Ministry of Health, Nutrition & Indigenous Medicine

Indigenous Medicine Sector

Ayurveda Medical Council

Annual Report - 2017

CONTENTS

Vision:-

Make Ayurveda Medical Council the apex body of Ayurveda in Sri Lanka equipped with All required facilities

Mission:-

Protect the legal foundation necessary for qualitative development of the Ayurveda field, providing maximum service to the public through Ayurveda under professional ethics.

Purpose:-

Confer the legal authority on professionals who have the knowledge, attitude, skills and experience necessary to provide qualitative services in the field of Ayurveda in accordance with provision of the Ayurveda Act No.31 of 1961

Objectives:-

1) To put into enforcement the power entrusted to the Ayurveda Medical Council by the Act No.31 of 1961.
2) To decide and maintain objectives and standards in order to uplift the professional competencies in the Ayurveda field.
3) Implementation of ethics and standards in order to maintain the professional behavior of the Ayurveda professionals properly.
4) Control and ascertain professional conducts in Ayurveda field.
5) To enhance the productivity of the Ayurveda Medical Council by renewing and updating it's resources.

Main functions and Introduction of the Ayurveda Medical Council established under the Ayurveda Act No.31 of 1961 shall be as follows.

Indigenous Medical Board established in 1928 on a recommendation made by a Sub Committee of the State Council of 1927 was the first legally authorized establishment in the Sri Lankan Ayurveda field. Subsequently the Ayurveda Medical Council was established in terms of the Ceylon Ayurveda Medical Council Ordinance No.46 of 1935 was re-established under the provision of the Indigenous Medical Council Ordinance No. 17 of 1941 (amended by No 49 of 1945 and No. 49 of 1949) The Ayurveda Medical Council functioning now as an organization established under the Ayurveda Act No.31 of 1961.

Main functions of the Ayurveda Medical Council

(a).Recommending to the Minister whether any Ayurveda Teaching Institution should be approved by him in terms of the purposes of Ayurveda Act No 31 of 1961.

(b).The Registration of persons as Ayurveda Practitioners;

(c). The Registration of persons as Ayurveda Pharmacists:

(d).The Registration of persons as Ayurveda nurses:

(e).The Cancellation, or suspension, of such registration: and

(f).The Making of rulers for:-

(i).The Regulation and control of the professional conduct of Ayurveda practitioners, Ayurveda pharmacists and the Ayurveda nurses and

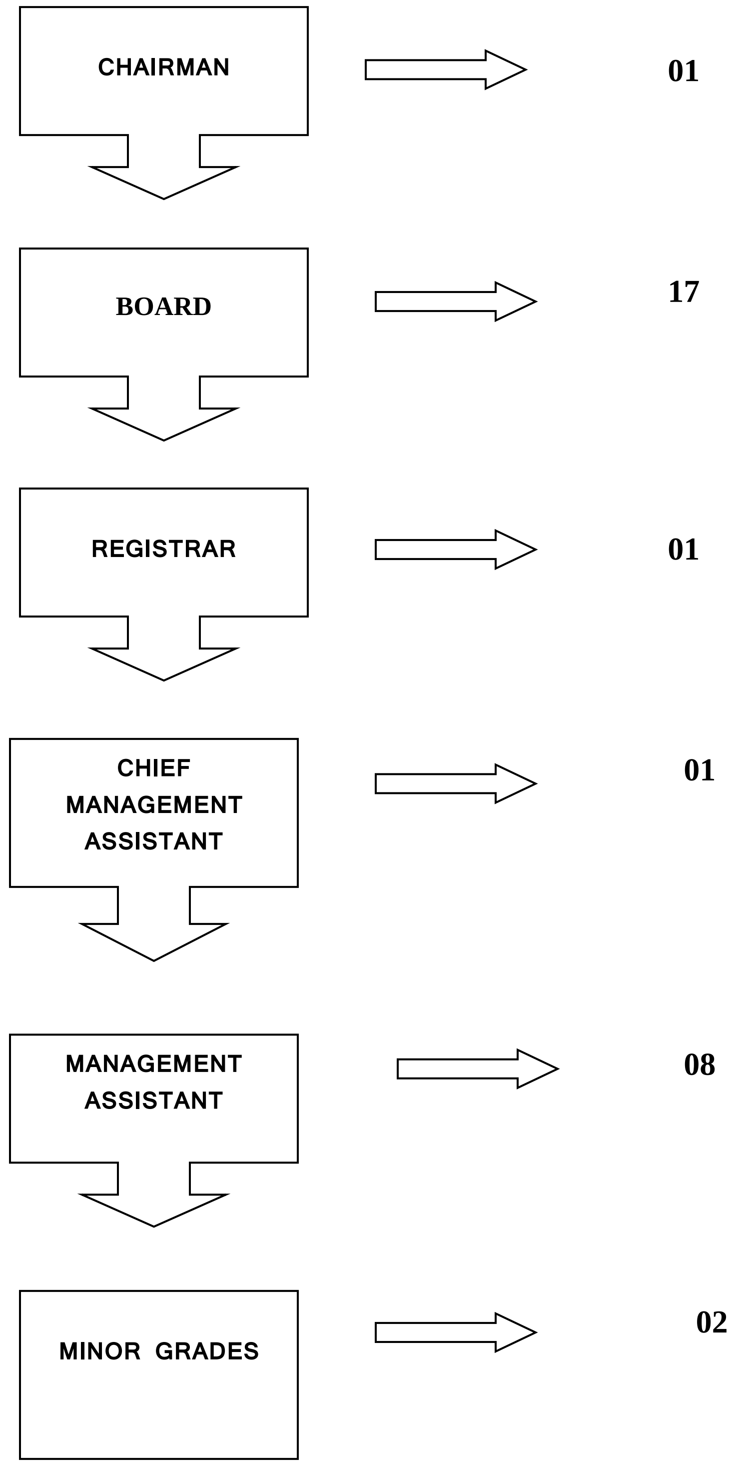
(ii).Any of the matters referred to in paragraphs (b) to (e) the section.

