risk of material misstatement in financial statements whether due to fraud or errors in providing a basis for the expressed audit 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.
- An understanding of internal control relevant to the audit was obtained in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Secretariat's internal control.
- Evaluate the 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.
- Evaluate the overall presentation, structure and content of the financial statements including 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 Requirements

I express the following matters in terms of Section 6 (1) (d) of the National Audit Act, No. 19 of 2018.

- (a) The financial statements are consistent with the preceding year,
- (b) The recommendations made by me on the financial statements of the preceding year had been implemented.

1.6 Comments on Financial Statements

1.6.1 Statement of Financial Performance

Recurrent Expenditures

Audit Observation	Comments of the Accounting Officer	Recommendation
-----	-----	-----
By the letter No. DIST.CMB/AD/3/11/2017 dated 09 September 2020 of the Colombo District Secretary had given instructions and recommendations to recover the electricity bill in proportion to the number of floors used by the government institutions established in the “Nila Medura” building. Accordingly, out of the annual electricity bill of Rs. 47,288,060, only 32 percent or Rs. 15,132,179 should be applicable to the District Secretariat. However, the electricity expenses accounted for the year 2020 is Rs. 46,427,926 and it was observed that the electricity charges had been over-accounted.	The “Nila Medura” building of the District Secretariat consists with 19 floors and there is only one electricity bill for the entire building. Also, as the Thimbrigasyaya Divisional Secretariat (for 04 floors) is an institution under the District Secretariat, allocations for electricity and water (255-01-02-00-1403) will not be made from the annual budget estimate and 21 percent of Thimbrigasyaya Divisional Secretariat is borne by the Expenditure Head of the District Secretariat electricity and water expenditure (255-01-01-00-1403). Also, from the whole bill, 5 percent has been charges separately for one floor of the Election Department office and 42 percent for the 08 floors of the State Ministry of Home Affairs and Disaster Management.	When calculating the expenditure, the expenditure related to the District Secretariat and the Divisional Secretariat should be calculated and accounted accurately as a percentage.

1.6.2 Statement of Financial Position

Audit Observation	Comments of the Accounting Officer	Recommendation
-----	-----	-----
(a) According to the Statement of Treasury Assets Accounts (SA-82), the value of non-financial assets is Rs. 8,430,256,825 but the balance in the Statement of Financial Position was Rs. 8,430,427,962. It was identified that the reason for this was the non- inclusion about the non-financial assets worth of Rs. 171,137 to the Declaration of Treasury Assets Accounts.	These changes have been identified and the changes are due to insufficient time to rectify the 2020 Treasury accounts report and steps are being taken to rectify those changes.	Should be obtained all the information related to the preparation of the financial statements before 31 December of the financial year from the Divisional Secretariats.
(b) The total value of non- financial assets as at 31 December 2019 was Rs. 8,149,483,260. The opening balance recorded on that date was Rs. 3,514,457,904 instead of being brought forward as opening balance of the Statement of non-financial assets (ACA -6) for the year under review as at 01 January 2020. Accordingly, when the closing balance of the previous year is brought forward as the opening balance of the year under review, Rs.4,635,025,356 were undervalued and it was observed that it also affected to the closing balance.	The discrepancy between the Statement of Financial Position and the balance of the treasury accounts report for the balance of property, plant and equipment is based on the instructions given to enter the opening balance of the CIGAS programme. Correction of this should be done by inserting a separate column to record the opening balance of the current year of the CIGAS programme and this should be done by the Department of Public Accounts through the update of the CIGAS programme and also it is beyond our control.	The opening balance of the value of non-financial assets should be brought forward in correctly.

