INSTITUTE OF TECHNOLOGY

UNIVERSITY OF MORATUWA, SRI LANKA

ANNUAL REPORT

&

ANNUAL ACCOUNTS

2018

This annual report was approved by the Board of Management of Institute at its 217th meeting held on 21.03.2019

Vision

To be a center of excellence in Technological Education.

Mission

Be a dynamic technological institute in the region and actively contribute to the educational, economic, and social advancement of Sri Lankan community by:

- *Providing accessible, flexible, and efficient technological education and skills training to meet the needs of the society and industry.*
- *Providing an environment for innovation and creativity.*
- *Formulation an active collaboration with industry, business and the community for career opportunities.*
- *Enhancing social and economic pathways and opportunities for young people.*

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01. DIRECTORS REVIEW

Review of year 2018

A. Brief Introduction

Institute of Technology, University of Moratuwa (ITUM) is a premier higher educational institute primarily responsible for conducting the nationally and internationally well recognized National Diploma in Technology (NDT) study programme.

The Institute commenced academic activities for the year 2018 with 830 students in the month of February in 09 disciplines namely, Chemical, Civil, Electrical, Electronic, Mechanical, Marine, Nautical, Polymer and Textile after completing a successful orientation programme and the intensive English programme.

ITUM commenced the year 2018 with a multi religious ceremony attended by staff and students of the Institute. Examinations which continued from the year before were completed in the month of January. At the end of the examinations the Intensive English Program for the new batch of 500 students started with a combined orientation program.

The conduct of examinations was disturbed due to a clash between the non-academic staff of the Institute and students which was settled by the administration after many discussions. A month after another clash erupted between a non-academic staff member and a small group of students. This incident resulted in the whole student group being made out of bounds from the premises. An inquiry was conducted and students found guilty were punished.

The third year group of 350 students started their first six months of industrial training at the end of February. The usual training seminar was not conducted because the respective student group were served with an out of bounds declaration. Academic work for the 350 second year students and the 500 new first year students also started in February. The first year students followed the revised NDT curriculum in a semester system and the second year students continued to learn in the annual system.

All academic and related activities of the Institute were disturbed due the two months long trade union action of non-academic staff of the university system which started at the end of February and continued up to the mid of April.

The examination for the first year subject Workshop Theory and Practice was not conducted within the scheduled examination since the lathe machine shop was not made functional to carry out the associated workshop practicals for all students. All workshop practical classes were rescheduled with the support of academic and related non-academic staff once the trade union action was over and the missed examination was conducted in May.

After the initial set back all the workshops were made functional by the Developer of the Relocation Project and ITUM was able to offer this valuable academic resource to other universities too.

Academic activities re commenced in the month of May and continued uninterrupted. All students were given an academic break of 02 weeks at the beginning of August. The Semester I final examination was conducted successfully in the same month after completing 15 weeks of academic work.

The academic activities for the year concluded as per the revised schedule. The annual 02-week residential survey camp for the Civil students was successfully conducted in the month of December.

Academic work was supported by the ITUM library under the instructions of the acting Assistant Librarian who worked on assignment basis and the library committee. The canteens and the medical center also facilitated the student's stay in the hostels.

The annual Research Symposium was conducted at ITUM in the month of August for the fifth consecutive year. This was a well-attended event by all the academic and administrative staff.

Student Activities

The annual blood donation was organized successfully by the students of the maritime section. The annual cultural event 'Asani' was organized for the second consecutive year by the students of the Sinhala literacy society under the guidance of the lecturer in charge of aesthetic studies as a 04-day event. The final student activity for the year was the annual pirith ceremony organized by the Buddhist society. All these events were supported by the NDT student union.

Student Intake 2019

It was decided to increase the student intake to 800 for year 2019. Applications were called by gazette and web notices. Aptitude test was conducted in Kandy, Matara, Vauniya and Diyagama centers for selected applicants. Registration was done during the months of October and November. The inauguration ceremony was held for all 800 new students in December. The first Newsletter of the ITUM was presented to the Vice Chancellor and the members of the BoM at this ceremony.

Curriculum Revision

The revised NDT first year curriculum was implemented in two semesters. The revised NDT curriculum included two new humanities modules Sports Studies and Aesthetic Studies. Also the two combined subjects Strength of Materials and Engineering Mechanics and Fluid mechanics and Applied Thermodynamics was separated as four modules.

Work related to the revision of the NDT second year curriculum was carried out by the divisional staff. The decision was to convert the second year of study in to two semesters. The draft curriculum of all divisions were presented to a representative industry – academia forum. All divisions finalized the semester iii curriculum incorporating the suggestions made at the forum.

Once it was decided to include IT as the latest NDT discipline an expert in the field was employed as a consultant to support the single staff member to develop the NDT in IT as a unique program. The developed semester I of the IT curriculum was implemented in 2019 for a group of 100 students.

The delivery of modules, number of credits, assessment criteria and grading for semester i and ii were recommended by the Board of Studies and approved by the Board of Management.

Conduct of Examinations

The second year, first year (repeat) and semester ii final examinations started in the month of December and ended in January 2019.

ITUM Relocation & Development Project

The one-year defect liability period started on 30.11.2017. The pending equipment of worth Rs 100 million was supplied by the Developer. All reported defects were rectified to the satisfaction of the ITUM.

Administration and Finance

The Institute managed to fill the cadre posts approved in 2017 by internal transfers, promotions and calling for external applications. This included the skilled work force recruited for the 04 mechanical workshops. The ITUM was also successful in recruiting 12 new academic staff members to the permanent cadre covering almost all disciplines. The 05 vacancies in the admin and finance sections were filled by UGC new recruits and internal transfers.

The 200thmeeting of the BoS was conducted in the presence of 03 former Directors of the ITUM.

The Institute started to circulate the minutes of the monthly BoS and BoM meetings in electronic format.

The maritime division was successful in the two annual audits.

The Cargills Food City and Bank of Ceylon opened their Diyagama branches in the ITUM shopping complex.

An auction was conducted towards the end of the year to dispose goods of depreciated value.

The security, cleaning, gardening and system maintenance of the ITUM was outsourced for the second consecutive year.

The ITUM was relocated in a state of the art complex after 17 long years of waiting in the year 2017. This much anticipated move itself created a very rough transition at the beginning resulting in agitation of students and non-academic staff. The decision makers failed to accept the relocation of ITUM in its new premises favorably which worsened the situation. Hence the Institute had to suffer with limited funds and inadequate cadre while being pressurized to increase the student numbers.

The achievements made by the ITUM overcoming many drawbacks were reported to the BoM by the Director at the beginning of year 2019.

B. Achievements

The report submitted to the BoM of the ITUM.

Progress made by the Institute of Technology, University of Moratuwa (ITUM) after Relocation

The ITUM was relocated in Diyagama, Homagama under the Project for Relocation and Development of ITUM in May 2017. The total project cost was Rs 10.2 Billion. The developments achieved by the Institute up to the end of January 2019 are described below;

1. *Student Intake*

The intake to the ITUM had to be kept a constant 350 for 17 years from its inception in year 2000. After relocation the number was increased to 480 in 2018 and in 2019 the Institute has been able to register 800 students in an **increase of more than 100%.**

Discipline	**2017**	**2018**	**2019**
Chemical	25	31	50
Civil	80	121	200
Electrical	41	60	100
Electronics	41	60	100
Mechanical	59	80	100
Marine	15	20	20
Nautical	15	20	20
Polymer	22	30	46
Textile	51	60	64
Information Technology	-	-	100
Total	349	482	800

2. *New Disciplines*

The Board of Management of ITUM and the Council of University of Moratuwa have approved the curriculum developed for the new discipline IT in NDT. It was endorsed by the IT industry at an ITUM – Industry forum conducted to publicize the new discipline IT in NDT. The initial intake of 100 students has been registered for 2019.

3. *Semester System*

The ITUM continued to deliver the NDT program in an annual system mainly due to the difficulty of finding the required physical resources while sharing the facilities with the main university. After a very comprehensive study carried out by the ITUM academic staff supported by the Project the decision was taken to deliver the NDT program in a semester system from the beginning of 2018.

The 03 year NDT program has been converted to 06 semesters; 04 academic and 02 training semesters.

4. *Academic credits for the NDT program*

Each academic semester is assigned 25 credits and each training semester is assigned 06 credits and the total number of credits for the NDT program is 112.

5. *New modules introduced to the NDT curriculum*

Sports Studies and Aesthetic Studies have been included in to the NDT curriculum as compulsory modules for all NDT students in semester i & ii to ensure the holistic development of an individual with an understanding of the societal, health, safety, legal and cultural issues and the consequent responsibilities.

A **Project** has been introduced as a module in semester iii & iv to all NDT students to create an awareness of the impacts of engineering applications to the society and environment, to build up team work and to improve communication skills.

Communication & Ethics is another new module introduced to the NDT curriculum to create an understanding of professional ethics of engineering technology practice.

The module **Economics & Accounting** has been included to the NDT curriculum to introduce an understanding of engineering management principles and to apply them to own work.

6. *Academic, Administrative and Non-Academic staff*

The cadre requirement for the relocated ITUM was prepared by the ITUM decision makers and approved by the MSD for the year 2017. Vacant cadre was filled by internal transfers and promotions and other approved methods.

Cadre	**Approved cadre**	**Filled cadre**
Academic	Permanent - 54 Temporary - 36	Permanent - 46 Temporary - 36
Administration	7	7
Other Executive	2	-
Academic support	5	3
Non academic	156	103

7. *Quality Assurance Unit*

A quality assurance unit was established as per the UGC guidelines headed by a Coordinator. All the program delivery procedures have been converted in to quality forms and are in use. When the mode of delivery of the NDT program was converted to the semester system the related procedures were converted into quality forms simultaneously.

8. *Provision of in – house accommodation to students*

Hostel facilities have been made available for all 480 second year and 800 first year students. Almost all students are residing within the premises. A well-equipped gym and indoor and outdoor sports facilities has been made available to the students under the guidance of two experienced physical education instructors supported by gym and ground staff. Two canteens subsidized by the Institute are functioning for all students. The medical center has been made functional by employing a qualified medical staff during the working hours and an on - call transport service is maintained during the night.

