

Report of the Auditor General on Head 284 - Department of Wildlife Conservation - Year 2015

The audit of the Appropriation Account and the Reconciliation Statements including the financial records books, registers and other records of the Head 284 –Department of Wildlife Conservation for the year ended 31 December 2015 was carried out in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka. The Management Audit Report for the year under review was issued to the Director General of the Department on 20 June 2016. The audit observations, comments and findings on the accounts and reconciliation statements were based on a review of the Accounts and Reconciliation Statements presented to audit and tests of samples of transactions. The scope and extent of such review and tests were such as to enable as wide an audit coverage as possible within the limitations of staff, other resources and time available to me.

1.2 Responsibilities of the Chief Accounting Officer and the Accounting Officer for the Accounts and Reconciliation Statements

The Chief Accounting Officer and the Accounting Officer are responsible for the maintenance, preparation and fair presentation of the Appropriation Account and the Reconciliation Statements in accordance with the provisions in Articles 148, 149, 150 and 152 of the Constitution of the Democratic Socialist Republic of Sri Lanka, other Statutory Provisions and Public Finance and Administrative Regulations. This responsibility includes; designing, implementing, maintaining internal control relevant to the preparation and fair presentation of Accounts and Reconciliation Statements that are free from material misstatements whether due to fraud or error.

2. Accounts

2.1 Appropriation Account

Total Provision and Expenditure

The total net provision made for the Department amounted to Rs. 1631.62 million and out of that a sum of Rs. 1543.23million had been utilized by the end of the year under review. Accordingly, provisions of Rs. 88.39 million or 5.42 per cent of the net provisions made for the Department had been saved. Details appear below.

Expenditure	As at 31 December 2015			Savings as a Percentage of Net Provisions
	Net Provision	Utilization	Savings	
	Rs. Millions	Rs. Millions	Rs. Millions	
Recurrent	973.62	956.15	17.47	1.79
Capital	658.00	587.08	70.92	10.78
Total	1,631.62	1,543.23	88.39	5.42

2.2 Revenue Account

Estimated Revenue and Actual Revenue

The Department had prepared Revenue Estimates totalling Rs. 20.00 million in respect of one Revenue Code for the year 2015 and Revenue totalling Rs. 22.45 million had been collected. Accordingly, revenue more than the estimated revenue by 12.25 per cent had been collected. Details appear below.

Revenue Code	As at 31 December 2015			Excess as a Percentage of Estimate
	Estimated Revenue	Actual Revenue	Excess	
	Rs. Millions	Rs. Millions	Rs. Millions	
20-03-02-06	20.00	22.45	2.45	12.25

2.3 Advance Account

2.3.1 Advances to Public Officers Account

Limits Authorized by Parliament

The limits authorized by Parliament for the Advances to Public Officers Account of the Department under Item No.28401 and the actual amounts are given below.

Expenditure		Receipts		Debit Balance	
Maximum Limit	Actual	Minimum Limit	Actual	Maximum Limit	Actual
Rs. Millions	Rs. Millions	Rs. Millions	Rs. Millions	Rs. Millions	Rs. Millions
45.3	38.7	33.3	37.7	150.0	133.1

2.4 General Deposit Account

The balance of the General Deposit Account of the Department as at 31 December 2015 amounted to Rs. 341 million.

2.5 Audit Observation

The Appropriation Account and the Reconciliation Statements for the year ended 31 December 2015 of the Department of Wildlife Conservation had been satisfactorily prepared subject to the Audit Observations appearing in the Management Audit Report referred to in Paragraph 1.1 above. The material and significant Audit Observations out of the Audit Observations included in the Management Audit Report appear in paragraph 3.

3. Material and Significant Audit Observations

3.1 Non – maintenance of Registers and Books

It was observed during audit test checks that the Department had not maintained the following registers while certain other registers had not been maintained in the proper and updated manner.

Type of Register	Relevant Regulation	Observation
(a) Register of Electrical Equipment	Financial Regulation 454(2)	Not maintained
(b) Register of Counterfoil Books	Financial Regulation 341	Not maintained
(c) Attendance Register of the Procurement Committee and the Technical Evaluation Committee	Guideline 2.11.2 of the Government Procurement Guidelines	Not maintained

(d) Minutes of Committee Meetings	Guideline 2.11.3 (a) of the Government Procurement Guidelines	Not maintained
(e) Stock Register of Thunder Cracker	Accounting Circular of the Department No. 15/2003 of 16 October 2003	Not Updated
(f) Register of Fixed Assets on Computers, Accessories and Software	Treasury Circular No. IAI/2002/02 dated 28 November 2002	Not Updated

3.2 General Deposit Account

Action in terms of Financial Regulation 571 had not been taken on 11 deposits older than 2 years totalling Rs. 770,630.

