



ANNUAL REPORT 2023



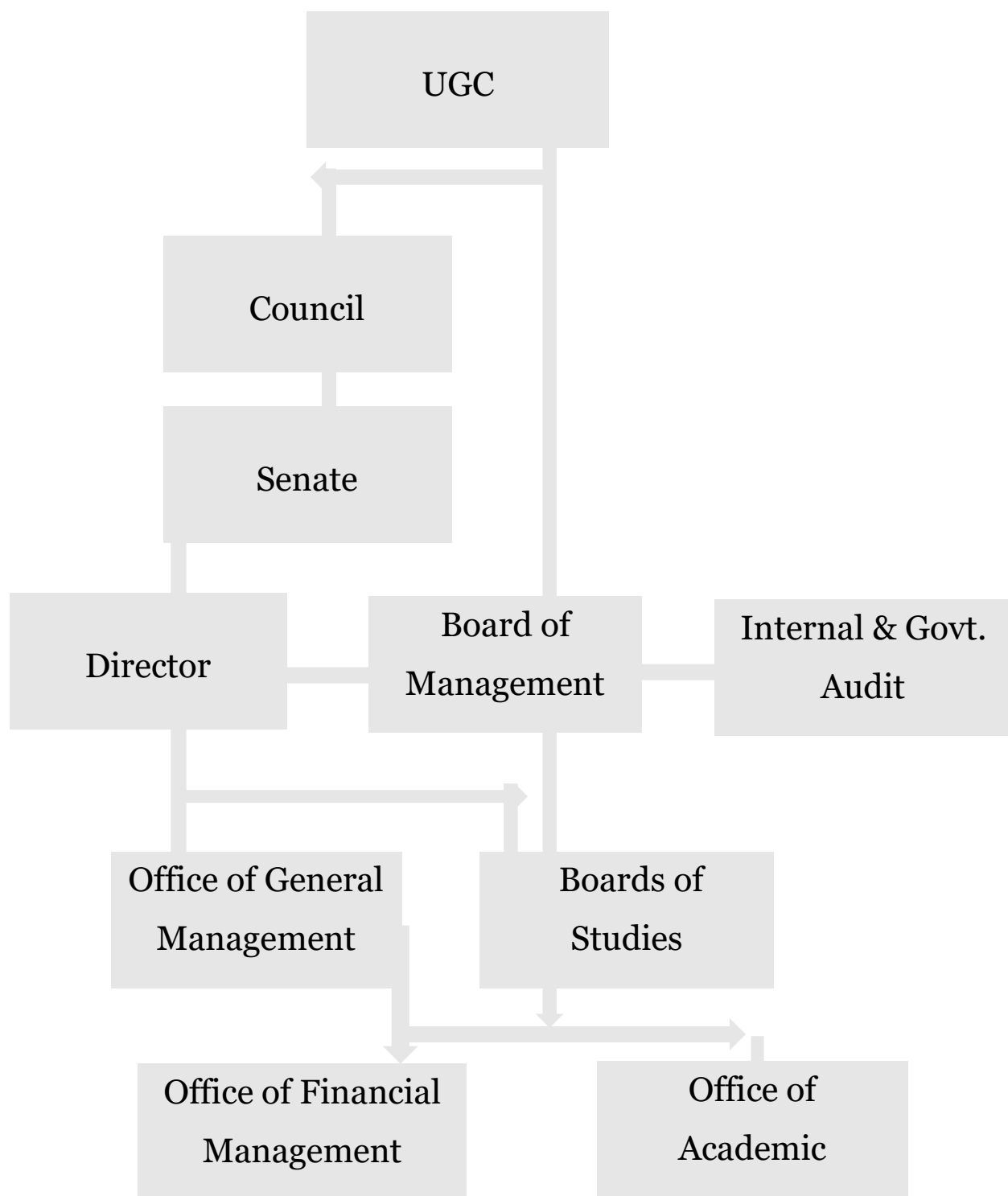
**POSTGRADUATE INSTITUTE OF
MEDICAL SCIENCES
(PGIMS)**

UNIVERSITY OF PERADENIYA

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1. ORGANIZATIONAL STRUCTURE



2. DIRECTOR'S REVIEW



I am pleased to present an overview of the progress and challenges faced by PGIMS throughout the year 2023.

The year commenced with great promise as PGIMS inaugurated two new degree programs amidst a distinguished gathering, including the Chairman of the University Grants Commission and key members of the Board of Management. This momentous occasion marked a significant milestone in our journey. With the commencement of these programs, PGIMS welcomed over 50 enthusiastic students, a testament to the growing recognition and appeal of our institution within the academic community.

Amidst the backdrop of economic uncertainty in our nation, achieving such a milestone underscores the resilience and commitment of PGIMS towards academic excellence and student welfare. This accomplishment is not merely a numerical figure but a reflection of our unwavering dedication to providing quality education and fostering intellectual growth in our students.

However, it is imperative to address the challenges we encountered during the year. Despite our best efforts, PGIMS faced constraints in expanding our staff cadre, notably in positions such as Deputy Director and Assistant Bursar. This shortfall in staffing has posed operational challenges, leading to a strain on existing resources and compromising the efficiency of our operations. We recognize the urgency of rectifying this situation and are actively exploring avenues to address our staffing needs.

As we navigate through these challenges, I remain confident in the collective resolve and capabilities of our team to overcome obstacles and steer PGIMS towards continued success. Our commitment to excellence remains unwavering, and we are steadfast in our pursuit of academic advancement and institutional growth.

I extend my heartfelt gratitude to our dedicated faculty, staff, students, and stakeholders whose unwavering support and dedication have been instrumental in our achievements thus far. Together, let us forge ahead with determination and resilience, guided by our shared vision of excellence in education and research.

Prof. (Dr.) Samath D. Dharmaratne
Director
PGIMS

3. VISION & MISSION

Vision

To be an internationally recognized and accredited Centre of Excellence in postgraduate medical education in Sri Lanka, Asia and the world.

Mission

To plan, develop, offer, monitor and evaluate postgraduate programs in medical sciences to provide optimal healthcare for the people of Sri Lanka through sustainable education, research and innovation.

Goals

- To develop facilities
- To establish an efficient system of administration and financial management
- To establish study programs
- To create a student-centered learning environment founded on mutual respect, social sensitivity, and professionalism
- To promote a dynamic research culture and an efficient system for dissemination of knowledge
- To ensure Transparency and Good Governance

Values

- Equality of opportunity
- Academic integrity and professionalism
- Critical pursuit of knowledge
- Social sensitivity and mutual respect
- Diversity and freedom of expression
- Democratic governance and management
- Accountability and transparency of operations

4. OVERVIEW OF THE PGIMS

The Postgraduate Institute of Medical Sciences (PGIMS) was established on 9th of September 2019 under section 24A (1) of the Universities Act, No.16 of 1978 and was published in Gazette Extraordinary No. 2141/13 of 2019. The Institute is affiliated to the University of Peradeniya, Sri Lanka.

The authorities of the institute are the: -

- (a) Board of Management
- (b) Boards of Studies and
- (c) any other bodies as may be prescribed by the Ordinance to be such authorities.

The Institute established Boards of Study for each of the following specialties of Medicine, and can establish other Boards for specialties of Medicine in which teaching and training are intended and needs to be approved by the Commission upon the recommendation of the Board of Management and the University of Peradeniya.

- (a) Clinical Sciences;
- (b) Basic Medical Sciences;
- (c) Applied Medical Sciences; and
- (d) Health Sciences

The Postgraduate Institute of Medical Sciences (PGIMS) commenced its academic activities in the year 2023 with the introduction of two-degree programs namely, Master of Public Health (MPH) and Master of Science in Exercise and Sports Sciences (MSc. ESS). The first batch of students were admitted for both the degree programs in April 2023.

A draft five-year Strategic plan (2022-2026) was prepared and was presented to the BoM and was approved. The strategic plan presented 6 goals under three key areas of operation, namely, Improving Quality and Standard of Teaching and Research; Promoting Efficiency in Administration and Financial Management; and Strengthening Good Governance and Ethical Conduct. The Strategic Plan 2022-2026 will implement forty-eight actions under thirty-one strategies and thirteen objectives under the following six goals:

- To develop facilities;
- To establish an efficient system of administration and financial management;
- To establish study programs;
- To create a student- centered learning environment founded on mutual respect, social sensitivity, and professionalism;
- To promote a dynamic research culture and an efficient system for dissemination of knowledge;
- To Ensure Transparency and Good Governance.

