



Annual Report – 2014

Gampaha Wickramarachchi Ayurveda Institute

University of Kelaniya

Yakkala

ANNUAL REPOPRT – 2014

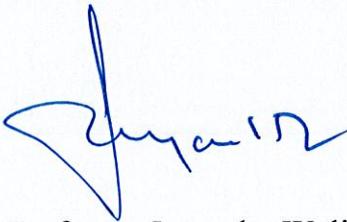
GAMPAHA WICKRAMARACHCHI AYURVEDA INSTITUE

UNIVERSITY OF KELANIYA

The Gampaha Wickramarachchi Ayurveda Institute ordinance No 01 of 1995 had been published under section 24 (a) (2) and 24 (b) of the universities Act No. 16 of 1978, by an extra ordinary gazette notification No.862/8 of the Sri lanka Democratic Socialist Republic, dated 13.03.1995. Gampaha Wickramarachchi Ayurveda Institute had been established as a Higher Education Institute affiliated to the Kelaniya University

The main objective of the aforesaid ordinance was to conduct a five Academic year "Ayurveda Medicine and Surgery "degree course .

Accordingly ,the Institute which is being continued as a Higher Educational Institute , Presents the Annual Report of the Institute for the year 2014 which includes the establishment work and development work, Final Accounts report and the report of the Auditor General, relevant to the Institute for the year 2014.



Professor Jayantha Welihinda

Competent Authority

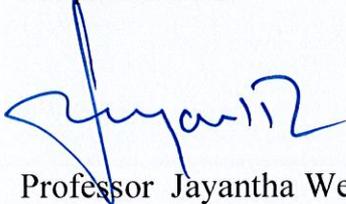
Gampaha Wickramarachchi Ayurveda Institute Director's Report

The Corporate Plan 2013 to 2017 prepared to achieve to vision and the mission of the Institute was approved by 206th meeting of the Board of Management held on 19.07.2013

Accordingly, with great pleasure, It is noted that the Institute had been able to achieve an appreciable level in the work performance to undergraduate students and staff.

However it also should be noted that certain targets could not be achieve due to unavoidable circumstances and unexpected set backs in achieve the expected objectives of the Corporate Plan.

Hence the Corporate Plan had been amended to include the infrastructure facilities development and I believe that the targets mentioned in the Corporate Plan could be achieve to some extent through such amendments identified in the Corporate Plan



Professor Jayantha Welihinda
Competent Authority

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ANNUAL REPORT - 2014

1. VISION STATEMENT

VISION

"To become
a centre of excellence in
Education,
Research
and
Outreach
In
Ayurvedic Medicine
and
Allied Sciences"

2. MISSION STATEMENT**MISSION**

To produce young men and women who possess knowledge and skills in Ayurvedic Medicine and Allied Sciences and with enthusiasm, initiative, and wisdom to engage in health care provision to the society nationally and globally and to engage in basic and applied research and dissemination of research information with dual objectives of advancing core knowledge in Ayurvedic Medical Sciences and serving research and development

3. DIRECTOR'S REVIEW

a. Brief Introduction

The Corporate Plan 2013-2017, was prepared to achieve the Vision and Mission statements of the Institute. It was approved by the Board of Management at its 206th meeting held on 19.07.2013.

b. Achievements

The Institute was able to achieve an appreciable level in the work performance of undergraduate students and the Academic Staff.

c. Failure & Justification

Certain targets of the Corporate plan were unable to reach due to unavoidable circumstance an unexpected set backs.

d. Future Plans

The current Corporate Plan was amended and I believe that the targets included in this Plan can be achieved to a considerable extent during the New Year.

Curriculum revision activities were carried out during the 1st and 2nd quarters. New syllabus could be introduced to students who were in 1st year in 2010/2011 academic year.

Initial steps were taken to purchase of a new generator, which was a major requirement of the Institute. Installation of the generator is supposed to be done in year 2014.

The available extent of land for the Institute is insufficient and acquisition of adjoining barren land was requested from relevant authorities and all necessary actions will be further carried out in this regard.

7. DETAILS OF ACADEMIC STAFF

Department	Subject	Medium	Senior Professor	Professor	Senior Lecturer	Lecturer	Assistant Lecturer	Instructors
Department of Basic Principles	BPHM 11011 History of Medicine	Sinhala /English						
	HBHA 11014 Manavarirakriyavijnana (Human Gross Anatomy) Ayurveda Part Modern Part		-					
	HBHP 11024 Manavarirakriyavijnana (Human Physiology) 1 Ayurveda Part Modern Part		-					
	HBBC 11032 Introduction to Biochemistry		-					
	BPEN 11023 English for Ayurvedha Medical Education		-	Dr 01	03			
	BPIT 11031 Information & Communication Technology 1,11		-					
	BPEN 11041 Advanced English for Scientific Communication 1,11		-					
	BPPY 12052 Padarthavijnana		-					
	HBHH 12044 Human Histology							
HBHP 12054 Manavarirakriyavijnana (Human Physiology) 11 Ayurveda Part Modern Part								

