Head 294 -Department of National Zoological Gardens - 2024

1. Financial Statements

1.1 Opinion

Head 294 - The audit of the financial statements of the Department of National Zoological Gardens 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 , 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 Department of National Zoological Gardens was issued to the Accounting Officer on 30 May 2025 in terms of Section 11(1) of the National Audit Act, No.19 of 2018. The Annual Detailed Management Audit Report was issued to the Accounting Officer on 30 June 2025 in terms of Section 11(2) of the National 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, the financial statements of the Department of National Zoological Gardens as at 31 December 2024 give a true and fair view on the financial position and its financial performance and cash flows and on all the material respects in compliance with the basis of preparation of the financial statements set out in Note 01 related to the financial statements.

1.2 Basis for Opinion

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 Emphasis of Matter - Basis of Preparation of Financial Statements

I draw attention to Note 1 to the financial statements which describe the basis of preparation of these financial statements. The financial statements have been prepared for the use of the Department of National Zoological Gardens, the Treasury and the Parliament in accordance with Financial Regulations 150 and 151 and Public Accounting Guidelines No. 06/2024 dated 16 December 2024 as amended on 21 February 2025. Therefore, these financial statements may not be suitable for other purposes. My report is intended only for the use of the the Department of National Zoological Gardens, the General Treasury and the Parliament of Sri Lanka. My opinion on this matter is not modified.

1.4 Responsibilities of the Accounting Officer for the Financial Statements

The Accounting Officer is responsible for preparing financial statements that give a true and fair view in all material respects in accordance with Financial Regulations 150 and 151 and Public Accounts Guidelines No. 06/2024 dated 16 December 2024 as amended on 21 February 2025, and for determining such internal control as 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, Department 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 Department 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 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 judgement and maintain professional skepticism 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 Accounting Officer regarding, among other matters significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. 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) 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.

3. Financial Review

3.1 Management of Expenditure

Audit Observation	Comments of the Accounting Officer	Recommendation
Although the annual expenditure estimates should be prepared as completely and accurately as possible in accordance with Financial Regulations 50 (ii) of the Democratic Socialist Republic of Sri Lanka, a total of Rs.12,462,394 out of the net provision of Rs.17,600,000 provided for 05 expenditure codes in the year under review was not utilized, resulting in provisions had been saved ranging from 52 percent to 100 percent.	Departmental allocations have been left over due to the absence of foreign travel this year, the receipt of most project-related expenses from the income of the Welfare Fund, the lack of allocations for software maintenance due to the use of the POS machine in December, and the fact that the expenses for security expenses and infrastructure facilities born by the Fund.	When preparing estimates, attention should be paid to all matters and estimates should be prepared accurately in accordance with Financial Regulation 50(ii).

3.2 Certification of Accounting Officer

Audit Observation	Comments of the Accounting Officer	Recommendation
Although the Chief Accounting Officer was required to conduct a review of the internal control system of his institution by written and provide copies thereof to the	Action will be taken to undertake a review of the internal control system from this year.	Actions should be taken in accordance with the provisions of Section 38 of the National Audit Act,

Auditor General in accordance with Section 38(2) of the National Audit Act, No. 19 of 2018, this had not been done.		No. 19 of 2018.	

3.3 Non-compliance with Laws, Rules and Regulations

Instances of non-compliance with the provisions in laws, rules and regulations observed during the course of audit test checks are analyzed below.

Reference to Laws, Rules and Regulations	Observation Value	Observation Non-compliance	Comments of the Accounting Officer	Recommendation
	Rs.			
Paragraphs 4.5 and 4.6 of Chapter xxiv of the Establishment Code of the Democratic Socialist Republic of Sri Lanka	1,967,796	Action had not been taken to recover a total of Rs. 1,967,796, including Rs.478,872 from 08 dead officers, Rs.617,458 from 13 suspended officers, and Rs. 871,466 from 20 officers who left the service, of which Rs.1,013,643 was a balance that had been outstanding for more than 05 years.	Approval has been received to write off the debt balances of dead persons totaling Rs.83,679, 09 persons who were suspended from work totaling Rs.170,371 and officers who left the service totaling Rs.119,915. Due to the ongoing investigations of two suspended employees, the outstanding debt of Rs. 161,870 is yet to be settled and legal action is to be taken for the remaining 02 outstanding debt balances and to be collected in installments. The remaining outstanding balances are to be collected from the guarantors and debtors in installments and legal action is to be taken for the outstanding balances.	Steps should be taken to recover outstanding debt without delay.

3.4 Deposit Balances

Audit Observation	Comments of the Accounting Officer	Recommendation
Although the past deposits should be credited to the government revenue in accordance with Financial Regulation 571 (2) of the Financial Regulations of the Democratic Socialist Republic of Sri Lanka, deposits of Rs. 923,094 were not credited and were held in 03 deposit accounts without doing so.	Action will taken to credit this amount to government revenue.	Steps should be taken to act in accordance with Financial Regulations.

4. Operational Review

4.1 Vision and Mission

Audit Observation	Comments of the Accounting Officer	Recommendation
Although about 9 years had passed since the Department's only safari park was established, specific guidelines had not been implemented regarding the operation of that park.	Preliminary work had been carried out to prepare the guidelines for the operation of the Safari Park, and two rounds of discussions had been completed regarding its future activities.	Relevant guidelines should be prepared immediately and steps should be taken to act accordingly.