3.3 Revenue Account

In terms of the Animal Act No. 29 of 1958 and the Extra Ordinary Gazette Notification No. 1629/17 dated 26 November 2009, the amount charged when transporting animals is not an income under the Departmental Revenue Code but action had not been taken to eliminate that amount from the revenue of the Department and revenue amounting to Rs. 632,510 had been shown further as the revenue of the Department.

3.4 Reconciliation Statement of the Advances to Public Officers Account

According to the Reconciliation Statement of the Advances to Public Officers Account, Item No. 28401 as at 31 December 2015, the balances that remained outstanding as at that date totalled Rs. 5,594,584. Even though, those outstanding balances remained over periods ranging from 2 years to 23 years, the follow-up action on the recovery of those outstanding balances had been at a weak level.

3.5 Good Governance and Accountability

3.5.1 Annual Performance Report

Even though, the Performance Report should be tabled in Parliament within 150 days after closure of the financial year by the Department in terms of the Public Finance Circular No. 402 of 12 September 2002, the Performance Report had not been tabled in Parliament even by 30 April 2016.

3.6 Assets Management

The following deficiencies were observed during the course of audit test checks of the assets of the Department.

(a) Idle and Underutilized Assets

It was observed during the course of audit test checks that, the following assets had been either idle or underutilized.

- (i) Fourteen motor vehicles had remained idle or underutilized for over a period of 3 years. Further, 07 vehicles assigned to the provincial offices had remained under utilized for over a period ranging from 08 months to 02 years due to not taking action to repair of those vehicles. Action had not been taken on those assets in terms of the provisions of the Circulars even by 31 December 2015.
- (ii) It was observed that, equipment and timber posts for the construction of electric fence valued at Rs. 5,714,780 had been kept in the Meegalawa, Range Forest Office and same type of equipment and timber posts valued at Rs. 1,024,000 had been kept unprotectedly in the Wapikaramaya Temple Premises, Nikaweratiya as excess stocks.

(b) Irregular use of Assets belonging to the other Institutions

Seven vehicles belonging to the other institutions had been utilized for the purposes of the Department without formally vesting.

(c) Irregular use of Assets not Vested

Action had not been taken for vesting the legal ownership of the building constructed in the premises of the new Head Office Building, Jayanthipura Battaramulla even by 30 April 2016, the date of audit.

3.7 Non – compliances

Non – compliance with Laws, Rules and Regulations

Action in terms of the Financial Regulation 170(2) had not been taken on the savings of Rs. 507,850 after the expenditure made from the donations received.

3.8 Implementation of Projects under Domestic Financing

Instances of projects abandoned without commencing, projects abandoned without completion and the project delays revealed during the course of audit test checks are given below.

(a) **Projects Abandoned without Commencing**

Even though, provisions of Rs. 46,185,000 had been made by the Department for 25 projects, those projects had not been commenced even by 31 December 2015.

(b) **Projects Abandoned without Completing**

Even though, the provisions for the total estimated cost amounting to Rs.2,268,000 had been made in respect of the construction of electric fence of Kholankala, Karambaweve in Thanamalvila Area belonging to the Southern Wildlife Zone, that project had been abandoned.

(c) **Projects without Progress despite the release of Money**

The following observations are made.

- (i) Even though, the provisions of Rs.23,696,000 had been made for 14 Sub – projects, no physical progress whatsoever had been obtained from those projects.
- (ii) Even though, the activities of the Construction of Electric Fence at Horowpathana should be completed on 30 October 2012, the above constructions had not been completed even by the end of the year under review and a sum of Rs. 17,468,961 had not been recovered as liquidated damages.

3.9 Performance

The following observations are made.

(a) **Protection of Wild Animals and Fauna and Flora**

Protection of wild animals and fauna and flora is the main activity of the Department. The agile elephants drive into a small place through the construction of the electric fence of the Horowpathana Elephant Holding Centre and supply food from outside had resulted to avoid origination of genetics of elephants with powerful Genes. Due to this, the elephants had faced torture and it was observed that the elephants would be wounded and face to death as the spikes used for both sides of the fence pillars and 03 lines of barbed wires had used to join the pillars.

(b) Planning

Several instances of actions not taken according to the Action Plan prepared in terms of the Public Finance Circular No. 01/2014 dated 17 February 2014 are given below.