Probationary Lec. 05

Temporary Lec. 02
Demonstrator .04
Visit' Lec 03

	HBMN 12063 Metabolism and Nutrition							
	BPSA12062 Sanskrit for Ayurveda 1							
	BPTL 12072 Tamil Language for Ayurveda practice							
	BPHL 13082 Hindi Language for Ayurveda practice							
	HBEC 21072 Embryology and Genetics							
	HBHP 21084 Manavasirakriy- avijnana (Human Physiology) 111 Ayurveda Part Modern Part							
	HBMB 21093 Molecular Biology							
	HBIM 21102 Immology							
	BPSA 21094 Sanskrit for Ayurveda 11							
	BPSA 21101 Sanskrit for Advanced Studies in Ayurveda 11							
	BPSA 22111 Sanskrit for Advanced Studies in Ayurveda 11							

Department of Drayaguna Vignana	Drayaguna			01				
	Rasa Shastra				04			
	Bhaisajya Kalpana	Sinhala English			02		01	Demon.02
	Medicinal Plant Cultivation				02			
	Analytical Chemistry						01	
	Phyo Chemistry and Natural Products	English						
Department of Chikitsa	Kaya Chikitsa							
	Kaya Chikitsa							
	Kaya Chikitsa/ Desheya Chikitsa							
	Kaya Chikitsa							
	Kaya Chikitsa							
	Kaya Chikitsa			Dr.02	06			
	Kaya Chikitsa							
	Kaya Chikitsa / Roga Vijana							
	Agadatantra						Proba.Le 03	
	Svasta/ Health & Epidemiology							
	Svasta							
Department of Shalya Shalakya	Shalya	Sinhala English			01			
	Shalakya	Sinhala		Dr 01			Proba.Le 01	
Department of Kaumarabruthya & Stree Roge	Stree Roge	Sinhala			02		03	Demon. 01
	Bala Roga							
	Prasutitantra							
Total				05	20		11	15

8. DETAILS OF NON ACADEMIC STAFF :

Department	Executive Staff	Senior Staff Assistant	Staff Assistant	Junior Staff	Minor Employees
Chikitsa	-	01	03	01	01
Shalya Shalakya	-	01	01	-	01
Kaumarabruthya & Stree Roga	-	-	02	-	01
Dravyaguna Vignana	-	-	03	01	02
Basic Principles + Science and Technology Division		03	02	02	03
Administration	02	04	09	07	02
Maintenance	-	01	02	04	07
Examinations	01	03	04	01	01
Finance	02	03	08	-	02
Library	-	01	02	03	01
Computer Centre	-	-	01	-	01
Post Graduate	-	-	01	-	01
Total	05	17	38	19	23

9. DETAILS OF RESEARCH, INNOVATION AND PUBLICATION:

Subject	Published	Commercialized	Presented
a. Number of Researche			08
Department of Basic Principles	15	-	09
Department of Chikitsa	15	-	21
Department of Drayaguna Vignana	13	-	-
Department of Shalya Shalakya	04	-	-
Department of Kaumarabruthya & Stree Roge	17	-	-
b. Innovations			
c. Number of Magazines			
d. Number of Books			
e. Number of Articles	02	-	01
Department of Chikitsa	04	-	03
Department of Drayaguna Vignana	03	-	-
Department of Kaumarabruthya & Stree Roge			
f. Other			
Total	76		42

10. DETAILS OF PROGRAMME, SEMINARS & WORKSHOP:

Subject	Attended	Completed	Presented
a. No of Postgraduate Degree Programme Department of Chikitsa Department of Drayaguna Vignana Department of Kaumarabruthya & Stree Roge	04 - 03	03 01 -	03 01 -
b. No of Postgraduate Diploma Programme Department of Chikitsa Department of Drayaguna Vignana	02 -	- 01	- -
c. No of Degree Programme Department of Drayaguna Vignana	01	-	-
d. No of Diploma Programme Department of Drayaguna Vignana	04	01	-
e. No of Certificate Programme	-	-	-
f. Other Department of Basic Principles Department of Drayaguna Vignana Department of Kaumarabruthya & Stree Roge	06 15 06	- 04 -	- 02 04
Total	41	10	10

11. DETAILS OF AWARDS RECEIVED:

	Subject	No of Awards	No of Academics	No of Students
a. Local Awards	Department of Chikitsa Department of Drayaguna Vignana Department of Kaumarabruthya & Stree Roge	03 04 02	03 04 02	- - -
b. National Awards	Department of Basic Principles Department of Chikitsa	01 01	01 01	
c. International Awards			-	-
d. Other	Department of Drayaguna Vignana	01	01	-
Total		12	12	-

