

Report of the Auditor General on Head 294 –Department of National Zoological Gardens - Year 2015

The audit of the Appropriation Account and the Reconciliation Statements including the financial records, books, registers and other records of the Head 294 –Department of National Zoological Gardens for the year ended 31 December 2015 was carried out in pursuance of provisions of 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 27 September 2016. The audit observations, comments and findings on the accounts and the 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 Responsibility 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 of 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 and 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 896.43 million and out of that Rs.863.23 million had been utilized by the end of the year under review. Accordingly, the savings out of the net provision made for the Department amounted to Rs.33.20 million and represented 3.7 per cent of the net provision. Details are given below.

Expenditure	As at 31 December 2015			Savings as a percentage of Net Provision
	Net Provision	Utilization	Savings	
	Rs. Millions	Rs. Millions	Rs. Millions	
Recurrent	299.78	299.08	0.70	0.23
Capital	596.65	564.15	32.50	5.45
Total	896.43	863.23	33.20	3.70

2.2 Advance Account

2.2.1 Advances to Public Officers Account

Limits Authorized by Parliament

Limits Authorized by Parliament for the Advances to Public Officers Account Item No.29401 of the Department and actual amounts are shown 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
16.00	12.43	10.60	13.61	65.00	45.99

2.3 Imprest Account

Balance of the Imprest Account No.7002/0000/00/0146/0015/000 of the Department as at 31 December 2015 amounted to Rs.72.03 million.

2.4 General Deposit Account

The balances of 05 General Deposit Accounts of the Department as at 31 December 2015 totalled Rs. 1,934.70 million. Details appear below.

Deposit Account Number -----	Balance as at 31 December 2015 -----
	Rs. millions
6000/0000/00/0015/0149/000	0.07
6000/0000/00/0002/0125/000	5.79
6000/0000/00/0016/0074/000	86.04
6000/0000/00/0006/0026/000	1,842.49
6000/0000/00/0018/0081/000	0.31

Total	1,934.70 =====

2.5 Audit Observation

The Appropriation Account and the Reconciliation Statements of the Department for the year ended 31 December 2015, have been prepared satisfactorily 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.

Type of Register -----	Relevant Regulation -----
(a) Register of Fixed Assets	Treasury Circular No.842 of 19 December 1978.
(b) Register of Fixed Assets for Computers ,Accessories and Software .	Treasury Circular No.IAI/2002/02 of 28 November 2002

3.2 Appropriation Account

Budgetary Variance

The entire net provision amounting to Rs. 500,000 made for one Object had been saved.

3.3 Imprest Account

Even though according to the books of the Department ,the balance of the Imprest Account as at 31 December 2015 amounted to Rs,72,302,697,the money remitted to the Treasury mentioned in debit notes as at that date had been only Rs.72,279,296.65. Accordingly, a sum of Rs.23,400 had not been remitted to the Treasury.

3.4 General Deposit Account

Action in terms of Financial Regulation 571 had not been taken on 107 deposits older than 2 years totalling Rs29,394,997.

3.5 Advances to Public Officers Account

According to the Reconciliation Statement of the Advances to Public Officers Account Item No. 29401 as at 31 December 2015, the balances that remained outstanding as at that date totalled Rs.1,586,703. Even though ,those outstanding balances remained over periods ranging from 01 year to 10 years, the Department had failed to recover those outstanding balances.

3.6 Accountability and Good Governance

Audit and Management Committee

Only 3 meetings of Audit and Management Committee had been conducted during the year 2015.

3.7 Assets Management

Conduct of Annual Boards of Survey

The Boards of Survey of the quadrupeds, birds, fishes and reptiles of the Department in respect of the year 2015 had not been conducted and the reports had not been furnished to audit .

3.8 Non – compliances

Non – compliance with Laws, Rules and Regulations.

Non – compliances with the provisions in Laws, Rules, and Regulations observed at audit test checks are analyzed below.

Reference to Laws, Rules and Regulations	Value	Non-compliance
<p>-----</p> <p>(a) Establishments Code of the Democratic Socialist Republic of Sri Lanka</p> <p>-----</p>	<p>--</p> <p>Rs.</p>	
<p>(i) Section 3 of Chapter XIX</p>	<p>-</p>	<p>All Government Quarters had not been graded in relation to the categories of officers who will be eligible for them.</p>
<p>(ii) Section 5.4 of Chapter XIX</p>	<p>-</p>	<p>Where husband and wife ,both public officers, are in occupation of Government quarters ,five per cent of the salary of the spouse had not been recovered .</p>
<p>(iii) Section 5.8 of Chapter XIX</p>	<p>-</p>	<p>Water and electricity charges had not been paid directly by the officer in occupation of Government quarters .</p>
<p>(iv) Section 6.1 of Chapter XIX</p>	<p>-</p>	<p>Even though the tenancy period for the Government quarters is 5 years, 13 officers are occupying in Government quarters exceeding that period.</p>
<p>(v) Sub-section 5.5.1 of Chapter XIX</p>	<p>-</p>	<p>Ten per cent of the salary from each officer sharing the quarters had not been charged.</p>
<p>(b) Government Procurement Guidelines</p> <p>-----</p>	<p>-</p>	
<p>(i) Guideline 4.3.1</p>	<p>5,293,035</p>	<p>A water filtering system had been constructed without preparing engineering estimates.</p>
<p>(ii) Guideline 8.9.3</p>	<p>-</p>	<p>The contract for the construction of water filtering system had been awarded to a Government Institution without entering into Contract Agreement.</p>

3.9 Performance

Observations on the progress of the Department according to the Annual Budget Estimate and the Action Plan of the year 2015 are as follows.