The positive execution of the actions of the strategic plan is expected to facilitate the institute to be an internationally recognized and accredited Centre of Excellence in postgraduate medical education in Sri Lanka, Asia and the world.

The institute expects to conduct the following discipline-wise degree programs:

Short Courses;
Master of Sciences;
Master of Philosophy; and
Doctor of Philosophy.

The institute awaits approval from the University Grants Commission (UGC) to transfer Master of Oral Medicine and Oral Radiology (one-year program) and Master of Science in Oral Medicine and Oral Radiology (two-year program) to the Postgraduate Institute of Medical Sciences, University of Peradeniya. The institute aims for these programs to begin in 2024.

The institute will sustain its plans to widen access to above pending programs and introduce new programs with an interdisciplinary and multidisciplinary focus in order to expand and diversify its postgraduate offerings. The institute will keep creating new degree programs as needed and in accordance with the Strategic Plan. It will also work with both public and private institutions to run fresh, short-term training programs for the workforce.

Failures and Justifications

Initially the MPH and MSc. ESS degree programs were planned to be offered in 2022. But the approval of the University Grants Commission for the courses had been received in the year 2023. Therefore, the academic activities of the two-degree programs were commenced in 2023.

As a newly established institute, the PGIMS faces several financial constraints. The PGIMS is only receiving funds for personal emoluments and other capital and recurrent expenditure are met through the earned funds of the organization.

Further, the institute does not have the required classroom facilities to conduct lectures. Physical lectures are conducted at other faculties of the University of Peradeniya due to lack of space to conduct lectures. Due to the financial crisis of the country, no capital funding was allocated to the organization in the year 2023 and the institute was made to purchase essential equipment including office furniture, through the earned funds. With all that, the PGIMS continued its activities with necessary adjustments.

5. BOARD OF MANAGEMENT

S. N	Name of the Member	Affiliation
1.	Prof. Samath D. Dharmaratne	Director, PGIMS, University of Peradeniya
2.	Dr. E.M.P.C.S. Ekanayake	Dean, Faculty of Arts, University of Peradeniya, University of Peradeniya
3.	Prof. M. D. M. I. D. K. Yatawara	Dean, Faculty of Allied Health Sciences, University of Peradeniya
4.	Prof. K.A.S.S. Kodithuwakku	Dean, Faculty of Agriculture, University of Peradeniya
5.	Dr. U.I. Dissanayake	Dean, Faculty of Engineering, University of Peradeniya
6.	Prof. M.V.G. Pinto	Dean, Faculty of Medicine, University of Peradeniya
7.	Prof. R.H. Kuruppuge	Dean, Faculty of Management, University of Peradeniya
8.	Prof. R.G.S.C. Rajapaksha	Dean, Faculty of Science, University of Peradeniya
9.	Prof. P.G. Anil Pushpakumara	Dean, Faculty of Veterinary Medicine and Animal Science, University of Peradeniya
10.	Prof. Manjula Attygalla	Dean, Faculty of Dental Sciences, University of Peradeniya
11.	Mr. W.K.L.E. Walallavita	For Secretary, Ministry of Education (Chief Financial Officer, Ministry of Education)
12.	Mr. H.M.S. Dharmawardana	For Secretary, Ministry of Finance, Economic Stabilization and National Policies (Additional Director General)
13.	Dr. Sunil De Alwis	For Secretary, Ministry of Health (Additional Secretary, Medical Services, Ministry of Health)
14.	Dr. Asela Gunawardena	Director General of Health Services, Ministry of Health
15.	Dr. Pandula Siribaddana	For Director, Postgraduate Institute of Medicine, University of Colombo (Senior Lecturer, Postgraduate Institute of Medicine)
16.	Prof. Ishan de Zoysa	UGC nominee (Professor in Surgery, Department of Surgery, Faculty of Medicine, University of Colombo)
17.	Prof. T. Kumanan	UGC nominee (Professor in Medicine, Department of Medicine, Faculty of Medicine, University of Jaffna)
18.	Mr. Kamal Padmasiri	UGC nominee (Former Secretary, Ministry of Provincial Councils, Local Government and Sport)
19.	Dr. Surantha Perera	UGC nominee (Consultant Pediatrician and Neonatologist, Castle Street Hospital for Women, Colombo)
20.	Prof. Devaka K. Weerakoon	UGC nominee (Senior Professor in Zoology, Department of Zoology and Environmental Sciences, Faculty of Science, University of Colombo)
21.	Prof. D.M. Dissanayake	Faculty of Medicine nominee (Senior Professor, Department of Pathology, Faculty of Medicine, University of Peradeniya)
22.	Prof. Arinda Dharmapala	Faculty of Medicine nominee (Professor in Surgery, Department of Surgery, Faculty of Medicine, University of Peradeniya)
23.	Prof. P.S.K. Nanayakkara	Faculty of Medicine nominee (Professor in Anaesthesiology, Department of Anaesthesiology and Critical Care, Faculty of Medicine, University of Peradeniya)
24.	Prof. Kapila Gunawardane	Nominee from the Council, University of Peradeniya
25.	Senior Professor Vidya Jyothi Vajira H. W. Dissanayake	Council Nominee (Dean, Faculty of Medicine, University of Colombo)
26.	Mr. Samantha Ratwatte	Council nominee (Presidents Council)
27.	Prof. C.M.B. Dematawewa	Co-opted member (Director, Postgraduate Institute of Agriculture, University of Peradeniya)
28.	Prof. Terrence Madhujith	Co-opted member (Deputy Vice Chancellor, University of Peradeniya)

6. BOARD OF STUDY AFFILIATES

6.1 BOARD OF STUDY IN HEALTH SCIENCES

S. N	Name of the Nominee	Affiliated Institution
1.	Prof. H.M.T.U. Herath	Faculty of Allied Health Sciences, University of Peradeniya (Chairperson)
2.	Prof. D.R.A. Dissanayake	Faculty of Veterinary Medicine and Animal Sciences, University of Peradeniya
3.	Dr. R.M.R.D.B. Ranaweera	Faculty of Engineering, University of Peradeniya
4.	Dr. W.R.P. Wijesinghe	Faculty of Science, University of Peradeniya
5.	Prof. R.H. Kurupuge	Faculty of Management, University of Peradeniya
6.	Prof. C.M. Wickramathilake	Faculty of Medicine, University of Ruhuna
7.	Prof. Gominda Ponnampereuma	Faculty of Medicine, University of Colombo
8.	Ms. Shashi Alahakoon	Faculty of Health Care Sciences, Eastern University Sri Lanka
9.	Prof. B.E.P. Mendis	Faculty of Agriculture, University of Peradeniya (Secretary)
10.	Dr. (Mrs.) G. Dissanayake	Faculty of Arts, University of Peradeniya
11.	Prof. L.P.M.M.K. Pathirage	Faculty of Medicine, University of Peradeniya
12.	Dr. C.S.S.S.K. Gamakaranage	Faculty of Medicine, Sabaragamuwa University of Sri Lanka

6.2 BOARD OF STUDY IN APPLIED MEDICAL SCIENCES

S. N	Name of the Nominee	Affiliated Institution
1.	Dr. Ralinda Pallawala	Teaching Hospital, Peradeniya (Chairperson)
2.	Prof. Dileep De Silva	Faculty of Dental Sciences, University of Peradeniya
3.	Prof. Jananie Kottahachchi	Faculty of Medicine, University of Sri Jayawardenepura
4.	Prof. R.H.A.I. Rathnaweera	Faculty of Medicine, University of Ruhuna
5.	Prof. Dilani Lokuhetti	Faculty of Medicine, University of Colombo
6.	Dr. Sumeth Perera	Faculty of Medicine, Sabaragamuwa University of Sri Lanka
7.	Prof. T.C. Agampodi	Faculty of Medicine & Allied Sciences, Rajarata University of Sri Lanka
8.	Mrs. J. Arulnathan	Faculty of Health Care Sciences, Eastern University Sri Lanka
9.	Dr. I.E. Weerasinghe	National Hospital, Kandy
10.	Dr. S. Kumaran	Faculty of Medicine, University of Jaffna
11.	Dr. W.M.S.N.K. Navaratne	Faculty of Medicine, University of Peradeniya (Secretary)
12.	Dr. Nuwani Manamperi	Department of Parasitology, Faculty of Medicine, University of Peradeniya