4.2 Non- performance of Functions

Audit Observation	Comments of the Accounting Officer	Recommendation
The work of establishing the Wastewater Treatment Plant at the Dehiwala Zoo, which was planned to be started and completed in the year under review under the allocation of Rs. 1,900,000, had not been implemented.	The necessary materials for the Wastewater Treatment Plant project have been obtained and work related to the project is being carried out.	Steps should be taken to complete the planned tasks within the stipulated time.

4.3 Non-achievement of expected Output Level

The following observations are made.

	Audit Observation	Comments of the Accounting Officer	Recommendation
(a)	Although the construction of steps from Narambadda to Ma-Oya at the Pinnawala Elephant Orphanage with a provision of Rs.2,000,000 was planned to be completed during the year under review, its physical progress was 10 percent.	The construction of a staircase at the place where the elephants at the Narambedda Elephant Quarantine Center descend into the Ma Oya has been included in the revised action plan for August 2024. The implementation of this work has been assigned to the Kegalle District Engineering Office. The Irrigation Department officials involved in this work have recommended that the sandy island created in the middle of the oya be removed and a flexible retaining wall be constructed to replace the eroded area of the bank and then the construction of the staircase be constructed, and this has been notified on 21.11.2024. Also, due to the industrial action in the engineering service across the island, this work could not be completed in the year 2024.	Steps should be taken to complete the planned tasks within the stipulated time.
(b)	Provisions of Rs.3,600,000 had been allocated to construct and complete a fence and security booth separating the residential area and the tourist area of the Hambantota Safari Park during the year, and the physical progress was 40 percent.	The construction work of the project to construct a fence and a security booth separating the residential area and the tourist area at the Hambantota Safari Park was delayed due to the time taken to procure concrete pillars. Construction work is currently being carried out.	Steps should be taken to complete the planned tasks within the stipulated time.

4.4 Assets Management

Audit Observation	Comments of the Accounting Officer	Recommendation
150 acres of Ridiyagama Safari Park, which has an area of about 500 acres, have not been used for the park since its inception.	At the beginning of the Safari Park, a zone plan was prepared and animal zones were constructed one by one based on the annual allocations received. However, due to the economic situation in the country during the period 2020-2022, the construction was delayed due to the lack of allocations for these activities, and currently, the zones are being constructed one by one according to that plan.	Steps should be taken to utilize assets effectively.

4.5 Management Weaknesses

The following observations are made.

	Audit Observation	Comments of the Accounting Officer	Recommendation
(a)	In 2024, a sufficient number of local and foreign tourists visited the Dehiwala Zoo, with 1,023,091 and 650,013 tourists visiting the Pinnawala Elephant Orphanage. The number of tourists visiting the Ridiyagama Safari Park, the only safari park in Sri Lanka, and the Pinnawala Zoo, located near the Pinnawala Elephant Orphanage, were **209**,**500** and **302**,**627** respectively. This was due to the lack of sufficient and diverse number of animals, attractive environment and proper publicity.	Due to the crisis situation in the country from 2019 to 2022 and import restrictions, it was unable to import new animals to Safari Park, and animal exchanges resumed in 2023, and domestic black swans and sheep were acquired to the Safari Park in 2024. Furthermore, animals have already been acquired from Russia and India under the foreign animal exchange, and some of these animals are scheduled to be delivered to the Safari Park. The construction of the Cheetah and Leopard zones, which have been stalled and hindered its attractiveness, could not be completed due	Steps should be taken to obtain the necessary animals for the zoo and to increase its tourist attraction by creating a suitable environment.

		to lack of funds and restrictions on the initiation of new projects. The construction of the Cheetah zone was included in the 2024 action plan, while the construction of the Leopard zone is expected to be carried out in 2025.	
(b)	According to the post mortem of the Bengal tiger which was conducted 02 June 2023 in the Ridiyagama Safari Park, the tiger had died due to poisoning and the investigations regarding the unnatural death of an animal under the care of the Safari Park had not been completed till now.	An investigation committee was appointed in 2023 regarding the death of the Bengal tiger and the final report of the investigation has been delayed due to the non-receipt of the post mortem reports on the tissue samples of the animal.	The investigation reports should be obtained and necessary actions should be taken promptly.

5. Human Resource Management

The following observations are made.

	Audit Observation	Comments of the Accounting Officer	Recommendation
(a)	As at 31 December 2024, 173 out of the approved number of 894 employees in the Department of National Zoological Gardens were vacant, including 11 senior level posts, 37 secondary level posts and 125 primary level posts.	Letters have been refered to the Ministry of Public Administration regarding the filling of these vacancies on 2024.02.07 - 2024.04.21, 2024.06.07 and 2024.06.26.	Steps should be taken to promptly fill vacancies in essential positions and maintain the institution strong.
(b)	It was observed that the existence of senior-level vacancies has a negative impact on the efficiency of the department as a revenue-generating department and on management decision-making, while the existence of secondary and primary-level vacancies directly affects the efficiency of operational activities.	A request has been made to the Department of Management Services on 07.06.2024 to provide a discussion regarding the vacancies in this department and the increase in the approved staff.	Steps should be taken to promptly fill vacancies in essential positions and maintain the institution strong.