

Head 271 – Trincomalee District Secretariat - 2024

1. Financial Statements

1.1 Qualified Opinion

Head 271 - The audit of the financial statements of the Trincomalee District Secretariat for the year ended 31 December 2024 comprising the statement of financial position as at 31 December 2024 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 the provisions of the National Audit Act, No.19 of 2018. The summary report containing my comments and observations on the financial statements of the Trincomalee District Secretariat was issued to the Accounting Officer on 29 May 2025 in terms of Section 11(1) of the National Audit Act, No.19 of 2018. The Annual Detailed Management Audit Report relevant to the Trincomalee District Secretariat was issued to the Accounting Officer on 28 May 2025 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 the Section 10 of the National Audit Act, No. 19 of 2018 to be read in conjunction with Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

In my opinion, except for the effects of the matters described in paragraph 1.6 of this report, the financial statements give a fair view of the financial position of the Trincomalee District Secretariat as at 31 December 2024, and its financial performance and cash flows and on all the materialities in accordance with the basis of preparation of the financial statements set out in Note 1 to the financial statements.

1.2 Basis for Qualified Opinion

My opinion is qualified on the matters described in paragraph 1.6 of this report.

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

1.3 Emphasis of Matter – Basis for preparing Financial Statements

The attention is drawn to the Note 1 related to the Financial Statements which describes the basis of preparing these financial statements. The financial statements have been prepared as per the Financial Regulation 150, 151 and the State Accounts Guideline No. 06/2024 dated 16 December 2024 amended on 21 February 2025 for the requirement of the Trincomalee District Secretariat General Treasury and the Parliament. Consequently, these financial statements may not be suitable for other objectives. My report is only for the use of the Trincomalee District Secretariat, General Treasury and the Parliament of Sri Lanka. My opinion on this matter is not modified.

1.4 Responsibility of the Chief Accounting Officer the Accounting Officer for the Financial Statements

The Accounting Officer is responsible for the preparation of financial statements that give a fair view on all the materialities in accordance with the Financial Regulation 150, 151 and the State Accounts Guideline No. 06/2024 dated 16 December 2024 amended on 21 February 2025 and for such internal control as Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

As per Sub-section 38 (1) (c) of the National Audit Act, the Accounting Officer shall ensure that effective internal control system for the financial control of the Secretariat exists, and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out.

1.5 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 skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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

1.6 Comments on the Financial Statements

1.6.1 Accounting Deficiencies

(a) Property plant and Equipment

| Audit Observation | Comments of the Accounting Officer | Recommendation |
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| (i) A difference of Rs.3, 807,620,445 was observed when comparing with the corresponding opening balances in the set of the financial statements in 2024 with the closing balances of 15 item categories entered under ledger No.9151, 9152, 9153, and 9160 as per treasury print (SA-82) non-financial asset statement as at 31 December 2023 and the reasons for that difference had not been disclosed in the audit. | The difference between the corresponding opening balances in the set of financial statements in 2024 with the closing balance of 15 item categories entered under ledger No.9151, 9152, 9153 and 9160 as per treasury print (SA-82) non-financial financial asset statement as at 31 December 2023 had occurred due to the change of the values of certain assets in valuation the goods at the time of carrying out board of survey. Due to this condition, a difference between the closing balances of the year 2023 and the opening balances of the year 2024 had occurred. It is kindly informed that the action will be taken to rectify it since this year. | The source documents and other reports based on the accounting should be properly updated and the balance changes should be disclosed in the financial statements. |
| (ii) Even though the value of the non-financial assets purchased in the year 2024 under ledger No.9151, 9152 and 9160 as per the treasury print trial balance was Rs. 64,820,518, the value of the non-financial assets purchased under the above ledger No.as per treasury print (SA-82) non-financial assets statement was Rs.26,997,865 and it was a difference of Rs.37,822,653. | As per the treasury print trial balance, the value of the non-financial assets purchased in the year 2024 under ledger No.9151, 9152 and 9160 was Rs. 64,820,518 and the value of the non-financial assets purchased under the above ledger No.as per treasury print (SA-82) non-financial assets statement was Rs. 26,997,865. The reason for the difference of RS. 37,822,653 is the difference occurred in the value of the non-financial assets due to not update CIGAS system properly throughout the year in the Divisional Secretariats and update in the CIGAS WEB | After updating the source documents and other reports based on the accounting properly, the financial statements should be prepared and the internal control related to that should be strengthened. The relevant rectifications should be immediately carried out. |

INTERFACE properly and the action will be taken to update in this year and it is ensured not to occur these differences again.