1.6.3. Reconciliation Statements on Advances to Public Officers Account

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) According to the books of the District Secretariat, the balance in the advance account for public officers as at 31 December 2020 was Rs. 208,611,369 and that balance was Rs.209,560,063 according to the treasury books. This was due to an unreconciled balance of Rs.1,150,694 which had not been settled for a period of 08 years from 2013 and there was a wrong credit balance of Rs.202,000 during the year under review.	Relevant reports have been forwarded to the State Ministry of Home Affairs and the Committee on Public Accounts for the implementation of the recommendations of the committee appointed regarding the unreconciled debit balance of Rs. 1,150,694 and necessary action has being taken to get disciplinary action against the current public officers responsible for this incident and Rs. 202,000 erroneous crediting has been corrected by the Statement of the treasury printout on March 2021.	Action should be taken to settle the unreconciled balance as per the treasury books and departmental books expeditiously.
(b) Paragraph 3.4 of Public Accounts Guidelines No. 05/2020 specifically emphasizes that financial statements should be prepared only on the basis of the information in the final certified Statement of Treasury Accounts. According to the Statement of Treasury Accounts (SA-50), advances to public officers were Rs. 57,766,931 and the advance payment was Rs.71,823,577 but, it was Rs.41,483,888 and Rs.71,277,334 respectively in the Statement of Financial Performance. Accordingly, the imprest balance as at 31 December 2020 should have been Rs. 10,048,229,796 but due to accounting incorrect data, the	Rs. 16,283,043.76 which had been changed in the imprest advance account due to a mistake and Rs. 546,243 which had been changed in the imprest payment account had been credited to the imprest adjustment account. As you have pointed out, when the advances receipts and payments in the Statement of Financial Performance are noted as receipts of Rs.57,766,931 and the payments of Rs.71,823,577 in according to the Treasury printout, the imprest account balance will change to Rs.10,048,229,797 by 31 December 2020. Accordingly, when adjusted the change in the advance receivables account to the imprest adjustment account is	Financial Statements should be prepared as per the Public Accounting Guidelines.

imprest balance was stated as Rs.16,283,043.76 and the change in the advance payment account was Rs.546,243, the balance in the imprest adjustment account will be changed to Rs. 10,048,229,797.

1.6.4 Deposit Balances

Audit Observation	Comments of the Accounting Officer	Recommendation
-----	-----	-----
According to the Treasury statement (SA-30), the deposit account balance was Rs.702,411,998, but it was Rs.712,411,998 in the Statement of Financial Position. This change was due to the unresolved debit balance of Rs. 10,000,000 in the deposit account.	According to the Treasury statement and the DS's books, the difference between the deposit balance is Rs. 10,000,000 and will be acted upon in accordance with the instructions received from the Department of Treasury Operations for that difference in deposit account.	Action should be taken to settle this debit balance and remove the difference from the deposit accounts.

1.6.5 Imprest Adjustment Account

Audit Observation	Comments of the Accounting Officer	Recommendation
-----	-----	-----
There was an advance receipts and payments of Rs. 91,327,949 and Rs.106,730,345 respectively according to the Department books and receipts and payments were Rs.57,766,931 and Rs.71,823,577 respectively in according to the Treasury Statement (SA-82). Accordingly, according to the Department books and Treasury Statement (SA-82) the difference is Rs.34,906,768 and Rs. 33,561,018 had been adjusted to Rs.35,453,011 and Rs.29,844,062 instead of being adjusted to the imprest adjustment account.	The department of Public Accounts has prepared an imprest adjustment account in accordance with the guidelines for the preparation of financial statements for 2020 and in preparing the account; the CIGAS programme will not be accounted through the departmental books, but will include debit and credit notes made by other Ministries in the statement of Treasury printout.	The imprest adjustment account should be properly prepared.

