



Annual Report – 2012

Gampaha Wickramarachchi Ayurveda Institute

University of Kelaniya

Yakkala

ANNUAL REPORT – 2012

GAMPAHA WICKRAMARACHCHI AYURVEDA INSTITUTE 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 Ayurvede 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 2012 which includes the establishment work and the development work, Final Accounts report and the report of the Auditor General, relevant to the Institute for the year 2012.



Professor Janitha A. Liyange

Director

Gampaha Wickramarachchi Ayurveda Institute

Director's Report

The corporate Plan 2012 to 2016 prepared to achieve to vision and the mission of the institute was approved by 193th meeting of the Board of Management held on 19.04.2012.

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.



Prof. Janitha A. Liyanag.

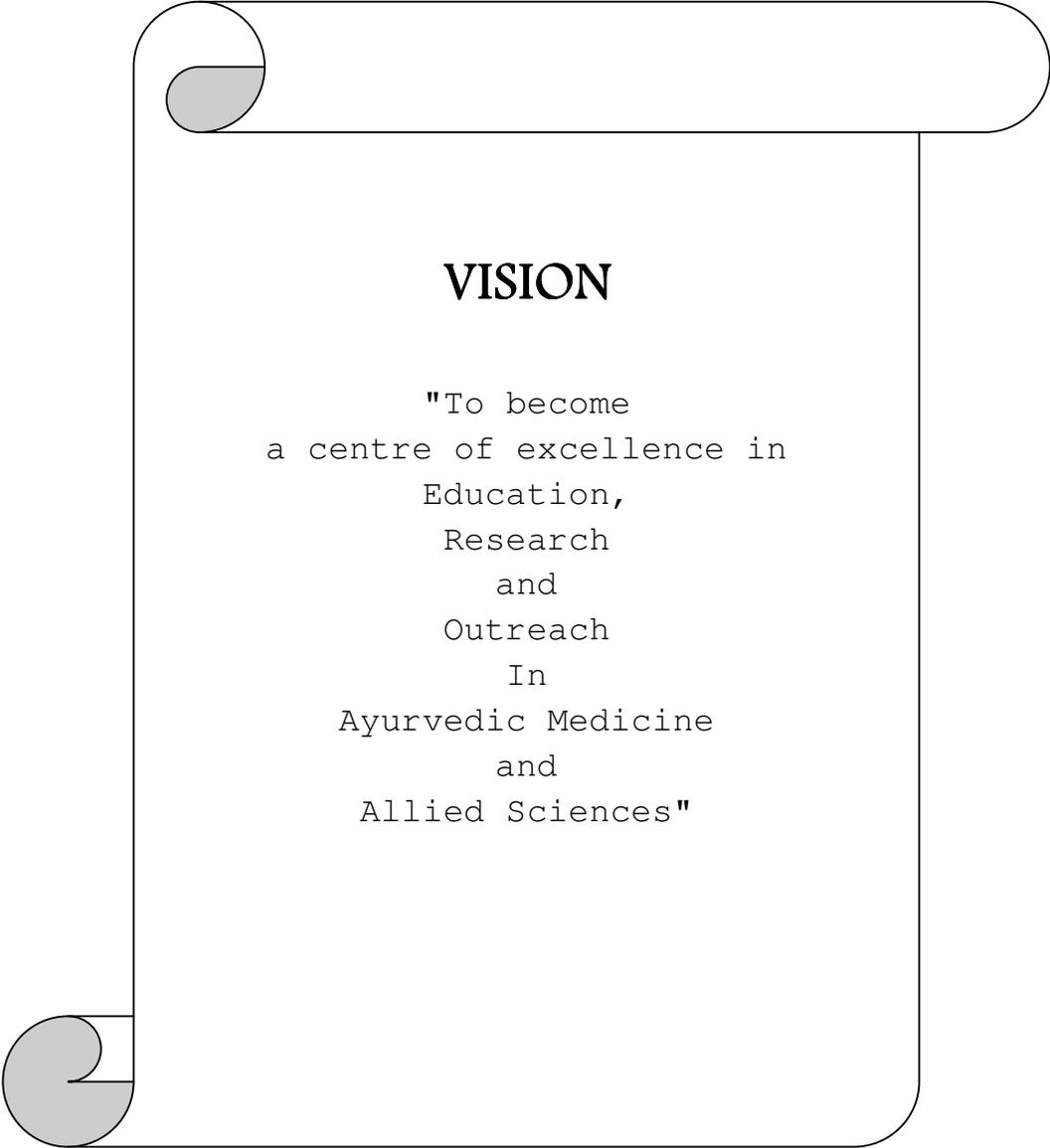
Director.

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ANNUAL REPORT - 2012

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 2011-2015, was prepared to achieve the Vision and Mission statements of the Institute. It was approved by the Board of Management at its 185th meeting held on 22.07.2011.

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 2012.

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.