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| (iii) | <p>Though the total value of the additions and purchases to the opening balances of the transport equipment and other machinery assets category in treasury print (SA-82) non-financial assets statement was Rs.24, 050,870, its value was Rs. 22,321,158 as per the trial balance prepared by District Secretariat and it was a difference of Rs.1,729,712.</p> | <p>The total value of additions and purchases to the opening balances of the assets category (transport equipment and other machinery) ledger No.9152 in treasury print (SA-82) of non-financial assets statement was Rs.24,050,870 (Rs. 4,268,005+19,782,865) and the value as per the trial balance prepared by the District Secretariat was Rs. 22,321,158 and the reason for the difference of Rs.1,729,712 was that CIGAS system of the certain Divisional Secretariats haven't been properly updated throughout the year and not updated CIGAS WEB INTERFACE properly. It is kindly informed that the action will be taken to accurately prepare from this year.</p> | <p>The source documents and other reports based on the accounting activities should be properly updated and the reasons for the differences should be disclosed in the financial statements.</p> |
| (iv) | <p>Any additions and removals in the current year under Working-in-Progress (WIP) in treasury print (SA-82) of non-financial assets statement had not been mentioned and it was observed that Rs.4, 275,000 and Rs.1, 490,000 had been mentioned as the additions and removals respectively as per the trial balance prepared by the District Secretariat. ,</p> | <p>Certain Divisional Secretariats had not included the Working-in-Progress (WIP) additions and removals in the preparation of the asset report and sent it to Department of State Accounts. The additions and removals had been accurately included in the trail balance prepared in those months. Therefore, this difference had created. Since these 02 reports are submitted to the Department at 02 occasions, this deficiency had occurred. Presently, it had been identified and included the additions and removals and rectified. The action will be taken to not to occur such incidents again.</p> | <p>The source documents and other reports based on the accounting activities should be properly updated and the relevant rectifications should be immediately carried out.</p> |
| (v) | <p>It was observed that the value of land and buildings valued at a cost of Rs.93,150,000 in Thabalagamuwa and Kuchchaweli Divisional Secretariats had not been included under non-financial assets (SA-</p> | <p>The values of lands and buildings valued at a cost of Rs.93, 150,000.00 of Thambalagamuwa and Kuchchaweli Divisional Secretariats had been included in March and October in 2025.</p> | <p>The assets related to the period of time should be properly accounted and submitted.</p> |

82) in the financial statements 2024 in accordance with the letter No. SA/MFS/C1/C1/11/271 date 16 May 2024 issued by Director General of Department of State Accounts.

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| (vi) | It was observed that 05 shelves with a value of Rs.74, 000 purchased by Seruwila Divisional Secretariat on 31 December 2020 had been mentioned under Working-in-Progress (WIP) in the non-financial statements in the financial statements prepared from 2020 to 2024. | 05 shelves with a value of Rs.74, 000 purchased by Seruwila Divisional Secretariat on 31 December 2020 had been included in the CIGAS system in March 2025. | The relevant assets should be duly classified and presented in the financial statements. |
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2. Report on Other Legal Requirements

The 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 mentioned in the paragraphs 1.6.1 (i), (ii) and (iii) of this report made by me on the financial statements of the preceding year had not been implemented.

3. Financial Review

3.1 Expenditure Management

| Audit Observation | Comments of the Accounting Officer | Recommendation |
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| (a) Even though it is required to furnish such explanation for savings as at 31 December 2024 more than 5 percent of net total provision or Rs.10,000 whichever is higher, explanation for variation should be justified with reasonable facts as per the paragraph 3.4 of the Guidelines and Formats for Preparation of the Financial Statements-2024 of State Accounts Guideline No.06/2024 dated 16 December 2024 of Director General of | The reasons for that had been submitted with the answer as per item and expenditure details from sub No.01 to 04 in relation to an amount of Rs.30,553,347 which is higher the savings as at 31 December 2024 more than 5 percent of net total provision or Rs.10,000 whichever is higher as per the paragraph 3.4 of the Guidelines and Formats for Preparation of the Financial | The clear reasons for the savings should be submitted in the financial statements as per circular. |

Department of State Accounts, it was observed that such facts had not been furnished on the remained provision of Rs.30,553,347.