Members of 19 Ayurvedic Medical Council -2017

1. Mr. L.H. Thilakarathna - Commissioner of Ayurveda - from 2017 April	President
2. Mr. M.D.M.D. Karunathilaka - Commissioner of Ayurveda - to 2017 April	President
3. Mrs.Dr. S.D.Hapuarachchi - Director, Institute of Indigenous Medicine	Vice- President
4. Dr. R.L. Ranasingha - from 2017 August	Registrar
5. Dr. B.W. Pathmashanthi Wicramarathna - to 2017 August	Registrar
6. Dr. Basil Ranjith Fernando	Member
7. Dr. A.H.M.Maujude	Member
8. Mr. H.N.R.Hettiarachchi	Member
9. Dr.S.H.M.Senabanda	Member
10. Dr.S.A.A.C. Abysekara	Member
11. Dr.I.G.P.R. Kulanatha	Member
12. Dr.S.S.Gunawardana	Member
13. Dr.Chandrasiri Withanarachchi	Member
14. Dr.Sujeewa Withanage	Member
15. Dr. Nanda wijerathna	Member
16. G.S.L. Wicramarachchi	Member
17. Dr. Danistor L perera - to September from October	Member
18. Dr. G. Wijerathna to 2017 October	Member
19. Mrs.M.R.K.Wijewantha Additional Director General, Ministry of Public Finance	Observer

During this year, 12 Medical Council meetings have been held.

Organizational Structure of Ayurveda Medical Council



Performance of the Ayurveda Medical Council - 2017

1. **Financial Formulation:-**

A Provision of Rupees four point five Million (Rs.6,000,000/-) has been granted to the Ayurveda Medical Council for the year 2017.

During the year 2017 the Ayurveda Medical Council received an income of Rs. 4,063,718/- and the expenditure was Rs.11,540,622/-. A report regarding the performance of Ayurveda Medical Council of 2017 has been given in the income and Expenditure Account and the Balance sheet provides the financial position of the Council as at 31.12.2017. In addition, the Cash Flow Report provides an illustration of inflow and out flow of the Council's money in 2017.

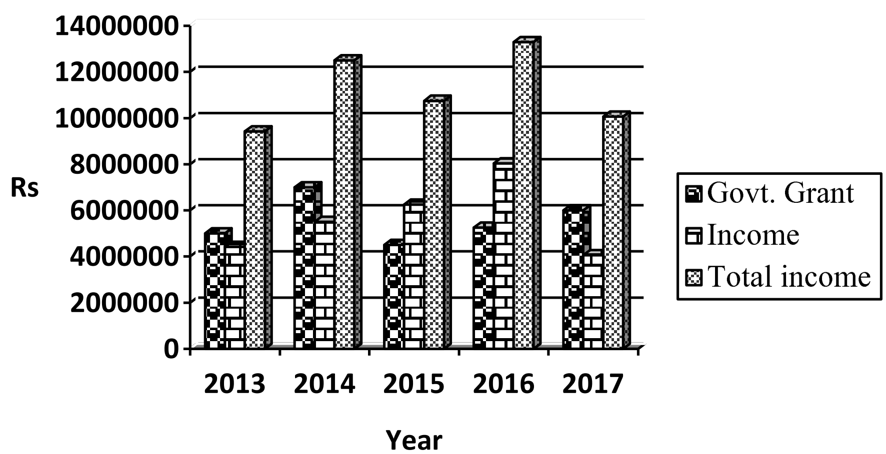
Table 1.1

Annual Income, Expenditure & Government Grant

Item	2013 (Rs)	2014 (Rs)	2015 (Rs)	2016 (Rs)	2017 (Rs)
Govt. Grant	5,000,000.00	7,000,000.00	4,500,000.00	5,250,000.00	6,000,000.00
Income	4,423,774.00	5,503,344.00	6,250,810.00	8,040,946.00	4,063,718.00
total income	9,423,774.00	12,503,344.00	10,750,810.00	13,290,946.00	10,063,718.00

The Government grant and income of the Ayurveda Medical Council for the years 2013 to 2017 are as indicated in table 1.2 below

Table 1.2



02. Policy Formulation:-

In 2017, two standing sub committees and programs functioned in the Ayurveda Medical Council as follows;

- Examination Management Board – Standing Sub Committee.
- Committee on Punitive Measures - Standing Sub Committee

Committee on Punitive Measures: - Standing Sub Commit

The Committee for punitive measure a standing committee established in terms of the sections 10, 18 and 82 of the Ayurveda Act No.31 of 1961 complying with the Ayurveda (Disciplinary) Regulations. The statutory measures to be followed in this connection have been published on 04.01.1973, but this is a process of legal investigation, and more responsible than an ordinary disciplinary inquiry. There are 14 Persons are selected to 2017 Committee on Punitive Measures and only 3 persons are refer to Inquire.

Subcommittee for determining the additional qualification of registered Ayurveda practitioners.

In terms of section 62 of the Ayurveda Act No. 31 of 1961, any registered Ayurveda practitioner, Has powers to include in the Register of Ayurveda practitioner any qualification relating to his profession which he has received after the registration, as an additional qualification, on its being accepted by the council. Accordingly, this additional qualification gives him the legal entitlement to have a certificate issued by the council for such additional qualification and to display the same along with their name and also to use that additional qualification for their professional activities. As to the decision of the Ayurveda Council and according to the provisions of the section, the registration of additional qualification has already commenced and relevant parties have been made aware of this. During 2017 the council has given approval to issue Additional qualification Certificate to 2 Practitioners.

Item	2013	2014	2015	2016	2017
Number of Certificates issued with including additional qualifications	03	03	00	04	02

03. Investigations

Ayurveda medical council has set up a Public Investigation Unit to inquire into and institute legal actions regarding the professional misconducts of persons who pretend to be registered or unregistered Ayurveda practitioners. The prime objective of this unit is to investigate the irregularities professional misconducts and unethical activities of the

Ayurvedic medical practices. These activities are investigated by the council under two categories such as press complaints and public complaints.

We have prepared complaints from the following Departments - 2017

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Item	2013	2014	2015	2016	2017
Number of investigation	14	39	40	37	29

04. Special Medical Board.

Conducting of relevant special Medical Boards in respect of the issuance of Ayurveda medical certificates in parallel to the Medical Boards which are conducted by the Director General of the Medical Services in view of the 4th paragraph of the chapter xxvi of the Establishment Code regarding the issuance of medical certificates by the Ayurveda Medical Practitioners for the members of the government and private sector. To examine those complaints common 142 paper is to be completed and sent to the Ayurveda Medical Council.