4. DETAILS OF RESOURCES AND STUDENTS:

Institute	Course	Total Students	Total Academic Staff	Total Non Academic Staff
Gampaha Wickramarachchi Ayurveda Institute (GWAI)	Bachelor of Ayurveda Medicine and Surgery	360 (Including 5 th Year)		
Total		360		

5. DETAILS OF LOCAL STUDENTS:

Institute	Course	Medium	Intake 2012	1st Year Students	2nd Year Students	3rd Year Students	4th Year Students	5th Year Students	No. of Graduated
Gampaha Wickramarachchi Ayurveda Institute	B.A.M.S.	English		93					
		Sinhala		-	96	83	51		37 (Exam not finish)
Total				93	96	83	51	-	37

6. DETAILS OF FORIEGN STUDENTS: NO

Institute	Course	Medium	Intake 2013	1st Year Students	2nd Year Students	3rd Year Students	4th Year Students	No. of Graduated
Total								

7. DETAILS OF ACADEMIC STAFF:

Department	Subject	Medium	Senior Professor	Professor	Senior Lecturer	Lecturer	Associate Lecturer	Instructors
Shalya Shalakya	Çalyatantra	Sinhala English	-	-	01	-	-	-
	Çäläkyatatntra	Sinhala	-	-	01	-	-	-
Kaumarabru thya & Stree Roga	Stréroga	Sinhala	-	-	02	-	01	02
	Kaumarabruthya	Sinhala	-	-				
	Prasütitantra	Sinhala	-	-				
Dravyaguna Vignana	Dravyaguëavijjān	Sinhala English	-	01	04	-		Demonstrator 03
	Rasaçästra	Sinhala English	-	-	02	-		
	Bhaiñajyakalpanā	Sinhala English	-	-	02	-		
Basic Principles	Hindi English Sanskrtā	English Sinhala	- - 01	- - -	- - 01	- 01 01		
	Jyotiñyamūladhar ma	English Sinhala	-	-	-	02		
	Bhütavidyā	English Sinhala				01		
	Vāddhatraya	English Sinhala	01			02		
	Physiology	English Sinhala					Probationary 01	Demonstrator 08
	Anatomy	English Sinhala					Visiting 01 Probationary 01	
	Çaréraracanā Ayurveda	English Sinhala	-			01		
	Çarérakriyā Ayurveda					01		
	Doñadätumalavijjāna					02		

Department	Subject	Medium	Senior Professor	Professor	Senior Lecturer	Lecturer	Associate Lecturer	Instructors
Chikitsa	Rogavijāna	Sinhala			01		Probationary 01	
	Kāyacikitsā				07			
	Deçéyacikitsā							
	Agadatantra							
	Svastavāta						Probationary 01 Lecturer Tem .02	Demonstrator 02
	Pathology							
	Forensic Medicine & Toxicology							
	Ayurveda Research							
Total			02	03	20	11	08	15

8. DETAILS OF NON ACADEMIC STAFF :

Department	Executive Staff	Senior Staff Assistant	Staff Assistant	Junior Staff	Minor Employees
Chikitsa	-	02	02	-	02
Shalya Shalakyā	-	01	01	-	01
Kaumarabruṭhya & Stree Roga	-	-	02	-	01
Dravyaguna Vignana	-	-	03	01	02
Basic Principles + Science and Technology Division	*01	01	03	03	01
Administration	02	02	11	07	03
Maintenance	-	01	01	04	07
Examinations	01	04	04	01	01
Finance	02	03	08	-	02
Library	-	-	03	03	01
Computer Centre	-	02	01	-	01
Total	06	16	39	19	22

* Senior Staff Technical Officer

9. DETAILS OF RESEARCH, INNOVATION AND PUBLICATION:

Subject	Published	Commercialized	Presented
a. Number of Researches	Shalya Shalakya 04 Kaumarabruthya & Stree Roga 15 Basic Principles 18 Dravyaguna Vignana -	01 01 -	01 02 20
b. Innovations	Kaumarabruthya & Stree Roga 01	-	-
c. Number of Magazines	-	-	-
d. Number of Books	Kaumarabruthya & Stree Roga 01	-	-
e. Number of Articles	Kaumarabruthya & Stree Roga 05 Dravyaguna Vignana Kaumarabruthya & Stree Roga 05	-	02
f. Other	Kaumarabruthya & Stree Roga (DVD) 13	Rs.6000/-	-
Total	62		25

10. DETAILS OF PROGRAMME, SEMINARS & WORKSHOP:

Subject	Attended	Completed	Presented
a. No of Postgraduate Degree Programme Shalya Shalakya Chikitsa	- 16		
b. No of Postgraduate Diploma Programme Chikitsa	05		
c. No of Degree Programme Chikitsa Basic Principles	06 -	01	
d. No of Diploma Programme Chikitsa	08		
e. No of Certificate Programme Kaumarabruthya & Stree Roga Dravyaguna Vignana	- -	01 -	03 -
f. Other Kaumarabruthya & Stree Roga Dravyaguna Basic Principles	- - 25	06 - 06	-
Total	60	14	03

