

Sri Lanka Inventors Commission

ANNUAL REPORT 2018



Sri Lanka Inventors Commission

No. 46-48, Cotta Road
Colombo 08

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Members of the Commission

For the period from 01.01.2018 to 30.11.2018

Dr. C. Mahesh Edirisinghe
Commissioner

Mr. H. M. R. Kiriella
Assistant Commissioner

Mrs. Kalpani Rajapaksha
Assistant Commissioner

Mr. A. V. Janadara
Treasury Representative

For the period from 01.12.2018 to 31.12.2018

Mrs. D.Nandani Samarawickrama
[Additional Secretary (Administration) – Ministry of Science, Technology and Research]
Commissioner (Acting)

Mrs. L. Sureka H. Hewage
[Senior Assistant Secretary (Administration) – Ministry of Science, Technology and Research]
Assistant Commissioner (Acting)

Mrs. A. L. S. Nazeema
[Director (Planning) - Ministry of Science, Technology and Research]
Assistant Commissioner (Acting)

Mr. A. V. Janadara
Treasury Representative

Members of the Audit and Management Committee

For the period from 01.01.2018 to 30.11.2018

Mr. A. V. Janadara
Treasury Representative

Mr.H. M. R. Kriella
Assistant Commissioner

Mrs. Kalpani Rajapaksha
Assistant Commissioner

Mr. M. C. Gamage
Internal Auditor - Ministry of Science, Technology and Research

Mrs. C. P. R. Bandara
Internal Auditor - Ministry of Science, Technology and Research

Mrs. Sujeewa De Silva
Representative of the Auditor Generals' Department

For the period from 01.12.2018 to 31.12.2018

Mr. A. V. Janadara
Treasury Representative

Mrs. L. Sureka H. Hewage
[Senior Assistant Secretary (Administration) – Ministry of Science, Technology and Research]
Assistant Commissioner

Mrs. A. L. S. Nazeema
[Director (Planning) - Ministry of Science, Technology and Research]
Assistant Commissioner

Mrs. C. P. R. Bandara
Internal Auditor - Ministry of Science, Technology and Research

Mrs. W. P. L. S. R. Perera
Representative of the Auditor Generals' Department

Message of the Commissioner



Prof. R. U. Halwatura
Commissioner
Sri Lanka Inventors Commission

Sri Lanka Inventors Commission (SLIC) has been empowered under the Sri Lanka Inventors Incentives Act No. 53 of 1979 with the principal objective of providing technical, financial and legal assistance to inventors and encouraging inventiveness of the nation.

In achieving this objective, Sri Lanka Inventors Commission implements various programmes through which inventors are motivated and could give required assistance to them in order to build up creative nation through innovative culture. It is envisaged to build up creative citizens through innovative culture and there by strengthen the economy of the country. In simply says, not only the inventor is benefitted through “nawa nipayum mawana deyak” but also it will benefit the entire society.

The Sri Lanka Inventors Commission is always dedicated to accomplish all these intensions and numbers of specific programmes are implemented targeting this. Among these “Sahasak Nimavum” National Invention and Innovation Exhibition has given a high priority. This programme initiated in year 2012, & successfully organized for the seventh time in the year 2018. In this programme, Commission is attempting to bring the potential inventors all over the country to the national level and also provide particular benefits and experience to the inventors.

Based on granting technical and financial assistance for the inventions in accordance with the Inventors Incentives Act, two programmes namely “IAFM-SL” (Innovation Accelerator Funding Mechanism for Sri Lanka) and “Nawa Nipayum Diriya” have been introduced. By these programmes, financial and technical assistance is granted to proper inventions that have been identified through evaluation of expertise Panel of Judges. Also the Inventors Commission has taken actions to provide technical assistance for developing of inventions by establishment of Incubator Centers. In addition, actions were taken to refer the inventors to other institutions to accomplish their research needs.

The Commission has also implemented a specific programme for providing guidance to the inventors in obtaining patents for safeguard their inventions. Commission is providing required assistance in applying for local and international patents.

The “Innova Minds” programme that is organized targeting the Sri Lankan School Community has drawn more attraction of the public. This can be introduced as a visual media programme aimed at giving recognition to the inventions by young inventors orienting them on innovations to create inventions that are useful to the country.

As per the powers vested by the Sri Lanka Inventors Incentives Act for granting Presidential Awards to the Sri Lankan Inventors, each year Presidential Awards are awarded to inventions that have obtained patents. These inventions are evaluated by a Panel of Judges appointed by His Excellency the President.

Further, specific discussions are conducted to discuss the matters face by the inventors and the Commission was also able to deliver diverse other functions like organizing programme for developing potential of inventors, pave the way to inventors to participate at international competitions, celebration of inventors day on 26th October each year, issuance of identity cards to inventors and conducting public awareness programmes on inventions.

The staff of the Commission even limited in number, who extended their fullest support and the Board of Directors who gave encouragement and guidance at its all achievements so far, should give higher esteem.

I thank all who have cooperated in this endeavor to build up better prospect in Sri Lanka through creation of innovative culture and I strongly believe that all will extended their support to the specific activities implemented for the enhancement of inventions.

1. Sri Lanka Inventors Commission

1.1 Introduction

Sri Lanka Inventors Commission (SLIC) is a statutory body established in terms of the Sri Lanka Inventors Incentives Act No. 53 of 1979 with principal objective of giving patronage and encouraging inventiveness of the nation. At present the Commission is under the purview of Ministry of Science, Technology and Research.

1.2 Vision

“Prosperity through Inventions and Innovations”

1.3 Mission

“Be the leading catalyst in bringing out innovative capability of the nation. Be a forerunner of the facilitation process in converting ideas into practical applications”

1.4 Objectives

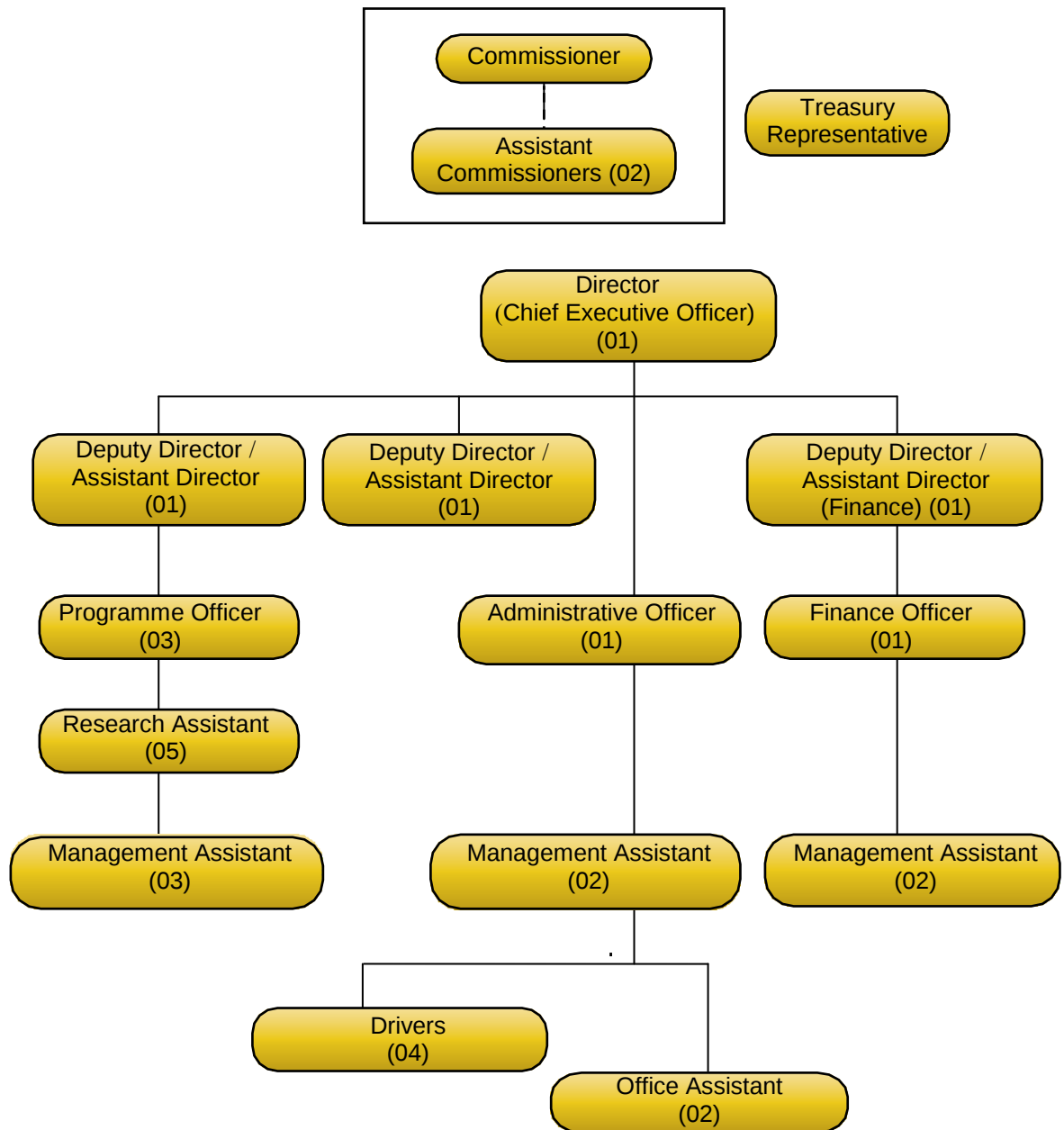
- 1.4.1 Encourage Sri Lankan citizen for making invention and innovation
- 1.4.2 Provide technical, financial and legal assistance to inventors.
- 1.4.3 Exercise and deliver all the powers, functions and duties stipulated in Sri Lanka Inventors Incentives Act No. 53 of 1979.
- 1.4.4 Deliver all other functions required in achieving the above mentioned objectives.