Item	2013	2014	2015	2016	2017
Number of Special Medical Boards held	04	04	03	02	02

05. Registration of Ayurveda Practitioners under section 55(1) and 55(2) of the Act

The Ayurveda Medical Council registers Ayurveda Practitioners on following Basic Principles.

- Registration of government recognized Ayurveda Medical Graduates, those who hold diplomas and certificated practitioners, according to their educational qualifications.
- Registration of qualified traditional Ayurveda practitioners on the result of an interview and on recommendations, according to the Constitution adopted by the Ayurveda Medical Council.

At the interview the applicants would be graded depending on the mark they scored and those who failed at the interview will be subjected to a period of evaluation as three month, six month and one year considering to value of their marks and called for a interview once again.

By the of 2017 the number of medical practitioners registered with Ayurveda Medical council was 24,825. During the year it was possible to register 124 Ayurveda Medical practitioners under following categories.

Table 5.01

Interviews boards were held at the Ayurveda Medical Council office and

at mobile offices 2013 - 2017

Item	2013	2014	2015	2016	2017
Number of Interview Boards held Annually	29	31	21	21	19
The Number of candidates qualified the Interviews annually	461	362	210	239	272
The Number of candidates who attended the interviews annually	355	296	165	187	215
The Number of candidates pass for the Interview	182	221	111	100	42
Percentage of the candidates passed out of total candidates	**51.27%**	74.66%	**67.27%**	**53.48%**	**19.53%**

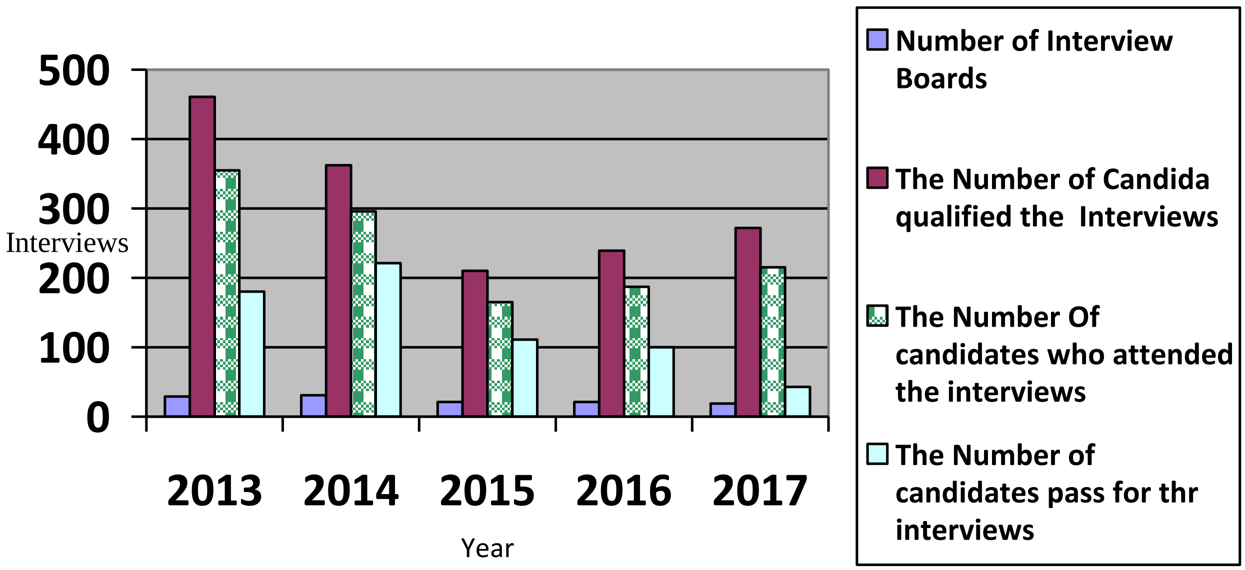


Table 5.2

Yearly Registered Ayurveda Practitioners - 2013. - 2017

Item	No. Registered in 2013	No. Registered in 2014	No. Registered in 2015	No. Registered in 2016	No. Registered in 2017
General (Physician)					
Degree	**137**	**132**	**148**	**234**	**70**
Bachelor of Ayurveda Medicine & Surgery- University of Colombo	67	71	46	80	41
Bachelor of Ayurveda Medicine & Surgery- University of Kelaniya	47	30	35	72	17
Bachelor of Unani Medicine & Surgery- University of Colombo	17	16	21	18	12
Bachelor of Siddha Medicine & Surgery- University of Jaffna	06	12	46	63	-

Bachelor of Ayurveda Medicine & Surgery- University of India	-	03	-	01	-
Diploma	**76**	**54**	**33**	**02**	**36**
D.A.M.S. - Colombo	-	-	-	-	-
Siddhayurveda Physicians –Gampaha WAI	-	-	-	-	-
Ayurveda Sasthri - DA	72	54	30	02	30
Final test of Siddha Vidyalaya -Jaffna	04		03	-	06
Traditional - General	**45**	**86**	**30**	**32**	**06**
Traditional	45	86	30	32	06
Traditional - Special	**90**	**178**	**38**	**142**	**12**
Sarpavisha (Snake bite)	26	49	20	35	02
Fractures & Dislocation (Kadum Bindum)	47	92	15	87	10
Eye Diseases (Akshi Roga)	01	5	2	03	-
Skin Diseases (Charma Roga)	07	7	1	03	-
Boils & ulcers (Gedi Vana)	04	8	-	07	-
Hydrophobia (Jalabhithika)	01	2	-	02	-
Burns & Scalds (Davum Pilissum)	02	1	-	02	-
Mental Diseases (Manasika Roga)	02	9	-	03	-
Hasthi Wedakama	-	5	-	-	-
Total	**348**	**450**	**249**	**410**	**124**