6.3 BOARD OF STUDY IN BASIC MEDICAL SCIENCES

S. N	Name of the Nominee	Affiliated Institution
1.	Prof. B.M.H.S.K. Banneheka	Faculty of Dental Sciences, University of Peradeniya (Chairperson)
2.	Dr. Varuni Tennakoon	Faculty of Medical Sciences, University of Sri Jayawardenepura
3.	Prof. L.W.G.R. Alwis	Faculty of Medicine, University of Ruhuna
4.	Dr. Kumudu Bandara	Teaching Hospital, Peradeniya
5.	Prof. D.J. Anthony	Faculty of Medicine, University of Colombo
6.	Dr. H.T.W. Werakoon	Faculty of Medicine & Allied Sciences, Rajarata University of Sri Lanka
7.	Dr. N.D.A. Wageesha	Faculty of Medicine, Sabaragamuwa University of Sri Lanka
8.	Dr. J. Mahinthan	Faculty of Health Care Sciences, Eastern University Sri Lanka (Secretary)
9.	Dr. C.T. Keppetiyagama	National Hospital, Kandy
10.	Senior Prof. (Miss) V. Arasaratnam	Faculty of Medicine, University of Jaffna
11.	Dr. T.D.P. Nandadeva	Faculty of Medicine, University of Peradeniya
12.	Dr. Shirome Siriwardena	Department of Anatomy, Faculty of Medicine, University of Kelaniya
13.	Dr. (Mrs). R.M.P.M. Rathnayake	Teaching Hospital, Kurunegala

6.4 BOARD OF STUDY IN CLINICAL SCIENCES

S. N	Name of the Nominee	Affiliated Institution
1.	Prof. D.A.C.L. Dalugama	Faculty of Medicine, University of Peradeniya (Chairperson)
2.	Prof. R.D. Jayasinghe	Faculty of Dental Sciences, University of Peradeniya (Secretary)
3.	Prof. T.P. Weeraratne	Faculty of Medicine, University of Ruhuna
4.	Dr. M.S. Sandya Bandara	Teaching Hospital, Peradeniya
5.	Prof. Pujitha Wicramasinghe	Faculty of Medicine, University of Colombo
6.	Prof. Chamil Marasinghe	Faculty of Medicine, University of Sri Jayawardenepura
7.	Dr. V.I. Dharmawardene	Faculty of Medicine, Sabaragamuwa University of Sri Lanka
8.	Dr. A.M.A.H.M.S. Senanayake	Faculty of Medicine & Allied Sciences, Rajarata University of Sri Lanka
9.	Prof. M. Umakanth	Faculty of Health Care Sciences, Eastern University Sri Lanka
10.	Dr. K.H. Edirisinghe	National Hospital, Kandy
11.	Prof. K. Muhunthan	Faculty of Medicine, University of Jaffna
12.	Prof. D.M.P.U.K. Ralapanawa	Faculty of Medicine, University of Peradeniya
13.	Dr. C.L.Dandeniya	Faculty of Medicine, University of Peradeniya
14.	Dr. Sobavi Randeny	Faculty of Medicine, University of Kelaniya
15.	Dr. A.M.S.B. Adikari	Teaching Hospital, Kurunegala

7. STATISTICS

STUDENTS

New Entrants and Enrolment in Postgraduate Degree Program

Courses	Total						Student Output 2023
	New Entrants			Student Enrolment			
	Male	Female	Total	Male	Female	Total	
Master of Public Health (MPH)	11	11	22	11	11	22	-
Master of Science in Exercise and Sport Sciences	16	20	36	16	20	36	-
Total	27	31	58	27	31	58	-

STAFF

Approved Cadre and Present Staff

Service Category		Salary Code	Approved Cadre	Actual Cadre
Senior Level	Professor	U-AC 5	01	01
Tertiary Level	Junior Executive/Managers	U-EX 1	02	01
	**Academic Support Segment	Fixed	01	01
Secondary Level	Management Assistant – Non-Technical	U-MN 1	01	01
	Management Assistant – Technical	U-MT 1	01	00
Sub Total			06	04

Due to the challenging recruitment atmosphere in the country, the administrative staff for the PGIMS consists of an acting Deputy Bursar from the University of Peradeniya.

** This is a Temporary Research Assistant Cadre

NEW COURSES COMMENCED

Program	Program Type	Duration	Medium
Master of Public Health	Postgraduate	2 years	English
Master of Science in Exercise and Sport Sciences	Postgraduate	1 ½ years	English

8. OVERALL PERFORMANCE OF THE YEAR 2023

According to the mission of the PGIMS, to plan, develop, offer, monitor and evaluate postgraduate programs in medical sciences to provide optimal healthcare for the people of Sri Lanka through sustainable education, research and innovation, it started the process of introducing new market driven thematic degree programs. In the year 2023, the PGIMS commenced its academic activities by offering the following new degree programs.

- 1 Master of Science in Exercise and Sports Sciences (MSc ESS)
- 2 Master of Public Health (MPH)

These two programs were previously offered by the Faculty of Medicine, University of Peradeniya, and were transferred to the PGIMS in 2023. Another two program from the Faculty of Dental Sciences are also in the approval process for a transfer to the PGIMS. Three more programs are in the stage of curriculum development and will be offered in near future.

A workshop on Tropical Medicine was conducted by the PGIMS in collaboration with Center for Research in Tropical Medicine.

A website was developed for the PGIMS to regularly update the important events of the institute. In summary, PGIMS is focused on expanding its educational offerings and research efforts to improve healthcare in Sri Lanka. Through partnerships and new programs, they aim to make a positive impact on medical science and public health.

9. FUTURE PROJECTION REPORT BASED ON SUSTAINABILITY

PGIMS is dedicated to ensuring that the support structure for online teaching and learning activities remains robust, accessible, and well-maintained. This commitment encompasses the provision of adequate resources while actively seeking feedback from students through surveys, thus enabling continuous monitoring and improvement of these educational endeavors.

Moreover, the institute is cognizant of the evolving needs within the health and medical sector. As such, it is introducing a range of short-term courses designed to address both current demands and anticipated future trends, thereby ensuring that students receive relevant and up-to-date training.

In fostering a culture of research and innovation, PGIMS is forging partnerships with esteemed national and international research institutes and universities. Through collaborative research programs, students are encouraged to actively participate in research initiatives, thereby enhancing their academic and practical skills while contributing to advancements in their respective fields.

Recognizing the importance of visibility in attracting prospective students, PGIMS is committed to regularly updating its website to showcase the diverse range of courses and opportunities available. By increasing the institute's online presence, it aims to expand its reach and ultimately bolster annual student admissions across all programs.

Furthermore, PGIMS is dedicated to strengthening its feedback mechanisms to facilitate continuous improvement in both academic and administrative processes. By actively soliciting and responding to student feedback, the institute endeavors to enhance the overall learning experience and operational efficiency.

In all its endeavors, PGIMS remains firmly committed to sustainable development principles, prioritizing environmental protection and minimizing ecological impact. Through awareness initiatives and environmentally conscious practices, the institute aims to engage all stakeholders in its mission towards a greener and more sustainable future.

10. AUDIT & MANAGEMENT COMMITTEE REPORT

Introduction

The Audit and Management Committee was appointed by the Postgraduate Institute of Medical Sciences Board of Management at its 3rd meeting held on 12.03.2022 and the appointment letters were issued on 22.09.2022. The Committee consists of two Non-Executive Governing Council Members of the university and a member representing the General Treasury under the provisions made in paragraph 7.4.1 of the Public Enterprises Guidelines for Good Governance.

In the year 2023, four (04) Audit & Management Committee meetings were held with the participation of the Director, Assistant Registrar, Assistant Bursar (Acting), and the Superintendent of Audit of the National Audit Office, who is the representative of the Auditor General of Sri Lanka. The Audit & Management Committee performs its duties according to the scope specified in the Public Enterprises Guidelines for Good Governance, University Grants Commission Circulars, and Ministry of Higher Education Circulars and makes recommendations to strengthen the internal control systems for the operations of Finance, Academic, Non-Academic activities and improve the administrative Procedures of the Postgraduate Institute of Medical Sciences, University of Peradeniya.

