

## Hingurakgoda Pradeshiya Sabha - 2023

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### 1. Financial Statements

#### 1.1 Qualified Opinion

The audit of financial statements of the Hingurakgoda Pradeshiya Sabha for the year ended 31 December 2023 comprising the notes to the financial statements, statement of assets and liabilities, statement of net assets/ changes in equity, cash flow statement as at 31 December 2023 and other explanatory information of significant accounting policies 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 Subsection 172(1) of the Pradeshiya Sabhas Act, No. 15 of 1987 and provisions of the National Audit Act, No. 19 of 2018. My comments and observations which I consider should be presented in Parliament appear in this report.

In my opinion, except for the effects of the matters described in the Paragraph 1.6 of this report, the financial statements give a true and fair view of the financial position of the Hingurakgoda Pradeshiya Sabha as at 31 December 2023, and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards for Local Authorities.

#### 1.2 Basis for Qualified Opinion

Based on the matters described in Paragraph 1.6 of this report, I express a qualified opinion on the financial statements.

conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuS). 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 qualified opinion.

#### 1.3 Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance Sri Lanka Public Sector Accounting Standards for Local Authorities 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.

Those charged with governance are responsible for overseeing the Pradeshiya Sabha's financial reporting process.

As per Sub-section 16 (1) of the National Audit Act No. 19 of 2018, the Pradeshiya Sabha 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 of the Sabha.

#### 1.4 Scope of Audit (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 skepticism throughout the audit. I also:

- Appropriate audit procedures were designed and performed identify and assess the risks 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 audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sabha'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 the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The scope of the audit also extended to examine as far as possible, and as far as necessary the following;

- Whether the organization, systems, procedures, books, records and other documents have been properly and adequately designed from the point of view of the presentation of information to enable a continuous evaluation of the activities of the Sabha, and whether such systems, procedures, books, records and other documents are in effective operation;
- Whether the Sabha has complied with applicable written law, or other general or special directions issued by the governing body of the Institution;
- Whether the Sabha has performed according to its powers, functions and duties; and
- Whether the resources of the Sabhahad been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws.

## .15 **Report on Other Legal Requirements**

National Audit Act, No. 19 of 2018 includes specific provisions for following requirements.

- (a) The financial statements presented by the Pradeshiya Sabha are consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.
- (b) The financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

1.6 **Audit observation on the preparation of financial statements**

1.6.1 **Accounting Principles**

<b>Audit Observation</b>	<b>Comments of the Council</b>	<b>Recommendation</b>
(a) According to the disclosure of Appendix 02 E.G.3.8 of Sri Lanka Public Sector Accounting Standard for Local Authorities it should be disclosed the depreciation process and the useful life period or depreciation rates of assets in respect of property plants and equipment depreciation. However, no such disclosure had been made for depreciation of Rs. 47,418,952. for the year under review.	Action will be taken	Action should be taken in terms of relevant accounting standards.
(c) According to the accounting codes mentioned in annexure 1 of the Appendix 2 which is presented with Sri Lanka Public Sector Accounting Standard for Local Authorities, the balance of library books should be brought to accounts as an asset under stocks. However, the value of library books amounted to Rs.4,131,350 of the Pradeshiya Sabha, had been brought to accounts as the value of property, plant and equipment under note No.16.	It has been informed that action will be taken to record.	Action should be taken in terms of relevant accounting standards.
(d) Even though, it should be disclosed the interest rate, duration of the loan, date on which the loan was taken, the date on which the loan should be repaid, the terms of the loan, the objectives, guarantees and special points if any, along with financial statements, in respect of the loan balance of Rs.45,856,189 of domestic debt development fund under Appendix 02 of EG.4.22 of Sri Lanka Public Sector Accounting Standard for Local Authorities, action had not been taken accordingly.	It has been informed that necessary actions will be taken to disclose.	Action should be taken in terms of relevant accounting standards

1.6.2 **Accounting Deficiencies**

<b>Audit Observation</b>	<b>Comments of the Sabha</b>	<b>Recommendation</b>
(a) The income and debtor balance of the year under review had been decreased by a value of Rs.1,650,098 due to the journal No.102 which was used for the correction of accounting deficiencies.	Replies not presented	Financial statements should be prepared by identifying the income and expenditure relevant to the year.