9. *Provision of welfare facilities to ITUM staff*

Staff quarters have been provided for needy staff that satisfies the Institute requirements. Many academic and non-academic staff has been given accommodation in the vacant hostel rooms.
The Institute has been able to provide the facilities of a day care center and a staff canteen through the staff welfare society.
Branch of the Bank of Ceylon- Homagama has been opened at the ITUM shopping complex to enhance banking facilities for both students and staff.
A Cargills Food City outlet has been also opened at the shopping center to overcome the difficulties faced by resident staff and students.

10. *Provision of academic services to other HEIs*

The Project has provided the ITUM well equipped workshops and laboratories. During the year 2018 the Technology Faculties of University of Sri Jayawardanapura and University of Kelaniya and the Engineering Faculty of Sri Jayawardanapura University have used ITUM workshops and laboratories to complete the practical components of many engineering and science modules under the instructions of ITUM academic staff.

11. *Short term Industry placement for all NDT students*

During the first year of study NDT students follow a common curriculum with only one field module whereas the second year curriculum is field specific. Hence there had been a continuous request from academic staff to include an industrial training semester in between the two academic years. As an initial attempt ITUM has been successful in sending all NDT students to a short duration (1-4 days) Industry placement before the commencement of their second year academic work.

C. Failure and Justification

The award ceremony for 2018 have not been conducted on the scheduled date, 24/10/2018 since the 2014/15 batch of NDT students who completed the requirement for the award of the Diploma did not supplicate for the award of the Diploma, in protest of a new cloak of a different colour and length, to be worn at the awards ceremony.

D. Future plans

New premises has been constructed to accommodate a total student intake up to 1000 for year. Therefore, the Intake will be gradually increased, to achieve this target.

New disciplines will be introduced to the NDT programme, starting with NDT in Information Technology in 2019.

Academic divisions will be expanding their national service by incorporating the needs of the society and industry by introducing Post Diploma Programmes.

E. ITUM facilities

Multifunctional Hall, Staff Development center, Guest House and the Shopping Complex will be promoted through advertising to increase income generation.

02. GOALS OF THE INSTITUTE

Goal 1: Create a teaching and skills training system that is flexible and accessible to a larger student population in order to cater to the needs of the society and industry.

Goal 2: Establish an environment that promotes research of practical relevance and encourage innovation and creativity.

Goal 3: Establish a strong and a mutually beneficial partnership and involvement with industry.

Goal 4: Develop a team of qualified and motivated staff.

Goal 5: Create an environment that promotes the total development of students.

Goal 6: Develop a management system that ensures quality and efficiency at all levels of the institution.

Goal 7: Improve financial stability of the Institute

Goal 8: Promote efficient and sustainable use of the infra structure facilities by maximum space utilization and proper maintenance

03. Brief History of National Diploma in Technology Course and the Establishment of Institute of Technology, University of Moratuwa.

The roots of the National Diploma in Technology (NDT) Course date back to 1940s to the Ceylon Technical College, Maradana, where a two year Junior Technical Officer' (JTO) Course was conducted in addition to the four year Diploma in Technology, preparing the students for the B.Sc. Engineering degree of the University of London. JTO was a well-recognized middle level technical course and those who completed the course immensely contributed to the development of the engineering sector of the country.

With the establishment of the Institute of Practical Technology (IPT) at Katubedda, Moratuwa, in 1960, the JTO course was transferred from Maradana to Moratuwa. The IPT was established with aid from the Government of Canada to develop and implement a practically oriented middle level engineering technology courses.

The IPT was elevated to Ceylon College to Technology (CCT) in 1966 and a rapid development took place with course diversification. The CCT commenced a five years Diploma in technology course and the JTO course was also revised introducing one year in-plant training to the course and making it a three year course leading to the National Diploma in Technology (NDT). Later, CCT was elevated to a Campus of the single University of Sri Lanka in 1972 and subsequently, it has grown to be the University of Moratuwa. The NDT course was then conducted by the university on behalf of the Ministry of Higher Education.

In 1987, the NDT course became an internal course of the University of Moratuwa under Section 29(e) of the University Act No. 16 of 1978 and the educational qualification to gain entry to the course became GCE Advanced Level. The Institute of Technology, University of Moratuwa (ITUM), an institute under the University of Moratuwa primarily for the conduct of National Diploma in Technology and similar level courses was established in 2000, under Ordinance No. 3 of 2000. The ITUM functions under a Board of Management and is expected to physically establish the Institute separately for the independent development of the courses.

BRIEF INTRODUCTION TO THE NDT PROGRAMME.

The primary aim of the course is to produce engineering diplomats required by the industry of our country in various disciplines. The institute conducts the NDT programme in nine disciplines with a total intake of 800. The breakdown is as follows:

Chemical Engineering Technology	-	50
Civil Engineering Technology	-	200
Electrical Engineering Technology	-	100
Electronic and Telecommunication Engineering Technology	-	100
Marine Engineering Technology	-	20
Mechanical Engineering Technology	-	100
Nautical Studies	-	20
Polymer Technology	-	50
Textile and Clothing Technology	-	60
Information Technology	-	100

In addition, up to a maximum of five student enrolments are allocated to armed forces and University Non Academic Staff.

The admission to the NDT programme is done through a unique process. Applications are invited by a public advertisement in the government gazette and the ITUM website. The students from three past consecutive G.C.E Advanced Levels are eligible to apply. Students are selected on the basis of Z-Scores, district / merit quota (as in the case of university admission), and the field selection is done on the marks scored in the aptitude test.

A fully fledged diplomate is initially expected to function as the link between the professional Engineer or Manager and the workforce at the field/shop level. This role requires a diplomate to develop professionally and improve his communication and managerial skills. He /She needs to educate himself/herself in the chosen field of study so that he/she would be able to appreciate the innovations/designs by the professional engineer and would be able to communicate with the subordinates and make an innovation/design a reality.

Thus the course consists of a two - year academic study period and one - year industrial training delivered in 06 semesters. The first and second semester modules are designed mainly to equalize, consolidate and improve the student's knowledge in basic sciences and to introduce the specialized discipline of study to which he/she has been selected. It will also give exposure to some basic skills required in engineering practice (e.g. Work shop Technology Engineering Drawing). Each discipline offers one or more field module/s of the student's chosen field of study.

English Language is a compulsory module in the first and second semesters due to the following reasons:

i. Communication plays an important role in a Diplomate's career. Therefore, students are required to develop their skills in comprehension, speech and report- writing.

ii. The NDT course is conducted entirely in the English medium. Since most of the students have done their studies in Sinhala or Tamil medium up to the GCE (A/L), their levels of proficiency in the English language vary widely and there is always room for improvement.

The third and fourth semester modules mainly include the application of various engineering phenomena in the selected field of study.

The fifth and sixth semesters are allocated for obtaining the required hands-on experience in the industry. Training at the accepted industrial establishments is organized and monitored by the National Apprenticeship and Industrial Training Authority (NAITA) and the Training Engineer at the ITUM.

At the end of the three years of education and training, the successful students are awarded the National Diploma in Technology with an **Ordinary, Credit** or **Distinction** pass, as per the performance criteria approved by the University.

The tracer studies have revealed that the employability of passing out NDT diplomats is 100% within one year after passing out.

The academic curriculum in operation at the ITUM was introduced in the year 2005 for the first year students and in 2006 for the second year students. The purpose was to broaden the knowledge of students in their selected fields of study, while keeping abreast of current technological advances in the industrial world.

The Relocation and Development Project of ITUM facilitated upgrading and updating the NDT curriculum after a long lapse and to change the programme delivery from the annual system to semester system.

The semester system was implemented for the first year NDT program in 2018 and the Semester system for the second year will be implemented in 2019

