

## **Head 262 – District Secretariat Matara**

### **1. Financial Statement**

#### **1.1 Qualified Opinion**

The audit of the financial statements of Head 262 - District Secretariat Matara for the year ended 31 December 2023 comprising the statement of financial position as at 31 December 2023 and the statement of financial performance and cash flow statement for the year then ended and notes to the financial statements, including material accounting policy information 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 District Secretariat Matara was issued to the Accounting Officer on 15 May 2024 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 10 May 2024 in terms of Section 11(2) of the Audit Act. 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 District Secretariat Matara as at 31 December 2023, 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 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 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 judgment 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 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 Chief 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) That 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 the Financial Statements

### 1.6.1 Accounting Deficiencies

#### (a) Property plant and Equipment

<b>Audit Observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
(a) The 29.6537 hectares of land belonging to the District Secretariat and 05 Divisional Secretariats had not been assessed and included in the financial statements.	That the accounting will be done after receiving the assessment reports related to the lands of Akuressa, Athuraliya, Pasgoda Divisional Secretariats.	Assets should be assessed and accounted in accordance with generally accepted accounting principles.
(b) A difference of Rs.341,407,290 was observed in relation to the value of land, buildings and vehicles in the District Secretariat and 07 Divisional Secretariats on 31 December 2023 according to the CIGAS report and the report submitted to the Comptroller General.	Since the assessment values of the land and buildings of the District Secretariat and 7 Divisional Secretariats were with low value according to the CIGAS report and in the Comptroller General's report, the deficiency was rectified and adjusted in accordance with the CIGAS report and the contradictions were rectified.	A comparison should be made between the reports and corrections should be made.

## 2. Financial Review

### 2.1 Incurring of Liabilities and Commitments

<b>Audit Observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
According to paragraph 03 of the Public Accounts Circular No.255/2017 dated 27 April 2017, total liabilities of Rs.3,013,739 related to 08 expenditure objects of the District Secretariat and the total liabilities of Rs.3,039,913 including total of Rs.26,174 related to 02 Divisional Secretariats had not been reported under commitments and liabilities generated by new CIGAS presented with the financial statements.	That all staff officers have been instructed to make the necessary arrangements to be submitted the vouchers related to the month of December in the coming year as they can be included in the liabilities register.	Circular instructions should be followed.

## 2.2 Utilization of Provisions made available by other Ministries and Departments

<b>Audit Observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
(a) Although a driver and a driver assistant belonging to the District Samurdhi Office were temporarily assigned to the National Water Supply Board in Nupe in 2017, approval had not been given by Divi Neguma Director General to assignment from November 2020. salaries and allowances of Rs.2,509,533 were paid to these two employees without approval from that date until 13 March 2023.	That the actions have been taken to recover overpaid salaries.	Assignment should be made on necessary approvals.
(b) Rs.1,976,230 as salaries and allowances had been paid up to 30 June 2023 to two redundant drivers who were recruited on 21 September 2020 and 28 November 2022 without getting any effective service due to the assignment of three drivers to Matara District Samurdhi Training Center despite only one cab there.	Samurdhi Director General has been informed to transfer the relevant officers.	Action should be taken against redundant officers.
(c) The 03 playgrounds were developed at a total cost of Rs.4,286,251 in Dikwella, Athuraliya and Welipitiya Divisional Secretariats under the rural playground development project implemented by the State Ministry of Rural and School Sports and Infrastructure Promotion and the playgrounds remained idle without being used for the purpose.	It has become a problem to fulfill the objectives of this playground due to lack of drinking water, toilet facilities, place to change clothes and not enough space to play volleyball and cricket.	The objectives of the project should be fulfilled.
(d) State Ministry of Cane, Brass, Clay, Furniture and Rural Industries Promotion		
(i) Although a workshop was built for the reed manufacturers at a cost of Rs.1,745,067 in the reed strap-related production village in Kiyaduwa and Galabadahena Grama Niladhari Domains of the Akuressa Divisional	Some items are kept privately at home as the security of the building is not sufficient, and some items are not used due to a power problem.	Infrastructure should be developed and this building and equipment should be used for production.

Secretariat area of Authority under the Rural and Traditional Integrated Program, the workshop remained idle without being used for the related work. The 208 items of equipment under 26 categories were purchased in December 2021 at a cost of Rs.338,443 for public use at the Reed-related Common Facility Center and that equipment was stored idle and 1 ½ years had passed since the warranty period of the machines had expired.