- (b) When following objects of revenue are brought to account relevant to the year under review, the revenue of the year had been under stated by Rs.267,783 due to it had been brought to accounts by less than the actual value.

It has been informed that will be agreed. Accurate revenue heads should be identified and brought to accounts.

Object of Revenue	Value to be brought to accounts Rs.	Value brought to accounts Rs.	Difference Rs.
Sewerage fees	271,200	315,873	179,783
Entertainment taxes	850,956	762,956	88,000
			----- 267,783 =====

- (c) When following 02 objects of revenue are brought to account relevant to the year under review, the revenue of the year had been over stated by Rs.237,618 due to it had been brought to accounts by more than the actual value.

Object of Revenue	Value to be brought to accounts Rs.	Value brought to accounts Rs.	Difference Rs.
Revenue of Gully bowser rents	3,288,600	3,483,313	194,713
Rates and Taxes	10,376,272	10,419,177	42,905
			----- 237,618 =====

- (d) The cumulative fund had been under stated by Rs.447,200 due to a sum of Rs.206,300 debited to the cumulative fund when making adjustments the revenue of official quarters rent amounting to Rs.240,900 and revenue in arrears amounting to Rs.34,600 which were not brought to accounts in the year 2022.

It has been informed that will be agreed. The revenue in arrears should be identified and brought to accounts.

- (e) The discount amounting to Rs.358,609 provided for the rates in the year under review has been shown in the financial statements as Rs.6,488,287 . As a result of that, the same expenditure had been over stated by Rs.6,129,678.

It has been informed that action will be taken to make the accurate adjustments through journal entries when preparation of financial statements. The revenue relevant to the year should be brought to accounts by identifying accurately

**1.6.3 Un reconciled Control Accounts or Reports**

<b>Audit Observation</b>	<b>Comments of the Sabha</b>	<b>Recommendation</b>
There was an un reconciliation of Rs.19,252,289 between the balances of 16 items of accounts presented in the financial statements for the year under review of the Sabha and according to the schedules presented with the financial statements.	It has been informed that necessary actions will be taken to adjust through the journal entries properly at the instance of the preparation of journal entries.	The accounts of the institution should be reconciled with the books and documents.

**1.6.4 Lack of Evidence for Audit**

<b>Subject</b>	<b>Amount Rs.</b>	<b>Evidence not made available for audit</b>	<b>Comments of the Sabha</b>	<b>Recommendation</b>
Industry debtors	26,204,118	Confirmation of balances	} Will be corrected in the future.	} Confirmations should be forwarded in respect of obtained the value.
Industry creditors	32,021,890	Accounts adjusted accurately, updated documents		
Value debited to the creditors by journal entry 125	8,398,993	Confirmation for the value		
	----- 66,625,001 =====			

**1.7 Non-compliances**

**1.7.1 Non-compliances with Laws, Rules, Regulations and Management Decisions**

Instances of non-compliances with Laws, Rules, Regulations and Management Decisions are given below.

<b>Reference to laws, rules and regulations</b>	<b>Non-compliance</b>	<b>Comments of the Council</b>	<b>Recommendation</b>
(a) Gazette No.2235/54 and dated 08 July 2021 published by stating the provisions of Urban Development Act of the National Council No.41 of 1978			