2. Financial Review

2.1 Incurring of Liabilities and Commitments /Entering

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) The liabilities of Rs. 1,698,456 had been exceeded the provisions for the recurrent expenditure of electricity and water in the District Secretariat.	I agree. Provisions were received through the interim accounts for the year 2020 and 255-1-1-0-1403 due to insufficient provision for electricity and water I the District Secretariat and due to non-receipt of provisions for 1403 on due dates from other divisions established in the District Secretariat complex, the provisions had to be exceeded.	Action should not be taken to exceed the annual provisions of the expenditure subject in accordance with the provisions of Financial Regulations 94.
(b) As per paragraph 10.1 of Public Finance Circular No. 02/2020 dated 28 August 2020 in accordance with the provisions of paragraph 3.4 of Guideline No. 06 of the Department of Public Accounts, the liabilities issued by the Treasury to each expenditure subject to the Statement of obligations and liabilities (Note iii) and it should be comparable to the liabilities balance of the Statement of obligations and liabilities (SA-92) issued by the Treasury for each subject of expenditure. However, there was a difference of Rs. 5,371,516 due to the liability balance was Rs. 6,414,969 according to the note (iii) of the financial statements and it was Rs. 1,043,453 according to the Treasury statement (SA-92).	This situation has arisen due to the over-provisioning of electricity and water expenditure which is also the highest value in this liability balance. This is due to insufficient provisions in the 2020 Interim Account for the expenditure subject of electricity 1403 and non-receipts of allocations from other divisions established in the District Secretariat Complex on due dates.	Identify the difference according to the Treasury books and department's books and make the necessary corrections.

2.2 Deposits

----- Audit Observation -----	Comments of the Accounting Officer -----	Recommendation -----
(a) Although more than 13 years have elapsed for the Rs. 10,000,000 debit balance in the Public deposit account (old) as at 31 December 2020, it has not been settled in accordance with the provisions of paragraph 3.7 of Public Accounts Circular No. 269/2019 dated 15 October 2019.	General 285 forms in relation to the cut down for the debit balance of Rs. 10 million in the General Deposit Account from the books were duly prepared and sent to the Ministry of Home Affairs on 16 November 2020 in according to the F.R. 109 and the relevant set of forms has been sent by the Ministry to the Director General, Department of Public Finance on 24 November 2020 and a reminder letter has been sent in this regard on 04 May 2021. Accordingly, all possible action has been taken in this regard under our control.	Necessary action should be taken in accordance with the circular provisions to settle this debit balance.
(b) Deposit value of the compensation deposit account was Rs. 104,054,293 for 11 Divisional Secretariats for a period of 05 years or more. Prior to the payment of compensation, the preliminary work for the acquisition of the existing land had not been completed expeditiously and adequate action had not been taken to settle the balance of the deposit by paying the land compensation.	All of these are compensation deposits including land compensation deposits and I inform that the Kolonnawa- a case is pending regarding the compensation deposit of Rs.5,778,768, land acquisition for compensation deposits is pending for the Rathmalana- Rs. 8,163,249 and Homagama – Rs. 2,414,884.15 and it has further retained Rs. 16,180,989 due to non-receipt of assessment reports regarding the compensation deposit, arrangements are being made to release all compensation deposits except that balances and according to F.R. 571, land compensation	Problems for release of deposits should be resolved expeditiously and action should be taken to settle the unresolved deposits in accordance with the provisions of the Financial Regulations.

can be retained for a maximum period of 10 years, but none of these deposits exceed 10 years.