Progress

During the year under review, the Audit and Management Committee, which was conducted on the given dates (Table 01) has made several recommendations, directions, and proposals that have paved the way towards the improvement of internal controls and auditing.

Dates of the audit and management committee held during the year 2023.

Meeting No	Date of the Meeting
03 rd meeting of the AMC	17.03.2023
04 th meeting of the AMC	16.06.2023
05 th meeting of the AMC	17.11.2023
06 th meeting of the AMC	22.12.2023

Table -01

Internal Audit Division

Important matters were discussed in the meetings of the Audit and Management Committee and the recommendations of the Committee can be summarized as follows:

- Liaised with the external auditor and directed the officers employed by the Postgraduate Institute of Medical Science, University of Peradeniya to take follow-up actions on highlighted flaws and lapses in audit queries and reports of the auditor general.
- In addition, the Internal Audit Division has almost covered its Annual Internal Audit Plan by using sample audit techniques, tests of controls, substantive analytical procedures, and detailed substantive procedures.

Accordingly, the important matters were discussed in the meetings of the Audit & Management Committee, and the recommendations of the committee can be summarized as follows:

- Reviewed, evaluated, and made recommendations in the preparation of financial statements, including the budgets of the institute and the utilization of the funds.
- Reviewed, evaluated, and made recommendations on the progress made since the commencement of academic activities at the institute.
- To take the necessary steps to raise funds by conducting self-financing courses related to the objectives of PGIMS.
- To follow the rules and regulations regarding submission of the annual reports along with the financial statements to the Auditor General Department.
- To maintain separate financial records for each degree program in PGIMS.
- To make the payment for visiting lecturers and resource persons for the workshop on time.
- To accelerate the purchase of an accounting package for PGIMS.
- To recruit the temporary staff on an assignment basis without recruiting the permanent staff to the PGIMS

The following are the comments made by the Chairman of the Audit & Management Committee.

- The necessary steps are being taken to rectify the weaknesses in the internal control systems in the institute, and internal controls have to be further reviewed, upgraded, and enforced. – (at the 03rd meeting of the AMC on 17.03.2023).
- The cooperation of staff is required for the implementation of internal controls recommended by the Internal Audit Division, the Audit and Management Committee, and the Auditor General's Department. – (at the 03rd meeting of the AMC on 17.03.2023)
- To commence the academic activities to run the institute and raise the funds for its survival. – (at the 4th meeting of the AMC on June 16, 2023).
- The present top management has taken positive steps to implement the recommendations of the Audit & Management Committee and Internal Audit Division. – (at the 06th meeting of the AMC on 22.12.2023).

Failures and justifications

The Internal Audit Division has performed their Internal Audit Activities on the approved Internal Audit Plan under insufficient human resource allocation. Presently, the Internal Audit Division has expanded its duties of internal audit not only to the University of Peradeniya but also to the Postgraduate Institute of Agriculture, Postgraduate Institute of Science, Postgraduate Institute of Humanities & Social Sciences, and Postgraduate Institute of Medical Sciences since 2019.

Moreover, when considering the huge volume of activities of the University of Peradeniya and its postgraduate institutes, it is justifiable to provide additional cadres to fully implement the Annual Audit Plan of the university. Also, separate cadres are required to be allocated for each postgraduate institute to conduct their audit activities smoothly.

Future Plans

The Audit & Management Committee of the Postgraduate Institute of Medical Sciences is planning to further extend its objectives to review the systems and controls and make recommendations to strengthen the internal control systems for upgrading the financial and administrative procedures of the Postgraduate Institute of Medical Sciences, University of Peradeniya. Further, it is requested to increase human resource allocation for the Internal Audit Division to effectively perform its duties and functions.

Mr. Kamal Padmasiri
Chairman, Audit & Management Committee
Postgraduate Institute of Medical Sciences

Sugath Kodithuwakku
Deputy Internal Auditor

11. ANNUAL FINANCIAL STATEMENT

STATUTORY REPORT 2023

STATUTORY REPORT AND DISCLOSURE OF SIGNIFICANT ACCOUNTING POLICIES FOLLOWED IN PREPARING THE FINANCIAL STATEMENTS OF THE POSTGRADUATE INSTITUTE OF MEDICAL SCIENCES, UNIVERSITY OF PERADENIYA FOR THE YEAR ENDED 31ST DECEMBER 2023.

1 GENERAL

The Financial Statements of the Postgraduate Institute of Medical Sciences for the year ended 31st December 2023 have been prepared in terms of sections 17 (1)(a) and 18 (1) of the Postgraduate Institute of Medical Sciences Ordinance No. 03 of 2019, 106 (1) and 107 (b) of the Universities Act No. 16 of 1978 and as amended by the subsequent legislations and in pursuance of the Finance Act No. 38 of 1971.

2 ACCOUNTING POLICIES (SLPSAS 1)

Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Equity and Cash Flow Statement together with the Accounting Policies and Notes (“Financial Statements”) are a general-purpose financial report which have been prepared on an accrual basis and in accordance with generally accepted accounting policies and principles, in conformity with Sri Lanka Accounting Standards (LKAS) / Sri Lanka Public Sector Accounting Standards (SLPSAS) – Volume I published in 2009, Volume II published in 2012 and Volume III published in 2018, in terms of the Universities Act No. 16 of 1978 and Finance Act No. 38 of 1971 and Department of Public Enterprises Guidelines for the preparation and presentation of financial statements. No adjustments have been made for inflationary factors affecting this financial statement.

3 PROPERTY, PLANT & EQUIPMENT (PPE) (SLPSAS 7)

Property, Plant & Equipment (PPE) are stated at cost of purchase together with any ancillary expenses thereon. The concept of depreciation was adopted in terms of the UGC circular No. 649 of 5th October 1995 and charged to the statement on straight line method. Property, Plant & Equipment maintained on cost method.

The depreciations are calculated at the following percentages per annum.

Building & Structure	05%
Office Equipment	20%
Laboratory & Teaching Equipment	20%
Furniture & Fittings	10%
Computer Equipment and Accessories	20%

A. LAND

The ownership of the land in which the building of the Institute is constructed belongs to University of Peradeniya. The PGIMS operates as an affiliated Institute to the University of Peradeniya. Hence, the value of the land is not considered in preparation of financial statements of the Institute. However, the value of the land was accounted in the accounts of the University of Peradeniya.

B. BUILDING

The building premises where the office and lecture rooms are located have been constructed by University of Peradeniya. However, the cost of building has not been accounted in the books of accounts of the Institute and the value of the building was accounted in the books of accounts of the University of Peradeniya.

4 CURRENT ASSETS

Assets classified as current assets on the Financial Position are cash and cash equivalents and those which are expected to be realized in cash during the normal operating cycle or within one year from the reporting date, whichever is shorter.

4.1. INVENTORIES/ STOCKS

Inventories/ Stocks are valued at cost basis. The costs of the inventories/stocks are maintained by using the First-In, First-Out basis (FIFO). The inventories/stocks balance appearing in the statements has been physically verified for the year ended 31st December 2023.

4.2. CASH AND CASH EQUIVALENTS

Cash and Cash equivalents consists the balance of the current accounts at the Peoples Bank and the Bank of Ceylon as at 31st December 2023.

5 CASH FLOW STATEMENT (SLPSAS 2)

Cash Flow Statement of the Institute prepare under the indirect method.

6. LIABILITIES & PROVISIONS

1. Current liabilities classified on the Financial Performance are those which fall due for payment on demand or within a year from the reporting date.
2. Non-current liabilities are those balances that fall due for payment later than one year from the reporting date.
3. All known liabilities have been accounted for in preparing the annual Financial Statements.

7. UNIVERSITY PROVIDENT FUND AND EMPLOYEES' TRUST FUND

Employees of the Institute are eligible for University Provident Fund (UPF) contributions as per the Universities Act No 16 of 1978 and Employee Trust Fund (ETF) contributions as per the Employees' Trust Fund Act No.46 of 1980. The University contributes defined percentages of 15% and 3% on gross emoluments of employees to an approved employees' provident fund (7%), employees' pension fund (8%) and to the employees' trust fund (3%), which are operated externally.