11. DETAILS OF AWARDS RECEIVED:

	Subject	No of Awards	No of Academics	No of Students
a. Local Awards	Shalya Shalakya	01	✓	
	Dravyaguna Vignana	-	-	
b. National Awards	Kaumarabruthya & Stree Roga	-		
c. International Awards	Shalya Shalakya	01	✓	
	Kaumarabruthya & Stree Roga			
d. Other				
Total		02		-

12. DETAILS OF NEW COURSES STARTED:

Department	Course	Medium	Certificate	Diploma	Postgraduate	Master	M.Phil	PhD
Shalya Shalakya	Yoga	Sinhala		✓-	-	-	-	-
Stree Roga and Kaumarabrutya	-	-	-	-	-	-	-	-
Dravyaguna Vignana	-	-	-	-	-	-	-	-
Graduate Studies Division	-	-	-	-	-	-	-	-
Total				01			-	-

(* On going Courses)

)

13. DETAILS OF RECURRENT EXPENDITURE:

Subject	2011 (Rs.)	2012 (Rs.)
a. Personal emoluments	95,133,199.00	103,904,513.00
b. Traveling	189,848,00	191,049..00
c. Supplies	5,527,468.006	6,738,429.00
d. Maintenance	2,957,349.00	2,957,210.00
e. Contractual Services	16,590,316.00	21,714,708.00
f. Other	4,928,760.00	4,570,415.00
Total	125,326,940.00	140,076,344.00

14. DETAILS OF CAPITAL EXPENDITURE:

Subject	2011 (Rs.)	2012 (Rs.)
a. Development of Capital Assets	2,670,506.00	5,020,467.00
b. Acquisition of assets	7,379,375.00	9,147,244.00
c. Constructions	92,979,290.00	32,758,339.00
d. Other	-	3,272,038.00
Total	103,029,171.00	50,198,088.00

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

Name & Details	Loan/ Grant	Funding Agency	Total Cost	Funds Received	Difference
Dr. W.M.B. weerasooriya	700,000.00	National Centre for Advanced Studies	699,992.24	700,000.00	100
Dr. W.A.L. Chandrasiri	687,150.00	National Centre for Advanced Studies	528,351,.28	687,150.00	77
Dr S.M.S. Samarakoon	287,470.79	National Centre for Advanced Studies	219,747.79	287,470.79	76
Mr. K.M. Chandimal	250,000.00	U.G.C. Research Fund	250,000.00	250,000.00	100
Dr. Tissa Hewavithana	382,140.00	U.G.C. Research Fund	382,140.00	382,140.00	100
Dr. H.S. Sakunthala	250,000.00	U.G.C. Research Fund	225,295.04	250,000.00	90
Dr. Rupa Madanayake	250,000.00	U.G.C. Research Fund	221,918.91	250,000.00	89
Dr. A.A.J. Pushpakumara	250,000.00	U.G.C. Research Fund	250,000.00	250,000.00	100
Dr. J.M.P.R.K. Jayasinghe	250,000.00	U.G.C. Research Fund	212,177.58	250,000.00	85
Dr. J.A.D.P.P. Jayakody	250,000.00	U.G.C. Research Fund	249,442,.86	250,000.00	100
Dr. H.P. Wakkumbura	250,000.00	U.G.C. Research Fund	250,000.00	250,000.00	100
Mr. S.A.R.R.P. Dissanayake	55,000.00	U.G.C. Research Fund	55,000.00	55,000.00	100

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

Name	TEC Rs	Exp in 2010 Rs	Exp in 2012 Rs	Cumulative Exp as at 31.12.2012	% of Physical Progress
Dr. W.M.B. Weerasooriya	655,092.24	44,900.00	-	699,992.24	100
Dr. W.A.L. Chandrasiri	528,315.28	-	-	528,351.28	77
Dr. S.M.S. Samarakoon	219,747.79	-	-	219,747.79	76
Mr. K.M. Chandimal	64,322.80	185,677.20	-	250,000.00	100
Dr. Tissa Hewavithana	223,591.00	158,549.00	-		100
Dr. H.S. Sakunthala	213,849.90	44,445.14	-	225,295.04	90
Dr. Rupa Madanayake	200,256.00	21,662.91	-	221,918.91	89
Dr. A.A.J. Pushpakumara	23,724.65	207,882.73	18,392.62	250,000.00	100
Dr. J.M.P.R.K. Jayasinghe	44,055.38	95,522.20	72,600.00	212,177.58	50
Dr. J.A.D.P.P. Jayakody	14,500.00	221,942.86	13,000.00	249,441.86	100
Dr. H.P. Wakkumbura	41,868.25	207,938.68	193.15	250,000.00	100
Mr. S.A.R.R.P. Dissanayake	12,200.00	-	43,000.00	55,000.00	100
Total	2,351,323.29	2351323.29	147185.77	3544065.70	-