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| <p>(ii) Kumbalgama red clay related production village was established in the Weligama Divisional Secretariat area of authority and although the construction materials worth Rs.1,425,000 had been given to 19 beneficiaries as Rs.75,000 per one beneficiary, the beneficiaries had not used the materials for the intended purpose during the physical inspection.</p> | <p>The industry has been temporarily stopped due to the difficulty in finding the raw materials and the materials given to beneficiaries for the construction of the workshops are using to carry out constructions adjacent to the house and utilize them for other purposes.</p> | <p>The desired objectives should be achieved by the project.</p>   |
| <p>(iii) In the sample audit conducted in 06 divisional secretariats under the project of Creating one Entrepreneur per Village, the various equipment provided to 83 beneficiaries under the government contribution of Rs.4,906,540 remained underutilized and idle.</p>  | <p>That the further action will be taken after find out about the underutilized assets.</p>  | <p>The project should be enabled again by a good follow-up.</p>  |
| <p>(e) Saubagya Production Village Program implemented under the provisions of the State Ministry of Samurdhi Home Economics, Micro, Finance, Self-Employment and Business Development</p>  |  |  |
| <p>(i) A total of Rs.4,953,464 equipment and materials had been given to 101 beneficiaries to implement a plant nursery project in two Grama Niladhari domains of Akuressa Divisional Secretariat. Materials and equipment worth Rs.403,670 distributed to 08</p>   | <p>That only few beneficiaries are carrying out the project successfully.</p>  | <p>Actions should be taken to resolve the problems faced by the beneficiaries regarding the implementation of the project.</p> |

selected beneficiaries in one Grama Niladhari domain remained underutilized.

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| (ii)  | The 8972 female chicks were given to 409 Samurdhi families by spending Rs.3,884,150 provisions from the State Ministry of Home Economics, Micro, Finance, Self-Employment and Business Development and Samurdhi Development Department for the 03 Divisional Secretariats of Welipitiya, Weligama and Kotapola. The 7234 female chicks with a value of Rs.3,101,450 had died by January 2024. Also, due to the death of the chicks, the amount of Rs.2,200,000 that had been given for the construction of chicken coops for 40 beneficiaries of the Kotapola Divisional Secretariat had also been idled. | That the project has failed due to reasons such as increase in the price of food given to chicks, inability to carry out maintenance work, lack of follow-up by officers and lack of interest from beneficiaries. | The project should be successful by directing the beneficiaries back to the project by regularizing the follow-up in a way that encourages obtaining healthy chicks. |
| (iii) | Although the Weligama Divisional Secretariat had distributed 930 GI pipes to 65 farmers at a cost of Rs.4,929,000 in a vegetable production village, the GI pipes remained idle due to the complete destruction of vegetable crops.   | That the vegetable production project failed due to bad weather and situation of terrain.   | A proper feasibility study should be done before starting the project.   |
| (iv)  | The 611 items of equipment valued at Rs.5,566,376 given to 83 beneficiaries in the Grama Niladhari domains of 03 Divisional Secretariats of Athuraliya, Mulatiyana and Tihagoda for development projects related to batik production, cinnamon baling and reeds, respectively remained idle without being used for the related tasks. Also, chemical dyes worth Rs.524,480 purchased by the Athuraliya Divisional Secretariat for batik production had expired without being used for production.   | That the follow-up will be done to avoid these situations in the future.  | Follow-up should be done properly and all relevant beneficiaries should be encouraged to enter to batik industry.  |

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| <p>(v) Although 3000 cardamom plants worth Rs.360,000 were given to 30 beneficiaries of 02 Grama Niladhari Domains of Kotapola Divisional Secretariat, the expected outcomes had not been received due to the failure of the cultivation project.</p>  | <p>That cardamom cultivation has suffered.</p>  | <p>Follow-up actions should be regularized and beneficiaries should be informed and they should be re-directed to productive activities.</p>   |
| <p>(f) The program to improve the living conditions of Samurdhi beneficiaries and low income earners implemented by the Samurdhi Development Department</p>  |   |  |
| <p>(i) Although equipment was given to the beneficiaries with the aim of empowering 72 Samurdhi beneficiary families in the Mulatiya Divisional Secretariat area of authority by spending Rs.2,848,900 as government contribution, the purpose of empowerment was not fulfilled because those beneficiaries continued to receive Samurdhi benefits.</p>  | <p>That the Samurdhi beneficiaries are not empowered and the reason for that is economic hardship.</p>  | <p>The capacity of the beneficiaries should be identified and the equipment should be distributed and the interest of the beneficiaries should be developed through proper follow-up action.</p> |
| <p>(ii) Rs.2,127,093 of tea plants and equipment had been provided under the government contribution in the year 2021 to 48 low income families in Pasgoda divisional secretariat area of authority. As 71 percent of the beneficiaries received Samurdhi benefits until the year 2023, the purpose of empowering them had not been fulfilled and fulfilled and the expenditure of Rs.2,127,093 incurred had not been not effective.</p> | <p>That this situation has arisen because the follow-up activities were not done properly by the in charge of domains supervisory officers.</p> | <p>Beneficiaries' interest should be raised through good follow-up action.</p>   |
| <p>(g) Samurdhi Arunalu Livelihood Development Project implemented by Samurdhi Development Department</p>  |   |  |