Table 5.3

Total Registered Ayurveda Practitioners As at 2017.12.31

Item	Total No. Registered As at 2017.12.31
General (Physician)	
Degree	**2604**
Bachelor of Ayurveda Medicine & Surgery- University of Colombo	1340
Bachelor of Ayurveda Medicine & Surgery- University of Kelaniya	537
Bachelor of Unani Medicine & Surgery- University of Colombo	363
Bachelor of Siddha Medicine & Surgery- University of Jaffna	355
Bachelor of Ayurveda Medicine & Surgery- University of India	09
Diploma	5535
L.A.M.S. - Kalkata	92
F.M.B.S.- Alahamabath	04
D.I.M.S. - Colombo	520
D.A.M.S - Colombo	1298
D.S.A.C. - Gampaha	1134
D.A.S.C. - Gampaha	137
L.A.M. - Jaffna	86
Siddhayurveda Physicians –Gampaha WAI	635
Ayurveda Sasthri	1414
Final test of Siddha Vidyalaya - Jaffna	215

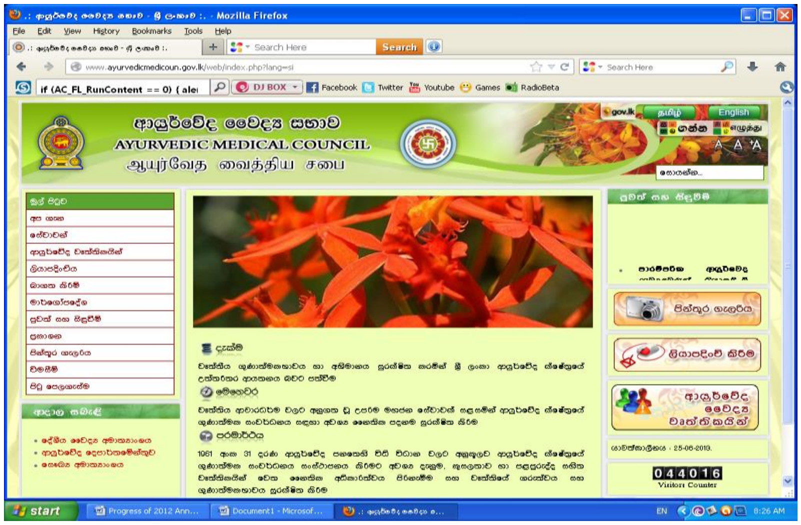
Traditional - General	6159
Traditional	6159
Traditional - Special	**8908**
Sarpavisha (Snake bite)	3721
Fractures & Dislocation (Kadum Bindum)	2511
Eye Diseases (Akshi Roga)	636
Skin Diseases (Charma Roga)	351
Boils & ulcers (Gedi Vana)	630
Hydrophobia (Jalabhithika)	204
Burns & Scalds (Davum Pilissum)	84
Mental Diseases (Manasika Roga)	182
Hos Compresses & Moxibustions (Vidum Pilissum)	08
Others	571
Total	**23206**
Detail not Update	**1619**
Full Total	**24825**
Death	**3095**

06. Registrations of Ayurvedic Nurses and Pharmacists:-

Subject	Number of Registered As at 2013.12.31	2014	2015	2016	2017	Total Number of Registered
		Number of Registered	Number of Registered	Number of Registered	Number Of Registered	
Ayurveda Nurses	30	-	-	-	-	30
Ayurveda Pharmacists	192	20	04	32	00	248

7. Official website of the Ayurveda Medical Council

During this period, the attention of both government and the private sector has been placed on Ayurveda practitioners. Therefore to facilitate them it has been granted in 2009 to start a website including necessary guidance legal matters and other connected information useful for both registered and registration expecting doctors. The website was opened on 07.09.2010 bearing the address **www.ayurvedicmedicmedicoun.gov.lk** .



08. Additional steps implemented in conformity with the decisions taken by the Ayurveda Medical Council in 2017

1. In accordance with section 81 of the Ayurveda Act No 31 of 1961 the names of 23 Ayurveda Practitioners have been removed from the register due to their deaths, on the information of as the Registrars of Birth and Deaths.

Subject	2013	2014	2015	2016	2017
Number of Ayurveda Practitioners who have passed away	100	67	32	35	23

2. Confirmation was granted to 1365 medical certificates issued by the Ayurveda Medical Practitioners for the offers of the public and private sector services during 2017

Subject	2013	2014	2015	2016	2017
Confirmation for medical certificates	280	1057	1365	1080	738

Submitted the Audit investigation through the public institutions details, about not invalid Medical Certificate including the fourteen day s submitted the information letter to Ayurveda Medical Council. The not reply physician about medical Certificate, Not receptionist inform the Institution. That the invalid medical certificate to brake.

3. In 2017 Ayurveda doctors have applied for identity cards and out of them 227 have been issued.

Subject	2013	2014	2015	2016	2017
Issue of Identity cards	495	539	286	716	227

4. Issue of Vehicle pass for Registered Ayurveda practitioners

Subject	2013	2014	2015	2016	2017
Issue of Vehicle pass	161	161	101	170	76

5. Conducting of Primary Professional Development Programmed in respect of the newly registered Ayurveda Medical practitioners with the support of the National Institute of Traditional Medicine. During 2017 programmers were conducted for 100 newly registered Medical practitioners.

Subject	2013	2014	2015	2016	2017
Present Medical practitioners	136	270	112	100	100

6. Issue of Medical Books for registered Ayurveda practitioners

Subject	2013	2014	2015	2016	2017
Issue of Medical Books	840	1063	1043	1405	1054

7. Issue of International certificate for registered Ayurveda practitioners

Subject	2013	2014	2015	2016	2017
Issue of International certificate	13	11	09	42	13

In view of the above matters, it is hereby mentioned that during the year 2017 the Medical Council has fulfilled its objectives. Due to the reasons beyond the control of the Medical council, the registration of the Ayurveda Nurses, Pharmacists and also the registration of the Institutions which are engaged in teaching Ayurveda, could not be fulfilled. Preliminary steps have been taken to fulfill those objectives during 2018.

Sgd.S.K. Kulathungasmudali
Chairman Ayurveda Medical Council
Commissioner of Ayurveda.