Section 83 (I) of part VI	Even though development permits had been obtained by approving the building plans for the commercial buildings from the year 2017 to 2019, 51 persons had not been obtained certificate of conformity.	It has been informed that future actions will be taken according to the provisions of Urban Development Act.	Relevant actions should be taken
(b) Part 23 “a” of the National Environmental Act, No.47 of 1980 amended by the Acts, No.56 of 1988 and No.53 of 2000.	Environmental Protection Licenses had not been obtained for the crematorium and waste disposal places.	It has been informed that requests had been forwarded to obtain environmental license from the Central Environmental Authority.	Action should be taken to obtain the licenses.
(c) Financial Regulations of the Democratic Socialist Republic of Sri Lanka.			
(i) Financial Regulation 104	Even though the cab vehicle bearing No.WPPF-7366 had met with an accident and completely damaged when the chairman of the Pradeshiya Sabha was travelling on 14 April 2015, a full inquiry had not been conducted on that connection.	Instructions has been requested from the Commissioner of Local Authorities in this regard .	Action should be taken in terms of Financial Regulations.
(ii) Financial Regulation 396(d)	Action had not been taken in respect of 06 cheques valued at Rs.49,182 exceeded 06 months and issued but not furnished to the payments .	It has been informed that action will be taken to take the cheques which were exceeded 06 months into the revenue.	Action should be taken in terms of Financial Regulations
		It has been informed that action will be	

(iii) Financial Regulation 571(1) and (2)	Actions in terms of the Financial Regulations had not been taken by preparing lists relevant to the deposits lapsed.	taken to prepare lists at the end of each year, from the current year.	Action should be taken in terms of Financial Regulations
(d) Employee Trust Fund Act ,No.46 of 1980	As the contributions amounting to Rs.432,132 of 3 per cent payable relevant to the monthly salary paid to the casual and substitution employees of the Sabha for December 2019 to July 2023 had not paid, it had to pay surcharges. (Rs.201,142)	Action was taken to pay according to the notification of the Employee Trust Fund.	Action should be taken in terms of Financial Regulations

**2. Financial Review**

**2.1 Financial Results**

According to the financial statements presented, the revenue of the Sabha in excess of the recurrent expenditure amounted to Rs. 2,159,038 as at 31 December 2023 as compared with the corresponding revenue exceeding the recurrent expenditure for the preceding year amounting to Rs.42,743,575.

**2.2 Revenue Administration**

**2.2.1 Estimated Revenue, Billed Revenue, Collected Revenue and Outstanding Revenue**

According to the information presented, the information on estimated revenue, billed revenue, collected revenue and revenue in arrears relevant to the year under review and the preceding year are given below.

Source of Revenue	2022				2021			
	Estimated Revenue	Billed Revenue	Collected Revenue	Total Arrears as at 31 December	Estimated Revenue	Billed Revenue	Collected Revenue	Total Arrears as at 31 December
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Rates and Taxes	10,351,091	9,300,151	8,086,473	4,064,081	9,854,319	10,793,144	10,115,549	2,850,403
Rents	34,469,004	14,194,996	15,524,102	11,517,190	37,687,276	23,010,550	17,635,820	12,846,296
License fees	2,222,500	2,442,490	2,310,120	1,286,153	3,198,750	1,853,443	1,115,219	1,153,783
Other Income	11,126,145	9,486,450	8,147,476	7,834,234	11,683,872	5,634,270	4,866,140	6,495,260
<b>Total</b>	<b>58,168,740</b>	<b>35,424,087</b>	<b>34,068,171</b>	<b>24,701,658</b>	<b>62,424,217</b>	<b>41,291,407</b>	<b>33,732,728</b>	<b>23,345,742</b>

## 2.2.2 Performance on Collecting Revenue

Observations regarding the performance in collecting revenue of the Sabha are given below