1.5 Powers Functions and Duties of the Commission

- (a) to give technical assistance to inventors after examination of their inventions to determine their patentability and to help them prepare patent applications, under such terms and conditions as may be specified by the Commission;
- (b) to grant financial aid to inventors to enable them to develop, perfect and produce their patented inventions or those which are pending patent, under such terms and conditions as may be specified by the Commission;
- (c) to render legal assistance to inventors by representing them in filing their patent applications in Sri Lanka or abroad and by protecting their secured patents from infringement in patent cases, under such terms and conditions as may be specified by the Commission ;
- (d) to recommend to government lending institutions inventions that are beneficial to Sri Lanka so as to enable such institutions to give long-term loans to inventors to manufacture their inventions, with only their patents, as security, the amount of any such loan to be granted depending upon the importance and market of their inventions as determined by the Commission;

- (e) to help inventors find markets for their inventions in Sri Lanka and abroad;
- (f) to encourage Sri Lankan inventors to make known their inventions by giving annually sizeable cash awards and medals to be known as the " Presidential Awards for Inventions " to patented inventions in Sri Lanka in the fields of Agriculture, Chemistry, Medicine, National Defence, Pharmacy, Physics, Public Safety and Welfare, Public Works, Transportation and such other fields of Science and Technology. Such awards shall be open to all inventors in Sri Lanka without distinction as to nationality;
- (g) to establish and maintain a public research laboratory and experimental station where authorized inventors and researchers may avail themselves of its facilities and services for carrying out or perfecting their approved inventions and researches;
- (h) to promote and encourage inventiveness and creativeness among people in Sri Lanka and to assist them in creating new inventions in those fields of science and technology specified in paragraphs (f) through an annual " Creative Research Contest" with cash prizes and medals to the winners chosen by the respective judges of the "Presidential Awards for Inventions ";
- (i) to publish and disseminate information about inventions, researches and science in general;
- (j) to hold regular monthly sessions for the exchange of ideas among inventors;
- (k) to help Sri Lankan inventors join international competitions for inventions and researches, or to recommend them to such competitions; and
- (l) to organize creative societies in schools, colleges and universities to promote and encourage creativeness among Sri Lankan youth.

1.6 Organizational Structure



1.7 Human Resources

Designation	Approved Cadre	Cadre in year 2018	Vacancies as at 31 December 2018
Director (Chief Executive Officer)	01	01	-
Deputy Director / Assistant Director	02	02	-
Deputy Director / Assistant Director (Finance)	01	01	-
Programme Officer	03	01	02
Administrative Officer	01	01	-
Finance Officer	01	01	-
Research Assistant	05	04	01
Management Assistant	07	06	01
Driver	04	04	-
Office Assistant	02	02	-



2. Main projects and programmes implemented by the Sri Lanka Inventors Commission in year 2018

2.1 “Sahasak Nimawum 2018” National Inventions and Innovations Exhibition

“Sahasak Nimawum” National Inventions and Innovation Exhibition was organized to pave the way for Sri Lankan inventors for commercialization of their innovations through introduction of such inventions, motivating innovative skills of Sri Lankan inventors. This is a special programme implemented in several steps. After the initial evaluations conducted by expertise interview board covering all provinces of the country, inventors will have the opportunity to participate at the invention’s exhibition in compliance with the “Sahasak Nimawum” evaluation criteria.

The inventors get the opportunity to participate at the competition under four main categories as school, university and tertiary education, commercialized and open category, representing following fourteen (14) technical fields.

- Public security, welfare and national security
- Chemistry
- Food technology
- Medicine and pharmacology
- Traditional medicine
- Common industries and infrastructure facilities
- Physics
- Information and Communication Technology
- Agriculture
- Applied Science and Technology
- Energy
- Conservation of Environment
- Transport
- Engineering

The inventors participated at “Sahasak Nimawum” National Inventions Exhibition, will get many privileges. In addition to having an opportunity to present their creative capabilities and talents they will get backdrop for commercialization of the innovations and also the opportunity to participate at international invention exhibitions while competing for various awards.

The seventh edition of “Sahasak Nimawum” National Inventions and Innovation Exhibition was held from 14 to 16 September 2018 at Sri Lanka Exhibition and Convention Centre, Colombo 10. Provincial level evaluations for identification of target inventions for this National Exhibition were conducted as follows;

Province	Date	Venue
Sabaragamuwa	03 rd May 2018	Technical Collage, Ratnapura
Southern	08 th May 2018	Faculty of Engineering, University of Ruhana, Galle
	09 th May 2018	Physics Department, University of Ruhana, Matara
	10 th May 2018	Technical Collage, Beliatta
Eastern	19 th May 2018	Mahajana Collage, Batticaloa
Northern	21 st May 2018	Computer department, University of Jaffna
North Central	25 th May 2018	Technical Collage, Anuradhapura
Uva	02 nd June 2018	Faculty of Zoology, Uwa Wellassa University
South Western	06 th June 2018	Technical Collage - Kurunegala
Central	09 th June 2018	Faculty of Agriculture, University of Peradeniya
Western	21 st June 2018	Gyanodaya School, Kautara
	22 nd June 2018	Gurukula Collage, Kelaniya
	23 rd June 2018	Sri Lanka Inventors Commission, Colombo 08
	24 th June 2018	Sri Lanka Inventors Commission, Colombo 08



Evaluation of inventions at provincial levels

The following are the data on inventions presented in provincial levels for the evaluation and the invention that are qualified for national levels among these inventions.

Province	Schools		Open		University		Commercialization		Total	
	No. presented	No. qualified	No. presented	No. qualified	No. presented	No. qualified	No. presented	No. qualified	No. Presented	No. qualified
Sabaragamuwa	129	22	11	5	1	0	0	0	141	27
North Central	25	4	9	4	3	2	0	0	37	10
Southern	252	36	58	16	41	4	2	2	353	58
South Western	52	7	15	5	9	2	0	0	76	14
Eastern	115	19	46	8	16	11	0	0	177	38
Northern	163	12	15	5	3	2	0	0	181	19
Central	198	15	34	10	6	3	0	0	238	28
Uwa	202	19	0	0	7	4	0	0	209	23
Western	262	31	102	27	19	4	4	2	387	64
Army Head Quarters	-	-	198	30	-	-	-	-	198	30
Total	1398	165	488	110	105	32	6	4	1997	311

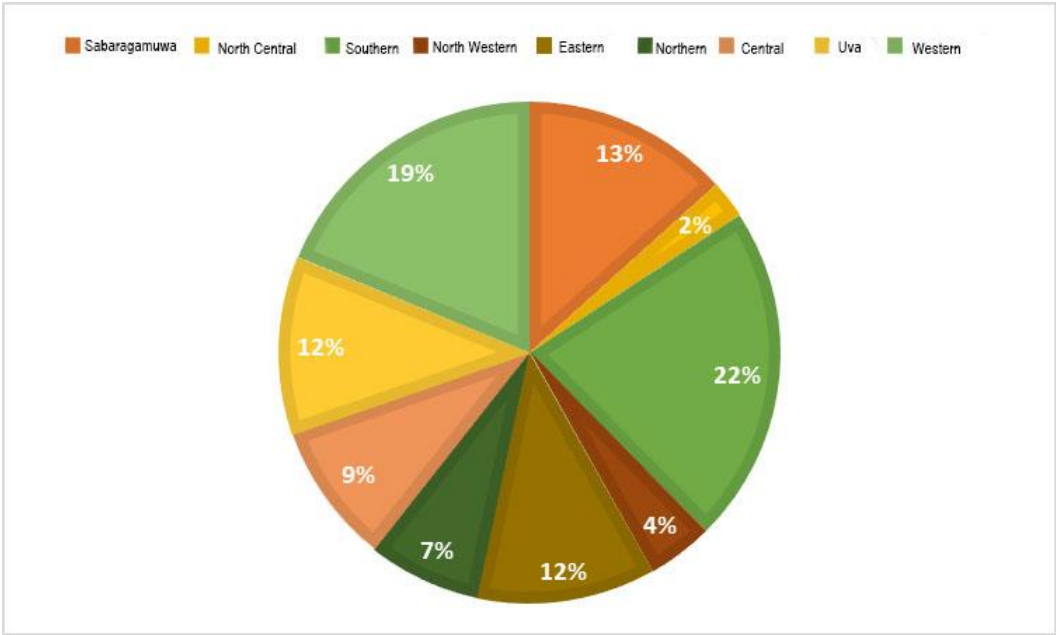
Altogether three hundred and eleven (311) inventions were qualified for “Sahasak Nimawum” Inventions and Innovations exhibition under the above fourteen (14) technical fields that represent the four main categories as School, Universities and Tertiary Educational Institutions, Commercialized and Open category.