Office of the Ayurveda Medical Council
Old Kottawa Road,
Navinna, Maharagama,

AYURVEDA MEDICAL COUNCIL

Statement of Financial Performance For the Year ended December 31.2017

	2017.12.31	2016.12.31
	Rs.	Rs.
01. In come - Govt. allocations	6,000,000.00	5,250,000.00
02. Registration doctor fees - Note 01	3,772,699.00	7,541,830.00
03. Other In come - Note 02	341,019.00	315,018.00
04 . Total Income (01+02+03)	**10,063,718.00**	**13,106,848.00**
05. Administrative Expenditure - Note 03	10,094,268.00	10,287,291.00
06.Finance Costs - Note 04	159,909.00	129,909.00
07. Other expenses Note 05	1,286,445.00	1,536,289.00
08. Tot e expense (05+06+07)	**11,540,622.00**	**11,953,489.00**
09. Annual Deficit/ Exec (04- 08)	**(765,079.00)**	**1,153,359.00**

The conform This Account correct and, correct account method

Sgd:

Dr. B.W.P. Wikcramarathna	S.K. Kulatungamudali	Damith Kaluarachchi
Registrar	Chairman	Management Assistant
Ayurveda Medical Council	Ayurveda Medical Council	Ayurveda Medical Council

Note 01

Description	2017.12.31 Rs.	2016.12.31 Rs.
Registration Fees	728,500.00	1,824,000.00
Interview Fees	155,600.00	182,800.00
Registration Application Fees	789,950.00	1,468,950.00
written Test Fees		506,250.00
Fees on vehicle Pass	76,000.00	169,000.00
Fees on Certificate Copies	55,000.00	111,750.00
Postal In coke	34,071.00	71,970.00
Fees on medical Certificate Books	318,308.00	424,610.00
Identity card fees	268,750.00	777,500.00
Fees on change of names	22,500.00	62,500.00
medical board	72,000.00	-
Registration Number certify fees	26,600.00	-
Fees on inclusion of additional Qualification	11,600.00	5,900.00
Fees on international Certificate copies	130,000.00	420,000.00
Medical Certificate copies certify fees	100,000.00	162,300.00
Re - Registration	933,820.00	1,354,300.00
	3,772,699.00	**7,541,830.00**

Note 02

Description	2017.12.31 Rs	2016.12.31 Rs
Interest on employee Loans	69,354.00	50,941.00
Interest on Gratuity Allowances	257,734.00	163,305.00
Miscellaneous in come	13,931.00	100,772.00
	341,019.00	**315,018.00**

Note 03

Description	2017.12.31	2016.12.31
	Rs	Rs.
Staff Salaries	4,880,028.00	4,753,802.00
Staff Allowances	290,850.00	372,150.00
Registrar Allowances	90,000.00	90,000.00
Registrar Allowances	138,544.00	61,575.00
E.P.T.	682,661.00	558,387.00
E.T.F.	146,196.00	139,597.00
Identity Card Fees	43,618.00	125,824.00
Stationery Expenses	345,405.00	270,227.00
Interview Board fees	204,150.00	266,450.00
Fees For Medical Certificate book	885,000.00	847,400.00
Overtime Expenses	660,845.00	507,351.00
concessionary Railway Warrants	39,480.00	39,480.00
Sub Committee Fees	228,600.00	161,300.00
Telephone Rants	133,929.00	114,559.00
Railway Warrant fees	3,960.00	1,200.00
Gratuity Allowances	292,138.00	98,433.00
Printing Expenses	171,613.00	116,329.00
Advertising Fees	52,325.00	33,300.00
Written Test Fees	259,150.00	478,487.00
fees for cad	73,890.00	689,644.00
Water bill	31,850.00	33,775.00
Employee Training Fees	-	17,000.00
Training Programmed	50,000.00	95,951.00
Electricity bill	390,036.00	415,070.00
	10,094,268.00	10,287,291.00

note 04

Description	2017.12.31	2016.12.31
	Rs	Rs
Audit fees	150,000.00	120,000.00
Insurance Fees	9,909.00	9,909.00
	159,909.00	**129,909.00**

Note 05

Description	2017.12.31	2016.12.31
	Rs.	Rs
Miscellaneous expenditure	323,552.00	165,197.00
Travelling expend	218.00	79,814.00
Postal Charges	137,586.00	186,910.00
Entertainment Expenses	141,210.00	243,426.00
News Paper bills	34,240.00	30,475.00
Repairs to Office Equipment	205,055.00	318,365.00
Annual Depreciation	442,993.00	512,102.00
Assets destroyed Account	1,591.00	
	1,286,445.00	**1,536,289.00**

Ayurveda Medical Council

Statement of financial Position as at December 31. 2017

	2017.12.31 Rs		2016.12.31 Rs	
Asset				
Current Assets				
Cash Balance	4,339,576.00		5,406,214.00	
Staff Loans	1,906,540.00		1,357,811.00	
Stock of Medical Book	260,880.00		311,472.00	
Stock of Stores	379,684.00		157,068.00	
Stock Of Stamps	132,820.00		144,005.00	
Repairs to Office equipment for the for troth coming year	53,806.00		29,386.00	
		7,073,306.00		7,405,956.00
Non Current Assets				
Property, Plant, and Equipment (Purchase Price)	6,168,201.00		5,936,355.00	
Accumulated Depreciation	4,012,204.00		3,569,211.00	
Property, Plant, and Equipment (Net Price)		2,155,997.00		2,367,144.00
Other Financial Assess				
investment of Gravity allowances		2,838,917.00		2,546,779.00
Total Assets		12,068,220.00		12,319,879.00
Liabilities				
current Liabilities				
Audit Fees	226,725.00		420,000.00	
Telephone rentals	11,463.00		9,868.00	
News paper bills	2,840.00		2,615.00	
Overtime expenses	57,438.00		31,855.00	
Postal Charges	5,900.00		3,100.00	
Fees of Cabs	6,080.00			
Registration Application fees	97,500.00		46,500.00	
Electricity bills	13,442.00		14,462.00	
Staff Salaries	2,747.00			