17. DETAILS OF FINANCIAL PROGRESS (EXPENDITURE):

Subject	Provision in 2012 Rs	Exp in 2012 Rs	Savings/ Excess Rs
a. Non - Recurrent Project	127,600,000.00	140,076,344.00	
b. Non - Capital Project	25,660,000.00	50,198,088.00	Residual provision weredisburse in 2011
c. Local funded Projects	-	-	-
d. Foreign Funded Projects	-	-	-
Total	153,260,000.00	190,274,432.00	

18. DETAILS OF FINANCIAL PROGRESS (GENERATED INCOME):

Source of Revenue	Provision in 2012 Rs	Collection in 2012 Rs.	Deficit / Surplus Rs.
a. Undergraduates	4,371,000.00	6,496,711.00	-
b. Postgraduate	-	-	-
c. Counselor	-	-	-
d. Other	4,860,000.00	9,283,946.00	-
Total	9,591,000.00	15,780,657.00	-

19. FINANCIAL PERFORMANCE ANALYSIS - 2012:

Subject	Formula	Exp. Per Student Rs.
a. Recurrent expenditure per student (RE)	-	384,825
b. Capital expenditure per student (CE)	-	137,907.00
Total	-	522,732.00

20. DETAILS OF INFRASTRUCTURE FACILITIES RECEIVED IN 2011:

Infrastructure Details	Expenditure Rs.	Physical Progress
Improvement of capital assets	5,020,467.00	75%
Constructions	32,758,339.00	100%
Total	37,778,806.00	

21. OTHER DETAILS:**21.1 LIBRARY**

Details	Purchase	Donates	Total
Books	497	1031	1528
Publications	-	-	-
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 2012 in terms of the University Act No 16 of 1978.

The Government grant released by the General Treasury to the institute for 2012 is as follows.

Recurrent Grant

Aid under government estimate	=	127.60
Income from other Recurrent sources	=	15.78
Total Recurrent	=	<u>143.38</u>
<u>Add</u>		
Amortization of Capital	=	<u>19.74</u>
Total (Recurrent)	=	<u><u>163.12</u></u>

Capital Grant

	=	<u><u>25.66</u></u>
Expenditure 101 - Rehabilitation and Maintenance	=	5.00
102 - Acquisition of Goods / Equipment/ Library Books & Periodicals etc.	=	9.15
103 - Construction of Buildings	=	32.76
Knowledge Enhancement & Institution Development	=	<u>3.28</u>
Total (Capital)		<u><u>50.19</u></u>

Income

The Government Grant for Recurrent Expenditure for the year 2012 was Rs. One hundred and twenty seven Million & Six hundred thousand only (127,600,000).

Income from other recurrent sources was Rs. 15,780,657 Accordingly the total recurrent income for the year 2012 was Rs. 143,380,657.

Expenditure

The Total Recurrent Expenditure for the year 2012 was Rs. (168,611,950) One hundred sixty eight million six hundred & eleven thousand nine hundred & fifty. The Excess of income over expenditure was Rs. (5,483,665) Five million four hundred & eighty three thousand sixty hundred & sixty five only.

Depreciation of the Fixed Assets

The amount allocated for the year 2012 for Depreciation of Fixed Assets was Rs. Nineteen Million seven hundred & forty seven thousand six hundred Twenty eight only. (19,747,628).

Out Put of the Capital Services

Expenditure Vote 101 – Rehabilitation and Maintenance

The Government Grant for Rehabilitation and Maintenance vote (101) was Rs. 6,700,000/- and The Expenditure had been made out of that amount was Rs. 5,020,466/- in the year 2012.

Expenditure Vote No. 102 –Acquisition of Goods

The Government Grant for Acquisition of Goods Expenditure vote (102) was Rs. 4,210,000 and the total Expenditure had been made as Rs.. 9,147,243.94 with adjustments.

Expenditure Vote 103 – Construction

The Government Grant for Construction Expenditure vote (103) was Rs. 11,100,000. and the total Expenditure was Rs.. 32,758,339.36 with adjustments.

Expenditure vote Knowledge Enhancement & Institution

The Governments Grant for the year 2012 for Knowledge Enhancement & Institution Development Expenditure vote was Rs.3,650,000/- and The total Expenditure for the year 2012 was 3,272,038.01.