8. STATEMENTS OF FINANCIAL PERFORMANCE (SLPSAS 1)

8.1. All the Expenditure incurred in the running of the education service and maintaining the Capital Assets in state of efficiency has been charged to revenue in arriving at the surplus for the year.

8.2. Expenditure incurred for the purpose of acquiring, extending and improving assets of a permanent nature by means of which is to carry on the business for the purpose of increasing the earning capacity of the education service has been treated as Capital Expenditure.

9. CONTINGENT ASSETS AND LIABILITIES (SLPSAS 8)

No contingent assets and liabilities have been recognized by the Institute as at 31.12.2023.

10. FINANCIAL HIGHLIGHTS

10.1 GOVERNMENT GRANTS (LKAS 20)

Grants received from the General Treasury of the Government of Sri Lanka through the Ministry of Higher Education/University Grants Commission are recognized as government grants. Presentation of Grants related to Income Method maintains under the Government Grant in the Institute. Details of the Government Grants of the Year 2023 were as follows.

Total Recurrent Grant	:	Rs. 8,000,000.00
Total Capital Grant	:	Rs. 0.00

Description	2023		
	Amount Allocated (Rs.)	Amount Released (Rs.)	Unreleased amount (Rs.)
Recurrent Grant (Personal Emoluments and other recurrent)	13,000,000.00	8,000,000.00	5,000,000.00
Capital Grant (Acquisition of Assets)	-	-	-

10.2 OPERATING SURPLUS/ (DEFICIT)

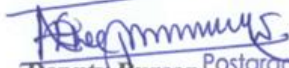
The net Surplus for the year 2023 is Rs. 10,516,059.09 and the net operating result of the Institute after adjusting non- financial transactions is as follows:

Description	2023 (Rs.)
Net Deficit/ Surplus	10,516,059.09
Add: Non-Financial transections	364,013.40
Net Operating Surplus after adjusting for non-financial transections	10,152,045.69

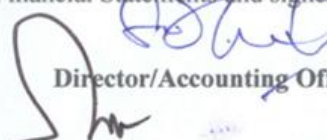
POSTGRADUATE INSTITUTE OF MEDICAL SCIENCES
UNIVERSITY OF PERADENIYA
STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER 2023

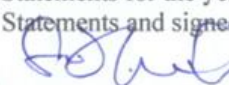
<i>As at 31st December</i>	<i>Note</i>	<i>2023</i> <i>Rs.</i>	<i>2022</i> <i>Rs.</i>
<u>ASSETS</u>			
Current Assets			
Cash & cash equivalents	01	7,355,347.67	1,888,707.48
Unsettlement Advance		-	42,000.00
Receivable - Course Fee		12,660,000	
Stock In Hand		35,397	
		20,050,745	1,930,707.48
Non-current Assets			
Property, plant & equipment	02	2,505,844.52	1,412,136.70
		2,505,844.52	1,412,136.70
Total Assets		22,556,589.14	3,342,844.18
<u>LIABILITIES</u>			
Current Liabilities			
Provision for Gratuity		6,380,933	140,665.62
Audit Fee Payable		200,000	100,000.00
Payables	03	3,531,116	2,343,828.00
Accrued expenses	04	1,259,142.63	235,987.14
		11,371,191.63	2,820,480.76
Total Liabilities		11,371,191.63	2,820,480.76
Total Net Assets		11,185,397.51	522,363.42
<u>NET ASSETS/EQUITY</u>			
Accumulated Surplus		11,185,397.51	522,363.42
		11,185,397.51	522,363.42
Total Net Assets/Equity		11,185,397.51	522,363.42

I certify that the Financial Statements comply with the requirements of the Finance Act No. 38 of 1971


Deputy Bursar
Postgraduate Institute of Medical Sciences
University of Peradeniya

The members of the Board of Management is responsible for the preparation and presentation of these Financial Statements for the year ended 31st December 2023. The Board of Management was approved the Financial Statements and signed on their behalf


Director/Accounting Officer
Prof. A M Attygala
BoM Member


Prof. Sarnath D Dhamaratne
Director
Postgraduate Institute of Medical Sciences
University of Peradeniya
DEAN
Faculty of Dental Sciences
University of Peradeniya


Dean, Faculty of Medicine
University of Peradeniya
Peradeniya.
BoM Member
Prof. Vasanthi Pinto

STATEMENT OF FINANCIAL PERFORMANCE

POSTGRADUATE INSTITUTE OF MEDICAL SCIENCES UNIVERSITY OF PERADENIYA

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2023

<i>For the year ended 31st December</i>	<i>Note</i>	<i>Year 2023</i>	<i>Year 2022</i>
		<i>Rs.</i>	<i>Rs.</i>
Operating Revenue			
Income	05	22,922,500	-
Recurrent Grant		8,000,000	8,980,000.00
		30,922,500.00	8,980,000.00
Operating Expenses			
Personal emoluments	06	18,424,793	7,657,697.50
Travelling Expenses	07	35,774	312.00
Supplies and consumables	08	168,892	88,382.69
Contractual services	09	853,645	110,509.09
Depreciation Allowance	10	364,013	75,541.30
Other recurrent expenses	11	559,324	524,969.00
Total operating expenses		20,406,440.91	8,457,636.58
Net surplus/ (Deficit) for the period		10,516,059.09	522,363.42

STATEMENT OF CHANGES IN EQUITY

POSTGRADUATE INSTITUTE OF MEDICAL SCIENCES

UNIVERSITY OF PERADENIYA

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2023

<i>For the year ended 31st December 2023</i>	Capital Funds Rs.	Accumulated Fund Rs.	Other Component of Equity Rs.	Total Rs.
Balance as at 31 December 2022 (reported)		522,363.42		522,363.42
Over / Under provision	-	146,975.00	-	-
Balance as at 31 December 2023	-	669,338.42	-	522,363.42
Net movement of Funds	-		-	-
Surplus/(deficit) for the period	-	10,516,059.09		10,469,839.58
Balance as at 31st December 2023	-	11,185,397.51	-	11,185,397.51

Note

Overestimated accrued expenditure amounting to Rs. 146,975.00 relating to the year 2022 has been adjusted to the Accumulated funds.

CASH FLOW STATEMENT

**POSTGRADUATE INSTITUTE OF MEDICAL SCIENCES
UNIVERSITY OF PERADENIYA**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2023

<i>For the year ended 31st December</i>	2023	2022
	Rs.	Rs.
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus/(deficit) from ordinary activities	10,516,059	522,363.42
Non -cash movements	10,516,059	522,363.42
Increase in Depreciation	364,013	75,541.30
Over Provision	146,975	
Increase/Decrease in working capital	510,988	75,541.30
Increase in Stock	(35,397)	-
Increase in payables	1,187,288	343,828.00
Increase in Provision for gratuity	6,240,267	140,665.62
Increase in Provision for audit fees	100,000	100,000.00
Increase in accrued expenses/provisions	1,023,155	235,987.14
Increase in Course Fee receivable	(12,660,000)	-
Increase in loans and advances	42,000	(42,000.00)
Net cash flows from operating activities	(4,102,686.08)	778,480.76
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,457,721)	(1,487,678.00)
Net cash flows from investing activities	(1,457,721.22)	(1,487,678.00)
CASH FLOW FROM FINANCING ACTIVITIES		
University Loan	-	2,000,000.00
Net cash flows from financing activities	-	2,000,000.00
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	5,466,640.19	1,888,707.48
Cash & cash equivalents at the beginning of the Period	1,888,707.48	-
Cash & cash equivalents at the end of the Period	7,355,347.67	1,888,707.48

ACCOUNTING POLICIES AND DISCLOSURES

CORPORATE FINANCIAL INFORMATION

1.1 Corporate Information

1.1.1 Reporting Entity

The Postgraduate Institute of Medical Sciences, located in the Central Province, Kandy District, Getambe, Peradeniya, Sri Lanka, is a fully government-owned higher educational institute established on September 9, 2019 under an ordinance made by the University Grants Commission under Section 18 read with Section 24A of the Universities Act, No. 16 of 1978. This ordinance may be cited as the Postgraduate Institute of Medical Sciences Ordinance, No. 03 of 2019. The financial operations of the institute started in February 2022.