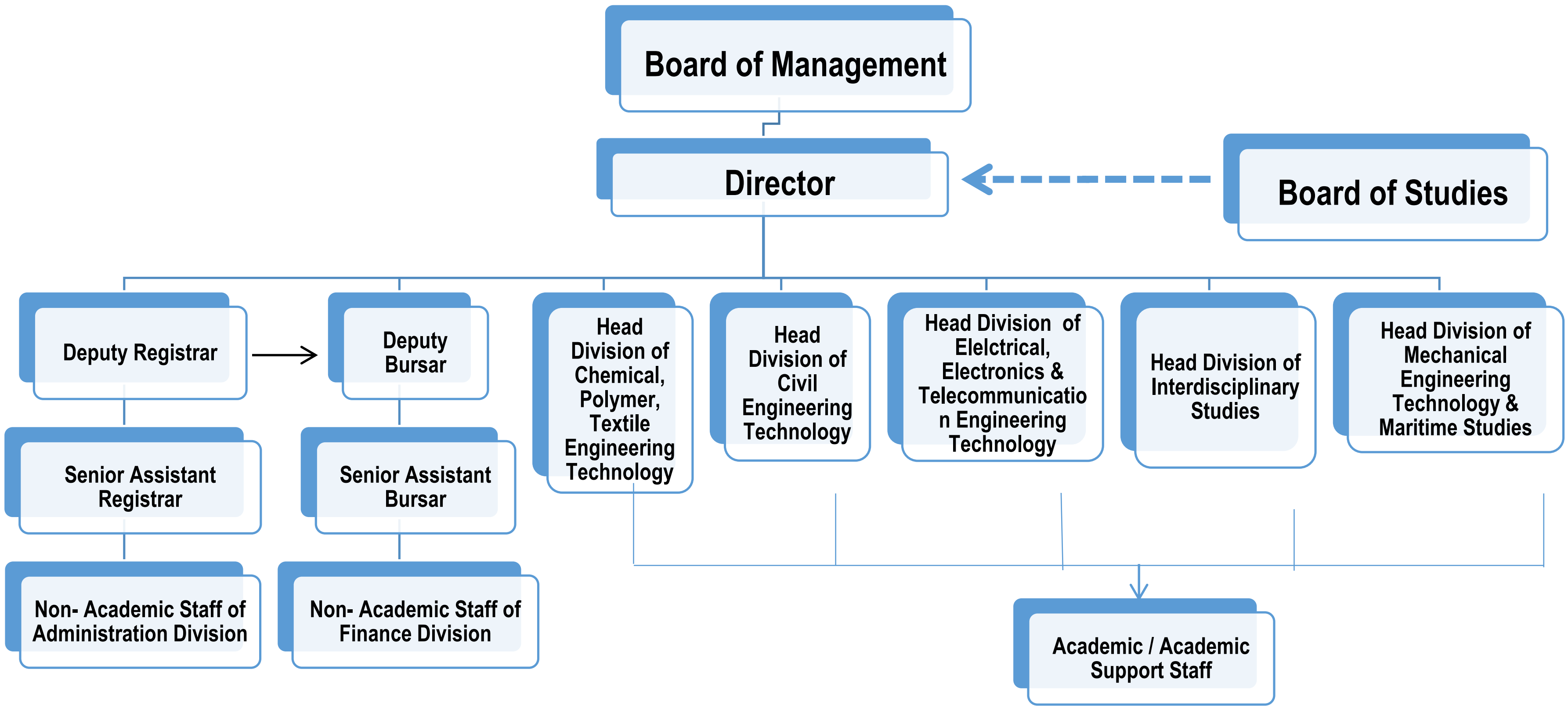
4. MEMBERS OF THE BOARD OF MANAGEMENT

01.	Mrs.	M.M.P.D.	Samarasekara	Director/ITUM
02.	Mr.	Madhawa	Dewasurendra	Nominee of the Secretary to the Ministry of the Minister in-charge of the subject of Higher Education.
03.	Mr.	A.W.	Seneviratne	Nominee of the Secretary to the Ministry of the Minister in-charge of the subject of Shipping
04.	Mrs.	R.M.A.P.	Samaradiwakara	Nominee of the Chairperson of the National Apprentice and Industrial Training Authority (NAITA)
5.	Prof.	N	Wickramarachchi	Dean of the Faculty of Engineering of the University of Moratuwa
6.	Prof.	M.L.	De Silva	Dean of the Faculty of Architecture of the University of Moratuwa
7.	Dr.	T.A	Piyasiri	Council Nominee (From 09.05.2018 to 08.05.2021)
8.	Prof.	S.M.A.	Nanayakkara	Senate Nominee (From 17.12.2016 to 16.12.2019.)
9.	Ms.	S.L	Jayasuriya	Nominees of BOS/ITUM (From12.09.2016 to 11.09.2019)
10.	Ms.	C.P.N.	Attygala	Nominees of BOS/ITUM (From12.10.2017 to 11.10.2020)
11.	Dr.	T.A.G.	Gunasekara	UGC Nominees (From 30.04.2018 to29.04.2021)
12.	Dr.	A.M.N.	Alagiyawanna	
13.	Prof.	J.R.	Lucas	

5. OFFICERS OF THE INSTITUTE

Director	Mrs. M.M.P.D Samarasekara *B.Sc. (Eng.) (Moratuwa),* *M. Eng. (Moratuwa),* *MPhil (Moratuwa)*
Deputy Registrar	Mr. N.D. Kuruppuarachchi *B.Sc - OUSL* *M Sc - Sri J'pura* *PGDMM - IGNOU* *MBA - IGNOU*
Senior Assistant Bursar	Mrs. S. P. D. Peiris *B.Com (Sp)-KLN,* *PGDIP (Pub. Mgt.)-SLIDA,* *CBA*
Assistant Registrars	Mrs**.** L.P.Perera *BA in Social Sciences - OUSL* Ms**.** K.H.W. Malepathirana *BSc in Business Management (HRM) (Special) (NSBM)* Ms**.** RMHA Lakmali *BA (Hons) Economics (Colombo)*
Assistant Bursars	Mrs. A. Liyanagamage *LICA (Institute of Chartered Accountants of Sri Lanka)* Mrs. P.J. Weerakkodyarachchi *M Bs (Colombo)* *Bsc. Business Administration (Sri J'pura)* *CBA member – Institute of Chartered Accounted)* *MAAT - Association of Accounting Technicians*

5.1 ORGANIZATION CHART



6. CONTACT INFORMATION

Postal Address	Institute of Technology, University of Moratuwa Diyagama Homagama, Sri Lanka**.**	
Telephone Numbers:	**Director**	**:011 2124001**
	General	**:011 2124000**
	Fax	**:011 2124018**
	E-mail	**:itum.mrt.ac.lk**

7. DETAILS OF STAFF AND STUDENTS

Divisions	Course	Total Student	Total Academic Staff	Total Non Academic Staff
Civil Engineering Technology	NDT	243	Lecturers P –08 (01- appointed on 01.11.2018) V- 03 C- 01 Instructors T – 07 V - 10	P- 06
Mechanical Engineering Technology and Maritime Studies	NDT	270	Lecturers P – 08 C- 02 V- 04 Instructors T - 06 V – 29	P- 28
Mechanical Engineering Technology and Maritime Studies			NDA L – 11 NDA I - 4	
Polymer, Textile & Chemical Engineering Technology.	NDT	288	Lecturers P – 11 V - 09 Instructors T – 08 V – 11	P- 13
Electrical, Electronics & Telecommunication Engineering Technology.	NDT	241	Lecturers P – 09 V – 01 Instructors T – 13 V – 07	T- 09
Interdisciplinary Studies.	NDT	350	Lectures P – 11 V – 16 C – 01 Instructors T – 03 V – 10	P – 03

P – Permanent T- Temporary
C - Contract V- Visiting
NDA L – Nautical Diplomats Association Lecturer
NDA I – Nautical Diplomats Association Instructor

7.1 DETAILS OF STUDENTS

350 local students were admitted to the Institute to nine disciplines, namely, Chemical, Textile, Polymer, Civil, Electrical, Electronics, Marine, Mechanical, and Nautical.

Division	Course	Medium	Intake 2018	1st Year Students	2nd Year Students	3rd Year Students	No. of Diplomats
Civil Eng. Tech.	NDT	English	121	121	79	81	79
Mechanical Eng. Tech. & Maritime Studies	NDT	English	120	120	82	88	91
Polymer, Textile & Chemical Eng. Tech.	NDT	English	120	117	93	83	98
Electrical, Electronics, & Telecommunication Eng. Tech.	NDT	English	120	120	80	79	73
Interdisciplinary Studies	NDT	English		480	350	350	
Total			481	958	684	681	341

7.2 DETAILS OF ACADEMIC AND NON-ACADEMIC STAFF (2018.12.31)

Staff Category	Salary Scale	Approved Cadre	Existing Cadre	Vacant Cadre
Academic Staff	U-AC 3 to U-AC 5	54	46	08
	U-AC 1 to U-AC 2	36	29	07
Executive Staff	U-EX 1 to U-EX 3 (Administrative & Financial Staff)	07	07	-
	U-EX 1 to U-EX 3 (Other Executive Staff)	1	-	1
Academic Support Staff	U-AS 1	7	2	5
	U-AS 2,2	3	1	2
Technical Staff	U- MT 1	33	16	17
Clerical & Allied	U-MN 1	38	30	8
	U-MN 2,3	4	1	3
	U-MN 4	-	-	-
Primary Staff	U-PL 1 to U-PL 3	78	53	25

08. DETAILS OF RESEARCH, INNOVATION AND PUBLICATIONS

Findings of research carried out by ITUM staff have been presented and/or published locally and internationally.

Authors	Title of Paper	Conference / Journal / Books / Date of accessioned
Thoradeniya B and B. Maheshwari,	Strategies and Frameworks for Effective Stakeholders Engagement for Water Governance Leadership: A Review	*New Water Policy and Practice Journal,* Policy Studies Organisation, Vol 4 (2), 2018
Ayodya Bulathsinhala and Bhadranie Thoradeniya	Post 'Rathupaswala Issue': Neighbouring community perceptions of groundwater	Engineer, The Institution of Engineers, Sri Lanka, 2018, Vol LI (4), pp. [85-94],
W.L.S.Maduranga and C. S. Lewangamage	Development of wind loading maps for Sri Lanka for use with different wind loading codes.	ENGINEERING, The Institution of Engineers, Sri Lanka – Vol. LI, No. 03, pp. [41-49], 2018
G.W.T.C. Kandamby	Use of Cement Stabilized Rammed Earth for Load Bearing Wall with Appropriate Finishes - Case Study.	International Journal of Current Engineering and Technology, Vol 8, No.2, March/ April 2018.
G.W.T.C. Kandamby	Enhancement of Learning through Field Study.	Journal of Technology and Science Education, Vol. 8, No. 4, May 2018.
G.W.T.C. Kandamby	Practice of Classroom Assessments for Learning.	International Journal of Sciences: Basic and Applied Research, Vol. 41, No.1, 2018.
Eng. A.U.V.B. Bulathsinghala Dr. (Mrs.) Bhadranie Thoradeniya	Post 'Rathupaswala Issue': Neighbouring community perceptions of groundwater	ENGINEER, The Institution of Engineers, Sri Lanka – Vol. L, No. 04, pp. [85-94], 2018

DETAILS OF RESEARCH, INNOVATION AND PUBLICATIONS (CONTD.)