Special Events of Sahasak Nimawum National Exhibition 2018

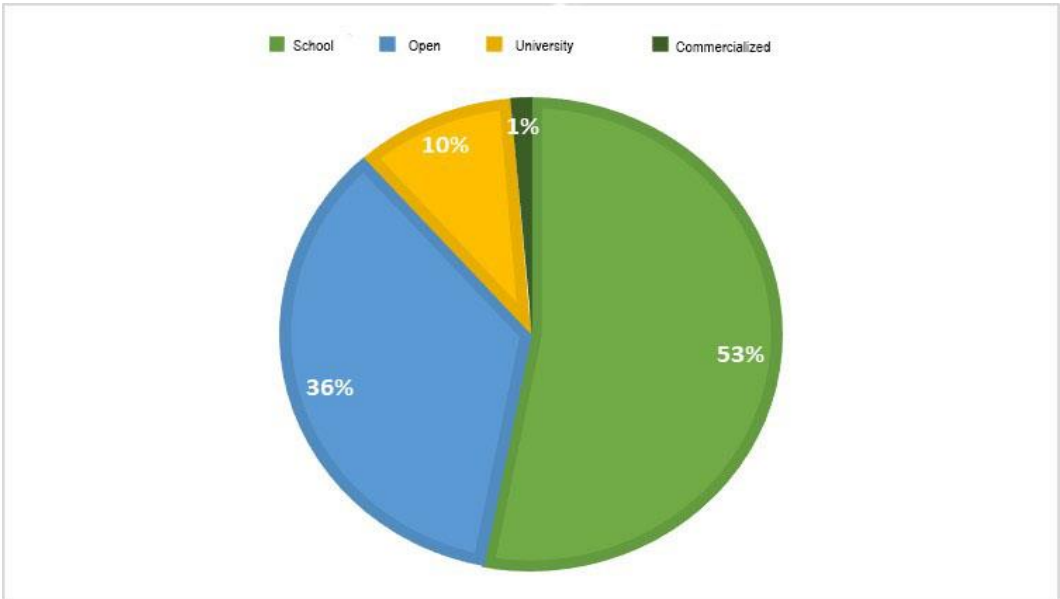




Provincial level participation at “Sahasak Nimawum 2018”



Participation in main categories



2.2 Presidential Awards

Presidential Awards Ceremony is a special function assigned to the Sri Lanka Inventors Commission by the Act. These awards are awarded annually in appreciation of the inventiveness of inventors who have received intellectual property right (patent) for their invention. Inventions are evaluated by a panel of judges appointed by His Excellency the President under 14 technical fields and merit awards are awarded for excellent inventions while Presidential Award is awarded for most excellent invention. Presidential award for inventions in year 2015 and 2016 was awarded at the ceremony to celebrate "National Inventor's Day" held on 26th October 2018. In this Ceremony invention by Mr. Lakshman Kottegoda "kolapu poruwa" was awarded as the most excellent invention for the year 2015 and 38 other inventions also received awards.



Mr. Kottegodage Lakshman received his award for excellent invention for the year 2015, from His Excellency the President

2.3 Celebration of National Inventors Day

In every year, October 26th has been declared as the National Inventor's day in appreciation of role of the inventors and their contribution to the economy of the country. This day was named to commemorate the birth day of Deshabandu Dr. A. N. S. Kulasinghe, an expertise Engineer and first Commissioner of the Sri Lanka Inventors Commission as tribute to commendable infinite service delivered by him. Accordingly, National Inventors Day was ceremonially held on 26th October 2018 at the Bandaranayake Memorial International Conference Hall for the third time.

Objective of declaring National Inventors Day

- Preparation of new procedure for evaluation of inventors and foster the country towards innovative economy motivating them for invention.
- Get opportunity for the Commission to build up close relationship with inventors.
- Focus the inventors on new investment opportunities through declaration of an Inventors Day.
- Sri Lanka Inventors Commission has capacity to implement more efficient programmes by organizing Annual Awards ceremony in line with National Inventors Day.

- Give priority to Sri Lankan inventors to authenticate developed economy through inventions.
- Identification of rewarded inventors.

Winners of “Sahasak Nimawum” who were appraised at the National Inventors Day

The Awards Ceremony for winners of the “Sahask Nimawum” National Inventions and Innovations Exhibition was held on 14, 15 and 16 September 2018 at the Sri Lanka Exhibition and Convention Centre for the seventh time at the ceremony for celebrating National Inventors Day.

The first, second and third places were awarded with medals, certificates and cash prizes covering each technical field of every category and “dasis” trophy, certificate and cash prizes were awarded for the most excellent invention. “Dasis” is a nickname for King Ravana who created *Dadumonara* that make revolution in inventions and it can be defined as historical event that bridge the past with inventions.

In this awards ceremony, teachers who contributed for success of inventors of school category were also appraised.

The winners will have the opportunity to represent Sri Lanka at international inventor's competitions.

Winners of the “Dasis” Trophy in 2018



Commercialized category

Mr. W. M. Jayawardhana

Invention – Machine for seed planting and manuring



School category

Udara Dewmika of Matara Akurugoa Kanishta Vidyalaya

Invention – Container for transportation of vegetables and fruits



Open category

Mr. C.M.Manorathna and Dr.R.M.Dharmadasa

Invention – Eco friendly product to repel fruit fly



Award winners with His Excellency the President

2.4 Awareness Programme for Expertise Evaluation Panel

Sri Lanka Inventors Commission organizes various programmes and various Invention & Innovation competitions throughout the year to identify standard & quality Inventions & Innovations with commercial potential. This enormous task is done by panel of judges comprised of expertise in various fields. These panels of judges are updated on invention evaluation criteria in every year to enhance quality of evaluating Inventions. A workshop was held on 12.09.2018 at Sri Lanka Foundation Institution for a group of forty-five experts.



2.5 Skills Development Workshop for School Inventors

A skill development workshop was conducted on 01 August 2018 for three hundred and fifty inventors of school category who have qualified for “Sahasak Nimavum” National Inventions Exhibition. Even all the participants for “Sahasak Nimavum” could not suppose to win awards, this programme aimed at providing knowledge, guidance and understanding for their future success beyond the competition.



2.6 IAFM-SL Project for Commercialization of Inventions

Sri Lanka Inventors Commission has implemented a mechanism to convert the outcome of inventions to generate income by assisting Sri Lankan Inventors for commercialization of their products and facilitating for further research through Innovation Accelerator Funding Mechanism for Sri Lanka (IAFM-SL) under the supervision of Ministry of Science, Technology and Research. This is implemented to assist inventions for commercialization of inventions expanding methodology for providing financial assistance to inventors as stipulated in the Act of the Commission. Since applying for financial assistance up to achieving the final target of commercialization inventors are supervised under several steps.

Applications for financial assistance for the year 2018 were called through paper advertisements and specially informed to all the Universities, Research Institutions and Institutions under the purview of the line Ministry on this programme. Accordingly the Commission received twenty-one applications from Sri Lankan Inventors. All these applications were forwarded to the Technical Committee and granted Rs.9, 127,600.00 for four selected inventors.

2.7 “Nawa Nipayum Diriya Programme” to Establish Commercial base for Inventions

A series of programmes including financial assistance for inventions, providing technical assistance required developing inventions, providing interest free loans, assisting to prepare prototype and also assisting capacity development is implemented under “Nawa Nipayum Diriya – Invent Grant Scheme” to give assistance for commercialization of inventions. Accordingly, loans worth of one million rupees has been provided and also financial assistance to other seven inventors. Rs. 13,680,910.00 was approved and granted for this purpose.

2.8 Technology Incubation Centers established to provide Technical Assistance to Inventors

These Incubation Centers were established with the aim of providing technical assistance to further develop inventions up to the level of commercialization. Accordingly, two Technology Incubation Centers have already been established at the National Engineering Research and Development Centre (NERDC) in Ja-ela and the University of Jaffna.

Assessment of project proposals received from 05 Universities for selection of technology incubators for the year 2018 has been completed and basic concepts in the project proposals received from the Rajarata University and University of Ruhuna for establishment of Technology Incubators have been agreed. Instructions were given to develop these proposals and handover it to the Commission. More than Rs. 35 Mn has been allocated for this.

2.9 “Innova Minds 2018” Television Programme for Young Inventors.

“Innova Minds” has introduced as an attractive programme implemented for encouraging young inventors materializing their talents. Prime objective of the “Innova Minds 2018” is to get the contribution of inventions productively for national economy through commercialization of such inventions. The award winners of the “Sahasak Nimavum 2017” technical category got the opportunity to participate in this programme. The programme was organized under several phases. As an initial step these innovations were focused on technology incubators established with the intervention of Inventors Commission for further development up to the commercialization level. After these inventions were assessed for further developments by conducting an assessment and the innovations that fulfill the objectives of the programme had the opportunity for participate in the “Innova Minds 2018” television programme.