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| (i)  | The 9785 plants worth Rs.783,120 out of the 12,703 cinnamon plants given to 106 beneficiaries in 3 Grama Niladhari domains of Mulatiyana Divisional Secretariat had been completely destroyed due to lack of proper maintenance.  | That the plants have been destroyed due to the prevailing drought.  | Follow-up activities related to the entire project should be regularized.                           |
| (ii) | Three out of four dairy cows worth total of Rs.705,001 `given to three beneficiaries belonging to Mulatiyana Divisional Secretariat had died before receiving benefits, and another dairy cow had not given birth even 1 year and 06 months has passed. Accordingly, the expenditure incurred by the government for the cows was an uneconomical transaction. | That the animals are dead.  | Action should be taken to provide healthy animals when giving animals.                              |
| (h)  | The 09 societies in first and second phase of Gram Shakti belonging to the Matara Divisional Secretariat operating under the provision of President's Office expenditure object were inactive and as of 31 March 2023, the amount of Rs.3,560,430 remained inactive in accounts of those societies.   | That, the action will be taken to actively implement the societies. | Action should be taken to take over the funds of inactive societies or to activate those societies. |



### 2.3 Non-compliance with Laws, Rules and Regulations

Cases of non-compliance with the provisions of laws, rules and regulations observed during sample audits are analyzed below.

Observation	Value	Non-compliance	Comments of the Accounting Officer	Recommendations
Reference to Laws, Rules and Regulations	Rs.			
(a) Establishment Code of the Democratic Socialist Republic of Sri Lanka				
Paragraph 5 of Chapter xix	157,141	The housing rent related to the period from December 2021 to December 2023 had not been collected from the Assistant Divisional Secretary in Akuressa who resides in a government house.	Application has been made for scheduling as Assistant Divisional Secretary Quarters and that the charges will be made as per the reply to the request.	House rent should be charged as per the provisions of the Establishment Code.
(b) Paragraph 2.iv of Circular No.09/2009 dated 16 April 2009 of the Secretary of the Ministry of Public Administration Home Affairs and Administrative Reforms.	275,548	The 13 administrative officers and other officers of the Kirinda Puhulwella Divisional Secretariat had received leave payment and overtime allowances from January to September in 2023 without being recorded on the fingerprint machine.	That, the action will be taken in this regard in future.	Provisions of the Circular should be followed.
(c) Circular No.2008/04 dated 20 August 2008 of Commissioner General of Lands		The Divisional Secretariat of Devinuwara did not take any formal action regarding the unauthorized residents of 04	That the encroachment has been regularized and Grama Niladhari officers have	Circular instructions should be followed.

Grama Niladhari Domains who encroachment of state lands and according to Land Order No.180, the Grama Niladhari officers of 33 Grama Niladhari Domains had not maintained a register regarding encroachment of land and submitted fortnightly reports to the Divisional Secretary. been informed to submit fortnightly reports.

## 2.4 Deposit Balances

Audit Observation	Comments of the Accounting Officer	Recommendation
Action had not been taken as per the Financial Regulation 571 regarding total of Rs.14,647,262 of 111 deposit balances exceeding 02 years in the Matara District Secretariat and 16 Divisional Secretariats as at 31 December of the year under review.	That the relevant divisions have been informed to release the deposits.	Actions should be taken in respect of overdue deposits.

## 3. Operational Review

### 3.1 Non- performance of Duties

Audit Observation	Comments of the Accounting Officer	Recommendation
(a) Land Kachcheri had not been held in 22 Grama Niladhari domains of Pasgoda Divisional Secretariat area of authority in the last 04 years according to the Circular No.2008/04 dated 20 August 2008 of Land Commissioner in order to legalize land and action had not been taken to prepare long-term leases for 10 residents in relation to 1070 perches during the last 03 years.	That the transfers will be made after approval from the relevant institutions.	Action should be taken to charge rent by preparing long-term leases as soon as possible.