<b>Audit Observation</b>	<b>Comment of the Sabha</b>	<b>Recommendation</b>
(a) (i) Rates and Taxes The revenue of rates and taxes recoverable at the end of the year under review amounted to Rs.4,064,081.	It has been informed that action will be taken to recover in due course.	Action should be taken to recover the revenue in arrears.
(ii) The revenue of entertainment taxes for the musical shows was 10 per cent on the tickets, the revenue charged for 09 musical shows amounted to Rs.258,320. As such, the revenue of entertainment tax had been very lowest value	As there are deficiencies in the mechanism for the charging of entertainment taxes in the Pradeshiya Sabha at present, it has been informed that action will be taken to correct those deficiencies in the future.	Proper actions should be taken to recover the revenue in arrears.
(b) <b>Rents</b>  Action had not been taken to recover the balance of trade stall rent amounting to Rs.5,646,292 in arrears which are to be charged by giving the trade stalls on lease belonging to the Sabha as at 31 December in the year under review.	It has been informed that action will be taken to recover the outstanding money.	Action should be taken to settle the revenue in arrears.
(c) <b>Other Income</b>  (i) Necessary actions had not been taken to recover the industrial taxes, business taxes and trade licenses fees of Rs.277,050, Rs.526,090 , and Rs.198,610 respectively in arrears by 31 December in the year under review.	It has been informed that action will be taken to collect the revenue in arrears of the industrial taxes, business taxes and trade licenses fees.	Action should be taken to settle the revenue in arrears



(ii)	There were revenue in Court fees of Rs.41,065,781 and stamp duty fees of Rs.25,451,400 receivable by 31 December 2023 from the chief secretary and other authorities of the Provincial Council.	It has been informed that letters has been sent by preparing bills and estimates to receive the same money	Action should be taken to recover.
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### 3. Operating Review

#### 3.1 Execution of duties vested by the Act

Under Section 3 of the Pradeshiya Sabha Act, the matters observed on the execution of the duties which should be executed by the Sabha such as be charged with the regulation, control and administration of all matters relating to public health, public utility services and public thorough fares and generally with the protection and promotion of the comfort, convenience and welfare of the people and all amenities within such area are given below.

<b>Audit Observation</b>	<b>Comment of the Sabha</b>	<b>Recommendation</b>
(a) By-laws By-laws had not been enacted for the sale of drinking water which should be enacted by-laws under Section 126 of the Pradeshiya Sabha Act.	Action will be taken in the future to enact by –laws in this connection.	Action should be taken to enact by-laws.
(b) Action plan An Annual Action plan had not been prepared for 14 duties which should have been fulfilled by the Sabha according to the annual budget .	It has been mentioned that Action Plan has been prepared correctly by correcting deficiencies for the year 2024.	Action plan should be prepared.
(c) Projects not implemented Fourteen projects valued at Rs.73,000,000 which had been mentioned in the annual budget had not been implemented in the year under review.	Only accepted as included in the budget.	Action should be taken to implement the projects which were included in the budget.
(d) Abandoned Works  Even though 04 electric libraries commenced in preceding years and	Action will be taken to achieve the expected results.	Action should be taken to utilize the assets.

a sum of Rs.5,344,186 had been spent for that purpose, the expected result had not been achieved even as at 26 March 2024.

(e) Solid Waste Management

Even though a land lot of 25 Acres in extent from the Rotawewa Grama Niladhari division No.34 of Hingurakgoda Divisional Secretary's division has been reserved to the Pradeshiya Sabha in the year 2019 for the management waste s generated in the area, a waste management centre had not been constructed there. Therefore, a permanent solid waste methodology had not been established.

It has been informed that before construction of solid waste centre, it is required to construct an electric fence around the land. Therefore, plans has been made to commence the construction work of solid waste management centre after establishing the electric fence in the future.

Solid waste management should be carried out properly by constructing a solid waste centre.

3.2 Management Inefficiencies

Audit Observation	Comment of the Sabha	Recommendation
(a) Due to the decision taken by the chairman and the Sabha contrary to the tender procedure , to rent out the 92-storey Hingurakgoda Public Market, which was constructed in 2019 under the Pibidemu Polonnaruwa District Development Programme at a cost of Rs. 27.15 million, has remained idle for almost four years due to delay in renting . Accordingly, the income lost to the Sabha amounted to Rs,25,263,200 on the assessed rent.	Out of the 92 trade stalls in Higurakgoda, 27 of the 28 shop owners selected by the Commissioner of Local Government have been given trade stalls on contract. In the second phase, the Commissioner of Local Government has temporarily suspended the distribution of seven trade stalls out of the 20 shop owners selected by the Sabha. Out of the 17 upper floor trade stalls to be tendered in the third phase, eight trade stalls have been tendered and contracted, tenders have been called for the remaining 9 trade stalls for the second time and out of the 75 shop owners , the remaining 27 trade stalls on the upper floor have not been distributed until the completion of the first and second phases mentioned above.	Action should be taken to utilize the assets without delay.