Authors	Title of Paper	Conference / Journal / Books / Date of accessioned
JMP Gunasekara	Design and performance of 60^{0}F redundant upper limb exoskeleton with passive compliance.	28/08/2018
Kumara, P. D. C., Viraj, M. P. S., Suraweera, S. K. K., Jayaweera, H. H. E., Muzathik, A. M. & Ariyaratne, T. R.	Solar thermal energy harnessing using a parabolic trough concentrator, in *03rd International Conference on Advances in Computing and Technology (ICACT 2018)*, Colombo.	26/07/2018
Viraj, M. P. S., Kumara, P. D. C., Jayaweera, H. H. E. & Ariyaratne, T. R.,	Construction and evaluation of a thermal energy storage system designed for a concentrating solar thermal energy plant, in *Annual Research Symposium - University of Colombo*, University of Colombo.	09/11/2018
Perera W.P.S.K	Use of Feynman Technique as peer teaching to facilitate deeper student learning	26/07/2018
Abeywardena S.B.Y., Perera S., De Silva K.M.N., Walpalage S., Somaratne M.C.W.	Localization of conductivity towards scalable and sustainable wearable electronics	American Journal of Nanoscience & Nanotechnology Research, 6(1) (2018) 36-45.
Abeywardena S.B.Y., Perera S., De Silva K.M.N., Walpalage S., Somaratne M.C.W	Bentonite nanoclay assisted hydrophilic nylon fabrics	Chemical Science International Journal, 23(2) (2018) 1-6.
Kokila M.W. Abeykoon, Julian Nanayakkara and Himan Punchihewa	Usability study for validating Warm mapping framework	2018/08/27, ITUM Research Symposium

DETAILS OF RESEARCH, INNOVATION AND PUBLICATIONS (CONTD.)

Authors	Title of Paper	Conference / Journal / Books / Date of accessioned
Abeykoon K M.W.	A framework developed using Ergonomic principles and modified Pre-determined motion time systems (PMTS) to increase the ability of Physically Disabled population	Initial submission of the PhD thesis was made on 14/11/2018
Jayathungha G.K. and Amarasinghe b.M.W.p.K.	Effect of drying temperature in spouted bed drying on quality of black pepper	ITUM Research Symposium 2018, September 2018
Somaratne M.C.W., GayashaniJ.S., Thathsara, S.K.T and Abeywardhana A.R.M.,	Rate Of Reduction Of Swollen Diameter Of Films Cast From XNBR Compounded Latex	6th Annual Research Symposium ITUM., 44-49
Perera., P.H.G., Bandara, N.J.G.J., Jayaweera, M.W., Somaratne, M.C.W., Thathsara., Gunawardana, B., Manatunga, J.M.A.,	Migration Of Phthalic Acid Esters From Pet Water Bottles: Implications Of Reusing Empty Bottles For Storing Ambient And Warm Water For Subsequent Consumption	23rd International Forestry And Environment Symposium., 74
Abeywardena S.B.Y., Perera S., De Silva K.M.N., Walpalage S., Somaratne M.C.W.	Localization of conductivity towards scalable and sustainable wearable electronics	*American Journal of Nanoscience & Nanotechnology Research*, 6(1) (2018) 36-45.
Abeywardena S.B.Y., Perera S., De Silva K.M.N., Walpalage S., Somaratne M.C.W	Bentonite nanoclay assisted hydrophilic nylon fabrics	*Chemical Science International Journal*, 23(2) (2018) 1-6.

DETAILS OF RESEARCH, INNOVATION AND PUBLICATIONS (CONTD.)

Authors	Title of Paper	Conference / Journal / Books / Date of accessioned
P.S Yatapana & M.R Sooriyarachchi	Comparability of the effect of Re-scrutinizing on two University selection methods Z score and Common Currency Index method (CCI) in Sri Lanka.	International journal of advanced Research in Engineering and management (IJAREM) ISSN: 2456-2033//PP 50-58
P.S Yatapana & M.R Sooriyarachchi	Solution to subject comparable problems in parallel Examinations: Common Currency Index (CCI) method.	IRES International Conference, Brisbane, Australia. 8th – 9th August 2018
Shamain Saparamadu & Saman Bandara	Optimum positions for frictions between service centers to minimize passenger delays.	Case studies on Transport Policy
Shamain Saparamadu & Chamali Hewawasam	A need of new methodology to side walk assessment in Sri Lanka	FARU 2018 11th International Research Conference
Shamain Saparamadu, Saman Bandara, Chamali Hewawasam & Udaya Abesinghe	Mathematical models to Forecast Rainfall for Disaster Conditions in Sri Lanka.	EPH – International Journal of Mathematics and Statistics
S.C Mathugama & A.K.D.K Chathurangi	Students' perceptions of opportunities available for National Diploma in Technology course to develop knowledge, skills & attitude.	ITUM Research Symposium – 2018
D.A Jayakody, KTTK Wijithasena & S. Weerasinghe	Prevalence of Menstrual Irregularities among National Level Female Athletics and Factors Associated with Menstrual Irregularities.	11th International Research Conference Sir John Kothalawala Defence University - 2018

DETAILS OF RESEARCH, INNOVATION AND PUBLICATIONS (CONTD.)

Authors	Title of Paper	Conference / Journal / Books / Date of accessioned
D.A Jayakody, K.T.T.K Wijithasena & S. Weerasinghe	The Association between Dietary Intake, Eating Disorders and Menstrual Irregularities of National level Female Athletics in Sri Lanka	8th Institute of Physical Education International Conference 2018, Bangkok, Thailand.
Kaushika Premarathne	Exploring the Reasons for the Fossilization of Phonological Errors: A case study of the substitution of/o/for/ɔ/by English as Second Language Learners in Sri Lanka	Advances in Language and Literary Studies ISSN: 2203-4714
Kaushika Premarathne	The effect of explicit corrective feedback on phonological intelligibility	IOSR Journal Of Humanities And Social Science (IOSR-JHSS) e-ISSN: 2279-0837
Kalpana Galappaththi **Mohommad Iskandar Petra**	A rational design of high efficient and low-cost dye sensitizer with exceptional absorptions: Computational study of cyaniding based organic sensitizer	Journal of Solar Energy

09. DETAILS OF PROGRAMME, SEMINARS & WORKSHOPS

	Programms / Seminars/ Workshops	Date/s conducted	Participants	Remarks
Civil Engineering Technology	Surveying & Levelling Engineering	1st and 3rd June 2018	All Academic & Non academic laboratory staff on surveying.	
	Curriculum Revision Workshop	29th September 2018	All Academic & Non academic Technical staff.	
	Annual Survey Camp	November 2018.	NDT Civil Engineering students	Kotmale, International Training Institute
	The 9th International Conference on Sustainable Built Environment.	13th -15th December 2018	Mrs. G.W.T.C. Kandamby	
	Theory and practice of soil mechanics	19th December 2018	All Academic & Non academic Technical staff.	
Electrical, Electronics, & Telecommunication Eng. Tech	Curriculum revision workshop to overview the syllabus revision and to get suggestions in collaboration with academic and industrial representatives.	18th August, 2018	Divisional academic staff members and industrial representatives	
	A workshop was organized with the collaboration of Sri Lanka Telecom to make the student aware on technologies in Telecommunication sector.	October, 2018	Divisional academic staff members and 2nd year Electrical and Electronics students.	

DETAILS OF PROGRAMME, SEMINARS & WORKSHOPS (CONTD.)

	Programms / Seminars/ Workshops	Date/s conducted	Participants	Remarks
Electrical, Electronics, & Telecommunication Eng. Tech	A workshop on career development was organized with the participation of Industrial expertise as resource person.	September, 2018	Divisional academic staff members and 2nd year Electrical and Electronics students.	
	A workshop was organized with the collaboration of PUCSL on responsibilities of PUCSL and maintaining Power Quality and reliability of Sri Lanka Power System.	28th June, 2018	Divisional academic staff members and 2nd year Electrical and Electronics students.	
Polymer, Textile & Chemical Eng. Tech.	Workshop of "Suraksha"	22nd May 2018	Divisional Staff Members Polymer Textile & Chemical Engineering(Academic & Non Academic)	
	Preparing and presenting powerful presentations	27th September 2018	NDT 01st Year and 2nd year Students (Chemical Polymer	Timely required , Very effective and useful program.
	Program of Refrigeration and Air Conditioning systems	11th October 2018	NDT 2nd year Students	Useful for understanding the application side of refrigeration and air conditioning with real applications in the industry.
	Project Management ,TPM and OEE	22th October 2018	NDT 2nd year students (Polymer & Chemical)	

DETAILS OF PROGRAMME, SEMINARS & WORKSHOPS (CONTD.)

	Programms / Seminars/ Workshops	Date/s conducted	Participants	Remarks
Polymer, Textile & Chemical Eng. Technology.	Goal Setting and Industry Requirement	25th October 2018	NDT 01st Year (Chemical Polymer)	
	Total Quality Management	29th October 2018	NDT 2nd year students (Polymer & Chemical)	
Mechanical Engineering Technology and Maritime Studies	3D printing workshop for NDT II	15th Aug 2018	Students and Instructors	
	Solid work practical session,	13th July 2018	Students, Instructors and Lectures	
	Staff Training Progrmme for Mechanical workshop staff	29th June 2018	Instructors and Workshop Staff	
Interdisciplinary Studies.	Annual Research Symposium	28th August 2018	Academic Staff	Chief Guest Professor N Wickramarachchi Dean, Faculty of Engineering University of Moratuwa

10. ACTIVITIES OF THE INSTITUTE

Blood Donation Campaign

STUDENT EVENTS

SINHALA HINDU NEW YEAR FESTIVAL

IFTHAR

STAFF PROGRAMMES

ICE CREAM DANSALA

STAFF TRAINING PROGRAMMEs

11. DETAILS OF AWARDS RECEIVED

Number of students eligible to received Distinction certificates at the Awards Ceremony.

Chemical Engineering Technology	03
Civil Engineering Technology	03
Electrical Engineering Technology	04
Electronic Engineering Technology	05
Marine Engineering Technology	05
Mechanical Engineering Technology	03
Nautical Studies	05
Polymer Technology	06
Textile Engineering Technology	05

The award ceremony for the year 2018 was still not conducted and the statistic for the 'No of Diplomats' were taken from the Grading List.