			1,437.00	
Water bill	2,275.00		1,400.00	
Staff allowances	30,800.00		28,000.00	
Identity card fees	83,500.00		41,250.00	
Registration fees	149,000.00		155,000.00	
Fees on inclusion of additional qualification	3,000.00		8,600.00	
Fees on Certificate Copies	2,500.00			
fees on International Certificate Copies	10,000.00			
Written Test Fees	241,800.00			
Fees on Vehicle Pass	2,500.00		8,000.00	
Printing expenses	22,425.00			
		971,935.00		772,087.00
Non - Current Liabilities				
Allocation of gratuity allowances		2,838,917.00		2,546,779.00
Total Liabilities		3,810,852.00		3,318,866.00
Net Assets		8,257,368.00		9,001,013.00
NET ASSETE/EQUITY				
Capital Contributed by other government	9,734,272.00		7,847,654.00	
Annual Deficit/ Excess	(1,476,904.00)		1,153,359.00	
	8,257,368.00		9,001,013.00	
Total net Assets/ equity		8,257,368.00		9,001,013.00

The conform this account correct and, correct account method

Dr. B.W. Pathmashanthi Wikcramarathna	S.K. Kulathungamudali	Damith Kaluarachchi
Registrar	Chairman	Management Assistant
Ayurvedic Medical Council	Ayurveda Medical Council	Ayurveda Medical Council

AYURVEDA MEDICAL COUNCIL

Consolidated Cash Flow Statement For Year Ended 31 December 2017

	2017			2016		
	Alloviation	Affixture		Alloviation	Affixture	
	Rs.	Rs.		Rs.	Rs.	
Cash Flows from operating activities						
Excess before the interest income			(1,476,903.00)			1,153,359.00
Interest on employee loans	69,354.00			50,941.00		
Interest on Gratuity allowances	257,734.00			163,305.00		
Annual Depreciation		442,993.00			512,102.00	
Debtors		733,258.00		712,624.00	590,821.00	
Gratuity allowances		292,138.00			98,433.00	
	327,088.00	1,025,396.00	698,308.00	926,870.00	1,201,356.00	274,486.00
			(778,595.00)			1,427,845.00
Operation excess before the change of working capital objects change of working capital objects						
Debtors	548,729.00			90,020.00		
Stock of stores	222,615.00				66,584.00	
Stock of Stamps		11,185.00		93,090.00		

Stock of Medical book		50,592.00		67,440.00
Audit fees	193,275.00			120,000.00
Telephone Rentals		1,595.00		3,179.00
Miscellaneous income				
Repairs to office equipment for the for troth coming year	24,420.00		19,412.00	
Water bill		875.00	1,225.00	
Advertising fees				
Overtime expenses		25,583.00		10,029.00
Railway warrants fees			2,800.00	
written test fees		241,800.00		
staff allowances		2,800.00		2,800.00
staff Salaries		1,309.00		1,437.00
Registration fees	6,000.00			155,000.00
Electricity bills	1,020.00		3,807.00	
Printing expenses		22,425.00		
fees on vehicle Pass	5,500.00			7,400.00
Registration application fees		51,000.00		46,500.00
Identity card fees		42,250.00		41,250.00
Fees on Inclusion of additional Qualification	5,600.00			8,600.00
News paper bills		225.00		2,615.00
Postal charges		2,800.00		

					3,100.00	
fees on certify copies		2,500.00				
fees on international certificate copies		10,000.00				
Travelling expend		6,080.00		18,820.00		
	1,007,159.00	473,019.00	(534,140.00)	229,174.00	535,934.00	306,760.00
			(1,312,735.00)			1,734,605.00
Cash flow generated from operational activities						
Cash flow generated from investment activities						
Purchase of fixed assets	231,846.00	442,993.00		756,193.00		
Interest on gratuity allowances		257,734.00			163,305.00	
Gratuity allowance	292,138.00			98,433.00		
	523,984.00	700,727.00	176,743.00	854,626.00	163,305.00	(691,321.00)
Deduction in cash and cash equivalent objects			(1,135,992.00)			1,043,284.00
Cash flow generated from financial activities						
Interest on employee loans			69,354.00			50,941.00
			(1,066,638.00)			1,094,225.00
Cash and such equivalent objects at the beginning of the year						
Bank Account			5,406,214.00			4,311,989.00
Cash and such equivalent objects at end of the year			4,339,576.00			

		5,406,214.00
Bank Account	4,339,576.00	5,406,214.00
Deduction is cash and cash equivalent objects at the end of the year	4,339,576.00	5,406,214.00

The conform this account correct and, correct account method

Damith Kaluarachchi

Management Assistant

Ayurveda Medical Council

විගණකාධිපති දෙපාර්තමේන්තුව
கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT

මගේ අංකය / எனது இல. / My No. HSM/C/AMC/01/17/13 ඔබේ අංකය / உமது இல. / Your No.

දිනය / திகதி / Date 17 July 2018

The Chairman,

Ayurvedic Medical Council

Report of the Auditor General on the Financial Statements of the Ayurvedic Medical Council for the year ended 31 December 2017 in terms of Section 14(2) (c) of the Finance Act, No. 38 of 1971

The audit of financial statements of the Ayurvedic Medical Council for the year ended 31 December 2017 comprising the statement of financial position as at 31 December 2017 and the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 13 (1) of the Finance Act, No. 38 of 1971 and Sections 11 to 21 of Part III of the Ayurveda Act, No.31 of 1961. My comments and observations which I consider should be published with the Annual Report of the Council in terms of Section 14 (2) (c) of the Finance Act appear in this report. A detailed report in terms of Section 13(7) (a) of the Finance Act was issued to the Chairman of the Medical Council on 22 June 2018.

1.2 Management's Responsibility for the Financial Statements

The management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Public Sector Accounting Standards and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements,whether due to fraud or error.

අංක 306/72, පොල්දුව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව. - இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை, இலங்கை. - No. 306/72, Polduwa Road, Battaramulla, Sri Lanka
+94-11-2887028-34 +94-11-2887223 oaggov@sltnet.lk www.auditorgeneral.gov.lk

1.3 Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Auditing Standards of Supreme Audit Institutions (ISSAI 1000-1810). Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements 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 Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements. Subsections (3) and (4) of Section 13 of the Finance Act, No. 38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the audit.

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

1.4 Basis for Qualified Opinion

My opinion is qualified, based on the matters described in Paragraph 2.2 of this report.