12. DETAILS OF NEW COURSES STARTED:

Department	Course	Medium	Certificate	Diploma	Postgraduate	Master	M.Phil	Phd
Dravyaguna Vignana	Ayurveda Diploma in Pharmacy 11-2014	Sinhala	-	01	-	-	-	-
Shalya Shalakya	Post Graduate Diploma in Shalya	English	-	01	-	-	-	-
Stree Roga and Kaumarabrutya	Ayurveda BeautyCulture Certificate Course	Sinhala	02	-	-	-	-	-
	Scanning Certificate Course	Sinhala	01	-	-	-	-	-
Total			03	02				-

(* On going Courses)

13. DETAILS OF RECURRENT EXPENDITURE:

Subject	2013 (Rs.)	2014 (Rs.)
a. Personal emoluments	116,786,193	132,692,000
b. Traveling	513,557	4,881,622
c. Supplies	6,348,978	6,359,608
d. Maintenance	2,704,778	3,657,230
e. Contractual Services	31,795,242	36,617,126
f. Other	12,095,356	11,514,937
Total	170,244,104	195,722,425

14. DETAILS OF CAPITAL EXPENDITURE:

Subject	2013 (Rs.)	2014 (Rs.)
a. Development of Capital Assets	113,586,481	28,415,826
b. Acquisition of assets	15,799,948	21,226,994
c. Constructions	2,766,108	23,008,896
d. Other	-	590,198
Total	32,152,537	195,722,425

15. DETAILS OF PROJECTS (LOCAL / FOREIGN FUNDED):

Name & Details		Loan/ Grant	Funding Agency	Total Cost	Funds Received	Difference
Dr.W.A.L.Chandrasiri	2006	687,150.00	N.C.A.S	687,150.00	687,150.00	-
	2008	687,150.00		687,150.00	687,150.00	-
	2009	687,150.00		687,150.00	687,150.00	-
						158,798.72
Dr.S.M.S.Samarakoon		287,470.79	N.C.A.S	287,470.79	287,470.79	-
Dr. Tissa Hewavithana	2008	250,000.00	U.G.C	250,000.00	250,000.00	-
	2010	250,000.00		250,000.00	250,000.00	-
	2011	124,800.00		124,800.00	124,800.00	-
Dr.H.S.Sakunthala		250,000.00		225,925.04	250,000.00	24,704.96
Dr. Rupa Madanayake		250,000.00		221,918.91	250,000.00	28,081.09
Dr. A.A.J. Pushpakumara		500,000.00		390,799.98	500,000.00	109,200.02
Dr. J.M.P.R.K. Jayasinghe		500,000.00		139,577.58	250,000.00	19,822.42
Dr. J.A.D.P.P. Jayakody		500,000.00		500,000.00	500,000.00	-
Dr. H.P. Wakkumbura	2010	250,000.00		250,000.00	250,000.00	-
	2013	500,000.00		86,913.02	250,000.00	163,086.99
Dr.W.P.B.H.S.Karunarathna	2013	500,000.00	500,000.00	500,000.00	-	
	2014	113,280.00	110,625.00	113,280.00	2655.00	

16. DETAILS OF PROJECT EXPENDITURE (LOCAL / FOREIGN FUNDED):

Name	TEC Rs	Exp in 2013 Rs	Exp in 2014 Rs	Cumulative Exp as at 31.12.2014	% of Physical Progress
Dr. W.A.L. Chandrasiri	2,061,450.00	1,902,651.28	-	1,902,651.28	92
Dr. S.M.S. Samarakoon	287,470.79	287,470.79	-		100
Dr. Tissa Hewavithana	624,800.00	624,800.00	-	624,800.00	100
Dr. H.S. Sakunthala	250,000.00	225,295.04		225,295.04	90
Dr. Rupa Madanayake	250,000.00	221,918.91	-	221,918.91	89
Dr. A.A.J. Pushpakumara	500,000.00	309,176.62	81623.36	380,799.98	78
Dr. J.M.P.R.K. Jayasinghe	250,000.00	230,177.58	-	230,177.58	92
Dr. J.A.D.P.P. Jayakody	500,000.00	500,000.00	-	500,000.00	100
Dr. H.P. Wakkumbura	500,000.00	250,193.15	86,720.00	336,913.15	67
Dr.W.P.B.H.S.Karunarathna	613,280.00	500,000.00	110,625.00	110,625.00	100

17. DETAILS OF FINANCIAL PROGRESS (EXPENDITURE):

Subject	Provision in 2014 Rs	Expenditure in 2014 Rs	Savings/ Excess Rs
a. Non - Recurrent Project	169,521,646	184,207,586	-
b. Non - Capital Project	114,400,000	73,241,914	-
c. Local funded Projects	-	-	-
d. Foreign Funded Projects	-	-	-
Total	283,921,646	257,449,500	

18. DETAILS OF FINANCIAL PROGRESS (GENERATED INCOME):

Source of Revenue	Provision in 2014 Rs.	Collection in 2014 Rs.	Deficit / Surplus Rs.
a. Undergraduates	29,330,000	7,104,705	-
b. Postgraduate		-	-
c. Counselor		-	-
d. Other	-	16,206,339	-
Total	29,330,000	23,311,044	-