12. DETAILS OF RECURRENT EXPENDITURE:

Subject	2017 Rs	2018 Rs
a. Personal emoluments	147,176,344.00	235,149,642.00
b. Travelling	157,562.00	357,886.00
c. Supplies	7,496,517.00	10,032,623.00
d. Maintenance	1,968,917.00	4,951,505.00
e. Contractual Service	45,675,282.00	87,800,875.00
f. Other	11,318,891	9,204,684.00
Total	**213,793,567.00**	**347,497,215.00**

13. DETAILS OF CAPITAL EXPENDITURE:

Subject	2017 Rs	2018 Rs
a. Acquisition of furniture, Lab and Office Equipment	953,410.00	660,976.00
b. Acquisition of Plant and Machineries	-	-
c. Acquisition of Building & Structures	-	-
d. Other	545,656.00	2,527,090.00
Total	**1,499,066.00**	**3,188,066.00**

14. DETAILS OF PROJECT EXPENDITURE (LOCAL / FOREIGN FUNDED)

Name	TCE Rs.	Expenditure in 2017 Rs	Expenditure in 2018 Rs.	Cumulative Expenditure as at 31.12.2018	% of Physical Progress
Re-location Development ITUM project at Diyagama		10,360,051.00	As the project has been completed the funds transferred from Diyagama Construction Project Acc. To capital Acc.		
Total		10,360,051.00			

15. DETAILS OF FINANCIAL PROGRESS (EXPENDITURE):

	Provision in 2018 Rs	Expenditure in 2018 Rs	Savings/Excess Rs
a. Recurrent except Project	267,500,000.00	347,497,215.00	(79,997,215.00)
b. Capital except Project	6,470,000.00	3,188,066.00	3,281,934.00
Total	**273,970,000.00**	**350,685,281.00**	**(76,715,281.00)**

16. DETAILS OF FINANCIAL PROGRESS (GENERATED INCOME):

Source of Revenue	Provision in 2018 Rs.	Collection in 2018 Rs.	Deficit/ Surplus Rs.
a. Internal Revenue	17,895,000.00	(126,066,763.00)	(108,171,763.00)
Total	**17,895,000.00**	**(126,066,763.00)**	**(108,171,763.00)**

17. FINANCIAL PERFORMANCE ANALYSIS – 2018:

Subject	Formula	Exp. Per Student Rs.
a. Recurrent Expenditure per Student (RE)	RE/No of Student Strength	301,385.00
b. Capital Expenditure per Student (CE)	CE/No of Student Strength	2,765.00
Total		**304,150.00**

18. IMPLEMENTATION OF SUSTAINABLE DEVELOPMENT GOALS

SDG 04 Quality Education

The 2030 Agenda includes a set of seventeen aspirational Sustainable Development Goals (SDGs) with 169 targets. Among which SDG no 04 – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all, also known as, Quality Education is directly linked with the universities and Higher Education Institutions. Accordingly, following major polities have been identified.

1. Access to Higher Education
2. Quality and relevance of Higher Education
3. Sufficiency in Management Systems
4. Research, innovation and Knowledge transferring

Implementing and achieving SDGs

This section will summarize how the ITUM has planned or implemented the above mentioned four main policies as recommended by the University Grant Commission. Consequently, these policies will cover the targets, 4.3, 4.4, 4.5 and 4.A of the SDG no 4. The targets are as listed below (DCS 2017)

Target 4.3 : By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.

Target 4.4 : By 2030, sustainability increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

Target 4.5 : By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable situations.

Target 4.A : Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all.

Further achieving the Sustainable Development with regard to safeguard the environment is also being addressed through the process of development plan and it is assured through undermentioned applications.

1. Protection and conversation of Green Environment.
2. Waste water management through purification & recycling.
3. Garbage and waste disposal management.

19. Financial Statements - 2018

INSTITUTE OF TECHNOLOGY-UNIVERSITY OF MORATUWA
STATEMENT OF FINANCIAL POSITION
AS AT 31st DECEMBER 2018

	Notes	2018 Rs.	2018 Rs.	Rs.	2017 Rs.	2017 Rs.
ASSETS						
Current Assets						
Cash at Bank	1	5,658,407			9,633,528	
Receivables	2	12,616,776			13,094,194	
Stock		2,182,393			1,812,967	
Prepayments	3	1,232,187			400,940	
Investments (Short-Term)		0	21,689,763		0	24,941,629
Non -Current Assets						
Investments(Long-Term)	4	13,973,244			19,082,110	
Property, Plant and Equipmen	5	9,643,990,664			10,076,377,354	
Work in Progress	5a	0			43,462,119	
Other assets	6	2,674,427			1,355,149	
			9,660,638,335			10,140,276,732
Total Assets			9,682,328,098			10,165,218,361
LIABILITIES						
Current Liabilities						
Payables	7	22,091,133			12,165,602	
Deferred Income	8	7,816,969			3,031,349	
Accrued expenses	9	47,202,196	77,110,298		19,321,529	34,518,480
Non-Current Liabilities						
Provision for Gratuity			35,086,184			24,782,579
Total Liabilities			(112,196,482)			(59,301,059)
Total Net Assets			9,570,131,616			10,105,917,302
NET ASSETS / EQUITY						
Capital Grant - Spent	10	9,625,105,118			10,036,984,632	
Capital Account Work In Progress	10a	0			71,640,819	
Capital Grant - Unspent	11	14,798,158			11,525,214	
General Reserve	12	(126,726,352)			(55,307,685)	
Donations	13	4,093,286			4,093,286	
Non Monetory Government Grant	14	7,250,000			7,250,000	
Accumulated Fund	15	27,305,985			22,271,443	
Revaluation Surplus		18,305,421			7,459,593	
			9,570,131,616			10,105,917,302
Total Net Assets / Equity			9,570,131,616			10,105,917,302

The Notes appearing on pages 34 to 41 an integral part of the Financial Statements
The Board of Management is responsible for the preparation and presentation of these Financial Statements
Approved and signed for and on behalf of the Board of Management of the Institute by

Mrs. M.M.P.D.Samarasekara
Director
M.M.P.D. Samarasekara
Director
Institute of Technology
University of Moratuwa

Dr. T.A.G. Gunasekara
Member - BoM

Mr. N.D. Kuruppuarachchi
Deputy Registrar
Deputy Registrar
Institute of Technology
University of Moratuwa

Mrs. S.P.D. Peiris
Senior Asst. Bursar
S. P. D. Peiris
Senior Assistant Bursar
Institute of Technology
University of Moratuwa

INSTITUTE OF TECHNOLOGY-UNIVERSITY OF MORATUWA STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31st DECEMBER 2018

	Note	2018	2017
Operating Revenue		Rs.	Rs.
Recurrent Grant		267,500,000	169,854,000
Govt: Grant - Mahapola		6,171,000	4,910,000
Govt: Grant - Bursary		16,664,600	17,897,100
Other income	16	5,904,137	6,405,142
Amortization		651,438,105	7,142,998
Other Grants		3,499,000	5,200,000
Grant for Strengthening Research		81,985	206,225
Grant for Leadership Development			
Grant for Student Centered Learning			
Grant for Competancy Building		208,465	26,730
		951,467,292	**211,642,195**
Operating Expenses			
Personal Emoluments	17	235,149,644	147,176,344
Traveling	18	357,886	157,562
Supplies and consumable used	19	10,032,623	7,496,517
Maintenance	20	5,753,384	1,968,971
Contractual services	21	87,800,875	45,675,282
Research and Development	22	259,406	472,775
Depreciation and amortizations expenses		651,438,105	6,897,170
Other operating expenses	23	10,167,213	10,846,116
Mahapola		6,171,000	4,910,000
Bursary		16,664,600	17,897,100
Expenses on Strengthening Research		81,985	206,225
Expenses on Competancy Building		208,465	26,730
Expenses for Relocation & Development Project		186,667	10,360,051
Total operating expenses		**1,024,271,853**	**254,090,843**
Surplus / (Deficit) from operating activities		**(72,804,561)**	**(42,448,648)**
Gain/(Loss) on Disposal of Assets		**(1,509,286)**	
		(74,313,847)	**(42,448,648)**

Mrs. M.M.P.D Samarasekara
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, Sri Lanka

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Deputy Registrar
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Homagama

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INSTITUTE OF TECHNOLOGY-UNIVERSITY OF MORATUWA
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31st DECEMBER 2018

Notes	10	10a	11	12	13	14	15		
	Capital Grant Spent Rs.	Payment For Land Rs.	Capital Grant Unspent Rs.	General Reserve Rs.	Donations Rs.	Non-Monetory Govt. Grant Rs.	Accumulated Fund Rs.	Revaluation Surplus Rs.	Total Rs.
Balance at 31st December 2016	**21,689,481**	**71,640,819**	**7,024,280**	**(13,533,842)**	**4,093,286**	**7,250,000**	**20,864,977**		**119,029,001**
Net gains and losses not recognized in the statement of financial performance				674,805				7,459,593	8,134,398
Transfers/Net Movements	10,022,438,149		4,500,934				1,406,466		10,028,345,549
Surplus / Deficit for the period				(42,448,648)					(42,448,648)
Amotization	(7,142,998)								(7,142,998)
Balance as at 31st December 2017	**10,036,984,632**	**71,640,819**	**11,525,214**	**(55,307,685)**	**4,093,286**	**7,250,000**	**22,271,443**	**7,459,593**	**10,105,917,302**
Surplus/Deficit on revaluation of properties									
Transfers/Net Movements	167,924,534		3,272,944				5,034,542		176,232,020
Net gains and losses not recognized in the	**(6,763)**			2,895,180				10,845,828	13,734,245
statement of financial performance	71,640,819	(71,640,819)							
Amortization	(651,438,104)								(651,438,104)
Surplus / (deficit) for the period				(74,313,847)					(74,313,847)
Balance at 31st December 2018	**9,625,105,118**	**0**	**14,798,158**	**(126,726,352)**	**4,093,286**	**7,250,000**	**27,305,985**	**18,305,421**	**9,570,131,616**

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Diyagama, Homagama

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INSTITUTE OF TECHNOLOGY-UNIVERSITY OF MORATUWA
CASH FLOW STATEMENT FOR YEAR ENDED
31st DECEMBER 2018