Three young inventors were participated for each programme of “Innova Minds 2018” consisting of ten series of programmes and contest was judged by two panels as first round and final round. First round competition was held at the Open University of Sri Lanka at Nawala on 02, 03 and 04 November 2018 while the final round was held at the Sri Lanka Institute of Information Technology premises at Malabe on 28 November 2018. The invention “automated side support for motorcycles” by Sandalu Senevirathna of Gnanodaya Maha Vidyalaya, Kalutara won the first place of “Innova Minds 2018”. “Electronic Induction Coil and Spectral machine” invented by Nadeesha Tennakoon of Harangala Secondary School and “Hybrid Gas Cooker”, invention by Thivinya Premarathna of Museaus Collage won second and third places respectively.



“Innova Minds 2018” special events

2.10 Access to International Invention Competitions

Sri Lanka Inventors Commission provides guidance to Sri Lankan inventors to bring their talents to the international level and through this they achieve not only international level completion experience but also knowledge on diverse technologies and also get the opportunity for knowledge sharing by working with various inventors.

❖ 46th Geneva International Inventors Competition

The inventors who represented Sri Lanka at leading International Invention & Innovation Competition held in Geneva, Switzerland in 2018 were able to succeed in achieving three (03) gold medals, three (03) silver medals and two (02) bronze awards.

Invention	Inventor	Award
Nasal Airflow Detection and Flow Rate Measuring System	Dr. Mahesh Edirisinghe, Thimira Tilakaratne	Gold Medal
Accessory Device of Nebulization for Intubated Patients	Dr.B.V.K.M.Bopeththa	Gold Medal
High efficient handle	Nalaka Chandrawansha	Gold Medal
CeyBee - Autonomous Multipurpose Ultralight Drone	Prof. Rohan Munasinghe and group	Silver Medal
Informative Touch System for Blinds	Prince Chandrasena	Silver Medal
The Machine with Automated Cylinder and Locks to get Coconut Fiber	Rexy Kumar Fernando	Silver Medal
Green Leaf Medicinal Herbal Antismoker Mouth Liquid	Dr.N.R.B.Nishshanka	Bronze Medal
Lightning Earthing System	D.H.M.Hettiarachchi	Bronze Medal

❖ Korea International Youth Olympiad (KIYO 2018)

The young inventors who won the second place at “Sahasak Nimawum 2017” National Invention and Innovation Exhibition under technical category got the opportunity to participate in KIYO 2018 held in South Korea from 10 to 12 August 2018. They were awarded with a gold medal, two silver medals and a bronze medal.

❖ **International Intellectual Property, Invention, Innovation and Technology Exposition (IPITEx 2018)**

At this invention competition held on 02 to 06 February 2018, invention by Shanika Niloka “Anti-Lock Accelerator System for Non-Electrical Motorbikes” awarded a gold medal and merit award from World Intellectual Property Organization. A Silver medal was awarded for “Innovative Holding Device for Jewelry Soldering” invention by Chamika Sasela and Supun Chamalka with silver medal and a gold medal from Manila Young Inventors Association. “Automated Solar Tracking Telescope” invention by Majula Wijesundara and Praveen Alahakoon was awarded a gold medal from Politechnica University. “Indicator Fuse” invention by Ayodya Wickramarathna awarded with a Bronze medal and Rumanian special award. The invention by Manoj Kumar “Maths Helper” won the Bronze medal and special award by Women’s Invention Association.

❖ **Silicon Valley International Invention Festival (SVIIF) 2018**

The invention by Dr. Mahesh Edirisinghe and Thimira Thilakarathna “Nasal Airflow Detection and Flow Rate Measuring System” was presented at SVIIF-2018 held in California, United States of America from 02nd to 04th July 2018 and it was awarded with a gold medal.

❖ **World Invention and Technology Expo (WINTEX) 2018**

Five inventors participated at this contest held in Indonesia from 12th – 14th March 2018, representing Sri Lanka and they were able to win four gold medals, one silver medal and award for best commercialized invention. Invention by Mr.Dasmon Munasinghe “Hybrid Electronic Ignition Tester” was awarded with a gold medal and award for best commercialized invention. “Pest Repellent Eco Table Mat” invention by Mr.Asiri Dilhan De Silva, “Kitchen Sink Unblocker Unit” invention by Mr.Benet Sirimanna and “Auto Voltage Security System” by Mr.Sanath Suriyaarachchi are awarded with gold medals. “Bath Emollient”, invention by Mr.Janaka Kotuwegedara was awarded with a silver medal.

❖ **World Invention Innovation Contest (WiC) 2018**

The inventions presented for World Invention Innovation Contest (WiC) 2018 held in Soul, Korea on 02nd and 03rd June 2018 were awarded with six gold medals and eight silver medal.

Invention	Inventor	Award
Nasal Airflow Detection and Flow Rate Measuring System (Group Invention)	Dr. C. Mahesh Edirisinghe Mr. A. Thimira Thilakarathna	Gold Medal
Pest Repellent Eco Table Mat	Asiri Dilhan de Silva	Gold Medal
Advance Counterfeit Detector	Asiri Dilhan de Silva Dinesh Sampath Denipitiya	Gold Medal
Accessory Device of Nebulization for Intubated Patients	Kameera Sampath Bopeththa	Gold Medal
Kitchen Sink Unblocker Unit	Benett Sirimanna	Gold Medal
Informative Touch System for Blinds	Prince Chandrasena	Gold Medal
Liquid Level Sensor for Blind People	Prince Chandrasena	Silver Medal
Coconut Printing Lansa	Krishantha Deshapriya	Silver Medal

The Machine with Automated Cylinder and Locks to get Coconut Fiber	Rexy Kumar	Silver Medal
Energy Saving Cooking Vessel	Prasanna Vithanage	Silver Medal
Hybrid Electronic Ignition Tester	Dasman Munasinghe	Silver Medal
Walking Charger	Chathura Madhumal	Silver Medal
Fruit Plucking Tool	Vijekumar Vijith Kumar Vijekumar Keshan Kumar	Silver Medal
Rolls Machine	Thimith Navodya	Silver Medal

2.11 International Relations

With the membership received to the Sri Lanka Inventors Commission from the International Federation of Inventors' Association - IFIA & World Invention Intellectual Property Association (WIIPA) local inventors have received more opportunity to participate in international Competitions held in other countries.

2.12 Inventor's Forum

The Inventors Forum organized aiming at building relationship with each other and give proper solutions identifying their issues was held on 29 March 2018 at Sri Lanka Foundation Institute with participation of 151 inventors.



2.13 Awareness Programme on Inventions and Service Delivery

Economic development as well as social development of a country depends on the knowledge, attitudes and skills of its people. It is essential to focus the creativity of the people in correct path and thereby anticipated aim of creation of innovative culture can be achieved through this endeavor.

The Inventors Commission which engages in delivering enormous role in making this expectation a reality, has taken action to organize Awareness Programmes on inventions throughout the country.

Accordingly, an awareness programmes on inventions were held covering all nine provinces of the country with the participation of one thousand and eight inventors. Special feature of this is participation of inventors of various age groups representing various social groups for all the programmes representing various social groups.



Awareness programmes on inventions were conducted for school children who are the future leaders of the country and special awareness programmes were conducted at Nochchiyagama Vidtadharsha Maha Vidyalaya, Nalanada Collage, Colombo, Gothami Balika Vidyalaya, D.S.SenanayakeVidyalaya, Naminioya Secondary School, Mavanella Darul Uloom Central Collage and Ceylon-German Technical Training Institute.





Sri Lanka inventors Commission actively contributed for evaluation of school invention competitions by deploying Panel of Judges for Inventor's Competitions held in Devi Balika Vidyalaya, Colombo, Kiriella Central Collage, Ratnapura, Sirimavo Bandaranayake Vidyalaya, Colombo and Holy Cross College, Gampaha.



Also, special programmes on inventions were held at Sampath Bank, Head Office in Colombo, DSI Head Quarters in Galle and at National Research Council, Colombo.

The Inventors Commission extended its fullest support in evaluation of Innovation Exhibition “Spark 2018” organized by Royal Collage, Colombo and also engaged in evaluation of “All island Innovation Exhibition” organized by Sri Lanka Association for the Advancement of Science deploying its Panel of Judges.



Also contributed for evaluation of inventions Research Seminar for undergraduates organized by the University of Peradeniya



Awareness Workshop on Innovations were organized at Institute of Higher National Engineering Diploma in Mattakkuliya.



2.14 Services Specific to the Inventors

Sri Lanka inventors Commission is an institution that has committed to extend its service to inventors in its possible maximum extent with a minimum work force. Even the Commission doesn't have its own research laboratory it gives assistance to inventors in various way to meet their research needs. One step of this is establishment of aforesaid Technology Incubator Centers

In addition, inventors are referred to Industrial Technology Institute, Disaster Management Centre, Arthur C Clarke Institute for Modern Technologies, for their research needs. Cost for these researches are reimbursed by the Commission.