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| (b) | Although 79 residents of Kirinda Puhulwella, Kamburupitiya, Malimbada Divisional Secretariat Divisions were illegally encroached on government lands, action had not been taken to legalize them in the last 2 years to 16 years. | That the transfer will be done after approval from the Land Commissioner. | Approval should be obtained immediately and the vesting should be completed. |
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### 3.2 Non-achievement of expected Output Level

<b>Audit Observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
(a) The Matara Divisional Secretariat had changed the approved plan of the toilet system built at a cost of Rs.250,000 with deficiencies of a Dhamma School under the Underdeveloped Dhamma School Improvement Program without approval and had paid an amount of Rs.28,670 for 05 unfulfilled work subjects. The toilet system remained unusable due to the fact that the work was not completed by the audit date of 10 August 2023.	That the approval was not obtained and the retention money was not released.	Prior approval should be taken when making changes in estimates and results should be achieved in relation to the amount spent.
(b) Rs.722,975 had been paid for 25 works to repair the Dikwella Divisional Secretary's official quarters agreeing at a value of Rs.724,924 without preparing bill of quantity. The 10 work subjects worth Rs.281,271 mentioned in the approved estimate had not been completed and payments had been made for 10 work subjects worth Rs.183,594 that not mentioned in the estimate. There was a difference of Rs.180,092 between the estimate and the final bill due to payment to 14 subjects of work without obtaining approval for abandoned works, changes and additional works as per paragraph 8.13 of the Procurement Guidelines.	That the contracts were entered into on the approved estimate and that the executed works did not contain the works on the approved estimate.	The works in the agreed approved estimate should be performed.

### 3.3 Assets Management

<b>Audit Observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
(a) A closed school in a Grama Niladhari domain belonging to Mullatiyana Divisional Secretariat was renovated and the equipment was purchased at a cost of Rs.6,905,652 to conduct training courses for cinnamon production in that school.	Due to the problematic situation in the country, it is not possible to conduct the training courses as expected due	The relevant building should be used for a suitable purpose.

As the government runs a cinnamon research institute in a nearby place, this building and equipment were underutilized.

to reasons such as non-availability of provisions and the existence of a training center in Palolpitiya.

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| (b) | Although an amount of Rs.1,164,957 was spent for the construction of Sewa Piyasa in Kamburupitiya Divisional Secretariat in the year 2022 under the Gama Samanga Pilisadarak program, it remained underutilized for more than a year due to not connecting the water supply to the toilet in the Sewa Piyasa. | That the progress regarding the construction of Sewa Piyasa will be reported.     | The infrastructure needs to be completed and the building should be put in to use. |
| (c) | A garbage shredder worth Rs.230,000 which is need to the production of organic fertilizer given to a farmer organization in the Athuraliya Divisional Secretariat under the Gama Samanga Pilisadarak program remained underutilized at the house of the farmer organization secretary for the past 1 ½ years. | That, it will be directed to the production of organic fertilizers in the future. | The machine should be used for the purpose.  |

### 3.4 Losses and Damages

#### Audit Observation

Works related to the damages and losses worth Rs.246,275 of 03 Divisional Secretariat offices from 05 years had not been completed as per Financial Regulations 104(4) and 156(1).

#### Comments of the Accounting Officer

That the instructions have been given to bring said reports immediately and complete the proceedings.

Actions should be taken regarding the damages and losses immediately as per Financial Regulations.

### 3.5 Management Weaknesses

#### Audit Observation

- (a) Gazette Notification 1759/44 dated 25 May 2012 and Gazette Notification 2003/29 dated 26 January 2017 decided to take over 2.18996 hectares of private land and 01 rood and 1.092 perches in Thihagoda and Devinuwara Divisional Secretariat areas of authority respectively and had provided them to landless people. Due to non-payment of the total compensation amount

#### Comments of the Accounting Officer

That, this situation has arisen due to deficiencies in the documents.

Action should be taken to recover the losses incurred by the government due to the negligence of duty of the officers.

of Rs.8,597,150 that should to be paid them accordingly, an additional interest of Rs.3,238,980 had to be paid as per Section 261(4) of Chapter 460 of the Land Acquisition Act.