	Notes	2018		2017	
		Rs.	Rs.	Rs.	Rs.
Cash Flow from Operating Activities					
Surplus / (deficit) from ordinary activities		(74,313,847)		(42,448,648)	
Non-cash movements					
Depreciation		651,438,105		6,897,170	
Amortization		(651,438,105)		(7,142,998)	
Increase/(Decrease) Provision for Gratuity		10,303,605		3,223,700	
Other Adjustments	25	2,895,180		1,462,305	
Gain on Disposal of Assets		1,509,286			
Increase/Decrease in Working Capital					
(Decrease)/Increase in Receivables	26	(723,255)		(3,153,998)	
Increase/(Decrease) in Deferred Income		4,785,620		2,948,788	
Increase/(Decrease) in Payables	27	9,925,531		6,096,266	
(Decrease)/Increase in Accrued Expences		27,880,667		15,493,059	
Net cash flow from operating activities			(17,737,213)		(16,624,356)
Cash flow from Investing Activities					
Purchase of plant and equipment **(Schedule D & E)**		(2,819,766)		(1,266,111)	
Payment for Land (Capital)					
Payment for other projects		(290,450)		(232,955)	
Sales of Assets		258,900			
Increase in Investments					
Net cash flow from investing activities			(2,851,316)		(1,499,066)
Cash flow from financing activities					
Capital Grant	11	6,470,000		6,000,000	
Increase/Decrease in Restricted funds		5,034,542		1,406,466	
Increase/(Decrease) in Donations					
Net cash flows from financing activities			11,504,542		7,406,466
Net increase / (decrease) in cash and cash equivalent			(9,083,987)		(10,716,956)
Cash and cash equivalent at the beginning of period			28,715,638		39,432,594
			19,631,651		28,715,638
Less - Investmennt			(13,973,244)		(19,082,110)
Cash and cash equivalent at the end of period	28		5,658,407		9,633,528

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Institute of Technology, University of Moratuwa
Trial Balance as at - 31 - December - 2018

DESCRIPTION	DEBIT Rs.	CREDIT Rs.
2.1 - Travelling (Domestic)	110,886.25	0.00
2.2 - Travelling (Foreign)	247,000.00	0.00
3.1 - Stationery & Office Requisites	1,867,846.45	0.00
3.2 - Fuel & Lubricants	2,705,667.86	0.00
3.3 - Uniform	571,742.21	0.00
3.4 - Mech. & Elect. Goods	46,800.00	0.00
3.5 - Chem. & Glassware	1,249,694.40	0.00
3.6 - Medical Supplies	541,333.77	0.00
3.7 - Other Supplies	3,049,538.93	0.00
4.1 - Vehicle	1,702,587.06	0.00
4.2 - Plant Machinery & Equip.	3,938,068.39	0.00
4.3 - Building & Structure	18,361.19	0.00
4.5 - Other	94,368.13	0.00
5.1 - Transport	79,017.00	0.00
5.10 - Printing & Advert. Etc.	1,868,202.87	0.00
5.11 - Other Contractual Services	14,511,671.66	0.00
5.2 - Telecommunication	6,853,402.96	0.00
5.3 - Postal Charges	242,039.50	0.00
5.4 - Electricity	27,513,615.41	0.00
5.5 - Security Services	10,809,436.99	0.00
5.6 - Water	5,513,828.45	0.00
5.7 - Cleaning Services	20,310,743.53	0.00
5.8 - Rental & Hire Charges	98,916.06	0.00
6.10 - Student Develop. Initi. & Comm.	31,251.00	0.00
6.11 - Uni. Sport Activities	153,700.00	0.00
6.12 - Stud. Welfare, Empl. W.	3,000.00	0.00
6.15 - Holiday Warr. Season Tick.	67,740.00	0.00
6.16 - Entertainment Expenses	1,309,880.26	0.00
6.17 - Bank Charges	80,485.00	0.00
6.18 - Award & Indemini.	12,500.00	0.00
6.19 - Contribu. & Membership Fees	124,394.00	0.00
6.2 - Spec. Servi. - Coun. & Commit.	449,400.00	0.00
6.21 - Exam. Fees	1,457,789.61	0.00
6.22 - Audit Fees	1,221,728.00	0.00
6.22 - INCO Exhibition	134,080.49	0.00
6.22 - Orientation Programme	755,776.00	0.00
6.22 - Other Recurrent Expenses	1,054,023.18	0.00
6.22 - Survey Camp	1,064,157.05	0.00
6.3 - Spec. Servi. - Profes. & Other Fees	695,017.00	0.00
6.4 - Workshop & Seminars	8,000.00	0.00
6.5 - Acad. Research & Publicaions	59,232.50	0.00
6.6 - Staff Devel. (Train. For Teach.)	192,173.15	0.00
6.8 - Course Mater. For Stud. & Lean.	223,725.57	0.00
6.9 - Industry Intern., Practi. Career	185,103.05	0.00
AC 1.1 - Salaries & Wages	37,656,271.58	0.00
AC 1.14 - Gratuity	4,430,387.50	0.00
AC 1.2 - U.P.F.	6,452,941.56	0.00

DESCRIPTION	DEBIT Rs.	CREDIT Rs.
AC 1.3 - Pension	3,794,109.64	0.00
AC 1.4 - E.T.F.	2,049,410.60	0.00
AC 1.6 - Academic Allowances	26,822,728.54	0.00
AC 1.7 - Equalisation Allowance	1,399,088.40	0.00
AC 1.8 - Cost of Living Allowance	3,551,348.39	0.00
AC 1.9 - Other Allowances	60,000.00	0.00
AC Additio. Allow. - 20%	5,035,381.08	0.00
AC RESEA:ALL: 35%	8,434,942.54	0.00
AC-Adje. Allow.	0.00	3,688.00
Accrued Expenses	0.00	47,202,196.13
AC-Entertainment Allowance 10%	97,418.40	0.00
AC-Gov.Loan Interest From U.G.C.	163,831.76	0.00
AC-Monthly Compensatory All. -(M.C.A. 20%)	109,731.39	0.00
Amortization	0.00	651,438,104.52
Assignment for Other HEIS - Electrical & Elecrtronic	0.00	184,158.00
Assignment for Other HEIS - Macanical	4,009.25	0.00
Assignment for Other HEIS- Polymer Chemical	0.00	4,434.16
Auction Income	0.00	7,250.00
Award Ceremony Receipts	0.00	75,000.00
Bid Seceurity	0.00	114,500.00
Building & Structure - (Relo. & Devel. Project)	8,867,043,937.21	0.00
Bursary-1002	0.00	8,259,400.00
Capital Account	0.00	1,844,142.95
Capital Account (Relo. & Devel. Project)	0.00	9,623,260,975.45
Capital Account (Work in Progress - R & Project)	0.00	0.00
Capital Grant (Part Payment for Land)	0.00	0.00
Cash Book Balance - (Capital 72483304)	602,238.11	0.00
Cash Book Balance - (Collection A/C 83062337)	178,044.05	0.00
Cash Book Balance - (Recurrent 308280)	4,878,125.43	0.00
Cloaks	522,725.00	0.00
Competency Building Aca. & Other Staff	208,464.50	0.00
Computer Loan	156,000.00	0.00
Consultancy - Civil	0.00	29,867.00
consultancy - Elcrtical & Electronice	0.00	0.00
Consultancy -Polymer	0.00	134,649.83
Creditos Unp: Cheq:	0.00	98,910.03
DEMP Programme	0.00	955,030.15
Dep^n A/C	651,438,104.52	0.00
Dep^n Provi. A/C - Build. & Stu. (Relo. & Deve. Proj.)	0.00	439,445,285.14
Dep^n Provi. A/C - Building	0.00	13,315.83
Dep^n Provi. A/C - Cloaks	0.00	425,923.75
Dep^n Provi. A/C - Equip. (Relo. & Deve. Proj.)	0.00	148,001,133.94
Dep^n Provi. A/C - Fance & Gate (Relo. & Deve. Proj.)	0.00	4,361,323.89
Dep^n Provi. A/C - Furniture	0.00	2,962,901.64
Dep^n Provi. A/C - Furniture (Relo. & Deve. Proj.)	0.00	43,796,657.03
Dep^n Provi. A/C - IT Equip.	0.00	0.00
Dep^n Provi. A/C - Library Books	0.00	11,345,233.46
Dep^n Provi. A/C - Machinery	0.00	266,995.41

DESCRIPTION	DEBIT Rs.	CREDIT Rs.
Dep^n Provi. A/C - Motor Vehicle	0.00	249,171.67
Dep^n Provi. A/C - Motor Vehicle (Relo. & Deve. Proj.)	0.00	13,792,610.00
Dep^n Provi. A/C - Off. Lab & Teach.	0.00	12,397,407.51
Dep^n Provi. A/C - Other Assets	0.00	86,196.67
Dep^n Provi. A/C - Plant Machinery	0.00	63,503.37
Dep^n Provi. A/C - Sport Goods	0.00	153,570.23
Director's Fund	0.00	1,521,640.29
Disposal Account	1,509,286.23	0.00
Distress Loan	5,971,222.87	0.00
Divi: Dev: Fund: (Civil Eng.)	0.00	24,772.50
Divi: Dev: Fund: (E'trical & E'tronic)	0.00	54,680.08
Divi: Dev: Fund: (Mech. & Mari. Stu.)	0.00	885,125.55
Divi: Dev: Fund: (Polymer)	0.00	40,272.00
Donation	0.00	3,975,000.00
Dongal Fees (Refundable)	0.00	40,000.00
END: FUN: C W MAC:	0.00	123,271.79
END: FUN: KUNDAN:	0.00	160,018.37
END: FUN: Upali Gunawardhana Sholarship	0.00	105,736.30
END: FUN:Kamalanath Jinadasa Sholaship	0.00	162,341.44
END: FUND 1972 NDT BATCH SCH:	0.00	33,392.28
END: FUND ANANDA KALDERA SCH:	0.00	66,551.30
END: FUND C H FERNANDO SCH:	0.00	115,572.08
END: FUND Dept. of Mech. Eng. & M/time Fund	0.00	154,808.50
END: FUND ELE. & TEL. SCH: 2001	0.00	163,620.22
END: FUND KUS Amarasekara Golden Jubilee AW. - 1	0.00	111,866.30
END: FUND KUS Amarasekara Golden Jubilee AW. - 2	0.00	127,156.30
END: FUND L H SUMANADASA MEMO. AWA.	0.00	125,718.72
END: FUND M.time Eng. & Naut. Eng. Equp. Fund	0.00	3,083,340.05
END: FUND NDT SILVER JUBILEE SCH:	0.00	58,113.18
END: FUND O P KULASHESTRA SCH:	0.00	50,699.35
END: FUND SLEDA SCH:	0.00	235,209.62
END: FUND TO P FERNANDO SCH:	0.00	33,180.27
END: FUND Tra. Prog. Merch. Navy Officers	0.00	4,887,375.13
END:FUND: D A THEVATHASON GOLDEN JUBILEE TEACH. AWARD	0.00	120,328.42
END:FUND: J T O ALUMI AWARD	0.00	221,564.59
END:FUND: PRAB: KAU:	0.00	53,607.19
Equip. - Offi. Lab & Teach.	22,239,235.19	0.00
Equip. - Offi. Lab & Teach. (Relo. & Devel. Project)	856,193,761.94	0.00
Exam Fees Receipts	0.00	190,200.00
Fence & Gate	12,460,925.47	0.00
Festival Advance	15,000.00	0.00
Fuel Deposit	200,000.00	0.00
Fund A/C - (Lab & Lib. Deposit)	0.00	3,232,073.46
Funds For Aesthetic Activities	0.00	0.00
Funds from MOHE for RND Project	0.00	3,499,000.00
Furniture	4,355,793.29	0.00
Furniture - (Relo. & Devel. Project)	436,977,112.01	0.00