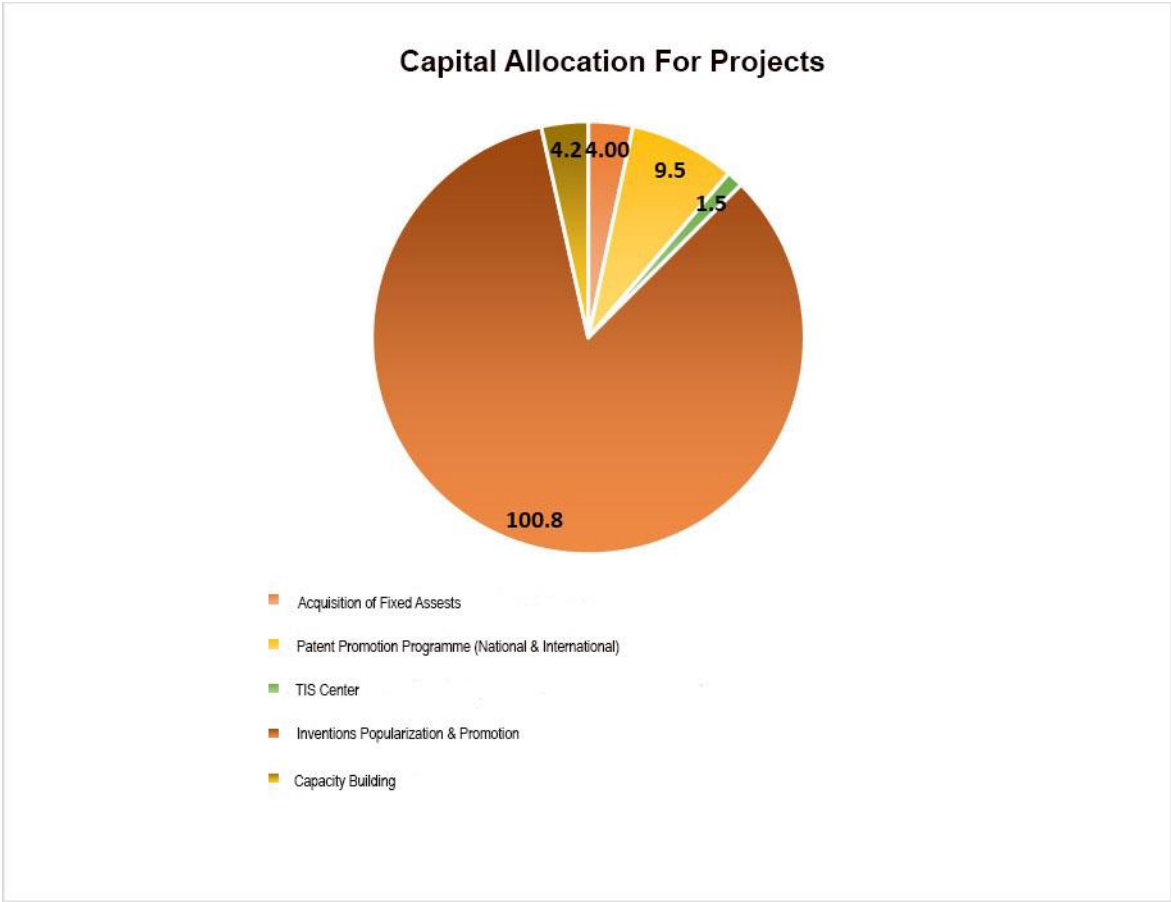
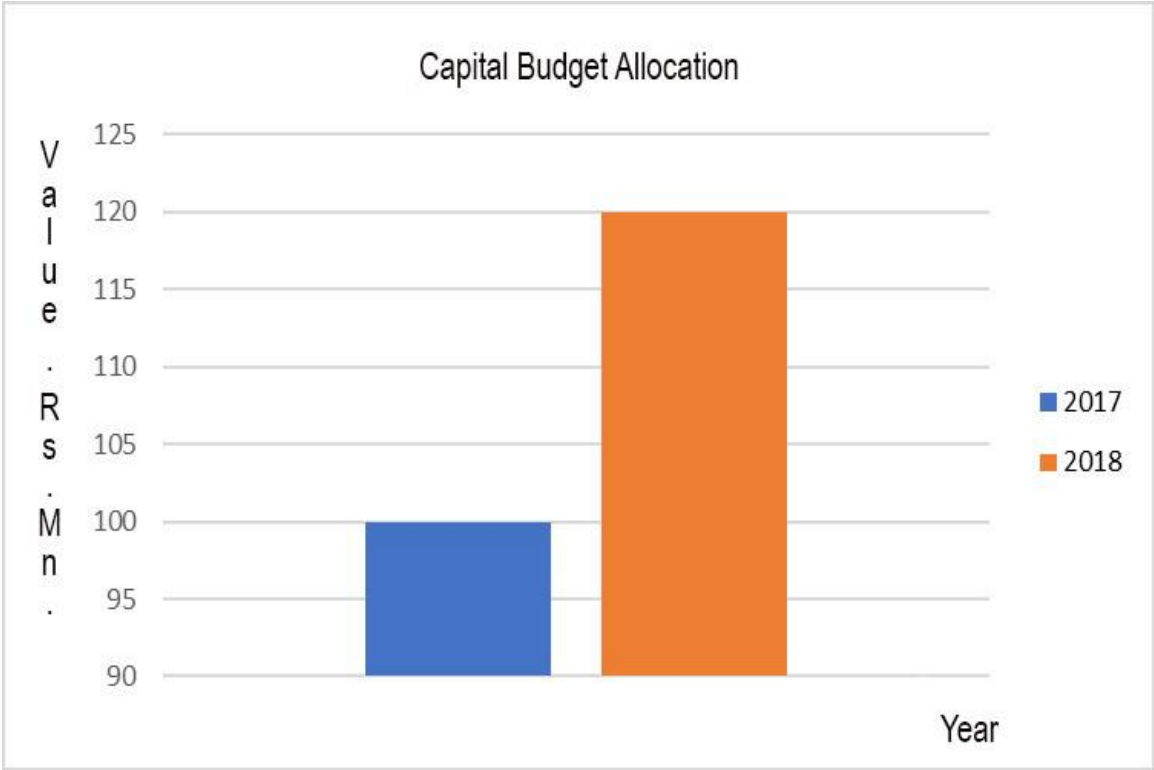
2.15 Human Resource Development

In achieving the development goals of the country, there is direct impact on capable staff of Sri Lanka Inventors Commission that delivers tremendous duty for inventors. Therefore, actions were taken to provide various training programs for its staff to enhance capacity for delivering qualitative and efficient service to inventors.

Two officers participated for a programme conducted on "Documents to be maintained by a Management Assistant" and one officer participated for a programme on "Procurement and evaluation of information technology equipment". One officer participated for a programme on "Institutional Disciplinary Procedure" while two officers participated for a programme of "Motivation through correct attitudes" and another two officers for "Office Equipment control". In addition to that SLIC officers participated for each programmes on "Enhancement of attitudes and skilled knowledge of Office Aids and Drivers", "Accounting for effective government service", "Workshop on scientific, economical and safe diving", "International Training Workshop on Entrepreneur Projects and Institutional Management", "Duties and responsibilities of leave clerks", "Practical Bid Evaluation" based on the nature of their duties.

Four officers participated in "International Training Workshop on Entrepreneur Projects and Institutional Management" and three employees participated in programme on "Duties and responsibilities of Drivers"

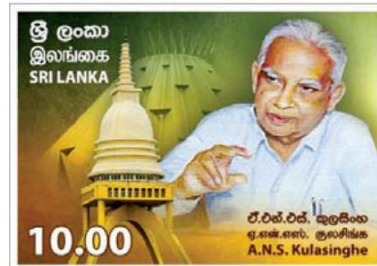
2.16 Progress of Financial Capital



2.17 Unique intellectual properties belong to Sri Lanka Inventors Commission



Identity card provided for inventors



Deshabandu Dr. N.M.S Kulasinghe commemorative stamp



National Inventions Exhibition and Competition



Project for assisting to develop inventions to the level of commercialization



Membership of World Innovation and Intellectual Property Society



Project for assisting to develop inventions to the level of commercialization



Project for commercialization of inventions



“DASIS” award awarded to “Sahasak Nipayum” excellent



Television approach for young inventors

Sri Lanka Inventors Commission

ANNUAL REPORT 2018

**Year ended 31 December 2018
Financial Statement**

SRI LANKA INVENTORS COMMISSION

Statement of Financial Position

As at 31st December	Note	2018	2017
		LKR	LKR
ASSETS			
Current Assets			
Cash & Bank Balance	1	101,940,693	70,229,255
Festival Advance		4,550	3,300
Refundable deposit	2	2,410,000	3,541,500
Distress Loan		432,824	262,892
Receivable from National Apprentice & Industrial Training Authority		7,560	7,560
Other Advances		136,633	136,633
Loan From Sri Lanka Inventors Fund		10,353,923.00	9,653,803
Prepayment for Other Contractual Services		341,088	341,088
(Less) Provision for doubtful debtors (100%)	3	(9,802,964)	(9,802,964)
Prepaid Project Expenses		280,000	-
Prepayment of Rent		3,773,438	3,056,940
Fuel Deposit		100,000	100,000
Stock of T-Shirt	4	350,110	-
Stock of Stationery	4	431,446	337,059
		110,759,300	77,867,067
Non- Current Assets			
Loan From Sri Lanka Inventors Fund		662,300	667,320
Distress Loan		1,602,459	1,045,702
Property and Equipment	5	6,363,636	6,715,769
		8,628,395	8,428,791
Total Assets		119,387,696	86,295,858
FUNDS & LIABILITIES			
Current Liabilities			
Other Payables	6	4,800	10,000
Accrued Expenses	7	1,745,516	1,511,347
		1,750,316	1,521,347
Non-Current Liabilities			
Provision For Gratuity	8	2,112,204	1,688,286
IAFM-SL	9	46,472,155	5,000,000
Fund for National Incubation Centre	10	46,240,087	54,764,654
Government Capital Grant	11	10,021,804	8,580,751
Sri Lanka Inventors Fund	12	8,998,495	8,998,495
Total Liability		115,595,061	80,553,533
Net assets		3,792,635	5,742,325
NET ASSETS/EQUITY			
Accumulated Fund		3,792,635	5,742,325
Total Net assets/ Equity		3,792,635	5,742,325

The Significant Accounting Policies and Notes to the Financial Statements on pages 36 to 44 form an integral part of these Financial Statements.