- (c) According to the Financial Regulations 570(a) of the Democratic Socialist Republic of Sri Lanka, although 10 years have elapsed since the date of deposit of land compensation, the deposit has to be credited to the government revenue at the rate of Rs. 3,962,668 related to the 11 deposits of the Thimbirigasyaya Divisional Secretariat and no action had been taken to settle the balance by 31 March 2021.
- The progress of the project has been inquired from the relevant institutions regarding the 11 land deposits and according to that, the Divisional Secretary; Thibirigasyaya was instructed to take action to settle those deposits as soon as possible.
- Action should be taken to settle the unresolved deposits in accordance with the provisions of the Financial Regulations.
- (d) The State Ministry of Home Affairs had provided Rs. 9,137,610 to the District Secretary as at 31 December 2020 to reimburse the electricity and water bills for the floors used by the Ministry in the “Nilamedura” building from January to November 2020. Although the money had been credited to the expenditure reimbursement deposit account, it had not been credited to the electricity expenditure account for the year 2020 as at 24 March 2021 and due to that, it was seen as a public deposit account balance.
- The State Ministry of Home Affairs had paid Rs. 9,137,609.80 to the District Secretariat on 31 December 2020 for electricity and water bills for the floors belonging to the official building in the Ministry and it was credited to the expenditure reimbursement account (6000-00-00-20—00-06) and the unused funds received from the Ministry will be utilized to settle future monthly bills as there were sufficient funds and provisions to pay for electricity and water.
- Expenditure related to the reporting period for the District Secretariat should be accurately reflected in the financial statements and the money received for settling the expenses for the year under review should be used for that purpose.

2.3 Advance Account for Public Officers

Audit Observation	Comments of the Accounting Officer	Recommendation
The outstanding loan balance to be recovered from 20 officers and employees who are currently out of service due to transfer, death, retirement, suspension and resignation is Rs. 1,389,130 as on 30 April 2021 and it was due for the remaining 2 years or more.	The main obstacle to recovering the outstanding balance is the lack of a guarantee/ guarantor on behalf of the borrower. This situation has arisen on the basis of the government's policy of providing unsecured loans to public servants who were completed 10 years. That we have taken all institutional and legal action to recover the outstanding debt arrears due to external causes.	Action should be taken to recover the outstanding loan balances from the relevant officers.

2.4 Fraudulent Transactions

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) Five adults who died in the Udahamulla East Grama Niladhari Division in the Maharagama Divisional Secretariat Division between 2014 and 2018 had paid Rs. 330,200 as adults livelihood allowance informally even after their death. However, it was not possible to recover the money or take disciplinary action against the officials responsible for the payment until May 2021.	According to the investigation conducted, it was revealed that the adults livelihood allowance of 05 diseased beneficiaries had been paid after their deaths, Rs. 330,200 to be paid in the name of the Divisional Secretary, Maharagama and a letter No. DIST.CMB/ACC06/GEN/01/2020 dated 28 September 2020 was sent to the Post Master General asking him to take disciplinary action against the officers responsible for it. In response, a letter dated 19 April 2021 requesting us to provide the information and documents required for the relevant inquiry to the Controller (Investigation), Postal Department and I have informed the DS – Maharagama by the letter dated 19 May 2021.	Need to identify the responsible officials and expedite action against those officials and to recover the financial loss incurred by the institution.
(b) Pensions were over paid to the retirees with abnormalities and irregularities in the areas	The balance was Rs. 24,676,638.77 as at 01 January 2020 and the overpayment recorded from 01 January 2020 to 31 December 2020 was	Immediate action should be taken before the payment of pensions to ensure that pensions are

under the jurisdiction of the 13 Divisional Secretariats in the Colombo District due to various reasons such as calculation and conversion errors, double payment of pensions, further payment of pensions without confirmation after death of pensioners, double payment of cost of living allowance for military pensions etc. Out of 198 pensioners, the amount of such overpaid but still outstanding pension was Rs. 23,958,120 as at 31 December 2020 and out of that amount, Rs. 22,347,228 was due for less than 05 years and Rs. 1,610,892 for a period of 5-10 years.

Rs.11,605,983.06 and the amount recovered during that period was Rs.12,324,501.12 out of which the balance due as on 31 December 2020 is Rs.23,958,120.71. While a certain amount is deducted from the balance as at the beginning of the year, the overpayments to that balance continue to accumulate during the year. This situation can be caused by overpayments of pensions in the three forces, such as pension revisions, pre-dated retirement due to medical reasons, payments up to the age of 55, oversupply between the date of death of the pensioner and the day it is reported to the Divisional Secretariat (often relatives withdraw money through ATMs), overpayment of living expenses (Especially in the case of military disability and dependency allowances), errors in the calculation of salary conversions and salary anomalies and occurrence of salary payments to retirees without consolidation.