Statements-2024 of State Accounts Guideline No.06/2024 dated 16 December 2024 of Director General of Department of State Accounts.

3.2 Entering into the Commitments and Liabilities

| Audit Observation | Comments of the Accounting Officer | Recommendation |
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| (a) It was observed that 26 bills at a cost of Rs.1, 708,909 paid in 2025 in relation to 2024 by Trincomalee District Secretariat and Town and Gravet Divisional Secretariat had not been included in the financial statements as liabilities. | Furthermore, since the provision was not adequate under Head 271 in 2024 for the bill of Rs. 990,056 bearing No. 02/189, it had not been included another 02 bills in the financial statements as liabilities. Similarly, another 02 bills had not been included in the financial statements as liabilities. | The all-relevant bills existing as liabilities should be included under the liabilities and an internal program which ensures that should be implemented. |

3.3 Utilization of provisions given by other Ministries and Departments

| Audit Observation | Comments of the Accounting Officer | Recommendation |
|---|--|---|
| (a) A sum of Rs.49,770,694 recoverable from 08 rice mill owners as 04 rice mill owners in Kantale Divisional Secretariat Division, 02 rice mill owners in Padavi Sripura Divisional Secretariat Division, 02 rice mill owners in Seruwila Divisional Secretariat Division under paddy purchase acceleration program for 2022 since Maha Season 2019/20 had not been recovered by the District Secretariat though the period of 04 financial years had lapsed. | Even though it had been made ware by Kantale Divisional Secretary at several times, 04 rice mill owners in Kantale had not paid the money which is due to Government so far. As a legal action, a complaint had been lodged at the Kantale Police Station and the legal action related to this matter is being taken by Kantale Divisional Secretary. One rice mill owner out of 02 in Padavi Sri Pura had paid all money presently and the legal action had been taken against the other person. Furthermore, it is kindly informed that the letter had been submitted to Senior Superintendent of Police, Police Superintendent's Office, Kantale to take legal action against one rice mill owner out of 02 in Seruwila and other letter had been submitted to Colombo Criminal Investigation Unit to take action against the other person. | The formal measures should be taken against the relevant parties after subject to overall process of purchase and issuance of paddy a formal investigation and the action should be taken to immediately recover the outstanding money. |

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| <p>(b) 78 pregnant mothers registered in Kuchchaweli Divisional Secretariat Division from January to November 2024 had not obtained the nutrition allowance of Rs.351, 000.</p> | <p>Certain mothers go outside areas from the division during the period of pregnancy and the reasons such as they had left the division without making requests to transfer their owned nutrition coupons to relevant divisional secretariat division at that occasion and some mother had misplaced the coupons and not obtaining this nutrition bag though it had been made aware to take it had caused for saving this allowance.</p> | <p>After preparing a systematic program, it should be ensured the providing of the benefits to the beneficiaries under formal supervision.</p> |
| <p>(c) A total cost estimate of Rs.4,287,987 had been prepared by Engineer of Trincomalle Zonal Education Office for the construction of the auditorium in Pulmude College and the final bill had been paid after preparation with a high cost variation from 11 percent to 397 percent of the estimated value of 09 items in said estimate. This project had been implemented by Kuchchaweli Divisional Secretariat.</p> | <p>A total cost estimate of Rs.4, 287,987 had been prepared by Engineer of Trincomalle Zonal Education Office for the construction of the auditorium in Pulmude College and it is kindly informed that these bills had been paid as per the variation report of Engineer of Trincomalee Zonal Education office.</p> | <p>After accurately identifying the requirements and a formal study, the estimates should be correctly prepared as far as possible.</p> |

3.4 Certifications to be carried out by the Accounting Officer

| Audit Observation | Comments of the Accounting Officer | Recommendation |
|---|---|--|
| <p>In terms of the provisions of the section 38 of National Audit Act No.19 of 2018, the Accounting Officer ensure that an effective internal control system for the finance control of 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. Even though such reviews should be carried out in writing and a copy of that should be submitted to the Auditor General, the statements had not been submitted to the audit that such reviews had been performed.</p> | <p>The annual power decentralization and issuance of the standing orders had been carried out for the certification of the effective internal control system and a document including an internal control to be implemented in relation to each process of the institute had been issued to the Divisional Secretariats and District Secretariats and it is expected to submit a report to Auditor General since 2025 after annually reviewing on the functionality of such controls.</p> | <p>The action should be taken as per the provisions of the section 38 of the National Audit Act No.19 of 2018.</p> |