19. FINANCIAL PERFORMANCE ANALYSIS - 2014:

Subject	Formula	Exp. Per Student Rs.
a. Recurrent expenditure per student (RE)	-	448,193
b. Capital expenditure per student (CE)	-	178,204
Total	-	626,397

20. DETAILS OF INFRASTRUCTURE FACILITIES RECEIVED IN 2014:

Infrastructure Details	Expenditure Rs.	Physical Progress
Improvement of capital assets		
Constructions		

21. OTHER DETAILS:**21.1 LIBRARY**

Details	Purchase	Donates	Total
Books	469	-	469
Publications	06	-	06
Newspapers	-	-	-

21.2 COMPUTER UNIT

- ✓ Activities of the Computer Unit have been progress satisfactory. Sufficient service has been provided to Staff and Students in this year.

21.3 DEVELOPMENT OF INFRASTRUCTURE FACILITIES

- ✓ A new vehicle was purchased.
- ✓ The Construction of Student Centre Building and the Library Building was completed in November 2011. Initiate actions was taken to set up Library in this New Building. The Student Centre Building commenced its operations.
- ✓ The old canteen was re-established in the New Student Centre Building.

Report of the Director

This is the report on the financial affairs of the Gampaha Wickramarachchi Ayurveda Institute for the year 2014 in terms of the University Act No 16 of 1978.

The Government grant for the year 2014 by the Institute and the Expenditure details as follows.

Recurrent Grant

Government Grant	=	169.52
Income from other Recurrent sources	=	23.31
Total Recurrent	=	192.83
<u>Add</u>		
Amortization of Capital	=	28.74
Total (Recurrent)	=	221.57

Capital Grant

	=	114.40
Expenditure 101 - Rehabilitation and Maintenance	=	28.41
102 - Acquisition of Goods / Equipment/ Library Books & Periodicals etc.	=	21.23
103 - Construction of Buildings	=	23.00
Other	=	0.60
Total (Capital)		73.24

Income

The Government Grant for Recurrent Expenditure for the year 2014 was Rs. One hundred and sixty nine million five hundred and twenty one thousand six hundred and forty six only (169,521,646).

Income from other recurrent sources were Rs. 23,311,044 Accordingly the total Recurrent Income for the year 2014 was Rs.221,574,553.

Expenditure

The Total Recurrent Expenditure for the year 2014 was Rs. 224,464,285 Two hundred and twenty four million four hundred and sixty four thousand two hundred and eighty five. The excess of income over expenditure was Rs. (2,889,732) Two million eight hundred and eighty nine thousand seven hundred and thirty two only.

Depreciation of the Fixed Assets

The amount allocated for the year 2014 for Depreciation of Fixed Assets was Rs. Twenty eight million seven hundred and forty one thousand eight hundred and sixty two only. (28,741,862).

Out Put of the Capital Services**Expenditure Vote 101 – Rehabilitation and Maintenance**

The Government Grant for Rehabilitation and Maintenance vote (101) was Rs. 10,000,000/- but total expenditure had been made for Rs. 28,415,826/- using the previous year Unspent Capital Grant of Rs. 18,415,830/- .

Expenditure Vote No. 102 – Acquisition of Goods

The Government Grant for Acquisition of Goods Expenditure Vote (102) was Rs.25,400,000/- and the Expenditure had been made out of that amount was Rs. 21,226,994/58 in the year 2014.

Expenditure Vote 103 – Construction

The Government Grant for Construction Expenditure vote (103) was Rs. 78,000,000/- and the expenditure had been made out of that amount was Rs. 23,008,826/- in the year 2014.

Other – Capital Expenses

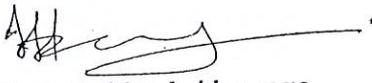
The Government Grant for Construction Expenditure was Rs. 1,000,000/-and the expenditure had been made out of that amount was Rs. 590,198/- in the year 2014.