1.1.2 Date of Authorization for issue

The Financial Statements of the University were authorized for issue by the Board of Management of the Institute at its 1st meeting held on 13th January 2022.

1.1.3 Reporting period

The Financial period of the Postgraduate Institute of Medical Sciences is from 01st January 2023 to 31st December 2023.

1.1.4 Financial Statements

The Financial Statements comprise the Statement of Financial Performance, Statement of Financial Position, and Statement of Changes in Equity, Cash Flow Statement, Comparison of budget and the actual amount and Significant Accounting Policies & Explanatory Notes as at 31st December 2023.

1.2 Summary of Significant Accounting Policies

1.2.1 Statement of Compliance

The Financial Statements have been prepared and presented in compliance with the Sri Lanka Public Sector Accounting Standards (SLPSAS) issued by the Institute of Chartered Accountants of Sri Lanka. However, Sri Lanka Accounting Standards (LKAS) have been adopted where no Public Accounting Standards are available to ensure the fair presentation.

1.2.2 Basis of Measurement

The Financial Statements of the Postgraduate Institute of Medical Sciences have been prepared on historical cost convention except Property, Plant and Equipment (PPE) measured at Fair Value.

1.2.3 Functional and Presentation Currency

The Financial Statements have been presented in Sri Lankan Rupees (SLR), which is the functional and presentation currency of the University.

1.2.4 Materiality and Aggregation

Each material class of similar items has been presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

Financial Statements result from processing many transactions or other events aggregated into the classes according to their nature or function.

1.2.5 Going Concern

The Board of Management has assessed the ability to continue as a going concern and has a reasonable expectation that the Institute has adequate resources to continue in operation for the foreseeable future. The Board of Management does not foresee a need for liquidation or cessation of operations, taking into account all available information about the future. Therefore, the Institute continues to adopt the going concern basis in preparing the financial statements.

1.2.6 Current versus non-current classification

The Institute presents assets and liabilities in the Statement of Financial Position based on current/non-current classification as per SLPSAS.

1.3 Significant Accounting Policies Adopted

1.3.1 Application of SLPSAS

The Institute has followed the SLPSAS when preparing and presenting financial statements of the Institute for the year 2023.

1.3.2 Significant Accounting Judgments, Estimates and Assumptions

Preparation of the financial statements of the Institute requires the management to make judgments, estimates and assumptions, which may affect the income, expenditure, assets, liabilities and disclosure of contingent assets & contingent liabilities as at the end of the financial year.

1.3.3 Revenue Recognition

The government grant for recurrent expenditure has been recognized when they receive on accrual basis.

1.3.4 Government Grants

Government grant for recurrent expenditure is recognized only when received by the Institute, keeping in line with the provisions of the SLPSAS 01. The recurrent grant received for the year has been recognized as income in the statement of financial performance.

1.3.5 Property, Plant and Equipment (PPE)

1.3.5.1 Basis of Recognition

PPE is recognized if it is probable that future economic benefits associated with the asset will flow to the Institute and the cost of the asset can be measured reliably.

1.3.5.2 Basis of Measurement

An item of PPE that qualifies for recognition as an asset is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and subsequent costs.

1.3.5.3 Depreciation of PPE

The Institute adopts the straight-line method of depreciation where PPE except Land are depreciated at the below mentioned rates and the depreciation expenditure is recognized in Statement of Financial Performance based on the UGC Circular: 649 and 09/2022.

Class of Assets	%
Buildings	5%
Plant Machinery & Tools	10%
Motor Vehicles	20%
Furniture & fittings	10%
Office & Other Equipment	20%
Computer Equipment and Accessories	20%
Library Books & Periodicals	20%
Cloaks	20%

Depreciation of an asset begins from the date it is available for use or in respect of self-constructed assets from the date that the asset is completed and ready for use. Depreciation ceases at the earlier of the date that the asset is classified as held for sale or the date that the asset is derecognized.

1.4 Cash and Cash Equivalents

1.4.1 Cash and Cash Equivalents

Cash and cash equivalents comprise Cash in hand and balances remained in Current accounts. Further, details on cash and cash equivalents are disclosed in the Note No: 1 of the statement of accounts.

1.4.2 Recognition of Expenditure

Expenses are recognized in the Statement of Financial Performance on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in running of the Institute and in maintaining the properties in a state of efficiency has been charged to the Statement of Financial Performance.

1.5 Provisions & Liabilities

Provisions are recognized when the Institute has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimate can be made of the amount of the obligation. The provisions are shown under the accrued expenditure. The Institute arrives at an estimate on the basis of an evaluation of the most likely outcome. All known provisions have been accounted for in preparing these Financial Statements.

1.6 Presentation of Budget

The budget of the Institute is prepared based on accrual basis of accounting. Classification basis adopted in the budget is the nature of expenditure which is the same method followed in the presentation of financial statements of the Institute as well. The classification of income and expenditure is done by the Institute as per the guidelines issued by the Treasury. Since the budget and financial statements are prepared on an accrual basis of accounting, the need to reconcile budget and actual amounts does not arise.

The budget covers the financial period from January 01 - December 31, 2023.

NOTES TO FINANCIAL STATEMENTS

<i>For the year ended 31st December</i>		<i>Year 2023</i>	<i>Year 2022</i>
		<i>Rs.</i>	<i>Rs.</i>
01.	<u>CASH & CASH EQUIVALENTS</u>		
	People's Bank A/C No. 057-1-001-2-0046313	47,196.89	1,041,307.48
	BoC A/C No:0088478535	45,750.78	847,400.00
	Cash Book 057100100046314	7,262,400.00	-
	Total	7,355,347.67	1,888,707.48

For the year ended 31st December	2023	2023	2023	2023	2023
	Rs.	Rs.	Rs.	Rs.	Rs.

02 PROPERTY, PLANT & EQUIPMENT

	Buildings	Furniture & Fittings	Office Equipment	Computer Equipment / Accessories	Total
Cost					
As at 1 st January 2023		-	1,487,678.00	-	1,487,678.00
Less/Add: Additions	-	359,911.22	8,450.00	1,089,360.00	1,457,721.22
Disposal /Transfer	-	-	-	-	-
Cost as at 31 st December 2023	-	359,911.22	1,496,128.00	1,089,360.00	2,945,399.22
Less: Depreciation					
Accumulated Depreciation as at 1 st January 2023	-	-	75,541.30	-	75,541.30
Disposal /Transfer	-	-	-	-	-
Charged to Income & Expenditure Account	-	7,255.44	69,714.78	287,043.18	364,013.40
Accumulated depreciation as at 31 st December 2023	-	7,255.44	145,256.08	287,043.18	439,554.70
Net Book Value as at 31st December 2023	-	352,655.78	1,350,871.92	802,316.82	2,505,844.52

NOTES TO THE FINANCIAL STATEMENTS

<i>For the year ended 31st December</i>		<i>Year 2023</i>	<i>Year 2022</i>
		<i>Rs.</i>	<i>Rs.</i>
03	<u>PAYABLES</u>		
	Payable to University of Peradeniya	3,531,116.00	2,000,000.00
	Alpha Industries (Pvt) Ltd	-	343,828.00
	Total	3,531,116.00	2,343,828.00
04	<u>ACCRUED EXPENSES</u>		
	Tele communication expenses	5,000.00	48,969.51
	Salaries & Wages - Dec 2022	-	18,329.84
	Cost of living Allowance	-	4,277.42
	Special allowance	-	3,665.97
	5000/-monthly allowance	-	2,741.94
	MCA allowance	-	8,248.43
	Special services Council and Committee	-	144,000.00
	UPF 15%	-	4,628.36
	ETF 3%	-	925.67
	Stamp duty Payable	1,000.00	200.00
	Security Payment	552,092.63	-
	Over time	30,000.00	-
	Supply Other	13,000.00	-
	Sitting Allowance	150,000.00	-
	Visiting Lecture fee	495,000.00	-
	Refreshment	13,050.00	-
	Total	1,259,142.63	235,987.14