- (b) The outstanding balance to be recovered as at 31 December 2023 by renting out the vehicles and machineries of the Sabha amounted to Rs.6,357,978 and out of that a sum of Rs.3,122,898 recoverable for giving the machineries on rent basis under Pibidemu Polonnaruwa Development project had not been settled even as at 02 years elapse from the completion of the relevant project.
- Informed to the relevant persons and the institutions by letters and over the telephone for the recovery of those outstanding balances.
- Necessary actions should be taken to settle the outstanding balances.

### 3.3 Idle and Underutilized Property, Plant and Equipment

Audit Observation	Comment of the Sabha	Recommendation														
<p>(a) Thirteen assets valued at Rs.36,079,412 belonging to the Sabha were remained idle in the year under review.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Asset</th> <th style="text-align: right;">Value</th> </tr> <tr> <th style="text-align: left;">-----</th> <th style="text-align: right;">-----</th> </tr> <tr> <td></td> <th style="text-align: right;">Rs.</th> </tr> </thead> <tbody> <tr> <td>Twin house No.01 in the Minneriya sub office premises</td> <td style="text-align: right;">2,800,000</td> </tr> <tr> <td>House No.02 in the Minneriya sub office premises</td> <td style="text-align: right;">3,200,000</td> </tr> <tr> <td>Official quarters near the Minneriya library</td> <td style="text-align: right;">} 2,800,000</td> </tr> <tr> <td>Tractor -37 3 5031</td> <td style="text-align: right;">200,000</td> </tr> </tbody> </table>	Asset	Value	-----	-----		Rs.	Twin house No.01 in the Minneriya sub office premises	2,800,000	House No.02 in the Minneriya sub office premises	3,200,000	Official quarters near the Minneriya library	} 2,800,000	Tractor -37 3 5031	200,000	<p>It has been informed that no any officer has made request up to now for the official quarters named as twin house No.04 in the Minneriya sub office premises and house No.02 in the Minneriya sub office premises</p>	<p>Action should be taken to utilize the assets .</p>
Asset	Value															
-----	-----															
	Rs.															
Twin house No.01 in the Minneriya sub office premises	2,800,000															
House No.02 in the Minneriya sub office premises	3,200,000															
Official quarters near the Minneriya library	} 2,800,000															
Tractor -37 3 5031	200,000															
	<p>It has been informed that recommendations has been obtained for auction</p>	<p>Action should be taken to do auction</p>														

Tractor RA-7618	850,000	Temporarily stopped due to the meter is in an inoperative condition and repairing condition	Should be repaired.
Road stamping machine	3,500,000	The supervision of the mechanical engineer has done in this connection and procurement procedure is being carried out to do the repairing.	Repairing should not be delayed.
Motor Grader	14,680,000	The Tandum part of this vehicle which is identified as the mechanical error is existed on the advice of the mechanical engineer , has been carried to the Diesel Motor Engineering Company and the price estimate presented us after separation of the parts of the vehicle is very expensive. Therefore, the mechanical engineer not agreed at all to carry out the repairing activities under the same prices and on his recommendation as to receive back the separated parts , the future actions are being carried out.	Should be used after carrying out suitable repairing.
Cement blocks making machine	130,862	It has been informed that the same equipment is not operating by this time and request from customers was also not received for rent it out.	Suitable decisions should be taken on the assets which are remained idle in long period.
Roneo duplo machine	209,500	It has been informed that action will be taken to repair by calling bids in due course.	Repairing activities should be done immediately.
Cab vehicle – PF-7366	6,390,000	It has been informed that the same vehicle is severely damaged and the Sabha has not available sufficient money for repairing that vehicle.	Repairing should be done by identifying the responsible parties as per the Financial Regulations and losses should be charged.