Professor Janitha A. Liyanage
Director

STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER 2012

	2012		2011	
	Rs.	Rs.	Rs.	Rs.
ASSETS				
Non-Current Assets (Note- A)				
(a) Lands	72,126,250		72,076,250	
(b) Buildings	163,083,528		94,597,077	
(c) Office Equipment	4,642,250		17,480,430	
(d) Lab & Teaching Equipment	23,858,556		18,479,240	
(e) Furniture & Fittings	16,170,147		11,889,987	
(f) Library Books & Periodicals	6,177,639		8,173,590	
(g) Motor Vehicles	7,031,497		9,254,799	
(h) Plant & Machinery	3,695,535	296,785,401	1,495,026	233,446,399
(i) Others		1,361,857		1,614,356
(j) Work in Progress		66,439,561		102,426,246
(k) Capital Advance		6,003,579		8,994,661
Investments				
Fixed Deposits		49,554,753		21,929,511
		420,145,150		368,411,173
Current Assets				
(a) Stores Advance Account - (Sch. - C)	2,141,600		1,765,401	
(b) Sundry Debtors - (Sch. - D)	1,899,540		1,497,840	
(c) Loans & Advance - (Sch - E)	20,060,331		19,715,790	
(d) Miscellaneous Advance - (Sch - F)	6,000		173,529	
(e) Research Advance (F)	-		41,500	
(f) Prepayments - (Sch - G)	10,287		164,560	
(g) Cash & Cash equivalents	19,564,634		73,197,699	
Cash & Cash equivalents (Course)	5,860,067		275,770	
(h) Petty Cash Imprest	180		180	
(i) Other Assets (Sch - H)	4,451,894	53,994,532	1,637,710	98,469,979
Total Assets		474,139,682		466,881,152
Liabilities				
(a) Current Liabilities (Sch - I)	440,310		282,750	
(b) Payables (Sch - J,K,L)	20,370,454		17,114,279	
(c) Accrued Expenses	1,596,156	22,406,920	2,548,782	19,945,811
Non Current Liabilities				
(a) Provision for Gratuity (M)		37,599,840		33,751,935
Total Liabilities		60,006,759		53,697,746
Total Net Assets		414,132,923		413,183,406
Net Assets/Equity				
(a) Capital (spent)	242,277,765		215,099,344	
(b) Capital (unspent)	18,359,914		42,898,001	
(c) Reserves	(17,698,629)		(14,356,181)	
(d) Restricted Fund (Sch - B)	171,193,873		169,542,242	
Total Net Assets/Equity		414,132,923		413,183,406

Certified as Correct


Prof. Jarritha A. Liyanage
 Director


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

STATEMENT OF FINANCIAL PERFORMANCE FOR
31ST DECEMBER 2012

	2012 Rs.	Rs.	2011 Rs.	Rs.
Operating Revenue				
Recurrent Grant		127,600,000		111,099,108
Amortization of Capital Grant		19,747,628		15,132,899
Other income				
(1) Interest from Loans & Advance	671,479		759,447	
(2) Miscellaneous Receipts	322,777		2,530,119	
(3) Interest Income from Investments	5,169,263		880,624	
(4) Registration Fees	36,015		111,875	
(5) Exam Fees	20,650		4,050	
(6) Library Fine	39,420		69,904	
(7) Medical Fees	24,660		18,060	
(8) Rent from Properties	210,728		318,855	
(9) Sale of Publication	500		-	
(10) Sale of all Stores (Vehicle)	1,219		-	
(11) Ancillary Activities	-		-	
(12) Course Income	9,283,946		4,855,636	
		15,780,657		9,548,570
		163,128,285		135,780,576
Operating Expenses				
Personal Emoluments	103,904,513		95,133,199	
Travelling	191,069		189,848	
Supplies and Consumable Used	6,738,429		5,527,468	
Maintenance	2,957,210		2,957,349	
Contractual Services	21,714,708		16,590,316	
Research and Development	450,846		263,132	
Depreciation	19,747,628		15,132,899	
Other Operating Expenses	4,119,569		4,665,628	
Courses Expenses	8,787,978		4,855,636	
Total Operating Expenses		168,611,950		145,315,475
surplus/(Deficit) From operating activities		(5,483,665)		(9,534,898)



විගණකාධිපති දෙපාර්තමේන්තුව
கணக்காய்வாளர் தலைமை அறிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය } EC/F/GWAI/FA/2012
 எனது இல }
 My No. }

මගේ අංකය }
 உமது இல }
 Your No. }

දිනය } 26 September 2013
 திகதி }
 Date }

Director
 Gampaha Wickramarachchi Ayurveda Institute

Report of the Auditor General on the Financial Statements of the Gampaha Wickramarachchi Ayurveda Institute affiliated with the Kelaniya University for the year ended 31 December 2012 in terms of Section 108(1) of the Universities Act No. 16 of 1978

The audit of Financial Statements of the Gampaha Wickramarachchi Ayurveda Institute affiliated with the Kelaniya University for the year ended 31 December 2012 comprising the balance sheet as at 31 December 2012 and the income statement, 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 19 of the Gampaha Wickramarachchi Ayurveda Institute Orders No.1 of 1995 made under Section 18 of the Universities Act No. 16 of 1978 and Sub section 107(5) of the Universities Act . My comments and observations which I consider should be published with the Annual Report of the Institute in terms of Section 108(1) of the Universities Act appear in this report. A detailed report in terms of Section 108(2) of the Universities Act was furnished to the Director of the Institution 31 May 2013.