For the year ended 31 st December		Note	Year 2023 Rs.	Year 2022 Rs.
05	<u>Income</u>			
	Registration Fee		1,000,000.00	-
	MSc Income		12,600,000.00	-
	MPH Course fee		9,000,000.00	-
	Workshop Income		322,500.00	-
	Other Income		-	-
			22,922,500.00	
06	<u>PERSONAL EMOLUMENTS</u>			
	Salaries & wages		3,206,410.19	1,810,789.03
	U.P.F. 15%		868,331.23	656,347.37
	E.T.F. 3%		181,991.78	131,269.47
	Telephone Allowance		51,250.00	-
	Academic allowance		2,688,348.19	2,419,509.19
	Research Allowance		580,815.97	522,733.47
	Cost of living allowance		335,400.00	136,877.42
	Overtime		225,598.16	3,193.50
	Honorarium payment		348,979.95	511,751.25
	5000/- monthly allowance		215,000.00	87,741.94
	MC Allowance		352,080.00	306,953.27
	Special Allowance		488,374.84	3,665.97
	Vehicle Allowance		600,000.00	550,000.00
	Fuel Allowance		607,960.00	376,200.00
	Gratuity Payment		6,240,267.38	140,665.62
	Agrahara		3,600.00	-
	Entertainment Allowance		459,135.09	-
	Visiting Lecture fee		971,250.00	-
	Total		18,424,792.78	7,657,697.50
07	<u>TRAVELING</u>			
	Travelling expenses (Domestic)		35,774.00	312.00
	Total		35,774.00	312.00
08	<u>SUPPLIES</u>			
	Stationery & office requisites		130,204.10	56,175.69
	Others		38,688.05	32,207.00
	Total		168,892.15	88,382.69
09	<u>CONTRACTUAL SERVICES</u>			
	Transport		-	-
	Cleaning service		-	-
	Postal & Telecommunication		72,870.36	107,879.09
	Printing advertising		228,682.00	2,630.00
	Security service		552,092.63	
	Total		853,644.99	110,509.09
10	<u>DEPRECIATION OF FIXED ASSETS</u>			
	Office equipment		364,013.40	75,541.30
	Total		364,013.40	75,541.30

For the year ended 31st December

	<i>Budgeted</i>	<i>2023</i>	<i>Variations</i>
	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>
11. <u>INTERNAL INCOME</u>			
Other interest income	-	-	-
Interest from Investments	100,000.00	-	100,000.00
Registration Fee	1,000,000.00	1,000,000.00	-
Tuition fees	31,000,000.00	21,600,000.00	9,400,000.00
Examination fees	2,000,000.00	-	2,000,000.00
Total	34,100,000.00	22,600,000.00	11,500,000.00
12. <u>PERSONAL EMOLUMENTS</u>			
Salaries & wages	4,839,000.00	3,206,410.19	1,632,589.81
U.P.F. 15%	1,047,000.00	868,331.23	178,668.77
University pension	208,000.00	43,458.98	164,541.02
E.T.F. 3%	209,000.00	181,991.78	27,008.22
Academic allowance	2,648,000.00	2,688,348.19	(40,348.19)
Research Allowance	572,000.00	580,815.97	(8,815.97)
Visiting lecture fees	13,000,000.00	971,250.00	12,028,750.00
Cost of living allowance	561,000.00	335,400.00	225,600.00
5000 Monthly Allowance	360,000.00	215,000.00	145,000.00
Overtime	516,000.00	225,598.16	290,401.84
Holiday Payment	-	-	-
Honorarium Payment	300,000.00	348,979.95	(48,979.95)
Adjustment allowances	-	-	-
Additional Allowance 20%	521,000.00	488,374.84	32,625.16
Entertainment Allowance	159,000.00	459,135.09	(300,135.09)
MC Allowance	1,172,000.00	352,080.00	819,920.00
Gratuity	-	6,240,267.38	(6,240,267.38)
Vehicle Allowance	600,000.00	600,000.00	-
Communication Allowance	50,000.00	51,250.00	(1,250.00)
Fuel Allowance	294,000.00	607,960.00	(313,960.00)
Total	27,056,000.00	18,464,651.76	8,591,348.24
13. <u>TRAVELING</u>			
Travelling expenses (Domestic)	150,000.00	35,774.00	114,226.00
Total	150,000.00	35,774.00	114,226.00
14. <u>SUPPLIES</u>			
Stationery & office requisites	2,750,000.00	130,204.10	2,619,795.90
Fuel & Lubricant	200,000.00	-	200,000.00
Uniforms including tailoring chargers	25,000.00	-	25,000.00
Mechanical & electrical goods	50,000.00	-	50,000.00
Others	50,000.00	38,688.05	11,311.95
Total	3,075,000.00	168,892.15	2,906,107.85

15. MAINTENANCE

Vehicles			-
Plant, machinery & equipment	-	-	-
Buildings & Structure	50,000.00	-	50,000.00
Furniture	-	-	-
Total	50,000.00	-	50,000.00

16. CONTRACTUAL SERVICES

Transport	300,000.00	-	300,000.00
Rental & Hire Chagres	-	-	-
Security service	1,400,000.00	552,092.63	847,907.37
Water	79,000.00	-	79,000.00
Electricity Charges	50,000.00	-	50,000.00
Cleaning service	1,200,000.00	-	1,200,000.00
Postal Charges	50,000.00	72,870.36	(22,870.36)
Telecommunication	500,000.00	-	500,000.00
Printing advertising	1,500,000.00	228,682.00	1,271,318.00
Others			-
Total	5,079,000.00	853,644.99	4,225,355.01

17. OTHER RECURRENT EXPENDITURE

Special services - council & committees	750,000.00	414,000.00	336,000.00
Course Material for Students	-	-	-
Special services - professional & other fees	550,000.00	-	550,000.00
Student developments Initiatives and Community relations	-	-	-
Student Welfare and Student Councils and Social Harmony	-	-	-
Employee Welfare and Medical Assistant	100,000.00	-	100,000.00
Corporate Planning, Governance and Out research	200,000.00	-	200,000.00
Entertainment expenses	600,000.00	43,857.50	556,142.50
Awards and Indemnity	-	-	-
Bank charges	40,000.00	1,466.09	38,533.91
Examination fees	2,000,000.00	-	2,000,000.00
Workshops & Seminars	150,000.00	-	150,000.00
Other recurrent expenses	-	-	-
Academic Research and Publication	100,000.00	-	100,000.00
Staff Development	500,000.00	-	500,000.00
Grants to other organizations	300,000.00	-	300,000.00
Audit Fee	-	100,000.00	(100,000.00)
Holiday Warrants and Season tickets	50,000.00	-	50,000.00
Awards and Indemnities	100,000.00	-	100,000.00
Convocation	500,000.00	-	500,000.00
Other	750,000.00	-	750,000.00
Total	6,690,000.00	559,323.59	6,130,676.41

POSTGRADUATE INSTITUTE OF MEDICAL SCIENCES
UNIVERSITY OF PERADENIYA
TRIAL BALANCE

As at 31st December 2023			
	Description	Debit Rs.	Credit Rs.
1	Office Equipment	2,945,399.22	-
2	Stock In Hand	35,396.95	-
3	Cash Book 057100100046314	7,262,400.00	-
4	Cash Book Balance A/ C 0088478535	45,750.78	-
5	Cash Book Balance A/ C 057-1-001-2-0046313	47,196.89	-
6	Payable - University of Peradeniya	-	2,000,000.00
7	Receivable - Course Fee	12,660,000.00	-
8	Gratuity A/C	6,240,267.38	-
9	Provisions for S. S. professional & others (Audit Fees) A/C	-	200,000.00
10	Accrued Expenses	-	2,936,233.63
11	Salaries & Wages	3,206,410.19	-
12	Research Allowance (Academic) A/C	580,815.97	-
13	Cost of Living Allowance A/C	335,400.00	-
14	University Provident Fund	824,872.25	-
15	Pension	43,458.98	-
16	Telephone Allowance	51,250.00	-
17	MCA Allowance	352,080.00	-
18	Fuel Allowance	607,960.00	-
19	5000 monthly Allowance	215,000.00	-
20	Academic Allowance	2,688,348.19	-
21	Transport Allowance	600,000.00	-
22	Special Allowance	488,374.84	-
23	Agrahara	3,600.00	-
24	Stamp Dues	-	1,000.00
25	Overtime A/C	225,598.16	-
26	Honorarium payment	348,979.95	-
27	Supplies & Requisites-Stationary & Office Requisites	130,204.10	-
28	Supplies & Requisites-Others	38,688.05	-
29	Security Expenses	552,092.63	-
30	Transport Charges	35,774.00	-
31	Printing & Advertisements	228,682.00	-
32	Special Services Council & Meeting	414,000.00	-
33	Communication Expenses	51,530.36	-
34	Entertainment Expenses	43,857.50	-
35	Bank Charges	1,466.09	-
36	Postal Chargers	21,340.00	-
37	Government Grant Recurrent	-	8,000,000.00
38	Accumulated Depreciation-Office Equipment	-	439,554.70
39	Depreciation	364,013.40	-
40	Miscellaneous Advance	-	-
41	Others	-	-
42	Payable - Alpha	-	-
43	Gratuity provision	-	6,380,933.00
44	Accumulated Fund Account	-	522,363.42
45	Tax Payable	-	-
46	Petty Cash	-	-