2. Financial Statements

2.1 Qualified Opinion

In my opinion, except for the effects of the matters described in Paragraph 2.2 of this report, the financial statements give a true and fair view of the financial position of the Ayurvedic Medical Council as at 31 December 2017 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

2.2 Comments on Financial Statements

2.2.1 Sri Lanka Public Sector Accounting Standards

(a) Sri Lanka Public Sector Accounting Standard 1

(i) In terms of paragraph 48 of the Standard, revenue and expenses shall not be offset unless required or permitted by Sri Lanka Public Sector Accounting Standards. However, the printing expenditure of Medical Certificate Books amounting to Rs.50,592 had been offset against the sales revenue of 1,054 of those books amounting to Rs.368,900 and only the net revenue of Rs.318,308 had been shown in the financial statements.

(ii) In terms of paragraph 132 of the Standard, significant accounting policies should be disclosed in the financial statements. However, the accounting policy relating to the accounting of Government grants received to the Council, had not been disclosed in the financial statements.

(b) Sri Lanka Public Sector Accounting Standard 7

In terms of paragraph 69 of the Standard, the depreciation of an asset begins when it is available for use. However, contrary to it, the Council had followed the policy of depreciation for the whole year without considering the date of purchase of the asset.

2.2.2 Accounting Deficiencies

The following observations are made.

(a) A sum of Rs.113,570 payable in the year under review for repairs of the computer system and for hanging curtains had not been brought to account.

(b) Out of Government grants amounting to Rs.6,750,000 received for recurrent expenditure during the year under review, only a sum of Rs.6,000,000 had been brought to account as an income and a sum of Rs.750,000 had been credited to the Reserve and Capital Account.

2.3 Non-compliance with Laws, Rules, Regulations and Management Decisions

The following non-compliances were observed.

	Reference to Laws, Rules, Regulations etc.	Non-compliances
(a)	Section II (1) (e) of Part III of the Ayurveda Act, No.31 of 1961	Three registered Ayurvedic practitioners and one lecturer elected from the lecturers of each approved Ayurvedic educational institute should be appointed as a member of the Council. Nevertheless, action had not been taken to appoint those members even up to the end of the year under review.
(b)	Financial Regulations of the Democratic Socialist Republic of Sri Lanka Financial Regulation 756	According to financial statements, the Annual Board of Survey on property, plant and equipment amounting Rs.6,168,201 as at 31 December 2017 had not been conducted even by 30 May 2018 and the recommendations given by the reports on

		Board of Survey for the preceding year had not been implemented even by 10 May 2018.
(c)	Section 9.3.1 of Public Enterprises Circular No. PED/12 of 02 June 2003	No Scheme of Recruitment required for the post of Registrar, which is a post of the Top Management Level of the Medical Council, had been formulated and obtained approval of the Department of Management Services as well.
(d)	Ayurvedic Medical Council Paper No.14/13/08 (03) of 05 July 2005	All practitioners registered in the Council should renew the registration once in every 05 years. However, 15,727 practitioners whose registration had expired for 05 years by the end of the year under review, had not renewed registration and the Council had not identified and implemented a proper methodology for renewing registration. As such, the income lost to the Council relating to the year under review amounted to Rs.16,530,750.

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the financial result of the Council for the year under review had been a deficit of Rs.1,476,904 as against the surplus of Rs.1,153,359 in the preceding year thus observing a deterioration of Rs.2,630,263 in the financial result of the year under review. The decrease in registration fees of practitioners by 50 per cent or Rs.3,819,131 as compared with the preceding year, had been the main reason for the above deterioration.

An analysis of the financial results for the year under review and 04 preceding years revealed an increase in the surplus of Rs.1,575,270 in the year 2013 up to Rs.3,371,292 in the year 2014 and in the year 2015 it had again decreased to Rs.712,624. The surplus which had increased up to Rs.1,153,359 in the year 2016 had decreased up to a deficit of Rs.1,476,904 in the year 2017. After readjusting the employees' remuneration, depreciation for non-current assets and tax to the financial result, the contribution of Rs.5,733,505 in the year 2013 had decreased up to Rs.4,674,974 with fluctuations by the year 2017.

4. Operating Review

4.1 Performance

4.1.1 Function and Review

The following observations are made.

(a) Performance indices had not been determined for evaluation of tasks of processes such as registration of practitioners of the Ayurvedic Medical Council and Traditional Ayurvedic Practitioners, conducting examinations, issue of examination results and the performance as well had not been reviewed.

(b) In terms of Section 18 of Part 03 of the Ayurveda Act, No.31 of 1961, the following observations are made relating to achievement of objectives of the Council.

(i) The registration of practitioners had decreased by 70 per cent in the year under review as compared with the preceding year and the registration of graduates, traditional physicians and traditional specialists had decreased by 70 per cent, 81 per cent and 91 per cent respectively. However, the reasons thereto had not been revealed.

(ii) Ayurvedic nurses had not been newly registered after registration for the last time in the year 2013. Moreover, Ayurvedic Dispensers had not been registered in the year under review and a proper procedure had not been identified and implemented for registering those officers in the Council.

(iii) According to the Action Plan prepared for the year under review, the written examination on registration of traditional Ayurvedic practitioners should be held during the year under review. Nevertheless, that examination had not been held even by 10 May 2018. Moreover, the Council had failed to issue results of the written examination held in October of the preceding year even by 31 December 2017.

(iv) Fourteen and 34 complaints had been received in the year under review and the preceding year respectively relating to quack practitioners. Out of them, investigations of 11 and 08 complaints had not been completed respectively even by 16 May 2018 and follow up action had not been taken on 03 and 26 complaints for which investigations had been completed. As the Ayurveda Act and Disciplinary Orders had not been revised in accordance with timely requirements, most of the complaints inquired had been limited only to the issue of warnings and instructions.

(c) According to the Action Plan prepared for the year under review, 26 activities to be fulfilled relating to 12 strategies could not be commenced during the year under review.

4.2 Management Activities

The following observations are made.

(a) Electricity had been supplied to the Drivers' Quarters of the Department of Ayurveda by connecting the electricity meter which supplies electricity to the building of the Ayurvedic Medical Council. As such, the monthly electricity bill of the Ayurvedic Medical Council had increased up to Rs.32,503 in an unusual manner.