3.5 Non-compliance with laws, rules and regulations

| | Reference to laws, rules and regulations | Observation | | Recommendation | Comments of the Accounting Officer |
|-----|---|--------------|--|--|---|
| | | Value Rs. | Non-compliances | | |
| (a) | Financial Regulation Section 104(4) | - | Montero Jeep bearing EPKB-0957 had met with a fatal accident on 28 January 2023 and the driver had died and even though a full report should be submitted within 03 months from the date of the date of loss occurred after the inquiry on that. | Montero Jeep bearing No. EPKB – 0957 had met with a fatal accident on 28.01.2023 and the driver had died and the police investigations are being carried out related to that. The court proceedings had not been completed up to now. | A report should be submitted after carrying out an inquiry by District Secretariat as per Financial Regulation 104(4). |
| (b) | Paragraph 2(iv) of Public Administration Circular No.09/2009 dated 16 April 2009 | 4,581,676 | Even though it is essential to confirm through the finger scanners in payment of overtime and holiday pay, the officers of Morawewa, Padavi Sri Pura, Gomarankadawela and Seruwila Divisional Secretariats had not taken action accordingly and obtained the overtime and holiday pay salaries within the year under review. | It is confirmed through the finger scanners when making payments for overtime and holiday pay and the payments are made based on the arrival and departure registers under supervision of a staff officer when the finger scanners are out of service. It is kindly informed that the payments on overtime and holiday pay are made based on the finger scanner presently. | The step should be taken as per the Public Administration Circular No.09/2009 dated 16 April 2009 and the action should be taken against the parties who had not acted accordingly. |
| (c) | Paragraph 3.1 of the Circular No. 30/2016 dated 29 December 2016 of the Secretary of the Ministry of Public Administration and Management | | Even though consumption of fuel should be re-tested after a period of 12 months from each fuel test or after running a distance of 25,000km or after carrying out a major repair to the engine, whichever occurs first, fuel burn tests had not been conducted for 2 Cabs in the | Currently, the fuel tests of the 02 Cabs bearing numbers 251-3541 and WP PA-3837 of the Divisional Secretariat - Trincomalee Town and Gravets have been conducted in the year 2025. | The fuel burn test should be carried out immediately as per the relevant Circular. |

Divisional Secretariat -
Trincomalee Town and
Gravets from 2013 and
2018 respectively up to
the date of audit on 14
February 2025.

3.6 Deposit Balances

| Audit Observation | Comments of the Accounting Officer | Recommendation |
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| (a) According to the deposit reconciliation statement prepared as at 31 December 2024, it was observed that there is a deposit balance of Rs. 1,203,011 not settled between 02 and 05 years. | According to the deposit reconciliation statement prepared as at 31 December 2024, there is a deposit balance of Rs. 1,203,011 not settled between 02 and 05 years. | Action should be taken to settle the relevant deposit balances promptly in accordance with the Financial Regulations. |
| (b) It was observed that as at 31 December 2024, 07 deposit balances of Rs. 204,323, which were exceeding 02 years, were not correctly identified and accounted in the deposit age analysis of the reconciliation statement for the year 2024. | As at 31 December 2024, as per the deposit ledger, 07 deposit balances of Rs. 204,323 exceeding 02 years in the retention money for contracts should have been included in the deposit age analysis of years 02-05 in the reconciliation statement of the year 2024. However, in including them in the reconciliation statement of the year 2024, the year of the age analysis has been mistakenly included as years 01- 02 again. This has happened due to an error in computerization, and action will be taken to prevent this from happening again. | Action should be taken to correct information related to age analysis. |

4. Operational Review

4.1 Planning

| Audit Observation | Comments of the Accounting Officer | Recommendation |
|---|--|---|
| (a) In accordance with the Accounts Circular No. 02/2018 of the Ministry of Home Affairs, and Paragraph 3 of the Public Finance Circular No. 02/2020 dated 28 | The District Secretariat is currently preparing a report summarizing the optimal goals of all Divisional Secretariats, and it is kindly informed that action | Action should be taken in accordance with the Circular, and formal action should be taken |