Description		Debit Rs.	Credit Rs.
47	ETF	181,991.78	-
48	Over Payment	-	-
49	Entertainment Allowance	459,135.09	-
50	Salary Control Account	-	-
51	Visiting Lecture fee	971,250.00	-
52	MSc ESS Program	-	-
53	Registration Fee	-	1,000,000.00
54	MSc Income	-	12,600,000.00
55	MPH Course fee	-	9,000,000.00
56	Workshop Income	-	322,500.00
57	Other Income	-	-
58	Audit Fee	100,000.00	-
Total		43,402,584.75	43,402,584.75

12. REPORT OF THE AUDITOR GENERAL

CPCG/KD/D/PGIMS/2024/05
2024

10 May

The Director
Postgraduate Institute of Medical Sciences

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Postgraduate Institute of Medical Sciences for the year ended 31 December 2023 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

1. Financial Statements

1.1 Qualified Opinion

The audit of financial statements of the Postgraduate Institute of Medical Sciences for the year ended 31 December 2023 comprising the statement of Financial Position as at 31 December 2023 and the statement of financial performance, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, 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 and the Finance Act No.38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the Postgraduate Institute of Medical Sciences as at 31 December 2023 and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Opinion

- (a) The accounting policy used for recognizing revenue in accordance with paragraph 39(a) of Sri Lanka Public Sector Accounting Standard 10 had not been disclosed in the financial statements. The course fees income of Rs. 10,800,000, received for two courses due for the following year,

was incorrectly recognized as revenue for the current year, leading to an overstatement of that amount.

- (b) The employee gratuity expense that should have been allocated for the current year was Rs. 272,263; however, Rs. 6,240,267 was allocated instead. This led to an overstatement of the employee gratuity expense in the financial performance statement and the Gratuity Provision Account by Rs. 5,968,004.

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 this report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Other Information Included in the Annual Report, 2023 of the Institute

The other information means the information included in the 2023 Annual Report of the Postgraduate Institute Medical Sciences, which is expected be submitted to me after the date of this report, but not contained in the Financial Statements and my audit report thereon. Management is responsible for this other information.

My opinion on financial statements does not cover the other information and I do not express any assurance or opinion thereon.

My responsibility in connection with my audit of financial statements is to study the above identified other information and evaluate whether the other information is substantially mismatched with the financial statements or my knowledge gained in auditing or another manner.

In the study of Annual Report of the Institute for the year 2023, if I conclude that there are substantial misstatements, I should communicate those matters to the governing body for correction. If there are misstatements further to be corrected, those will be included in the report which I table in parliament in accordance with Article 154 (6) of the Constitution in due course.

1.4 Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Public Sector Accounting Standards, and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using

the going concern basis of accounting unless management either intend to liquidate the University or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute's financial reporting process.

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

1.5 Auditor's Responsibility for 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, they could reasonably be expected to influence the economic decisions of users taken 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.
- Obtain 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 Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to

continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. However, future events or conditions may cause the Institute to cease to continue as a going concern.

- 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 those charged with governance 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 and Regulatory Requirements

2.1 National Audit Act, No. 19 of 2018 includes specific provisions for following requirements.

2.1.1 Subject to the observations described in the Basis for Qualified Opinion paragraph in my report, I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Institute as per the requirement of section 12 (a) of the National Audit Act, No. 19 of 2018.

2.1.2 The financial statements presented by the Institute are consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.

2.1.3 The financial statements presented include all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention;

2.2.1 to state that any member of the governing body has any direct or indirect interest in any contract entered into by the Institute which are out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018.

2.2.2 to state that the Institute has not complied with any applicable written law, general and special directions issued by the governing body of the Company as per the requirement of section 12 (f) of the National Audit Act, No. 19, except for the following observations.

	Reference to Laws, Rules/Directives	Observations
(a)	Section 16.5 of Chapter VI of the University Establishments Code.	Due to the payment of acting allowances for the posts of Assistant Bursar and Assistant Registrar being calculated at 25% of the current salary received by the officers acting in such posts, an excess amount of Rs. 268,092 had been paid for these positions.
(b)	The decision from the 980 th meeting of the University Grants Commission and the Circular Letter No. UGC/L/2020 dated 18 May 2018.	Although it had been decided that the total number of members on the board of management of all postgraduate institutes should be limited to a maximum of 11 members, the Board of Management of the Postgraduate Institute of Medical Sciences, which commenced on 09 September 2019 consisted of 26 members.

2.2.3 to state that the Institute has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018.

2.2.4 to state that the resources of the Institute had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018.

W.P.C. Wickramaratne
Auditor General

13. ANSWERS FOR THE AUDITOR GENERAL'S REPORT

1.2		
(a)	The accounting policy used for recognizing revenue in accordance with paragraph 39(a) of Sri Lanka Public Sector Accounting Standard 10 had not been disclosed in the financial statements. The course fees income of Rs. 10,800,000, received for two courses due for the following year, was incorrectly recognized as revenue for the current year, leading to an overstatement of that amount.	The institute has already initiated the process of preparing the Revenue Recognition Policy. Approval of the Board of Management of the institute will be sought for the said policy with the recommendation of the Audit & Management Committee. The Revenue Recognition Policy will be implemented from the year 2024.
(b)	The employee gratuity expense that should have been allocated for the current year was Rs. 272,263; however, Rs. 6,240,267 was allocated instead. This led to an overstatement of the employee gratuity expense in the financial performance statement and the Gratuity Provision Account by Rs. 5,968,004.	An error in the preparation of the Financial Statements led to an over-calculation of the employee gratuity expense. Steps will be taken to correct this issue in the presentation of the Financial Statements for the year 2024.
2.2.2		
(a)	Section 16.5 of Chapter VI of the University Establishments Code. Due to the payment of acting allowances for the posts of Assistant Bursar and Assistant Registrar being calculated at 25% of the current salary received by the officers acting in such posts, an excess amount of Rs. 268,092 had been paid for these positions.	Due to the absence of permanent employees at the Postgraduate Institute of Medical Sciences since its inception, permanent staff from the University of Peradeniya have been employed based on the acting in the positions of Assistant Bursar and Assistant Registrar from the beginning. Payments have been made until 29 February 2024; therefore, actions will be taken to recover the excess payments made from 01.10.2021 to 29.02.2024. The university employees are bound to refund any erroneous payments, to the institute. In the future, acting allowances will be paid only as per Section 16.5 of Chapter VI of the Universities' Establishments Code.
(b)	The decision from the 980th meeting of the University Grants Commission and the Circular Letter No. UGC/L/2020 dated 18 May 2018. Although it had been decided that the total number of members on the Board of Management of all postgraduate institutes should be limited to a maximum of 11 members, the Board of Management of the Postgraduate Institute of Medical Sciences, which commenced on 09th September 2019 consisted of 26 members.	The Board of Management of the Postgraduate Institute of Medical Sciences was established in accordance with the regulations of the Postgraduate Institute of Medical Sciences Ordinance No. 03 of 2019, which came into effect on 09.09.2019. Accordingly, the composition of the Board of Management of the Postgraduate Institute of Medical Sciences consisted of 26 members. Furthermore, this matter will be brought to the attention of the members of the Board of Management for appropriate action.