(b) In terms of the Letter of Appointment issued to the Ayurvedic Specialist recruited on contract basis from 08 August 2017 for the post of Registrar of the Council, she should serve full time in the Council. However, the Council had decided that her arrival and departure are not required to be recorded in the relevant register. As such, it was observed that she is not occupied on full time duty in that post.

(c) Out of practitioners registered in the Council as at 31 December 2017, the Council had failed to take prompt action in respect of 1,619 practitioners of whom information could not be obtained. As such, it was observed that there was a possibility of quack practitioners engaging in practice by using those registration numbers.

4.3 Funds Management

According to the cash book, the balance of the bank current account as at 01 January 2017 amounted to Rs.5,406,214 and that balance was Rs.4,339,576 by 31 December 2017. The monthly average bank balance in the year under review was Rs.4,992,668 and the current ratio was 7.27 as at 31 December 2017. As such, attention had not been paid to deposit the remaining cash, except for the working capital, in short term investments generating interest income.

4.4 Operating Activities

In the renewal of registration of Ayurvedic practitioners, the Medical Council had decided on 18 December 2015 to issue a new certificate and to print 6,000 of the said certificates. However, the printing of new certificates had failed even by 10 May 2018. As such, the relevant certificates of registration could not be issued to 7,934 practitioners who had made payments for renewal of registration from 2015 to 2017.

4.5 Staff Administration

In terms of the approved cadre of the Council, action had not been taken to fill the vacancies of two Management Assistants and one Karyala Karya Sahayaka.

5. Sustainable Development

Even though all Government institutions should act in terms of Circular No.NP/SP/SDG/17 of 14 August 2017 issued by the Secretary to the Ministry of National Policy and Economic Affairs and the "2030 Agenda" of the United Nations on sustainable development, the Ayurvedic Medical Council had not been aware of the manner in implementing the functions that come under its scope relating to the year under review.

6. Accountability and Good Governance

6.1 Presentation of Financial Statements

In terms of Section 6.5.1 of Public Enterprises Circular No PED/12 of 02 June 2003 and provisions of Treasury Circular No.01/2004 of 24 February 2004, annual financial statements of statutory boards should be presented to the Auditor General within 60 days of closure of the year of accounts. However, the financial statements relating to the year under review had been presented on 11 April 2018 with a delay of 41 days.

6.2 Budgetary Control

Unfavourable variances ranging between 45 per cent and 100 per cent relating to 12 Items of Revenue and variances ranging between 29 per cent and 128 per cent relating to 03 Items of Expenditure were revealed in the comparison of the budgeted and the actual income and expenditure for the year under review, thus observing that the budget had not been made use of as an effective instrument of management control.

6.3 Tabling of Annual Reports

In terms of Section 6.5.3 of Public Finance Circular No. PED/12 of 02 June 2003, Annual Reports of the Council relating to the years 2015 and 2016, had not been tabled in Parliament even by 23 May 2018.

6.4 Unresolved Audit Paragraphs

Services had been supplied without realizing 27 money orders totalling Rs.9,780 received for the period from the year 2006 up to 31 December 2014 and the originals of those 27 money orders had not been made available to Audit.

7. Systems and Controls

Deficiencies in systems and controls observed during the course of audit were brought to the notice of the Chairman of the Council from time to time. Special attention is needed in respect of the following areas of control.

Areas of Systems and Controls	Observations
Control of Operations	(i) Failure in taking action to determine the periods and act accordingly in the registration of traditional practitioners, acceptance of applications, holding written and oral examinations and issue of results.
	(ii) Failure in establishment of a methodology so as to amend the Ayurveda Act and Disciplinary Orders and to carry out speedy investigations.

W.P.C. Wickramaratne
Acting Auditor General

Corporate Details

Name

Ayurveda Medical Council

Statutory Condition

Indigenous Medical Board established in 1928 on a recommendation made by a Sub Committee of the State Council of 1927 was the first legally authorized establishment in the Sri Lankan Ayurveda field. Subsequently the Ayurveda Medical Council was established in terms of the Ceylon Ayurveda Medical Council Ordinance No.46 of 1935 was re-established under the provision of the Indigenous Medical Council Ordinance No. 17 of 1941 (amended by No . 49 of 1945 and No. 49 of 1949) The Ayurveda Medical Council functioning now is an organization established under the Ayurveda Act No.31 of 1961.

Bank's

1. Bank of Ceylon (Prime Bank)
   Maharagama

2. National Savings Bank
   "Saving House"
   Head Office,
   Kollupitiya.

Auditor's

Auditor General,
Auditor General's Department,
No.306/72,
Polduwa Road,
Battaramulla

සභාපති தலைவர் Chairman	011-2847555	ලේඛකාධිකාරී பதிவாளர் Registrar	011-5672906 011-2746754	කාර්යාලය காரியாலயம் Office	011 -5672905 011 -2896911- 12 Ext. 315/316/321

Web site :- www.ayurvedicmedicoun.gov.lk E mail :- ayurmc@sltnet.lk

C O M P L I M E N T

HON MINISTER – MINISTRY OF HEALTH, NUTRITION & INDIGENEOUS MEDICINE
HON DEPUTY MINISTER – MINISTRY OF HEALTH, NUTRITION & INDIGENEOUS MEDICINE
SECRETARY - MINISTRY OF HEALTH, NUTRITION & INDIGENEOUS MEDICINE
MEMBERS OF AYURVEDA MEDICAL COUNCIL
MINISTRY OF HEALTH, NUTRITION & INDIGENEOUS MEDICINE
DEPARTMENT OF AYURVEDA
NATIONAL INSTITUTE OF TRADITIONAL MEDICINE
BANDARANAYAKA MEMORIAL AYURVEDA RESEARCH INSTITUTE
PROVINCIAL MINISTRY OF HEALTH AND INDIGENEOUS MEDICINE
ALL PROVINCIAL AYURVEDA COMMISSIONERS
DEPARTMENT OF AUDITOR GENERAL
DEPARTMENT OF ATTORNEY GENERAL
DEPARTMENT OF POLICE
ALL MEDIA INSTITUTES
ALL DISTRICT SECRETARIATS AND DIVISIONAL SECRTARIATS
ALL PRESERVATIVE COUNCILS
AND

STAFF OF THE AYURVEDA MEDICAL COUNCIL