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| <p>August 2020, the Divisional Secretariat should prioritize the services provided to the public and determine the optimal targets in relation to the 5 main services and submit a report on those targets to the District Secretariat. Although the District Secretariat should submit a report summarizing the optimal targets of all Divisional Secretariats to the Ministry of Home Affairs with copies to the Auditor General before 15 January every year, the Divisional Secretariats and the District Secretariat had not submitted those reports for the year 2024.</p> | <p>will be taken to prepare it in the year 2025.</p> | <p>against the relevant parties for failure to do so.</p> |
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4.2 Non-Achievement of Expected Outcome Level

| Audit Observation | Comments of the Accounting Officer | Recommendation |
|---|---|--|
| (a) The construction of 04 houses worth Rs. 600,000 and 15 houses worth Rs. 100,000 identified and provided by the Kantale Divisional Secretariat in 2021 and 2023 for low-income earners and resettled displaced families, implemented by the Ministry of Urban Development and Housing, had not been completed. | The audit of this housing program implemented by the Ministry of Urban Development and Housing has pointed out that this problematic situation has been repeatedly presented to the Divisional Audit Committee and the District Audit Committee on several occasions, and that no permanent solution has been found for it, and as stated, the real reason for the inability to complete the work on those housing units was the sudden increase in the prices of building materials due to the adverse economic situation in the country during the time it took to commence the work after receiving the provisions compared to the year 2019, the time frame for the preparation of the estimates. | An arrangement should be made to coordinate the institutions that implemented the projects, and complete the relevant work efficiently with proper approval. |

4.3 Projects Abandoned Without Completing

| Audit Observation | Comments of the Accounting Officer | Recommendation |
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| (a) Under the Rural Roads and Infrastructure Development Project (RRDP), a total of Rs. 99 million was allocated for the | There are 69 rural roads operating under the Divisional Secretariats in the year 2021. An amount of | Special attention should be paid to coordinating with the |

construction of 69 roads and was given to the Verugal and Muthur Divisional Secretariats in the year 2021, and a total of Rs. 21.98 million was paid to the contractors for the construction. However, by the current year, all these works had been abandoned without being implemented continuously.

Rs. 99.00 million was allocated in November 2021 for the implementation of these projects, and instructions have been given to complete the activities by the end of that year.

relevant institutions and taking actions to complete the projects appropriately.

4.4 Assets Management

| Audit Observation | Comments of the Accounting Officer | Recommendation |
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| (a) The Additional District Secretary had informed through the letter No. GAT/EST/DSDIV/MA06/11(Kan) dated 14 March 2022, that the government single line house opposite the Kantale Police, belonging to the Kantale Divisional Secretariat, had received a recommendation from the Trincomalee District Engineer to demolish it as it was very old and not in a suitable condition for occupancy. By 22 October 2024, the audit date, 05 out of 07 houses in the building were occupied, and it was observed that the occupancy of the relevant houses was unsafe. Although it had been more than 02 years and 07 months since the recommendation to demolish the building was received as per the above letter, the relevant demolition work had not been carried out. | The Ministry of Finance issued instructions that all Government institutions should strictly follow the controlling public expenditure in its National Budget Circular No. 3/2022 dated 26.04.2022. Therefore, the demolition of the said house was temporarily suspended. It is kindly informed that the necessary measures will be taken to demolish the said house after allocating provisions for it in the future. Since the residents of other government institutions in the Division sometimes request permission to reside in these houses due to the lack of accommodation facilities, even if those houses are in an unfit condition for residence, they have been given permission to reside in those houses upon their request and with the agreement that they will assume all responsibility in case of any accident. | Taking into consideration the prevailing risk situation, an arrangement should be made to protect lives and property |
| (b) Even though 07 official residences, including 02 official residences of Divisional Secretaries, belong to the Seruwila Divisional Secretariat, it was observed that only 02 official residences are occupied, and since the 02 official residences that are occupied are also in need of repair, the optimal utilization of the existing assets is not possible. Accordingly, the old Divisional Secretary's official | You are kindly informed that these renovation works will be carried out and completed with the provisions required for the renovation of the relevant official residences in the year 2025. | A sustainable arrangement should be formulated and implemented promptly for the survival and security of the assets. |

residence, the Somapura circuit bungalow and the 05 general service quarters that are more than 42 years old are in need of repair.