Lorry cab vehicle- LF - 4837	1,319,050	It has been informed that approval received for disposal	Action should be taken to dispose.
Fire extinguishing vehicle ZA- 5435	-	This vehicle is in our Sabha premises and request has been made by the Polonnaruwa Municipal Council to vest the ownership of this vehicle . As such, a letter has been forwarded by us to the Commissioner of Local Authorities by seeking advices on this matter.	Assets which could not be utilized should be handed over to the necessary places.
Fire extinguishing vehicle 41 8078	-	It has been informed that as a fire extinguishing unit is not available at present, necessary actions are being carried out to hand over those vehicles to the Ministry of Provincial Councils and Local Authorities by considering the disaster conditions caused to those vehicles in parking there.	Assets which could not be utilized should be handed over to the necessary places.
Total	----- 36,079,412 =====		

### 3.4 Assets Management

	<b>Audit Observation</b>	<b>Comment of the Sabha</b>	<b>Recommendation</b>
(a)	A place with covering for protection for the parking of 38 vehicles and machineries belonging to the Hingurakgoda Pradeshiya Sabha was not available.	The income of the Sabha is at a bad condition by now and action will be taken to construct a vehicle covering park immediately by allocating provisions for this purpose by the coming budget.	Necessary arrangements should be made to protect the assets.
(b)	The repairing of 08 vehicles and machineries belonging to the Sabha which are in a condition of without running and repairing level, was delayed from a period		

	between of 02 months to 03 years . SD-5183 Sun Fang	It has been informed that need to obtain tyres to run	Assets should be used.
	37 37 5031 Tractor FORD	It has been informed that recommended to do the auction.	Actions should be taken according to the Recommendations.
	JB 8453 Tailor	It has been informed that at a decayed condition	If assets are not used, necessary actions should be taken.
	NCRA Tractor 8892	Temporarily stopped due to existence of a repairing of wiring works.	Repairing should not be delayed.
	44 44 4563 MASSY FERGUSON tractor	It has been informed that a repairing is being carried out.	Repairing should not be delayed.
	25 25 9780 MASSY FERGUSON tractor	Not replied	Repairing should not be delayed
	107-8341 MASSY FERGUSON tractor	It has been informed that action is being taken to do the repairing on the instructions given by the mechanical engineer	Repairing should not be delayed
(c)	Six vehicles and machineries in the Hingurakgoda Pradeshiya Sabha had not been registered in the name of the Sabha.	It has been informed that action will be taken to hand over.	Action should be taken to hand over the vehicles which are not handed over.

### 3.5 Human Resource Management Audit Observation

	Audit Observation	Comment of the Sabha	Recommendation
(a)	The number of approved cadre as at 31 December 2023 of the Sabha was 112 and, 78 in the permanent staff and 26 casual and substitute employees are deployed and 23 vacancies were existed in the approved cadre.	It has been informed that , it should be done by the Department of Local Authority in the North-central province and Provincial Public Service Commission.	Necessary actions should be taken to fill the vacancies.

- |     |   |  |  |
|-----|---|--|--|
| (b) | Action had not been taken in relation to 06 employees of 03 posts belonging to the cadre which is not approved and deployed in the permanent staff of the Sabha.  | It has been informed that future actions have been commenced to approve the same positions as per pointed out by the audit.  | Action should be taken to rectify.                               |
| (c) | Action had not been taken to settle the un recoverable loan balances remaining from a long period amounting to Rs.794,509 from 59 officers who were retired, dismissed, suspended from the service, vacated from the service, transferred out after serving in the Sabha. | Those employee loans are remaining continuously from the documents from the year 1988 and it was unable to search files for the settlement of those loan balances. | Action should be taken to settle those loan balances in arrears. |