- (i) Even though the provisions amounting to Rs. 151.49 million had been made for 38 projects and had been implemented, those projects had not been included in the Action Plan prepared by the Department.
- (ii) Two instances of execution of other activities amounting to Rs.21.07 million instead of activities included in the Action plan were observed.
- (iii) Even though, provisions of Rs.10.00 million had been made for 04 activities of Human Resources Development, only one activity of training of 148 new Wildlife Pilot Officers had only been carried out by spending Rs.8.26 million, out of that.
- (iv) Sums of Rs. 1.83 million and Rs. 9.83 million had been spent for printing of Diaries and Calendars and installation of Canopies and making covers for rear side of the new cab vehicles purchased respectively in the year under review even though those were not included in the Action Plan.

3.10 Irregular Transactions

A sum of Rs.9.64 million had been given for a private institution to extract and remove Lantana in the National Parks. The maps relating to the extraction and removal of the Lantana were not clear as compared with the maps of the Department of Wildlife Conservation. The payments had been made without obtaining a confirmation on that the correct maps were furnished. It was observed that a full supervision of the officers or the Engineer of the Department also had not been carried out in respect of the removal of Lantana.

3.11 Transaction in the Nature of Financial Irregularities

A sum of Rs. 11.02 million had been overpaid for raw materials in construction of Security Fence of the Horowpathana Elephant Holding Centre.

3.12 Losses and Damage

The observations on losses and damage revealed during the course of audit checks are given below.

- (a) Action in terms of Financial Regulation 108 had not been taken to obtain a order of waiver from an officer who has authority to deal with the loss in respect of the losses

unrecoverable in terms of the Financial Regulation 109. Therefore, losses in 94 instances amounting to Rs.15.98 million had remained brought forward for over 10 years.

- (b) In construction of elephant holding centers by the Wildlife Conservation Officers a sum of Rs.72.82 million had been over paid to a Public Corporation to cut and remove the thick jungle of 16 kilometers and medium size jungle and to construct the elephant fences.

3.13 Unresolved Audit Paragraphs

A double electric fence of 17 Kilometers parallel to the electric fence installed in the southern boundary of the Udawalawe National Park had been constructed with the objective of avoiding the entrance of the tame cows to the National Park by spending Rs. 5.68 million was stated in the paragraph 1-6 (f) of the Report of the Auditor General for the year 2013. Nevertheless, the above objectives had not been fulfilled as the entrance of the outside cows to the National Park could not be avoided.

3.14 Management Weaknesses

The following management weaknesses were observed during the audit test checks.

- (a) An easy methodology had not been introduced to identify number of circuit bungalows utilized and non – utilized during the year and the dates allocated and number of arrivals of the tourists and as such the adequate evidence had not been made available to ensure the accuracy of the revenue received from the circuit bungalows.
- (b) The particulars relating to the lectures or seminars held were not made available for audit. A sum of Rs. 5,249,177 had been spent for the equipment relevant to the lectures for 13 Regional Officers. Further, it was pointed out at the annual Boards of Survey that the equipment for lectures in the Kaudulla National Park had remained idle or underutilized.
- (c) Out of the constructions of electric fence of 30 Kilometers length from Meeoya to Kuda Medawachchiya constructed by the Divisional Secretariat, Karuwalagaswewa, the constructions of about 19 kilometers had been completed. Nevertheless, the balance work of the constructions had been stopped half way.
- (d) The electric fence about 50 kilometers being constructing from Kumbukweva Hambarawatta, Kandulugamuwa upto Kandegama in the Meegalawa Area, had been stopped half way. Therefore, it could not be used even the completed section.
- (e) In construction of Horowpathana electric fence, the cut and removal of thick jungle of 9 kilometers and medium size thick jungle of 7 kilometers had been executed by a private contractor. Neither the Department of Wildlife nor the Timber Corporation had participated thereon and the particulars relating to the timber removed had not been made available for audit.

- (f) It was observed that the maintenance work of the electric fence of 113 kilometers belonging to the Divisional Secretariat, Karuwalagasweva and the electric fence of 66 kilometers belonging to the Divisional Secretariat, Wanathavilluwa had not been properly carried out by the Officers of the Civil Security.
- (g) Twenty seven buildings had been obtained on lease basis to establish regional offices in the year under review, while lease agreements had not been entered into in respect of 13 buildings out of that.

3.15 Human Resources Management

----- Approved Cadre and Actual Cadre -----

The position on the cadre as at 31 December 2015 had been as follows.

Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies
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(i) Senior Level	56	20	36
(ii) Tertiary Level	32	26	06
(iii) Secondary Level	1,419	1,048	371
(iv) Primary Level	468	448	20
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Total	1,975	1,542	433
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