(a) Key Functions not Executed Adequately

The Department had not executed the key functions adequately and several such instances observed are given below.

- (i) It had been included in the Action Plan that construction of habitats for the Bengali Tigers and the members of the cats' family at the Zoological Gardens ,Dehiwala should have been commenced on 15 January 2015 and completed on 30 June 2015 . The cost estimated for that purpose had been shown as Rs.30 million. However, only 80 per cent out of that had been completed even by 31 December 2015.The cumulative expenditure as at that date had been Rs.42.5 million. Even though Project should have been completed by 30 June 2015 , that construction had been completed only on 30 June 2016.
- (ii) The renovation of the Reptile Park of the Dehiwala Zoological Gardens should have been commenced on 15 July 2015 and completed on 15 December 2015, only 40 per cent out of that work had been completed even by 31 December 2015.
- (iii) Even though renovation of the Foreign Birds Park of the Dehiwala Zoological Gardens should have been commenced on 15 May 2015 and completed on 30 November 2015, only 50 per cent out of that had been completed even by the end of the year under review.
- (iv) Even though the repairing of the rubbish damp of the Dehiwala Zoological Gardens had been carried out from the year 2014, only 65 per cent of that had been completed even by the end of the year 2015.That construction had been completed only on 07 July 2016.
- (v) The Habitats for Bengali Tigers , leopards and bears should have been commenced at the beginning of December 2015.However,those 02 projects had not been commenced in the year 2015.

(b) Activities not included in the Action Plan

The following Projects which had not been included in the Action Plan for the year 2015 had been mentioned in the Performance Report as implemented in the year 2015.

(i) Zoological Gardens at Dehiwala

The following activities had been executed .

- A sum of Rs.26.2 million had been spent for the renovation of internal road No. 6.
- Habitats for ducks, service path ,employees vehicle park and latrine system had been completed at a cost of Rs.5.7 million.
- A sum of Rs.2.2 million had been spent for the preparation of cages for monkeys.

(ii) Elephant Orphanage at Pinnawala

The following activities had been executed.

- Renovation of several selected internal roads
- Rehabilitation of the tank.
- Renovation in the vicinity of the Welfare Cafeteria.
- Construction of the boundary wall near the office.

(iii) Safari Gardens at Hambantota

The following activities had been executed

- Construction of the garage
- Construction of lions' lairs and huts for animal caretakers.

3.10 Transactions of Contentious Nature

Two pairs of Ostrich had been purchased for the Safari Gardens on the payment of Rs.5 million from the Departmental Head during the year 2014 .The trade licence for the sale of the said animals had not been presented by the supplier. Similarly, it was an import licence issued for import of 3 categories of animals with the valid period of 3 months ,from 12 July 2012 submitted with the replies to paragraph 4.4 (iii) of the Report of the Auditor General No.LP/H/ZDWF/01/14/42 of 24 July 2015. Even though the age of animals had exceeded 3 years by the time of quotations for the Ostriches of age of 2 years as mentioned in the said licence , its age had been shown as 2 years. Accordingly, a contradiction in the ages of the animals purchased and the Ostriches relating to the import license was observed.

3.11 Losses and Damage

Action had not been taken to write off from books by computing the animal deaths and the values of animals relating thereto in the Department relating to the year under review.

3.12 Uneconomic Transactions

Two Finger Print Machines in addition to the identified daily requirements of the Department valued at Rs.126,500 had been purchased and stored. The one year guarantee period of the machines also had been expired by 08 July 2016, the date of audit.

3.13 Human Resources Management

Approved Cadre and the Actual Cadre

The position of cadre as at 31 December 2015 is as follows.

	Category of Employee	Approved Cadre	Actual Cadre	Number of Vacancies
	-----	-----	-----	-----
(i)	Senior Level	28	21	07
(ii)	Tertiary Level	02	01	01
(iii)	Secondary Level	162	128	34
(iv)	Primary Level	667	417	250
		-----	-----	-----
	Total	859	567	292
		=====	=====	=====

The following observation is made.

Two hundred and ninety two vacancies with approved cadre existed by the end of the year under review. It was observed in audit that a larger number out of those vacancies related to animal care duties and 61 vacancies were directly connected to the posts relating to the health, nutrition and animal husbandary .