Prof. Janitha A. Liyanage
Director

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2014

	2014		2013	
	Rs.	Rs.	Rs.	Rs.
ASSETS				
Non-Current Assets - (Note- A)				
(a) Lands	72,126,250		72,126,250	
(b) Buildings	185,649,709		167,494,630	
(c) Office Equipment	8,803,198		8,432,755	
(d) Lab & Teaching Equipment	14,320,240		21,243,726	
(e) Furniture & Fittings	19,120,133		18,565,336	
(f) Library Books & Periodicals	3,160,971		5,324,552	
(g) Motor Vehicles	3,444,730		4,490,319	
(h) Plant & Machinery	14,885,078	321,510,309	2,931,793	300,609,361
(i) Others		1,447,057		1,109,358
(j) Work - in Progress		92,214,565		69,205,669
(k) Capital Advance		41,005,203		5,900,954
Investments		74,922,602		60,030,163
Fixed Deposits		531,099,736		436,855,505
Current Assets				
(a) Stores Advance Account - (Sch. - C)	2,399,211		2,171,487	
(b) Sundry Debtors - (Sch. - D)	1,532,970		1,517,040	
(c) Loans & Advance - (Sch - E)	20,513,596		19,019,779	
(d) Miscellaneous Advance	-		15,000	
(e) Research Advance (F)	30,000		-	
(f) Prepayments - (Sch - G)	156,629		232,997	
(g) Cash & Cash equivalents	10,919,095		31,583,500	
Cash & Cash equivalents (Course)	6,135,843		4,346,319	
(h) Petty Cash Imprest	180		180	
(i) Other Assets (Sch - H)	3,271,744	50,959,268	3,771,762	62,658,067
Total Assets		582,059,004		499,513,572
Liabilities				
(a) Current Liabilities (Sch - I)	311,207		446,200	
(b) Payables (Sch - J,K,L)	23,219,830		19,837,525	
(c) Accrued Expenses (M)	2,994,328	26,525,365	3,111,222	23,394,947
Non Current Liabilities		44,318,960		41,663,178
(a) Provision for Gratuity (N)		70,844,325		65,058,125
Total Liabilities		511,214,679		434,455,447
Total Net Assets				
Net Assets/Equity				
(a) Capital (spent)	293,097,929		248,597,876	
(b) Capital (unspent)	77,641,704		36,483,619	
(c) Reserves	(30,331,096)		(27,175,555)	
(d) Restricted Fund (Sch - B)	29,745,309			
(e) Re-valuation Reserve	141,060,833		176,549,506	
Total Net Assets/Equity		511,214,679		434,455,447


 Prof. Janitha A. Liyanage
 Director


 Mrs. W.A.P.S. Molagoda
 Deputy Bursar

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2014

	2014 Rs.	Rs.	2013 Rs.	Rs.
Operating Revenue				
Recurrent Grant		169,521,646		137,100,000
Amortization of Capital Grant		28,741,863		25,832,426
Other income				
(1) Interest from Loans & Advance	825,525		807,189	
(2) Miscellaneous Receipts	996,235		404,651	
(3) Interest from Investments	4,309,183		6,986,849	
(4) Registration Fees	433,670		287,115	
(5) Exam Fees	28,350		23,350	
(6) Library Fine	61,992		38,352	
(7) Medical Fees	46,550		12,870	
(8) Rent from Properties	388,015		351,974	
(9) Sale of Publication	-		-	
(10) Sale of Vehicle	-		432,073	
(11) Sale of Stocks	15,185		62,547	
(12) Courses Income	16,206,339		15,266,960	
		23,311,044		24,673,930
		221,574,553		187,606,356
Operating Expenses				
(1) Personal Emoluments	132,692,000		116,786,193	
(2) Travelling	4,881,622		513,557	
(3) Supplies and Consumable Used	6,359,608		6,348,978	
(4) Maintenance	3,657,230		2,704,778	
(5) Contractual Services	28,356,870		23,559,257	
(6) Research and Development	107,250		147,735	
(7) Depreciation	28,741,862		25,832,426	
(8) Other Operating Expenses	8,153,006		8,088,250	
(9) Courses Expenses	11,514,837		12,095,356	
Total Operating Expenses		224,464,285		196,076,530
Surplus/(Deficit) From Operating Activities		(2,889,732)		(8,470,174)



18

විගණකාධිපති දෙපාර්තමේන්තුව
கணக்காய்வாளர் தலைமை அறிப்பி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல.
My No.

EC/F/GWAI/1/14/67

මගේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date

09 July 2015

The Competent Authority

Gampaha Wickramarachchi Ayurveda Institute

Report of the Auditor General on the Financial Statement of the Gampaha Wickramarachchi Ayurveda Institute Affiliated to the University of Kelaniya for the year ended 31 December 2014 in terms of Sub-section 108 (1) of the Universities Act, No. 16 of 1978.

The audit of financial statements of the Gampaha Wickramarachchi Ayurveda Institute Affiliated to the University of Kelaniya for the year ended 31 December 2014 comprising the statement of financial position as at 31 December 2014 and the statement of financial performance, statement of changes in funds 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 Sub-section 107 (5) of the Universities Act No 16 of 1978 and Section 19 of the Gampaha Wickramarachchi Ayurveda Institute Ordinance No. 1 of 1995 enacted under Section 18 of the Universities Act. My comments and observations which I consider should be published with the Annual Report of the Institute in terms of Sub-section 108(2) of the Universities Act, was issued to the Director of the Institute on 15 May 2015.

1.2 Management's Responsibility for the Financial Statements

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.