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 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. Those Standards require that I comply with ethical requirements and plan and perform the audit

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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 the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Institute'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 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 the 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 qualified 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 Wickramarachchi Ayurveda Institute as at 31 December 2012 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. Accounting Deficiencies

Although 999 books to the value of Rs. 719,557 had been donated to the library as special grant, under “Higher Education for Twenty-First Century” project (HETC). This value had not been included in the Financial Statements.

2.2.2 Un-reconciled control accounts

Following deficiencies were observed.

- (a) Although the value of acquisition of machineries and equipment amounting to Rs. 865,890 according to the schedule, these assets had not been disclosed in the Financial Statements. Schedules had not been furnished regarding the value of the acquisition of buildings amounting to Rs. 73,748,992 shown in the Financial Statements.
- (b) Differences as shown below had existed between the opening and closing balances of the loan register and main ledger maintained by the Institute for distress loans, vehicle loans, computer loans and other staff loans.

Details	Balance According to General Ledger		Balance According to Loan Register		Difference	
	Opening Balance	Closing Balance	Opening Balance	Closing Balance	Opening Balance	Closing Balance
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Vehicle loans	35,667	1,277,714	1,763,115	1,458,048	1,727,448	180,334
Computer loans	1,129,500	1,240,000	1,063,500	1,228,000	66,000	12,000
Distress loans	15,754,317	16,094,073	14,365,870	15,916,952	1,388,447	177,121
Special distress loans	392,572	103,020	392,572	980,252	-	877,232
Staff loans	282,880	9,650	293,590	341,150	10,710	331,500

2.2.3 Accounts Payable

Although the liabilities totalling to Rs. 5,479,064 as at 31 December 2012 being retention money amounting to Rs. 5,281,364, miscellaneous security deposits amounting to Rs 175,250 and unpaid voucher deposits amounting to Rs 22,450 had been remaining for the period ranging from one to five years, action had not been taken to clear the balances even as at the end of the year under review.

2.2.4 Lack of Evidence for Audit

A sum of Rs. 66,439,561 had been shown in the balance sheet as ongoing construction works as at 31 December 2012 and separate ledger accounts or registers had not been prepared to clearly show the value of ongoing works of each contract, opening balance and capitalization.

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

Under mentioned non-compliances were observed.

	<u>Reference to Laws, Rules, Regulations etc;</u>	<u>Non-compliance</u>
(a)	Financial Regulation 104(2)	Preliminary investigation report in respect of a vehicle met with accident on 12 August 2011 had not been sent to Auditor General.
(b)	Public Enterprises Circular No. 95 dated 14 June 1994.	A sum of Rs 8,787,108 had been paid as various allowances and fees to the Academic and Non Academic staff in respect of duty on normal office hours and weekends without approval for organizing 5 paid courses
(c)	Section 6.5.1 of the Public Enterprises Circular No PED/12 Dated 02 June 2003	Draft annual report had not been furnished with the Financial Statements.
(d)	Management Service Circular No.45 of 7 April 2011	A sum of Rs 3,914,230 had been spent as research payments for 30 officers during the year 2012 and only 18 officers had submitted reports as required.

3. Financial Review

3.1 Financial Results

According to the financial Statements presented, the financial results of the activities of the Institute for the year ended 31 December 2012 had been a deficit amounting to Rs. 133,083,665 before taking into account the Government grant for recurrent expenditure and when compared with the deficit for the previous year amounting to Rs 120,634,006. The deficit had been reduced to 5,483,665 due to the Government grant for recurrent expenditure

for the year under review amounting to Rs.127,600,000 and the deficit for the previous year had been reduced up to 9,534,898 due to the Government grant amounting to Rs.111,099,108 received for recurrent expenditure for that year.

When compared with the previous year, the increase in Government grant for recurrent expenditure by Rs.16,500,892 and the interest income by Rs.4,288,639 had specially caused to reduce the deficit of the Institute by Rs.4,051,233 during the year under review.

4. Operating Review

4.1 Academic Performance

Only the five year degree course in Ayurvedic Medicine and Surgery had been conducted in the Institute and out of 394 students registered, 38 students had left the course during the past ten years. 265 students had appeared for the year end examination and out of them, 219 had been passed.

Accordingly, out of the students registered from the academic year 2001/2002 to the academic year 2009/2010, the students ranging between 2 per cent to 41 per cent had left the courses and it was 10 per cent for the academic year 2010/2011.

4.2 Operational Inefficiencies

Courses Conducted by Charging Fees

Following observations are made.

- (a) Communication Allowances had been paid to some Co-coordinators at the rate of Rs.1000 per month as allowances not covered by criteria in addition to the payments made based on unapproved criteria and such payments made during the year 2012 had been Rs.30,000
- (b) According to Section 6.7 of the Criteria prepared by the Institute, when payments were made to Academic Staff for organizing courses, although payment could be made upto the maximum of Rs.5000 per day for the days attended for the services rendered on public holidays, payments ranging from Rs.3000 to Rs.5000 had been made per day for

4 courses. Accordingly, a sum of Rs.281,000 had been overpaid without the approval of the General Treasury and contrary to the Criteria prepared by an Internal committee.