The above balances also include non-refundable amounts in respect of death, of retirees, suspension of wages and default of relatives.

In many cases, pensions are referred to as remedial measures to reduce these overpayments, as well as to appoint a separate Accountant for pensions as it is difficult to focus on pensions within the jurisdiction of the Accountant in many DSs. Requests have been made to the Director General in writing as well as orally.

In this regard, it is regularly discussed at the Audit and Management Committee meetings and we will continue to work to minimize this situation by deploying pensioners, accountants as well as existing minimum trained officers.

properly and systematically checked and that pensions are paid only to survivors who are still alive.

2.5 Utilization of provisions made available by other Ministries and Departments

Audit Observation	Comments of the Accounting Officer	Recommendation
<p>According to the Expenditure Report of other Ministries, under Expenditure Subject 104-2-6-6-2506 and 102-2-7-6-2506 had been accounted for a total of Rs. 918,087,525 with Rs. 300,744,525 and Rs. 617,343,000 respectively by the 2020 Financial Statements of the District Secretariat. This is related to the Rural Infrastructure Development Programme, including the "Sapiri Gamak" Programme.</p> <p>The approved allocation for 1173 approved projects under the "Sapiri Gamak" Programme was Rs. 1052 million. According to the progress report as at 31 December 2020, the amount spent on these projects was Rs. 589 million and the bills in hand were Rs. 408.8 million.</p> <p>The approved allocation for 209 approved projects under the Rural Infrastructure Development Programme was Rs. 137 million. An expenditure of Rs. 121 million and bills in hand of Rs. 0.59 million were observed and 10 projects were in the process of preparation of estimates according to the progress reports for those projects as at 31 December 2020.</p>	<p>Although the amount allocated for the "Sapiri Gamak" programme in the year 2020 is Rs. 1051.71 million, out of this, less than Rs. 588.96 million was provided to us for 1173 projects which were completed by 31 December 2020 out of the approved projects. Payments for all of those projects have been complete by 31 December 2020.</p> <p>As per the letter No. MFEPD/PLAN/RD 2020 dated 28 January 2020 of the Secretary to the Ministry of Finance, after the completion of the relevant projects and reporting to the Department of operations and supervision of the relevant projects, the allocations for the relevant projects will be released and it was also decided at the Audit and Management Committee meeting that it was appropriate to act on the advice of the Secretary to the Ministry of Finance in the above letter. Accordingly, even though the projects have been completed, the unallocated value up to 31 December 2020 has been stated as bills in hand.</p>	<p>Should implement the projects according to the approved development programme and complete the payment within the year under review.</p>
<p>In terms of Paragraph 3.5 of Public Accounts Guideline No. 05/2020, If any Ministry, Department or District Secretariat has procured goods and services from any other</p>		

government or private institution during the year 2020, steps should be taken to settle the relevant bills on or before 31 December 2020. However, in relation to the above development programmes, there were bills in hand amounting to Rs. 409.39 million.

3. Operating Review

3.1 Planning

Audit Observation	Comments of the Accounting Officer	Recommendation
-----	-----	-----
Although the action plan had to be prepared with including all the matters and requirements for the financial year included in the three year interim budget framework for the implementation of the budget estimates approved by the Heads of District Secretariats on behalf of their institution as per the provisions of paragraph 03 of the Public Finance Circular No. 01/2014 dated 17 February 2014, the annual action plan had not been formally prepared including all the relevant points.	No comments.	Steps should be taken to prepare the annual action plan in accordance with the provisions of the Public Finance Circular and use it as a governing body to play the role of achieving the objectives.