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| <p>(c) The ownership of the 05 other quarters which are not scheduled quarters and the lands and buildings of the Somapura Circuit Bungalow belonging to the Seruwila Divisional Secretariat does not belong to the Seruwila Divisional Secretariat, and the ownership of those lands and buildings had not yet been transferred to the Divisional Secretariat.</p> | <p>It is kindly informed that the necessary action will be taken to transfer the ownership of those quarters to this Divisional Secretariat in the year 2025 in coordination with the National Housing Development Authority.</p> | <p>Action should be taken to transfer the ownership of the buildings in the name of the Seruwila Divisional Secretariat.</p> |
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4.5 Losses and Damages

| Audit Observation | Comments of the Accounting Officer | Recommendation |
|--|---|--|
| (a) The Government had lost a sum of Rs. 2,124,270 due to the inability to recover the damage from the insurance company for the restoration of the jeep, bearing the number KB-0957 belonging to the Trincomalee District Secretariat that was involved in the accident, to its original condition. Further, according to the post-mortem examination report of the deceased driver, the nature of the injuries sustained revealed that the driver was not the one driving the vehicle at the time of the accident. | The Montero Jeep bearing number EP KB – 0957 that was involved in the accident has been restored to its original condition at a cost of Rs. 2,124,270. The damages could not be indemnified through the insurance company, as the judicial medical report revealed that the driver was driving under the influence of alcohol at the time of the accident. The Judicial Medical Officer is of the opinion that the Driver, Sumith Jayathilaka, was not the Driver at the time of the accident, based on the injuries sustained by the Driver. Police investigations are ongoing in this regard. Since the court proceedings are also ongoing, it is kindly informed that further action will be taken after the completion of the police investigations and according to the judgement given by the court in this regard. | Follow-up activities should be carried out properly and in a timely manner, and an arrangement should be made to avoid such situations. |
| (b) Investigations into vehicle accidents involving 12 vehicles belonging to the District Secretariat, which resulted in damages worth Rs. 5,678,948, had not been completed even after 25 years, from the year 1999 to 2024. | The current status of the investigations into the 12 vehicles of the Trincomalee District Secretariat, which have been completed and those under investigation, has been reported. | Necessary action should be taken to complete the relevant work expeditiously, and action should be taken against the responsible parties for not conducting the investigations in a timely manner. |

4.6 Management Weaknesses

| Audit Observation | Comments of the Accounting Officer | Recommendation |
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| (a) An officer serving as a Grama Niladhari under the Thambalagamuwa Divisional Secretariat has been interdicted since 09 July 2018 and thereafter he has been sent on compulsory retirement. The balance of the loan to be paid to the Government from the disaster loan he had obtained while in public service was Rs. 233,641. By the audit date of 13 November 2024, a period of 06 years and 04 months had passed. However, this loan balance had not been recovered. | Mr.M.A.M. Harik, the Grama Niladhari, who has been sent on compulsory retirement due to disciplinary action while serving in this office, has paid money to this office from time to time towards the disaster loan he had obtained while serving and has to pay another amount of Rs. 233,641/= to the Government. However, the entire loan amount he has to pay has been recorded as a compulsory deduction from his pension gratuity, and although the appeal filed by Mr. Harik against this disciplinary order has been rejected and has been submitted for approval for sending him on retirement, the said sending on retirement has not been approved to date. The matters related to sending on retirement have been referred to the Ministry of Public Administration and Home Affairs for approval. | Formal manner should be taken, and action should be taken to settle outstanding loan balances promptly. |
| (b) Six Divisional Secretariats have not recovered long-term land and building lease rental income worth Rs. 524,931,349 until the year under review. An amount of Rs. 11,345,390.00 has been recovered as long-term land and building lease rental income by 30.04.2025, and it is kindly informed that action is also being taken to recover the remaining amount. | An amount of Rs. 11,345,390.00 has been recovered as long-term land and building lease rental income by 30.04.2025, and it is kindly informed that action is also being taken to recover the remaining amount. | Action should be taken against the relevant officers for not recovering the income in a timely manner, and for the immediate recovery of the relevant outstanding income. |
| (c) Four Divisional Secretariats had been in arrears of Rs. 868,636 in short-term land and short-term lease rental income up to the year under review, and no effective action had been taken to recover this outstanding amount. | An amount of Rs. 53,600.00 has been recovered as short-term land and short-term lease rental income by 30.04.2025, and it is kindly informed that action is also being taken to recover the remaining amount. | -Do- |