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 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 judgment, including the assessment of risks of material misstatements of the financial statements, whether due to fraud or error. In making those risks assessments the auditor considers internal control relevant to the Institute's preparation and fair presentation of 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 Institute'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. Sub-sections (3) and (4) of the 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 Gampaha Wikramarachchi Ayurveda Institute Affiliated to the University of Kelaniya as at 31 December 2014 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

The following observations are made

- (a) In terms of the Public Sector Accounting Standard No.1, income of the courses should be brought to accounts on accrual basis according to the period, whereas income relating to the total expenditure of Rs.11,514,837 incurred on 12 courses during the year 2014 had not been identified.
- (b) Deviating from the Public Sector Accounting Standard No.07, the amortization for the assets amounting to Rs. 14,986,418 received under donations and aid and the amortization for the value of the revalued assets of Rs.148,719,740 had been debited to the Capital Grants spent Account without being debited them to the Donation and Aid Fund and the Revaluation Reserve Account respectively. Further, the amortization of the revalued assets had been inappropriately credited to the Statement of Financial Performance and as such the deficit for the year had been understated by that amount.

2.2.2 Accounting Deficiencies

The following observations are made.

- (a) The lands, 243.9 perches in extent purchased by and vested with the Institute had not been assessed and the value thereof had not been brought to accounts as an asset.
- (b) Even though an asset should be depreciated in a systematic basis throughout its useful life from the time it was brought to a condition fit for use, action had not been taken for depreciating the library books, sports and office equipment valued at Rs. 3,859,676 purchased during the year under review. As such depreciation amounting to Rs.97,296 had not been adjusted in the accounts.
- (c) Instead of adjusting the receipt amounting to Rs.758,363 relating to the courses completed during the years prior to the year under review to the General Reserve, it had been credited to the revenue of the year under review and as such operating income of the year had increased.
- (d) A software package named KOHA had been purchased at a cost of Rs.240,000 during the year 2014 to the Library and this intangible asset had been shown as addition under the Library books.
- (e) Withholding Tax paid in relation to the investment interest of Rs.4,309,183 had not been brought to account.

2.3

Accounts Receivable and Payable

The arrears of the hostel charges receivable as at 31 December of the year under review relating to 03 hostels of the Institute amounted to Rs.201,695 and a delay in the recovery of the hostel charges relating to the academic year 2012/2013 was observed.

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

The following non-compliances were observed.

Reference to Laws Rules and Regulations	Non-compliance
<p>(a) Section 3(1) of Chapter XX and Section 1.6.1 of Chapter X of the Establishments Code of the University Grant Commission and Higher Education Institutes.</p>	<p>Since the books and records to ensure the arrival and departure and leave of the academic staff had not been properly maintained, the accuracy of the salaries and allowances amounting to Rs.60,569,849 paid to the academic staff during the year under review could not be verified.</p>
<p>(b) Financial Regulation 756 of the Democratic Socialist Republic of Sri Lanka.</p>	<p>Reports of the surveys conducted on the building situated in the land on which the Herbal Garden is maintained and the equipment relevant thereto had not been furnished to audit.</p>
<p>(c) <u>Public Enterprises Circulars</u></p> <p>(i) Circular No.45 dated 02 October 2007.</p>	<p>The Statement of Responsibility of the Board of Management had not been included in the financial statements had been signed by the Director and the Bursar instead of being signed on behalf of the Board of Management.</p>

(ii) Circular No.PED/12 dated 02 June 2003.

The draft Annual Report had not been furnished along with the financial statements.

(iii) Circular No.95 dated 14 June 1994

(i) Contrary to the circular on the fee levying courses and on the basis of criteria formulated by the Institute, the academic staff had been paid a sum of Rs. 572,000 and 96,500 as weekends allowances and monthly allowances respectively in respect of 08 courses during the first quarter of the year under review.

(ii) A sum of Rs.136,000 had been paid contrary to the circular instructions and on an approval of the Finance Committee as resource persons allowance at Rs.3,000 and Rs.2,000 per hour to 06 Resource Persons in connection with the "Abiman Abiyasa -III" held from 25 March 2014 to 28 March 2014 held for the Ayurvedic Students .

(iii) A sum of Rs.89,750 or 0.25 per cent of the direct construction value had been paid as an honorarium without obtaining a proper approval to the Works Engineer of the University Grants Commission whereas services had been obtained for the preparation of designs for the construction of second phase of the Students Center of which the contract value amounted to Rs.46 million.

- (d) Public Administration Circular No. 07/97
dated 03 February 1997.

The Computer Instructors who are not entitled to 1/20 allowances payable for work done on weekends and the public holidays in terms of the circular had been paid Rs.54,107 as that allowance during the year under review on the approval of the Board of Management.

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the operations of the Institute for the year ended 31 December 2014 had resulted in a deficit of Rs.2,889,732 as compared with the corresponding deficit of Rs.8,470,174 for the preceding year. The increase in the Government Grants by Rs.34,421,646 had specially attributed to the decrease of the deficit for the year under review by a sum of Rs.5,580,442 as compared with the preceding year.

4. Operating Review

4.1 Performance

4.1.1 Academic Performance

The following observations are made.