D.A. Sarathchandra
Assistant Director (Finance)

N.N.W. Dolawatta
Director/CEO

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
These Financial Statements were approved by the board of directors and signed on their behalf.

D. Nandanie Samarawickrama
Acting Commissioner

A. L. S. Nazeema
Acting Assistant Commissioner

L. Sureka H. Hewage
Acting Assistant Commissioner

February 28, 2019
Colombo

SRI LANKA INVENTORS COMMISSION

Statement of Financial Performance

For the year ended 31st December	Note	2018 LKR	2017 LKR
INCOME			
Government Contribution			
- Recurrent	13	48,818,700	47,694,100
- Projects /Programmes	17	82,906,939	74,943,275
-Capacity Building		1,423,839	3,440,900
Capital Grants Amortization - Fixed Assets	5	1,691,808	2,910,623
Other Income	14	67,782	162,664
Total Income		134,909,068	129,151,562
EXPENSES			
Personal Emoluments	15	17,184,502	19,275,828
Administration & Establishment Expenses	16	34,067,059	30,607,887
Depreciation - Fixed Assets	5	1,691,808	2,910,623
Gratuity	8	624,461	570,526
Inventors Incentives Expenses	17	82,906,939	74,943,275
Other Expenses	18	416,885	-
Total Expenditure		136,891,654	128,308,138
Surplus/(Deficit) for the year		(1,982,586)	843,425

The Significant Accounting Policies and Notes to the Financial Statements on pages 36 to 44 form an integral part of these Financial Statements.

SRI LANKA INVENTORS COMMISSION

Statement of Changes In Equity

	Note	Accumulated Fund	Total Equity
		LKR	LKR
Balance as at 01st January 2017		4,898,900	4,898,900
Surplus/(Deficit) for the year 2017		843,425	843,425
Balance as at 31st December 2017		5,742,325	5,742,325
Balance as at 01st January 2018		5,742,325	5,742,325
Surplus/(Deficit) for the year 2018		(1,982,586)	(1,982,586)
Reimbursement of Overpaid foreign travelling allowances related to year of 2017		37,896	37,896
Refunding of course registration payment on 2017 -K. Gamage (HR Colombo University course)		5,000	5,000
Unrecorded expenses in 2017- Other contractual payable		(10,000)	(10,000)
Balance as at 31st December 2018		3,792,635	3,792,635

The Significant Accounting Policies and Notes to the Financial Statements on pages 36 to 44 form an integral part of these Financial Statements.

SRI LANKA INVENTORS COMMISSION**Statement of Cash Flows**

For the year ended 31st December		2018	2017
	Note	LKR	LKR
Cash flows from Operating Activities			
Surplus/ (deficit)		(1,982,586)	843,425
Non-cash movement			
Depreciation	5	1,691,808	2,910,623
Differed income on capital grant for Projects /Programs	17	(82,906,939)	(74,943,275)
Differed income on Staff Capacity Building		(1,423,839)	(3,440,900)
Capital Grants Amortization - Fixed Assets		(1,691,808)	(2,910,623)
Prior year adjustment - Prepaid Project Expenses		1,482,797	-
Prior year adjustment - Other contractual payment		(10,000)	-
Provision for gratuity	8	624,461	570,526
Disposal loss		416,885	-
Adjustments for :			
Changes of stock of stationery		(94,387)	(33,843)
Changes of stock of T-shirts		(350,110)	-
Changes of pre-payment of rent		(716,498)	4,075,920
Changes of Prepaid Project Expenses		(280,000)	-
Changes of festival advance		(1,250)	-
Changes of accrued expenses		234,169	(26,302)
Changes of other receivables		-	-
Changes of refundable deposit		1,131,500	68,500
Changes of other payables		(5,200)	10,000
Cash received related to prior year		42,896	-
		(83,838,101)	(72,875,951)
Gratuity paid		(200,543)	(754,827)
Net cash flows from operating activities		(84,038,644)	(73,630,778)
Cash flows from Investing Activities			
Purchase of equipments	5	(1,756,560)	(2,517,235)
Loan inventors fund repayment		604,900	285,420
Distress loan grant		(1,036,421)	(758,855)
Distress Loan Repayment		309,731	438,537
Loss of damaging carpet in SLECC during the SN 2017		(140,530)	-
Loan grant from Sri Lanka inventors fund		(1,300,000)	(1,000,000)
Expenses on Establishment of Incubators		(8,524,567)	(45,235,346)
Net cash generated used in investing activities		(11,843,447)	(48,787,479)
Cash flows from Financing Activities			
Capital Grant for Programmes		85,750,000	73,133,822
Innovation Accelerator Funding Mechanism -Sri Lanka (IAFM-SL)	9	50,599,755	5,000,000
National Incubation Centre	10	-	100,000,000
Cancellation of Grant		-	2,175,195
Insurance claim received for SN damages		16,400	-
Refundable deposit received from BMICH (Over the Provision)		354,972	-
Distributed Grant under Invent 2018	12	-	(795,000)
Distributed Grant under IAFM-SL	9	(9,127,600)	-
Net cash generated from financing activities		127,593,527	179,514,017
Net increase/ (decrease) in cash and cash equivalents during the year		31,711,437	57,095,759
Cash and cash equivalents at the beginning of year		70,229,256	13,133,497
Cash and cash equivalents at the end of the year		101,940,693	70,229,256
Analysis of cash and cash equivalents			
A/C No.033-1-001-0-1791066		2,880,945	3,426,279
A/C No.033-1-001-2-1791065		99,059,748	66,802,977
		101,940,693	70,229,256

The Significant Accounting Policies and Notes to the Financial Statements on pages 36 to 44 form an integral part of these Financial Statements.

SRI LANKA INVENTORS COMMISSION

Comparison of Budget and Actual Funds

LKR

	Approved Budget		Fund Released by Treasury	
	2018	2017	2018	2017
Recurrent	53,000,000.00	53,000,000.00	48,818,700.00	47,694,100.00
Capital	120,000,000.00	100,000,000.00	85,750,000.00	73,133,822.00
Total	173,000,000.00	153,000,000.00	134,568,700.00	120,827,922.00

Year	Govt. Contribution Capital (LKR)
1991	163,050.00
1992	1,700,000.00
1993	-
1994	250,000.00
1995	196,000.00
1996	113,500.00
1997	757,000.00
1998	1,700,000.00
1999	290,000.00
2000	4,500,000.00
2001	2,870,000.00
2002	700,000.00
2003	2,500,000.00
2004	621,000.00
2005	5,997,000.00
2006	33,991,000.00
2007	37,100,000.00
2008	24,106,000.00
2009	15,765,000.00
2010	4,500,000.00
2011	6,151,010.00
2012	21,562,000.00
2013	17,061,000.00
2014	40,000,000.00
2015	30,269,992.00
2016	57,248,655.00
2017	73,133,822.00
2018	85,750,000.00

Special Projects (Budget Proposal - 2017)

Project name	Govt. Contribution Capital (LKR)	
	2018	2017
Innovation Accelerator Funding Mechanism -Sri Lanka (IAFM-SL)	50,599,755.00	5,000,000.00
National Incubation Centre	-	100,000,000.00

Significant Accounting Policies

1. Commission Information

1.1 Reporting Entity

Sri Lanka Inventors Commission is a statutory body established in terms of the Sri Lanka Inventors Incentives Act No. 53 of 1979 for the encouragement, promotion and infrastructure of Sri Lanka inventions and for the activities in connected therewith. The Commission is functioning under the purview of the Ministry of Science, Technology and Research.

In the year 2018 the office of the Commission is located at the No. 46 & 48, Cotta Road, Colombo 08.

2. Basis of Preparation

This section provides the basis of preparation of Financial Statements including significant accounting policies and application of Sri Lanka Public Sector Accounting Standards and related statutory requirements.

2.1 Statement of Compliance

The Financial Statements of the Commission, as at 31st December 2018 and for the year ended, have been prepared and presented in accordance with Sri Lanka Public Sector Accounting Standards (SLPSAS), laid down by the Public Sector Accounting Stranded Committee of the Institute of Chartered Accountants of Sri Lanka with the participation of Auditor General and Ministry of Finance and Planning.

