

Report of the Auditor General on Head 322 - Department of National Botanical Gardens -Year 2016

The audit of the Appropriation Account, Revenue Account and the Reconciliation Statements including the financial records, books, registers and other records of the Head 322–Department of National Botanical Gardens for the year ended 31 December 2016 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 13 June 2017. 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, Revenue 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. 637.32 million and out of that Rs.634.65 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.2.67 million and represented 0.42 per cent of the net provision. Details are given below.

Expenditure -----	As at 31 December 2016 -----			Savings as a percentage of Net Provision -----
	Net Provision	Utilization	Savings	
	Rs. Millions	Rs. Millions	Rs. Millions	
Recurrent	349.52	348.73	0.79	0.23
Capital	287.80	285.92	1.88	0.65
Total	637.32	634.65	2.67	0.42
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2.2 Revenue Account

----- Estimated and Actual Revenue -----

The Department had prepared Revenue Estimate totalling Rs.675.00 million in respect of one Revenue Code for the year 2016 and Revenue totalling Rs.747.85 million had been collected during the year under review. It had been 110.79 per cent of the estimated revenue.

2.3 Advance Account

----- Advances to Public Officers Account -----

----- Limits Authorized by Parliament -----

Limits Authorized by Parliament for the Advances to Public Officers Account Item No.32201 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
19.00	18.99	13.00	17.55	82.00	58.66

2.4 Imprest Account

Balance of the Imprest Account No.7002/0000/00/0405/0016/000 of the Department as at 31 December 2016 amounted to Rs.11.36 million.

2.5 General Deposit Account

The balances of 04 General Deposit Accounts of the Department as at 31 December 2016 totalled Rs. 39.82 million. Details appear below.

Deposit Account Number	Balance as at 31 December 2016
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	Rs. millions
6000/0000/00/0002/0187/000	3.69
6000/0000/00/0013/0057/000	4.49
6000/0000/00/0016/0039/000	31.36
6000/0000/00/0018/0049/000	0.28

Total	39.82
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2.6 Audit Observation

The Appropriation Account, Revenue Account and the Reconciliation Statements of the Department of National Botanical Gardens for the year ended 31 December 2016, 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

The Department had not maintained a Register of Fixed Assets to be maintained in accordance with the Treasury Circular No. 842 of 19 December 1978 in an updated manner.

3.2 Appropriation Account

Budgetary Variance

Excess provision had been made for one Capital Object and as such the savings, after the utilization of provisions, had been Rs.1.55 million or 12 per cent of the net provision.

3.3 General Deposit Account

Action in terms of Financial Regulation 571 had not been taken on 15 deposits older than 2 years totalling Rs.3,091,028.

3.4 Reconciliation Statement on the Advances to Public Officers Account

According to the Reconciliation Statement of the Advances to Public Officers Account Item No. 32201 as at 31 December 2016, the balances that remained outstanding as at that date totalled Rs.351,729. Even though ,those outstanding balances remained over periods ranging from 01 year to 11 years, the Department had failed to recover those outstanding balances.

3.5 Assets Management

The following deficiencies were observed during the course of audit test checks carried out with regard to the assets of the Department.

(a) Assets given to External Parties

Lands the value had not been assessed and 69 hectares in extent belonging to the Hakgala Botanical Garden of the Department had been encroached over a period of 30 years by 97 families. However, action had not been taken to settle those properties.

(b) Unsettled Liabilities

Unsettled liabilities of less than one year of the Department as at 31 December 2016 had been totalled Rs.3,862,280.

3.6 Non-compliances

Non-compliance with Laws, Rules and Regulations, etc

It was observed at audit test checks that a sum of Rs.94,974 or 5 per cent of the salary of the lower paid officer in terms of Section 5.4 of Chapter XIX of the Establishments Code had not been recovered from the spouse who are in occupation of 02 government quarters in 05 years and 07 years period .

3.7 Performance

The observations of the progress of the Department according to the Annual Budget Estimate and the Action Plan of the year 2016 are given below.

(a) Key Functions not executed adequately

The main objective of the Department of Botanical Gardens is ex-situ conservation of the threatened plants and make propagation. However, 15 plant species are being threatened and at risk for several years. An adequate action had not been taken for the propagation of this plant species.

(b) Planning

The following observations are made.

- (i) Even though the annual target of the tissue cultured Anthurium plants in the flower gardening section was 25,000, out of that only 17,048 plants or 68 per cent had been achieved .
- (ii) About 15 plants from an empty Jam Bottle and about 25 plants from an empty bottle of 750 ml could be obtained. However, only one plant had been produced from one bottle in the comparison of the number of tissue cultured Anthurium bottles issued to the plant house by the Tissue Culture Division with the number of plants produced .

3.8 Management Weaknesses

The following weaknesses were observed in the sample audit checks.

- (a) Five Security Officers employed at the Assistant Director's Office at Narahenpita had been deployed continuously 08 or 09 days per month, 24 hours per day.
- (b) According to the plan of the Seethawaka Botanical Garden, having being constructed a canteen and an information centre near the access road , a new canteen had been constructed by spending Rs.2,163,642 in an another place even only elapsed one year in the construction of the canteen.
- (c) The Department of National Botanical Gardens had identified the timely requirement of conducting a Diploma Course relevant to the subject of gardening and landscaping which is not conducted by any Institution in Sri Lanka and registered for that in the year 2010. However, it had been failure to commence and conduct that Course even as at the end of the year under review.

3.9 Human Resources Management

Approved and Actual Cadre

The position of the cadre as at 31 December 2016 had been as follows

Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies
(i) Senior Level	33	14	19
(ii) Tertiary Level	10	05	05
(iii) Secondary Level	186	135	51
(iv) Primary Level	556	494	62
Total	785	648	137