- (a) The number of students who sat the final examination of the Ayurvedic Medical and Surgical Degree in the academic year 2009/2010 had been 107 and out of which 95 or 89 per cent had been successful.

- (b) Even though the number of students registered for this course in the academic year 2012/2013 had been 88, seven students had abandoned the course.

4.2 Transactions of contentious nature.

According to the criteria prepared by the Institute on the approval of the Board of Management, payments for organizing courses on weekends and public holidays can be paid subject to a maximum of Rs.5000 per day, whereas payments had been made at the rate of Rs.5000 depending on the number of courses conducted on a day. Accordingly, an overpayment of 245,000 had been made during the first quarter of the year under review.

4.3 Operating Inefficiencies

One hundred and six books valued at Rs.99,084 issued to the students by the Library prior to the year 2014 and 25 books issued during the year 2014 had not been returned even by April 2015.

4.4 Weaknesses in Contract Administration

Even though a period of 03 years had elapsed after the construction of Library building, expenditure had not been capitalized as the final bill had not been obtained from the State Engineering Corporation. Action had not been taken to settle the Capital Advance amounting to Rs.3,701,862 paid in respect of this construction and the retention money amounting to Rs.8,262,316 up to the date of audit.

4.5 Staff Administration

There were 22 vacancies in the academic staff and 16 vacancies in the non-academic staff of the Institute as at the end of the year under review. Twenty one visiting lecturers had been employed for the vacancies in the academic staff.

5. Accountability and Good Governance

5.1 Action Plan

According to the Action Plan of the Institute there were 04 main objectives and raising the Institute up to world standard university for the graduates and postgraduate students had been indicated as the first objective. A provision amounting to Rs.3,765,000 had been made in this connection during the year under review. Nevertheless, according to annual progress, only the primary arrangements of the subsidiary activities had been executed and the total provision had been saved.

5.2 Budgetary Control

The revised budget for the year 2014 had been tabled for the approval by the Board of Management Paper No.224 dated 27 February 2015. Reconciliation of the budgeted expenditure of the year under review with the actual expenditure according to the revised budget revealed material variances ranging from 10 per cent to 100 per cent and as such the budget had not been made use of as an effective instrument of financial management control.

6. Systems and Controls

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

- (a) Accounting
- (b) Fixed Assets Control
- (c) Library Control
- (d) Motor Vehicles Control
- (e) Contract Administration

W.P.C.Wickamaratne

Acting Auditor General.

AC7/GWAI/ Audit Quarry -2014

EC/AF/GWAI/1/14/67

11.02.2016

Mr. W.P.C. Wickramarathne,
Actg. Auditor General
Auditor General Department,
306/72, Poldywa Road,
Battaramulla.

Dear Sir,

Audit Report, in terms of Sub- Section 108(1) of the Universities Act No. 16 of 1978, in Respect of the Financial Statements of the Gampaha Wickramarachchi Ayurveda Institute, Affiliated to the University of Kelaniya, for the year ended 31 December 2014.

Submitted herewith are my observations with Regard to the matters stated in your audit report No. EC/F/ GWAI/1/14/67 Dated 09 July 2015.

- 1.2 **Responsibility of the Management with Regard to Financial Statements**
- 1.3 **Responsibility of the Auditor**
- 1.4 **Basis for the Qualified Opinion**
2. **Financial Statements**
 - 2.1 **Qualified Opinion**
 - 2.2 **Observations with Regard to Financial Statements**
 - 2.2.1 **Sri- Lanka State Accounting Standards**
 - (a) It is informed that, action will be taken to correct the deficiency of not following the basis of accrued expenses.
 - (b) Rs.14 Million, Relevant to assets received under gifts and donations has been corrected in the year 2015 and with regard to the re-valuation of Rs. 149 Million, action will be taken in accordance with the observations of audit.

2.2.2 Accounting Deficiencies

- (a) Divisional Valuer had been informed in writing to value the land referred to herein and in this connection further action will be continued.
- (b) Depreciation in respect of purchases of Library Books, Sports items, and office equipment purchased during the year under review has been corrected in the year 2015 and only those assets purchased in December 2015 has to be depreciated. This will be done in future.
- (c) After completing the work of fee levying courses, the Balances brought forward have been adjusted, by an oversight, with the revenue of the year under review, without being transferred to the general reserve. Action will be taken to avoid such oversights in future.
- (d) The software system purchased for the library in the year 2014 has been treated as an intangible asset in the year 2015.
- (e) Action has been taken to identify separately the tax retention monies paid in relation to investment interests.

2.3 Accounts Receivable and payable

Hostel fees due from the hostel of the Institute is Rs. 123, 265/- and action has been taken to recover this amount at the time of issuing certificates.

2.4 Non- Compliance with laws, Rules, Regulations and Management Decisions

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| (a) Chapter xx Clause 3(1) and Chapter x Clause 1.6.1 of the Establishment Code for the University Grants Commission and Higher Educational Institutions | To certify the daily attendance of academic staff
Members of the Institute, a Register is maintained by each Academic Section |
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- (b) Financial Regulation
756 of Sri- Lanka
Democratic Socialist
Republic.