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DESCRIPTION	DEBIT Rs.	CREDIT Rs.
General Reserve	52,412,504.03	0.00
Govt. Grant - Capital - Books & Periodicals	0.00	2,052,960.99
Govt. Grant - Capital - Competancy Building	0.00	812,941.64
Govt. Grant - Capital - Leadership Development	0.00	200,000.00
Govt. Grant - Capital - Office lab & Teach. & Furniture	0.00	5,640,278.69
Govt. Grant - Capital - Plant Machinery	0.00	1,626,616.92
Govt. Grant - Capital - Relocation & Development Project	0.00	0.00
Govt. Grant - Capital - Sports Goods	0.00	409,910.00
Govt. Grant - Capital - Strenthening Research	0.00	2,346,036.00
Govt. Grant - Rehabilitation - Building	0.00	1,519,075.04
Govt. Grant - Rehabilitation - Machinery & Equip.	0.00	143,840.00
Govt. Grant - Rehabilitation - Others	0.00	50,000.00
Govt. Grant - Rehabilitation - Vehicle	3,500.00	0.00
Govt. Grant Recurrent	0.00	267,500,000.00
Grant for Competency Building	0.00	208,464.50
Grant for Strenthering Research	0.00	81,985.00
Gratuity Provision	0.00	35,086,184.00
Hostel Fee	0.00	6,303,404.00
Interest from Loan	0.00	280,444.02
Interest Income	0.00	27,263.61
Invest. A/C - D A Thevathason Golden Silver Jubilee Award	122,022.12	0.00
Invest. A/C - Director's Fund	1,311,074.15	0.00
invest. A/C - Divi. Deve. Fund Electrical	0.00	0.00
invest. A/C - Divi. Deve. Fund Mechanical	630,455.10	0.00
Invest. A/C - Ele. & Telec. 2001	199,831.53	0.00
Invest. A/C - ITUM Development Fund	0.00	0.00
Invest. A/C - Kamalanath Jinadasa Award	150,000.00	0.00
Invest. A/C - KUS Amarasekara Golden Jubilee Award - 1	100,000.00	0.00
Invest. A/C - KUS Amarasekara Golden Jubilee Award - 2	130,506.98	0.00
Invest. A/C - Lab & Lib. Deposit	1,763,997.09	0.00
Invest. A/C - Mari. Eng. & Naut. Eng.	3,083,340.05	0.00
Invest. A/C - Maritime Studies	154,808.50	0.00
Invest. A/C - NDT 1972 Batch	54,629.32	0.00
Invest. A/C - Research & Development Fund	62,507.64	0.00
Invest. A/C - Security Deposit	7,320.05	0.00
Invest. A/C - Trai. Prog. Merch. Navy Officers	0.00	0.00
Invest. A/C - Violation Bond & Agreement	5,325,317.10	0.00
Invest. A/C (Dr. L H Sumanadasa Memorial Award)	134,984.35	0.00
Invest. A/C (J T O Alumini Award)	175,000.00	0.00
Invest. A/C -Upali Gunawardena Scholership	100,000.00	0.00
Investment - Ananda Kaldera	40,298.00	0.00
Investment - C.H. Fernando	56,346.50	0.00
Investment - C.W. Mackee	59,758.80	0.00
Investment - Kundanmals Scho.	87,441.50	0.00
Investment - NDT Silver Jubilee	30,066.50	0.00
Investment - Prabhath Saparamadu	26,585.00	0.00

DESCRIPTION	DEBIT Rs.	CREDIT Rs.
Investment - SLEEDA Scho.	114,587.00	0.00
Investment - TOP Fernando	25,000.00	0.00
Investment- Prof. O.P. Kulshetra	27,363.00	0.00
IT Equipment	0.00	0.00
ITUM Development Fund	0.00	1,060,442.90
Land	25,000,000.00	0.00
Lib. Fine	0.00	17,455.00
Library Books & Perio.	12,785,845.39	0.00
Mahapola Advance Payable to UGC	0.00	2,456,250.00
Mahapola-1001	0.00	4,026,650.00
Misce. Income	0.00	1,595,340.00
Misce: Advance	116,215.60	0.00
Motor Vehicle	10,916,000.00	0.00
Motor Vehicle - Relocation & Dev. Pro.	68,963,050.00	0.00
multifunction Hall & Other Hall Fund	0.00	1,843,225.00
NA - Gratuity	6,664,779.50	0.00
NA 1.1 - Salaries & Wages	53,786,980.93	0.00
NA 1.11 - Visiting Lecture Fees	23,236,804.37	0.00
NA 1.12 - Over Time	4,975,631.35	0.00
NA 1.13 - Holiday Payments	8,532.30	0.00
NA 1.2 - U.P.F.	6,086,768.13	0.00
NA 1.3 - Pension	3,553,093.51	0.00
NA 1.4 - E.T.F.	1,928,038.12	0.00
NA 1.8 - Cost of Living Allowance	11,125,708.94	0.00
NA Additio. Allow. - 20%	5,424,213.42	0.00
NA Gov. Loan Inter. From UGC	427,062.42	0.00
NA RESEA:ALL: 35%	511,801.85	0.00
NA Spec. Allow. - 15%	89,491.80	0.00
NA-Adje. Allow.	5,548,916.85	0.00
NA-Monthly Compen. All. -(M.C.A. 20%)	11,724,228.05	0.00
NDT Appl: Fees	0.00	641,037.22
NDT Past Student Association	0.00	118,286.38
Non Monetary Government Grat	0.00	7,250,000.00
Non Refundable Tender Fee	0.00	343,500.00
Other Assets	1,090,700.00	0.00
P & S Recurrent Account	0.00	204,676.48
Payable A/C - Indirect Support Staff	0.00	31,082.46
Payable A/C - NBT	0.00	13,798.70
Payable A/C - UGC	0.00	69.61
Payable A/C UOM (Damages)	0.00	63,840.00
Payable Loan A/C	0.00	1,933,090.87
Payable Salary Advance	0.00	102,000.00
Payee Tax Payabal to Inland Revenue	0.00	49,174.75
Payments Bursary	16,664,600.00	0.00
Payments Mahapola	6,171,000.00	0.00
Payments NDT Appli. Fees	701,389.03	0.00
Petty Cash	0.00	0.00
Plant Machinery	357,084.90	0.00
Pre Recipts Hostel Fee	0.00	3,643,000.00
Pre-Payments	1,232,186.52	0.00

DESCRIPTION	DEBIT Rs.	CREDIT Rs.
Preporatory Course	0.00	1,116,829.81
Receipts Bursary	0.00	16,664,600.00
Receipts Mahapola	0.00	6,171,000.00
Receipts NDT Appli. Fees	0.00	701,389.03
Receivable Interest from Investment	767,379.23	0.00
Receivable security Deposit - Electricity Board	2,283,750.00	0.00
Receivable Security Deposit - Water Supply Board	2,391,200.00	0.00
Refundable Deposit	0.00	394,000.00
Reg. Fees	0.00	165,420.00
Rehabilitation - (Machinery Improvement)	304,860.00	0.00
Rehabilitation - Building & Improuvment	319,580.00	0.00
Relo. & Deve. Proj.	186,666.67	0.00
Relo. & Deve. Proj. - (Working Progress)	0.00	0.00
Rent from Properties	0.00	2,259,630.00
Research - Grant - PDC Kumara	0.00	7,636.58
Research & Development Fund	0.00	69,898.95
Retention	0.00	125,596.60
Revaluation Adjustment A/C	0.00	0.00
Revaluation Surplus A/C	0.00	18,305,421.01
Salary Advance	20,000.00	0.00
Sea Training Assesments	0.00	56,775.00
Security Deposit - P V N Dilrukshi (Shroff)	0.00	7,320.05
Short Cource - Civil Eng. Tech.	0.00	3,634.60
Short Cource - Mechanical	0.00	44,000.00
Special Advance	0.00	0.00
Special Distress Loan	71,250.00	0.00
Sport Eqipments - R & D Project	4,247,500.00	0.00
Sport Goods	248,218.25	0.00
Staff bus Revenue	0.00	237,557.00
Staff Loan	48,450.00	0.00
Stamp Duty	1,825.00	0.00
Stock	2,182,392.61	0.00
Strengthering Research	81,985.00	0.00
Transfer of Fund	0.00	0.00
United Motors Lanka PLC Scholarship	0.00	27,000.00
UPF Loan	0.00	0.00
Vehicle Loan	576,308.08	0.00
Violation of Bond & Agreement	0.00	7,206,651.24
Welfare Fund	0.00	14,027.62
With Holding Tax	440,248.80	0.00
Total	11,437,890,482.31	11,437,890,482.31