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| (b) | Although a Sewa Piyasa was built incurring Rs.2,903,630 without taking over the land of 8.78 perches in Batuvita I Grama Niladhari Domain of Thihagoda Divisional Secretariat for the infrastructure development under the Saubhagya Production Village Program to the government, the purpose of infrastructure development had not been fulfilled due to land was not taken over to the government.                      | That the acquisitions have not been made.  | Land acquisition should be expedited.  |
| (c) | Due to Samurdhi Development Officers working in two Grama Niladhari Domains not updating the list of Samurdhiholders, Rs.1,264,610 had been overpaid as Samurdhi subsidy to the Lords who did not work in a temple and pirivena from 1995 to 21 March 2016.  | That a preliminary investigation will be conducted and the money will be recovered.  | The overpaid amount should be recovered immediately.                                     |
| (d) | Although a total of Rs.14,949,518 had been paid by 05 Divisional Secretariats for carried out the research activity of the selection of 47068 Aswesuma beneficiaries by external persons who was non-government officers, the related expenditure had been uneconomic expenditure since beneficiaries between 51 and 87 per cent of the selected beneficiaries filed appeals and objections regarding the relief benefits. | That the investigations are being carried out in connection with the objections and appeals related to the welfare beneficiary identification program. | Authorities should emphasize on spending government funds more effectively.              |
| (e) | Although Rs.11,816,497 had been spent for the construction and repair of the official quarter of Welipitiya Divisional Secretary between the year 2007 and the year 2022, the said official quarter remained idle for the last 16 years without any use.   | That no one has settled in the official quarter.   | Emphasis should be placed on using government funds economically for essential expenses. |

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| (f) | Although a scheduled house belongs to the Dikwella Divisional Secretariat was repaired in the year 2022 at a cost of Rs.722,975 and even though 15 months had passed, the official quarter remained underutilized. Rs.300,000 had been paid as official quarter allowance during the above period when the Assistant Divisional Secretary was living in a private house on rental basis.  | That no officer willing to live in this official quarter.  | Government money should not be spent on a private rented house when there is a government house reserved for officers. |
| (g) | A land plot of 20 perches in the Welihengoda Kuttiya land belonging to the government in Gathara Grama Niladhari domain of Kamburupitiya Divisional Secretariat Division in the year 2004, and 0.0365 hectares of land plot belonging to the government in Vitiyala East Grama Niladhari domain had been encroached by a telephone company and constructed transmission towers. Action had not been taken regarding the unauthorized construction and rent had not been collected from the concerned relevant until 24 November 2023 which was the date of audit. | That an inquiry letter was sent to the Land Commissioner General regarding the non-compliance with the Act regarding encroachment and that the telephone company was informed to pay taxes based on the estimate obtained by the committee headed by the Assistant Divisional Secretary. | Immediate action should be taken to collect the arrears rent from the relevant company.                                |

#### 4. Achievement of Sustainable Development Goals

##### **Audit Observation**

Although 08 goals relevant to the district secretariat were identified in the sustainable development plan and progress presented by the district secretariat for the year 2023, the specific indicators indicated by the circular had not been identified and their progress had not been presented. Although it was reported to the audit last year that action will be done for the use of indicators to measure the progress of the sustainable development goals in the year 2023 according to the instructions of the Sustainable Development Council, a system was not implemented to evaluate the index level of the objectives and goals to be achieved annually in the agenda for Sustainable Development 2030.

##### **Comments of the Accounting Officer**

That the indicators will be presented as precisely as possible as per the circular, and progress will be received semi-annually in relation to the sustainable development plan.

Circulars should be followed.

## 5. Human Resource Management

<b>Audit Observation</b>	<b>Comments of the Accounting Officer</b>	<b>Recommendation</b>
(a) There were total of 157 vacancies in the Divisional Secretariat offices by the end of the year under review as 05 vacancies in a senior level posts and 02 tertiary level posts, 149 vacancies in 06 secondary level posts and 02 vacancies in primary level posts.	Since the appointing authority belongs to the Ministry of Public Administration and Home Affairs, the Ministry should make recruitments and fill vacancies.	Vacancies should be filled.
(b) There was a surplus of one tertiary level post in the Divisional Secretariats and a surplus of 440 including 407 officers in 01 secondary level posts and 32 officers in the District Secretariat.	Since the appointing authority belongs to the Ministry of Public Administration and Home Affairs, the Ministry should make recruitments and fill vacancies.	Approval should be obtained for surpluses.
(c) As per the Circular No.02/2018 dated 24 January 2018 of the Ministry of Public Administration and Management, a human resource plan was not prepared and annual performance agreements had not been signed for the entire cadre.	That the Human Resource Plan is being prepared.	A human resource plan should be prepared and annual performance agreements should be signed as per the Circular.
(d) According to the Public Administration Circular No.18/2001 dated 22 August 2001, although the officers who have been working in the same institution for more than 05 years should be transferred, 1031 officers belonging to 105 positions in 10 Divisional Secretariats have worked at the same workplace for the period of between 05 and 30 years.	That, the necessary actions will be taken to transfer the officers with more than 05 years of service in one office in the future.	The transfer policy should be implemented as per the Circular.