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|---|---|--|
| <p>(d) It was observed that there were long-standing outstanding loan balances for advances given to public officers totaling Rs. 3,259,878 up to the year under review in 10 Divisional Secretariats, including the District Secretariat.</p> | <p>It is kindly informed that the outstanding loan balances for advances given to public officers at the Trincomalee District Secretariat have already been recovered, and the remaining outstanding loan balances have already been recovered from other Divisional Secretariats, and that further actions are being taken by the Divisional Secretariats to recover outstanding loan balances.</p> | <p>Action should be taken against officers who have not taken timely action to recover outstanding loan balances, and action should be taken to promptly recover outstanding loan balances.</p> |
| <p>(e) A lady officer working in the Management Assistants' Service Grade III of the Divisional Secretariat -Trincomalee Town and Gravets had obtained an appointment by submitting forged examination results and had received Rs. 3,305,197 in salary allowances from 15 September 2015 to 31 December 2022. It was observed that, in addition, the balance due as at 31 December 2022 of the disaster loans obtained was Rs. 205,650, and she had also taken maternity leave with full salary from 14.10.2015 to 25.02.2016 and 10 days leave to be spent out of the island from 27.08.2019 to 05.09.2019.</p> | <p>(i) Her service has been suspended after the examination results were confirmed to be forged. (ii) The amount of Rs. 205,650.00 due to the Government as the disaster loan will be recovered from her guarantor in installments. (iii) The officers who dealt with the personal files during the period 2015-2021 have been asked about the reasons for the delay. (iv) The officer has been informed to pay the amount of Rs. 3,305,197 paid as salaries and allowances to the Government before 21.05.2024.</p> | <p>The relevant work should be carried out efficiently, and legal action should be taken against the responsible parties immediately and the loss caused to the Government should also be recovered immediately.</p> |
| <p>(f) The outstanding balance not recovered even by 31 December 2024, regarding the 22 Samurdhi Banks operating in relation to 11 Divisional Secretariats, is Rs. 209,472,396.</p> | <p>It is kindly further informed that Rs.11,025,337.78 has been recovered from the 22 Samurdhi Banks operating in relation to 11 Divisional Secretariats by 30.04.2025, and actions are being taken to recover the remaining amount.</p> | <p>Action should be taken against the officers who have not recovered the outstanding loans in a timely manner, and to immediately recover the relevant outstanding income.</p> |

5. Achievement of Sustainable Development Goals

| Audit Observation | Comments of the Accounting Officer | Recommendation |
|---|--|---|
| The officers were not sufficiently aware of the Sustainable Development Goals and since the Sustainable Development Goals had | The relevant Sustainable Development Goals are identified and implemented according to the funds received by the District by the | A formal arrangement should be introduced to identify and implement the |

not been identified, an evaluation of the achievement of the goals in the year under review had not been carried out.

Ministries/Departments and other parties for the Sustainable Development Goals as applicable to the Trincomalee District.

Sustainable Development Goals.

6. Human Resource Management

| Audit Observation | Comments of the Accounting Officer | Recommendation |
|---|---|---|
| (a) By the end of the year under review, there were 17 vacancies for senior-level officer posts, 21 vacancies for tertiary-level officer posts, 56 vacancies for secondary-level officer posts and 39 vacancies for primary-level officer posts, making a total of 133 vacancies. | The details of the relevant vacancies have been informed to the Ministry. | A staff review should be conducted, and urgent action should be taken to fill only the necessary vacancies. |
| (b) During the year under review, the transfer policy was not implemented in respect of 455 officers whose service period in the District Secretariat and Divisional Secretariats had exceeded 05 years, and therefore, the officers who were expecting transfers had lost the opportunity. | A transfer board would be appointed and action would be taken accordingly in the year 2025 to avoid this situation, and the activities of the transfer committee were delayed due to the conduct of two elections. Actions have been taken to implement transfers from June 2025 to avoid this situation. | Action should be taken in accordance with the Public Administration Circular 18/2001 dated 22 August 2001. |