4.3. Uneconomic Transactions

A sum of Rs.277,140 had been paid by the Institute on 28 September 2010 to purchase a wireless direct and intercom telephone system from the Telecom and due to the weakness in the system it had not possible to obtain a good communication. Therefore, obtaining the PABX system had been avoided even though the Telecom had agreed to supply a free PABX system because the value of monthly taxes and bills amounting to Rs.176,805 had not been paid since the telephones received were not returned,

4.4 Identified Losses

Library Books not Handedover

The library books valued at Rs.30,090 taken by the Academic Staff and 74 students as at 31 December 2012 and not handed over up to 28 June 2013 amounted to 127 and the amount recoverable had been Rs 113,526. No fruitful action had been taken regarding getting back these books or money or recovering from the library deposits.

4.5 Lands not Properly Vested

Following observations are made.

- (a) Even though the Herbarium in extent of 5 Acres 3 Roods and 21.32 Perches in Wathuptivela had been used by the Institute, the ownership had not been obtained.
- (b) A land in extent of 205.42 Perches purchased from the Land Ministry by making payment of Rs.9, 263,000 on 21 August 2002 had been valued and taken to account as at 31 December 2011 to a low value of Rs.1,540,651.
- (c) The value of lands in extent of 419.2 perches under land No.4 included in the fixed asset register had not been valued and taken to account even up to 31 December 2012 and the title deeds also had not been with the Institute. Action had not been taken to clear the ownership of these lands and update the fixed asset register.
- (d) According to the report of the Work Superintendent, it had been certified that a land included in the fixed asset register had not been in the possession of the Institute. Action

had not been taken even up to 28 June 2013 to carryout proper investigation and take necessary action.

- (e) Although the total extents of the lands had been 967.04 Perches according to the fixed asset register under land no.3, the total extent according to the Work Superintendent had been 1967.41Perches and the difference was 1000.37 perches. Similarly, a land in extent of 143.02 Perches according to the fixed asset register had been 107.76 perches according to the report of the work superintendent and the difference was 35.26 perches.

4.6 Personnel Administration

When compared the report presented for Audit regarding approved staff and the present actual staff of the Institute the under mentioned vacancies were observed.

<u>Category of Employees</u>	<u>Approved</u>	<u>Actual</u>	<u>Vacancies</u>
<u>Non academic</u>			
Clerical and Allied	20	15	05
Junior	17	08	09
<u>Academic</u>			
Senior Lecturer II	27	20	07
Senior Lecturer I	06	03	03
Lecturers (Probationary)	<u>04</u>	<u>03</u>	<u>01</u>
	<u>74</u>	<u>49</u>	<u>25</u>

Only 13 vacancies in academic staff were observed in Basic Principles and Treatment divisions.

4.7 Establishing a Fund for the Provision of Employees Gratuity

Action had not been taken to establish a Fund regarding the provision amounting to Rs.37,599,840 for the provision of employees gratuity.

5. Accountability and Good Governance

5.1. Action Plan - 2012

According to the action plan of the Institute prepared for the year 2012, the activities that should be implemented within the year had been 68. According to the progress report of the Institute prepared regarding the achievements of these activities the following observations were made during the Audit examination.

- (a) Out of the activities intended to be completed within the year, 18 projects had not been commenced even at the end of the year, the activities that should be completed up to the end of the year but could not be able to complete and delayed had been 23.
- (b) Out of the 68 activities intended in the action plan the activities fully completed within the year had been only 12. Accordingly, in the intended activities the Institute was able to complete 18 per cent only. According to this, more than 80 per cent of the activities in the action plan could not been implemented during the year under review.

5.2 Budgetary Control

When the budgeted expenditure and the actual expenditure for the year under review were compared, major variations ranging from 10 per cent to 145 per cent had existed and therefore it was observed that the budget had not been utilized as a tool for management control.

5.3 Tabling of Annual Report

Annual Reports for the years 2010 and 2011 had not been tabled in the Parliament.

5.4 Unsettled Audit Observations

The Ayurveda Teaching Hospital had been attached to Department of Aurvedha during the year 2008 and a sum of Rs.1,989,577 paid by the Institute for that hospital had not

been reimbursed even up to the end of the year under review. This amount had been disclosed in the Financial Statements under current assets as water bills receivables. Although attention had been drawn in this regard in the past audit reports and in the Committee on Public Enterprises it was not possible to recover up to 28 June 2013.

6. Systems and Controls

The deficiencies observed during the audit were brought to the notice of the Director of the Institute from time to time. Special attention is needed in the following areas of control.