These Financial Statements include the following components:

- Statement of Financial Performance.
- A Statement of Financial Position providing the information of the Commission.
- A Statement of Changes in Equity depicting all changes in equity during the year under review of the Commission.
- A Statement of Cash Flow providing the information to the users, on the ability of the Commission to generate cash and cash equivalents and the needs of entity to utilize those cash flows.
- Notes to the Financial Statements comprising accounting policies and other explanatory information.

2.2 Responsibility for Financial Statements

The Board of Directors is responsible for preparation and presentation of these Financial Statements of the Commission as per the provision of the SLPSAS.

2.3 Basis of Measurement

The Financial Statements of Sri Lanka Inventors Commission have been prepared on accrual basis under historical cost convention and applied consistently with no adjustment being made for inflationary factors.

2.4 Functional and presentation currency

The Financial Statements of the Commission are presented in Sri Lanka Rupees, which is the institute's functional currency. Financial information presented in Sri Lankan Rupees.

2.5 Use of Materiality, Offsetting and Rounding

Materiality & Aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial, as permitted by the Sri Lanka Public Sector Accounting Standards (SLPSAS) 1 on "Presentation of Financial Statements".

Offsetting

Assets & liabilities and income & expenses in the Financial Statements are not set off unless requires or permitted by Public Sector Accounting Standards.

Rounding

"The amounts in Financial Statements have been rounded off to the nearest Rupees."

2.6 Going Concern

The Financial statement of the Commission has been prepared on the going concern basis.

2.7 Events after the Reporting period

Events after the reporting period are those events, favorable and unfavorable, that occur between the reporting date and the date when the Financial Statements are authorized for issue.

In this regard, there is no any events after the reporting period for this year.

3 Foreign Currency Transactions

All foreign exchange transactions are converted to functional currency which is Sri Lankan Rupees, at the rates of exchange prevailing at the time the transactions are affected.

4 Property and Equipment

Basis of Recognition

Property and equipment are tangible items that are held for servicing, or for administrative purposes, and are expected to be used during more than one year.

Basis of Measurement

An item of Property and equipment 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 cost incurred subsequently to add to or replace a part of it.

Purchased software that is integral to the functionality of the related equipment is capitalised as a part of computer equipment.

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property & equipment.

Repairs & Maintenance Repairs and maintenance are charged to the Statement of Profit or Loss during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the assets when it is probable that future economic benefits in excess of the most recently assessed standard of performance of the existing assets will flow to the Company and the renovation replaces an identifiable part of the asset. Major renovations are depreciated during the remaining useful life of the related asset.

Depreciation

Depreciation is recognized in the Statement of Profit or Loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment.

The estimated useful lives for the current and comparative years are as follows:

Class of asset	Percentage per annum	Period (Years)
Office Furniture	15%	06 2/3
Office Equipment	20%	05
Prototype models & Name boards	10%	10
Vehicle	20%	05
Projector & Cameras	20%	05
TV & Video Cassette	20%	05
Office Fittings	15%	06 2/3

Sri Lanka Public Sector Accounting Standard (SLPSAS) 7 is being applied for the annual financial statements from beginning of January 1, 2014.

Fully Depreciated Property & Equipment

The cost of fully depreciated property & equipment of the commission which are still in use as at the financial position date are as follows:

As at 31st December	2018 LKR	2017 LKR
Office Furniture	722,747	722,747
Office Equipment	5,102,156	5,102,156
Vehicle	16,389,161	16,389,161
Projector & Cameras	1,279,490	1,114,490
TV & Video Cassette	102,500	96,600
Total	23,596,054	23,425,154

Property & Equipment Retired from Active Use

Following property & equipment of the commission were retired from active use as at the reporting date.

As at 31st December	2018 LKR	2017 LKR
Office Furniture	-	6,250
Office Equipment	98,887	2,638,297
Prototype models & Name boards	110,805	216,300
Exhibition Stall	37,690	165,120
Projector & Cameras	-	3,201
TV & Video Cassette	-	50,250
Office Fittings	1,085,682	1,868,088
Total	1,333,064	4,947,506

5 Defined Contribution Plan – Employees’ Provident Fund and Employees’ Trust Fund (EPF & ETF)

Employees are eligible for Employees’ Provident Fund contributions and Employees’ Trust Fund contributions in line with respective statutes and regulations. The Commission and employees contribute 15% and 10% of gross emoluments of employees to Employee’s Provident Fund. The Commission contribute 3% of gross emoluments of employees to the Employees’ Trust Fund.

6 Funds

The Government contribution to the Sri Lanka Inventors Commission is provided in the Annual Estimate of the Government under two distinct items, namely:

1. Funds for Recurrent Expenditure
2. Funds for Capital Expenditure

The Recurrent grant is taken to the Income & Expenditure Account and the Capital grant is accounted as per LKAS 20. The Recurrent Expenditure of the Commission is shown in the Income and Expenditure Account under:

1. Administration and Establishment Expenditure
2. Personal Emoluments

Capital Expenses represent Expenditure incurred by the Commission on activities undertaken by it towards fulfillment of the objectives of the Sri Lanka Inventors Incentives Act No. 53 of 1979

7 Cash Flow

Cash Flow Statement of Sri Lanka Inventors Commission is prepared in according to the SLPSAS 2, indirect method.

8 Collection funds / Donations from sponsors & third parties

Commission collects funds from sponsors & third parties through the provision account.

SRI LANKA INVENTORS COMMISSION

Notes to the Financial Statements (Cont.)

	2018	2017
	LKR	LKR
1 Cash & Bank Balance		
Cash Book- 033100101791066	2,880,945	3,426,279
Cash Book- 033100121791065	99,059,748	66,802,977
Balance as at 31st December	101,940,693	70,229,255
2 Refundable deposit		
BMICH	-	250,000
Mobitel (Pvt) Ltd	-	2,000
Gavinro Property Developers	2,400,000	2,400,000
American Water (Pvt) Ltd	10,000	-
Access Natural Water (Pvt) Ltd	-	12,000
SLECC		877,500
Balance as at 31st December	2,410,000	3,541,500
3 Provision for doubtful debtors 100%		
Balance as at 1st January	9,802,964	9,802,964
Provision for the Year	-	-
Balance as at 31st December	9,802,964	9,802,964
4 Stock Valuation (SLPSAS 9)		
Closing stock of stationery has been valued at <i>First in First out</i> (FIFO) Basis accordance with the SLPSAS 9.		
Stationery		
Balance as at 1st January	337,059	85,930
Purchase during the year	786,989	298,950
Expenses during the year	(692,602)	(47,821)
Balance as at 31st December	431,446	337,059
T-Shirts		
Balance as at 1st January	-	-
Purchase during the year	998,450	-
Expenses during the year	(648,340)	-
Balance as at 31st December	350,110	-

5 Depreciation - Fixed Assets (Cont.)

	Office Equipment	Furniture Equipment	Prototype Models & Name	Vehicles	Exhibition Stall	Projectors & Cameras	TV & Video Cassette	Office Fittings	Total
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Cost									
Balance as at 01st January 2017	10,831,570	1,601,414	316,800	19,998,191	165,120	1,371,191	995,750	1,941,908	37,221,945
Additions during the year	1,912,594	599,840	-	-	-	-	4,800	-	2,517,235
Disposals during the year	-	-	-	(3,528,000)	-	-	-	-	(3,528,000)
Balance as at 31st December 2017	12,744,164	2,201,254	316,800	16,470,191	165,120	1,371,191	1,000,550	1,941,908	36,211,180
Additions during the year	1,525,173	231,387	-	-	-	-	-	-	1,756,560
Disposals during the year	(2,539,410)	(6,250)	(105,495)	-	(127,430)	(3,201)	(50,250)	(782,406)	(3,614,442)
Balance as at 31st December 2018	11,729,927	2,426,392	211,305	16,470,191	37,690	1,367,990	950,300	1,159,502	34,353,297
Accumulated depreciation									
Balance as at 01st January 2017	7,999,139	795,942	236,508	18,879,407	165,120	1,245,613	180,648	610,412	30,112,789
Charge for the year	1,105,373	197,702	10,050	1,091,345	-	50,700	169,867	285,586	2,910,623
Disposals	-	-	-	(3,528,000)	-	-	-	-	(3,528,000)
Balance as at 31st December 2017	9,104,512	993,644	246,558	16,442,752	165,120	1,296,313	350,515	895,998	29,495,410
Charge for the year	1,178,220	245,546	10,050	16,206	-	60,500	170,213	11,073	1,691,808
Disposals	(2,538,280)	(6,250)	(105,495)	-	(127,430)	(3,201)	(50,250)	(366,651)	(3,197,557)
Balance as at 31st December 2018	7,744,452	1,232,941	151,112	16,458,958	37,690	1,353,612	470,478	540,420	27,989,660
Net book value									
As at 31st December 2017	3,639,652	1,207,610	70,243	27,439	-	74,878	650,035	1,045,910	6,715,769
As at 31st December 2018	3,985,475	1,193,451	60,193	11,233	-	14,378	479,822	619,082	6,363,636

Notes to the Financial Statements (Cont.)