3.2 Non-achievement of Expected Outcome

Audit Observation	Comments of the Accounting Officer	Recommendation
----- According to the Annual Performance Report, the performance progress of 154 performance indicators has been identified in 31 divisions of the organization based on the action plan.	----- No Comments.	----- Action should be taken to achieve the desired output level.

3.3 Annual Performance Report

Audit Observation	Comments of the Accounting Officer	Recommendation
----- The draft Annual Performance Report, which should have been submitted along with the annual financial statements in the form of Guideline No. 14 issued by the Department of Public Finance in terms of paragraph 10.2 of the Public Finance Circular No. 02/2020 dated 28 August 2020, had not been submitted with the financial statements.	----- The draft of the performance report with the annual financial statements has been delayed due to the need to pay close attention to the current corona epidemic and the three language performance report is currently being finalized and can be submitted.	----- Should be act in accordance with the circular provisions.

3.4 Losses and Damages

Audit Observation	Comments of the Accounting Officer	Recommendation
----- 08 years have elapsed since the fire caused the damage to the Colombo District Secretariat and more than 05 years to the damage caused by the fire at Maharagama Divisional Secretariat as at 31 December 2020. However, the value of losses and	----- The District Secretariat and the Maharagama Divisional Secretariat have sent a letter dated 15 January 2021 to the State Ministry of Home Affairs requesting instructions to close the file as the police investigations into the fire have not been completed yet.	----- To expedite inquiries into losses and damages and to take action against the officials and employees responsible for that and to settle damages in accordance

damages which had not been recovered or deducted from those damages was Rs. 92,606,688 and Rs. 629,492 respectively for a total of Rs. 93,231,180. It was not until 08 years later that the police investigation into the matter was completed and the damage could not be recovered or mitigated.

with the provisions of Financial Regulations 101 and 156 of the Democratic Socialist Republic of Sri Lanka regarding the losses to be incurred by the government.

3.5 Management Inefficiencies

Audit Observation	Comments of the Accounting Officer	Recommendation
-----	-----	-----
(a) Before establishing a Divisional Secretariat, the domains and boundaries falling under the Divisional Secretariat Division had to be determined and published in the gazette in three languages. However, the relevant gazette notifications for the establishment of divisions and divisions for the Thimbrigasyaya and Padukka Divisional Secretariats which were established on 03 March 1999 and 19 May 1999 respectively were not published until 31 May 2021.	According to my letter No. DIST.CMB/AD/06/01/2014 dated 08 May 2021 regarding the gazetting of all the Divisional Secretariats which have not been gazette at present, the three language gazette forms for gazetting the Padukka and Thimbrigasyaya Divisional Secretariats are currently sent to the State Ministry of Home Affairs.	Prior to the establishment of the Divisional Secretariat, the domains and boundaries of the Divisional Secretariats should be determined and published in the gazette in three languages.
(b) Although the land belonging to the Transport board has been taken over by the Urban Development Authority under the acquisition of lands for Maharagama urban development, the compensation value of the Department of Valuation as at 02 February 2016 is Rs. 112 million had not been paid to the Transport Board.	A sum of Rs. 112 million has been requested from the General Treasury to be paid to the Sri Lanka Transport Board for this purpose and action will be taken to pay after receiving it.	Action should be taken to obtain the relevant provisions and pay the compensation.