- a. Accounting
- b. Financial Control
- c. Contract Administration
- d. Assets Control

H.A.S Samaraweera

Auditor General

GWAI/AC4/Audit 2012

EC/F/GWAI/EA/2012

14.10.2013

Mr.H.A.S.Samaraweera,
Auditor General,
Department of Auditor General,
No.306/72, Polduwa Road,
Battaramulla.

Dear Sir,

Auditor General's report in terms of Section 108 (1) of the Universities Act No. 16 of 1978, regarding the Financial Statements of the Gampaha Wickramarachchi Ayurveda Institute affiliated to the university of Kelaniya, for the year ended 31st December 2012

Views Regarding the above report, steps have been taken by the Institute, As at Date, Are as Follows;

1.2 **Responsibility of the Management Regarding Financial Statements**

1.3 **Auditor's Responsibility**

1.4 **Basis for the Qualified Audit Opinion**

2. **Financial Statements**

2.1 **Qualified Opinion**

2.2 **Expression of views Regarding Financial Statements**

2.2.1 Accounting Deficiencies

Books Received from the H.E.T.C. project and their value had been entered in the fixed assets register and taken into account accordingly.

2.2.2 Unreconciled Control Accounts

- (a) The Total value of the assets in the fixed assets register was tallied but after correcting the classification errors, amended schedules had been submitted to the audit.
- (b) The balances of the loan ledger maintained by the institute had been tallied with the loan balances of the general ledger.

2.2.3 Accounts Payable

From the Retention monies shown under this item of Rs.469,186/- and Rs. 147,950/- from miscellaneous deposits and full amount of unpaid vouchers had been settled as at date. Action will be taken to settle the balance amounts.

2.2.4 Inadequate evidence in audit

In order to clearly identify the ongoing construction contracts, a register is maintained to indicate separately the details of each contract.

2.2.5 Non compliance with laws, Rules, Regulations and management decisions

- (a) Financial Regulations 104(2)
Agreed to take action in future in terms of Financial Regulations 104(2)
- (b) Public Enterprises Circular No.95 of 14th June 1994
Payment have been made to the academic and non Academic Staff Members, with a view to conduct the external courses work in addition to the normal duties. Such payments have been made according to the criteria approved by the Finance Committee and the Board of Management of the Institute.
- (c) Chapter 6.5.1 of public enterprises circular No. PED 12 of 02nd June 2003.
Agreed to submit the Annual report (a Draft) when submitting the Financial Statements.
- (d) Management Services Circular No.45 dated 07th April 2011,
Action would be taken to work in Accordance with U.G.C. Circulars, when paying research grants .

3. **Financial Review**

3.1 **Financial Results**

4. **Operating Review**

4.1 **Academic Performance**

Action is being taken to minimize the percentage of drop outs in academic courses.

4.2 **Operational Inefficiencies**

Courses Conducted by Charging fees

(a) With a view to conduct the courses in an orderly manner and with easy, communication expenses had been paid form the external courses fund, according to the approved estimates for those coordinators to whom direct telephone facilities are not provided.

(b) Subject to a maximum of Rs.5,000/- for a day (public holiday) had been paid for the days attended, for organizing External courses work.

4.3 **Uneconomical Transactions**

Relevant payments have been made and action is being taken to obtain the new telephone System.

4.4 **Identified losses**

Library books not handed over

Books that are to be returned now are 122 and action is being taken to obtain such books.

4.5 **Lands not properly vested**

(a) This land was given to the institute with a free of encumbrance statement and with the signature of his Excellency, the president of Sri Lanka.

(b) Although there is a printing mistake in the statement submitted, the value had been correctly accounted.

(c)(d)(e) Prevailing lapses in lands will be identified and action will be taken to rectify them.

4.6 **Personal Administration**

Recruitment to the post of lecturer (Probationary) has already been done and action is being taken for the recruitment of the rest of posts.

4.7 Establishing a fund to provide grants for employees gratuity

Monitory provisions are made annually for the payment of employees gratuity and action had been taken to establish a fund for this purpose.

5. Accountability and good governance

5.1 Action plan – 2012

(a),(b) Work in relation to the action plan had been done on a priority basis according to the release of funds to the institute with in the year under review.

5.2 Budgetary control

It is informed that the annual budget will be used as an administrative control tool.

5.3 Tabling of annual reports

The annual reports for the years 2010 and 2011 have been handed over to the parliament on 24th July 2013.

5.4 Observations Regarding unsettled audit paragraphs

In this regard the Commissioner of Ayurveda had been informed and the Commissioner had agreed to pay these amounts even in installments.

6. Systems and controls

Special attention would be paid to minimize, as far as possible, the deficiencies in systems and controls as pointed out by the audit.

Sgd. Prof. Janitha A. Liyanage

Director

Copies :-	1.	Vice Chancellor	-	University of Kelaniya
	2.	Chairman	-	University Grants Commission
	3.	Secretary	-	Ministry of Finance and Planning