	2018	2017
	LKR	LKR
6 Other Payables		
Creditors	4,800	10,000
Balance as at 31st December	4,800	10,000
7 Accrued Expenses		
Cleaning Charges Payable	58,509	56,891
Water Charges Payable	6,411	5,233
Electricity Charges Payable	130,785	120,537
Communication Charges Payable	54,020	55,585
Fuel & Lubricant Payable	5,300	7,885
Audit Fees Payable	1,236,233	310,933
Inland Revenue - PAYE Payable	-	12,385
Overtime payable	3,443	12,006
Other contractual payable	93,635	64,400
Sahasak Nimeum Payable	74,284	40,000
Remuneration of Members payable	-	105,950
Travelling Payable	-	11,300
Inventor-Inventions Promotions	-	396,300
Acting Allowance Payable	41,395	-
Provincial Level Payable	41,500	54,000
Stationery Payable	-	50,830
Fixed Assets Payable	-	207,112
Balance as at 31st December	1,745,516	1,511,347
8 Gratuity		
Provision for staff gratuity has been made in terms of the payment of Gratuity Act No. 12 of 1983.		
Balance as at 1st January	1,688,286	1,872,587
Provision for the Year	624,461	570,526
Gratuity payment during the year	(200,543)	(754,827)
Balance as at 31st December	2,112,204	1,688,286
9 Innovation Accelerator Funding Mechanism - Sri Lanka (IAFM-SL)		
Balance as at 1st January	5,000,000	-
Fund Received	50,599,755	5,000,000
Expenses during the year	(9,127,600)	-
Balance as at 31st December	46,472,155	5,000,000
10 Fund for National Incubation Centre		
Balance as at 1st January	54,764,654	-
Fund Received	-	100,000,000
<u>Expenses on Establishment of Incubators</u>		
NERD	(8,524,567)	(35,570,541)
University of Jaffna	-	(9,664,805)
Balance as at 31st December	46,240,087	54,764,654

Notes to the Financial Statements (Cont.)

		2018	2017
		LKR	LKR
11 Capital Grant			
Balance as at 1st January		8,580,751	14,566,532
Fund Received		85,750,000	73,133,822
Expenses for project activities	17	(82,906,939)	(74,943,275)
Staff Capacity Building		(1,423,839)	(3,440,900)
Cancellation of grant which granted in 2016		-	2,175,195
Capital Grant Ammortization - Fixed Assets	5	(1,691,808)	(2,910,623)
Expenses on damaging carpet at SLECC-Sahasak 2017		(124,130)	-
Refundable amount received from BMICH related to Year 2017 (excess the provision)		354,972	-
Correction of erroneously recorded expenses in 2017		1,482,797	-
Balance as at 31st December		10,021,804	8,580,751
12 Sri Lanka Inventor's Fund			
Balance as at 1st January		8,998,495	9,793,495
Fund Received		-	-
Distributed Grant under Invent 2018		-	(795,000)
Balance as at 31st December		8,998,495	8,998,495
13 Government Contribution			
Government contribution summary is given below.			
<u>According to the SLAS 24</u>			
Recurrent Grant		48,818,700	47,694,100
Capital Grant		85,750,000	57,248,655
For the Year		134,568,700	104,942,755
14 Other Income			
Distress Loan Interest		65,282	45,277
Miscellaneous income		2,500	117,387
		67,782	162,664
15 Personal Emoulements			
Salaries and Wages		8,647,731	7,433,136
Cost of Living Allowances		2,274,455	2,104,078
Professional Allowance		132,700	27,000
No-Pay Charges		(2,369)	(24,429)
Acting Allowance Expenses		108,895	43,540
Adjustment Allowance		752,265	1,584,507
EPF Expenses		1,637,972	1,422,551
Employees Trust Fund Expenses		327,594	283,828
Overtime and Holiday Payment		457,850	586,294
Remuneration to members		1,423,570	2,374,422
Staff Capacity Building		1,423,839	3,440,900
		17,184,502	19,275,828

Notes to the Financial Statements (Cont.)

	2018	2017
	LKR	LKR
16 Administration & Establishment Expenses		
Traveling Expenses - Local	195,837	211,562
Traveling Expenses - Foreign	4,072,159	4,684,242
Stationeries	771,693	640,907
Fuel and Lubricant Expenses	531,594	530,633
Repair & Maintenance -Equipment	65,129	-
Repair & Maintenance - Vehicle	1,416,021	1,302,344
Postage Charges	38,720	40,875
Communication Charges	760,725	681,373
Utilities Expenses	25,178	116,806
Contractual Expenses	1,912,658	1,706,770
Electricity Charges	1,768,387	1,449,290
Cleaning Expenses	667,765	636,059
Water Charges	121,544	139,774
Rental Expenses	16,808,640	16,744,320
Entertainment Expenses	235,035	276,599
News Papers and Periodicals Expenses	760	210
Audit Fees	925,300	-
Operating Lease Rental	2,387,400	795,800
Staff Welfare	-	3,600
Other Administration Expenses	1,362,514	646,723
	34,067,059	30,607,887
17 Inventors Incentives Expenses		
Invigorating grass root level	472,018	1,051,291
Provincial level selection Exhibitions	3,858,841	2,401,224
National Inventors' Day Programe	8,501,654	5,833,222
"Innova Minds" Television Programe	11,107,243	13,215,143
Inventor-Inventions Promotions Activities	12,364,875	9,650,091
Presidential Awards	3,666,072	548,605
Quality Enhancement of jury	193,500	314,544
"Sahasak Nimewum" National Exhibition	25,770,921	27,585,004
Participation Expenses for International Exhibitions	16,175,756	14,059,699
SLIC Infrastructure Enhancement	21,122	21,122
Financial assistant for patent fill	774,937	263,330
	82,906,939	74,943,275
18 Other Expenses		
Loss on Assets Disposal	416,885	-
	416,885	-

TEC/B/SLIC/1/18/15

31 May 2019

Commissioner
Inventors Commission of Sri Lanka

Report of the Auditor General on the Financial Statements and Other Legal Requirements of the Inventors Commission of Sri Lanka for the year ended 31 December 2018 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Inventors Commission of Sri Lanka for the year ended 31 December 2018 comprising the statement of financial performance, statement of change of equity, statement of cash flow for the year then ended and notes to the financial statements, summary of significant accounting policies and financial statements for the year ended 31 December 2018 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 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 Commission as at 31 December 2018, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Qualified Opinion

- a) The surplus lot of t-shirts and caps valued at Rs. 283,750 as at 31 December 2017 had not been accounted as Balance Stocks in the Financial Statements of the year under review.
- b) An amount of Rs.173,038 that was paid for the incoming year had been accounted as the expenditure for the year under review.
- c) The expenditure to be incurred on training allowance paid to trainee students of the National Apprentice and Industrial Training Authority under recurrent expenditure amounted to Rs. 526,385 had been spent as expenditure for evaluation of inventions at provincial levels.

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

1.3 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 ability of the Inventors Commission of Sri Lanka 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 intends to liquidate the Inventors Commission of Sri Lanka or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Inventors Commission of Sri Lanka.

As per Section 16(1) of the National Audit Act No. 19 of 2018, the Inventors Commission of Sri Lanka 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 Commission.

1.4 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, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I exercise professional judgment and maintain professional scepticism 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 of the Commission 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 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 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 Commission'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 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

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

- Except for the effect of the matters described in the Basis for Qualified Opinion paragraph, 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 Commission.
- The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (III) of the National Audit Act, No. 19 of 2018.

- The financial statements presented includes 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.
Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention;
- to state that any member of the governing body of the Inventors Commission of Sri Lanka has any direct or indirect interest in any contract entered into by the Inventors Commission of Sri Lanka 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.
- to state that the Inventors Commission of Sri Lanka has not complied with any applicable written law, general and special directions issued by the Inventors Commission of Sri Lanka as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018
- to state that the Inventors Commission of Sri Lanka has performed non-compliance to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018
- to state that except for the below given circumstances resources of the Inventors Commission of Sri Lanka 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

a) Preparation of t-shirts for Sahasak Nipayum 2018 Exhibition

1270 t-shirts for Sahasak Nimavum Exhibition valued at Rs.998, 450 had been procured from a private Company without following the provisions of the Procurement Guidelines. It was also observed that this was not a Company engaged in sewing and selling apparels.

b) Fund to Accelerate Innovations

Service of a Consultancy Firm has been obtained to operate the Fund to Accelerate Innovations, established under the budgetary provisions for granting loans for inventors and procurement procedure to be followed in relevant to obtaining Consultancy Service has not been followed in selection of this Consultancy Firm. Also total payment for 12 months amounted to Rs 4, 620,000 as Rs. 385,000 per month was made to the Consultancy Firm. Total number of 24 applications had been forwarded for obtaining financial assistance through this fund and total loan amounted to Rs.9,127,600 has been paid out for 4 applications out of this. Accordingly, nearly 50% of the benefits received to the inventors from this Fund had been paid to the Consultancy Firm.

3. Other Audit Observations

- a) Even Rs. 1,680,000 had been spent in year 2017 on preparation of media policy for promotion and establishment of innovative culture in Sri Lanka, this media policy had not been prepared to level of utilization even by April 2019.
- b) Provisions for bad debt had been allocated for total debt balances without settlement of unsettled and unverified loan balances amounted to Rs. 9,802,264 that were being carried forward for 9 years and had been submitted for the approval of the Ministry to write off from books.

W.P.C. Wickramaratne
Auditor General