- (c) A few years ago, 04 elevators were to be constructed for the new 06 floors building constructed for the Maharagama Divisional Secretariat, but they had not been constructed by 31 May 2021. Funds have been allocated for this under the 2021 financial provisions and arrangements have been given to DS, Maharagama. As this is a procurement to be done by the District Procurement Committee, the district Engineering Division is currently working on it. Necessary steps should be taken to construct the relevant elevators expeditiously.
- (d) The Divisional Secretariats in Colombo, Dehiwala, Kolonnawa, Kesbewa and Homagama did not acquire the lands held by the Divisional Secretariats and still no formal steps have been taken to acquire of them. The Divisional Secretariats had spent a large amount of government money on the construction of these lands which were not owned by them. Colombo Divisional Secretary office land – A survey order has been obtained and further action is being taken by the District Engineering Division regarding the Dehiwala Divisional Secretariat land and as there is no original file for the Klonnawa DS land, the Kolonnawa Divisional Secretary will take necessary action to start a new file and take over the land. Since the Kesbewa and Homagama Divisional Secretariat lands are owned by the government, the relevant constructions have been carried out accordingly. Furthermore, due to the Covid epidemic at about a year, it has become difficult for the Divisional Secretariats to take priority in this regard as well as for other departments to assist in land acquisition. The relevant Divisional Secretariats have been instructed to take action in this regard as soon as possible. Immediate action should be taken to take over the legal ownership of the lands where the Divisional Secretariats are located.

- (e) The audit observed that 337 old files pertaining to the pensions of pensioners in the Thimbrigasyaya Divisional Secretariat area were missing and it was observed that these files were not available at the Thimbrigasyaya Divisional Secretariat or the Department of Pensions. However, the Divisional Secretariat had not taken formal and adequate action until 31 May 2021 regarding the re-processing of the temporary files pertaining to those retirees.
- Checked the archive again and found 06 files and necessary documents will be brought for the preparation of temporary files regarding pensions without files and action will be taken to obtain the approval of the Department of Pensions in a proper manner.
- Formal and adequate procedures should be taken to recover old files related to lost pensions or to reorganize temporary files and to introduce control systems for ensure the security and existence of files.
- (f) The survey request for 2016/26 was forwarded to the Superintendent of Surveys (Colombo) in order to prepare traces of the river reserve separately as per land order 228 of the State Land Ordinance and the areas inhabited and occupied by persons in the river reserve in the Padukka Divisional Secretariat area where the tracing No. CO/PDK/2010/679 dated 21 June 2016 has been prepared. However, reminder letters have been sent on 23 March 2019, 13 March 2020 and 02 December 2020 for the relevant measurement request but the tracing has not been done yet.
- This work has been slowed down due to the need to come from the Government Survey Department and take other action after conducting the survey and Divisional Secretary, Padukka was instructed to take further action in this regard with direct intervention.
- As the Divisional Secretariat has submitted sufficient letters, but the relevant work has not been done and should inform the Surveyor General with the direct intervention of the District Secretary and perform the relevant functions.

4. Achievement of Sustainable Development Goals

Audit Observation	Comments of the Accounting Officer	Recommendation
<p>-----</p> <p>The sustainable development goals achievement annual performance report for the year 2020 stated the progress of 106 indicators under 69 sustainable development goals in 30 sectors under the performance of the sustainable development goals achievement and from that, 15 indicators progressed less than 50 percent.</p>	<p>-----</p> <p>No Comments.</p>	<p>-----</p> <p>Action should be taken to achieve the desired sustainable development objectives for sustainable development.</p>

5. Human Resources Management

Audit Observation	Comments of the Accounting Officer	Recommendation
<p>-----</p> <p>The approved number of employees was 1,424 and the actual number was 1,214 and the number of vacancies was 210 or 15 percent of the approved number. There were 10 vacancies for Development Officers, 72 vacancies in the Public Management Service and 71 vacancies for Grama Niladharis. It was observed that the existence of vacancies in these posts could adversely affected to the efficiency and effectiveness of services provided to the public.</p>	<p>-----</p> <p>Monthly staff reports to the Director General of Combined Services regarding vacancies existing in all offices and action will be taken to fill the vacancies as per the recruitment of new employees and to provide a continuous, efficient service to the public by deploying newly trained graduate officers who are currently attached to the offices.</p>	<p>-----</p> <p>Action should be taken to revise the approved number of employees or to fill the relevant vacancies if the existing staff is sufficient to provide a continuous efficient service.</p>