Since there was no items of value in the small building of medicinal plants no board of survey was conducted. However, in future a board of survey of the building and belongings would be conducted and a Report will be submitted in audit.

- (c) Public Enterprises Circular
(i) Circular No 45 of 02.10.2007

After approval of the Board of Management and the Finance Committee of the Institute, the Financial Statements have been submitted in audit, with the signatures of the Director of the Institute who is also the chairman of the board of management and Deputy Bursar. In future, however, action will be taken to submit the financial statements with the responsibility statement of the Board of Management and with the signature of another member of the Board of Management.

- (ii) Circular No.PED/ 12
of 02 June 2003

Action has already been taken to submit in audit a draft of the annual Report.

(iii) Circular No.95 of
14 June 1994

(i) With Regard to the Fee levying courses conducted the Academic Staff members had been paid from the revenue earned from such external courses, based on approved criteria with the approval of the finance committee and the board of management, with a view to continuing such courses without any interruption.

(ii) It became necessary to obtain the services of professional resource persons to successfully conduct the " ABHIMAN ABIYASA" programme conducted as a special Academic activity of the Ayurveda medical students. For such services a payment of 2000/- or 3000/- per hour was paid as a resource persons allowance with the approval of the Finance Committee and the Board of Management of the Institute.

(iii) According to the Cabinet Paper No. HE/ID/2013/32 dated 7th May 2013 submitted to the Ministry of Higher Education by the University Grants Commission in connection with the project proposal to construct Stage II of the student center building, the necessary approval has been granted under (Turnkey Basis)

Since there was no prior experience in the University system with regards to constructions and completion of building construction under "Turnkey Basis", the services of the works engineer of the University Grants Commission was obtained to prepare the bid statements and plans required for the commencement of the work of this project.

Accordingly, since the bid statements and plans were prepared by the works engineer of the University Grants Commission, a payment equivalent to 0.25% was made to the works engineer for rendering such services as per approval of the finance committee.

If not for this course of action a consultancy Institute had to be appointed and a substantial expenditure had to be incurred. Also it should be stated that this methodology adopted was very useful for the speedy commencement of the work of this project.

(d) Public Administration
Circular No.07/97
Dated 03 February 1997

The payment for Week –Ends and Public Holidays to the Computer Instructors is contrary to the existing circular instructions. Hence action will be taken to obtain treasury approval after explaining such circumstances, and preparing and submitting a suitable methodology.

3. Financial Review

3.1 Financial Results

4. Operational Review

4.1 Performance

4.1.1 Academic Performance

(a), (b)

88 Students registered for the B.A.M.S Degree programme for the Academic year 2012/2013. Of this number 16 students left the programme. 09 Students out of the 16 were those who had registered with other universities according to transfers given by the University Grants Commission.

4.2 Transactions in Dispute

In order to organize the work of fee levying courses of the Institute, a payment of Rs.5,000/- per day, subject to a Maximum of five courses, was made for attendance on a government holiday or week- ends, from the earnings of such courses and also within the approved estimates until such time clear circular instructions are received. With regard to payment for other staff members for doing official work, payments were made with the approval of the Finance Committee and the Board of Management in accordance with the criteria laid down, with a view to uninterrupted continuance of these courses. It is also notified that the University Grants Commission and the Treasury has been informed about this course of action.

4.3 Operational Inefficiencies

From the 7330 books Barrowed from the library, only 106 books had to be obtained as at date and action is being taken to collect these books. It is informed that the value of the books to be collected is Rs.30,812.45

4.4 Deficiencies in Contract Administration

A further attempt is being made to obtain the final bill relating to the library building, from the State Engineering Corporation.

4.5 Staff Administration

Necessary action is being taken to fill the vacancies of academic and non-academic staff, which remain vacant as at date in the Institute. The vacant positions of the academic staff at the moment is only 11.

The services of visiting lecturers were obtained for conducting of very essential lectures and payments have not been made exceeding the estimated amount for vacant posts.

5. Accountability and Good Governance

5.1 Activity (Action) Plan

It is informed that the activity (Action) plan will be re- submitted after being revived again.

5.2 Budgetary Control

The estimates relevant to the year 2014 was submitted under board paper 207-07 and was approved by the Board of Management. However in accordance with U.G.C. circular letter no U.G.C./RE/2014 dated 31.12.2013. The estimates were prepared again on the basis of approved government grant for the year 2014 and estimates were submitted under Board paper 212 Other 03 Dated 22.01.2014 and was approved by the Board of Management.

However it is informed that the budget of the Institute will be used as a tool for proper financial control.

6. Systems and Control

It is informed that action will be taken to minimize as far as possible, the deficiencies, shown under Systems and Controls.

Sgd./ competent Authority

Prof. Jayantha Welihinda