Notes to the Statement of Financial Position As At 31.12.2018

2017			2018
	Note - 01		
Rs.			Rs.
	Cash at Bank		
3,072,775	Recurrent Current A/C - 308280		4,878,125
6,560,753	Capital Current A/C - 72483304		602,238
0	Collection Account 83062337		178,044
9,633,528			5,658,407

2017			2018
	Note - 02		
Rs.	**Receivables**		Rs.
7,373,563	Loan & Advances	(Schedule A)	6,858,231
55,000	Miscellaneous Advance	(Schedule B)	116,216
790,681	Receivable Interest from investment	(Schedule C)	767,379
200,000	Fuel Deposit		200,000
2,391,200	Receivable Security Deposits - Water Board		2,391,200
2,283,750	Receivable Security Deposits - Electricity Board		2,283,750
13,094,194			12,616,776

2017		2018
	Note - 03	
	Pre Payments	
349,070	Sri Lanka Insurance Corporation	417,670
18,818	Reprographics Pvt Ltd	
33,052	Metropolitan Office Pvt Ltd	
	ETA Melco Engineering	571,134
	A.G. Melco Elevator Company	243,383
400,940		1,232,187

Note - 04

2017		2018	
Rs.	**Investments - Long Term (LT)**	Rs.	
	Awards		
25,000	T.O.P. Fernando Scholarship	25,000	
26,585	Prabath Saparamadu Memorial Award	26,585	
30,067	NDT Silver Jubilee Award	30,067	
114,587	SLEDDA Scholarship	114,587	
40,298	Ananda Caldera Prize	40,298	
56,347	C.H. Fernando Memorial Scholarship	56,347	
59,759	C.W. Mackee & Company Scholarship	59,759	
87,442	Kundasmala Scholarship	87,442	
27,363	Prof. O.P.Kulshestra Award	27,363	
49,461	NDT 1972 Batch	54,630	
180,925	Ele. & Telecom. 2001	199,832	
175,000	ITO Alumni Award	175,000	
122,825	L.H. Sumanadasa Award	134,984	
100,000	Investment A/C - KUS Amarasekara Golden Jubilee Award 1	100,000	
100,000	Investment A/C - KUS Amarasekara Golden Jubilee Award 2	130,507	
109,900	DA Tarvathasan Golden Jubilee Award	122,022	
	Upali Gunawardena Scholarship	100,000	
	Kamalanath Jinadasa Scholarship	150,000	1,634,423
	Funds		
4,887,375	Trai. Prog. Merch. Navy Officers Account	0	
154,809	Maritime Studies	154,809	
3,083,340	Maritime Eng. & Nautical Eng.	3,083,340	3,238,149
	Others		
7,320	Security Deposit (Shroff)	7,320	
5,249,495	Investment A/C Violation of Bond & Agreement	5,325,317	
1,693,418	Lab & Library Deposit	1,763,997	
1,206,311	Director's Fund	1,311,075	
1,184	Divisional Development Fund Electrical	0	
630,455	Divisional Development Fund Mechanical	630,455	
800,336	ITUM Development Fund	0	
62,508	Research & Development	62,508	9,100,672
19,082,110			13,973,244

Note - 05 (Schedule D)

2017	Property, Plant and Equipment	Cost	Acc. Dep^n	Wdv 2018
Rs.		Rs.	Rs.	Rs.
1,687,757	Building	319,580	(13,315)	306,265
15,423,374	Equipment	22,239,231	(12,397,408)	9,841,823
1,831,836	Furniture	4,355,793	(2,962,902)	1,392,891
0	Mottor Vehicle	10,916,000	(249,172)	10,666,828
0	IT Equipment	0	0	0
146,501	Plant Machinery	357,085	(63,503)	293,582

Note - 5 (Schedule D - 2)
Property, Plant and Equipment
(Relocation & Development Project)

2017		Cost	Acc. Dep^n	Wdv 2018
25,000,000	Land	25,000,000	0	25,000,000
8,781,838,273	Building & Structure	8,867,043,937	(439,445,286)	8,427,598,651
511,126,637	Equipment	856,193,762	(148,001,134)	708,192,628
8,722,648	Fence & Gate	12,460,925	(4,361,323)	8,099,602
661,637,258	Furniture	436,977,112	(43,796,658)	393,180,454
68,963,050	Mottor Vehicle R & D Project	68,963,050	(13,792,610)	55,170,440
	Sports Equipment	4,247,500	0	4,247,500
10,076,377,354		**10,309,873,975**	**(665,883,311)**	**9,643,990,464**

Note - 5 a (Schedule D -1)

Construction Project - Relocation & Developmet Project

2017		2018
Rs.		Rs.
43,462,119	**Work In Progress**	0
43,462,119		**0**

Note - 06

Other Assests (Schedule E)

2017		Cost	Acc. Dep^n	Wdv
Rs.		Rs.	Rs.	Rs.
1,139,315	Library books & Periodicals	12,785,846	(11,345,234)	1,440,612
147,306	Clocks	522,725	(425,924)	96,801
66,165	Mechinery	304,860	(266,996)	37,864
2,363	Sports Goods	248,218	(153,571)	94,647
	Other Assests	1,090,700	(86,197)	1,004,503
1,355,149		**14,952,349**	**(12,277,922)**	**2,674,427**

Note - 07

Payables

2017			2018
Rs.			Rs.
648,900	Differed Mahapola scholarship		4,026,650
4,605,100	Differed Bursary scholarship		8,259,400
87,320	Deposits	(Schedule F)	441,320
125,597	Retention Payable	(Schedule G)	125,597
32,410	Creditors - unpresented cheques	(Schedule H)	98,910
2,456,250	Mahapola Advance Payable to the UGC		2,456,250
27,000	United Motors Scholarship		27,000
47,880	Payable A/C University of Moratuwa(Damages)		63,840
7,637	Research Grant - P.D.C. Kumara		7,637
56,775	Sea Training Assessment		56,775
2,295,000	Pre Receipts - Hostel Fees		3,643,000
1,775,733	Payable Loan Account		1,933,091
	Payable A/C - Indirect Support Staff		31,082
	Payable A/C - NBT		13,799
	Payable A/C - UGC		70
	Payable Salary Advance		102,000
	Payee Tax Payable to Inland Revenue		49,175
	Refundable Bid Security		114,500
	Payable Amount NDT Admission Work		641,037
12,165,602			**22,091,133**

Note - 08

Deferred Income

2017			2018
917,045	Short Courses & Consultancies	(Schedule I)	1,513,565
			0
2,114,304	Hostel Fees Receipt		6,303,404
3,031,349			**7,816,969**

2017	Note - 09	2018
Rs.	**Accrued Expenses**	Rs.
1,581,052	Salaries N/A	2,319,677
160,067	U.P.F N/A	0
32,058	E.T.F N/A	0
224	Pension	0
224,942	Cost of Living	0
6,910	Traveling Domestic	6,235
1,348,815	Telecommunication	2,748,300
30,350	Postal Charges	0
311,815	Printing & Advertising	509,608
2,280	Transport	250
159,997	Maintenance -Plant, Machinery	2,130,510
716,370	Other recurrent Expenses - with Audit Fees	1,714,891
840,450	Examination Expenses	638,975
290,342	Overtime (NA)	510,273
424,049	Visiting Lecturer Fees	7,740,620
185,759	Adjustment Allowance	0
125,000	Relocation & Development Project	0
1,070,155	F & S Recurrent Account	0
20,800	Special Services Professional & Others	43,500
2,195	Stationary	264,548
15,439	Fuel	384,448
3,594	Uniforms	553,992
4,965	Other Supplies	929,302
4,370,802	Electricity	8,749,889
880,780	Security	998,881
947,629	Water	1,603,772
37,036	Contribution & Membership Fees	14,160
5,415	Rental & Hire Charges	9,368
11,240	Entertainment	23,302
1,911,299	Cleaning Services Payment	4,922,375
800	Workshops & Seminars	0
80,000	Staff Development	46,500
260,310	Course Materials	57,345
13,750	Industry Internship	78,906
3,192,572	Other Contractual Services	8,470,415
825	Additional Allowance	0
1,443	MCA	0
50,000	Violation of Bond & Aggreement	
	Holiday Warrents & Season Tickets	64,230
	Vehicle Maintenance	131,296
	Chemical & Glassware	365,683
	Medical Supplies	245,795
	Survey Camp	925,150
19,321,529		**47,202,196**

Note - 10

Capital Grant

2017		2018
Rs.		Rs.
11,046,997	Capital Grant Spent Opening Balance	4,696,766
1,266,111	Capital Grant Spent	2,906,606
(6,364,894)	Amotisation for the year 2017	(6,763)
	Amortization for the year 2018	(7,003,914)
0		0
(1,251,448)	Adjustment	1,251,448
4,696,766		**1,844,143**

Capital Grant - Relocation & Development Project

2017		2018
10,642,484	Capital Grant Spent Opening Balance	10,032,287,866
10,022,423,486	Capital Grant Spent	163,766,480
0	Adjustment	71,640,819
0	Amotisation for the year 2016	0
(778,104)	Amotization for the year 2017	(644,434,190)
10,032,287,866		**9,623,260,975**
10,036,984,632		**9,625,105,118**

Note - 10 (a)

Capital Grant Spent Part Payment(WIP)

2017		2018
71,640,819	Opening Balance	71,640,819
0	Relocation & Developmet Project Working Progress	
	Adjustment	(71,640,819)
71,640,819		**0**

Note 11 2018

Unspent Capital Grant

	Rs. Balance 01-01-18	Rs. Received Grant	Rs. Spent Grant	Rs. Adjustments	Rs. Balance 31-12-18
Rehabilitation & Improvements					
Building & Structure	1,838,655		(319,580)	0	1,519,075
Machinery	143,840			0	143,840
Vehicle	37,500		(41,000)	0	(3,500)
Others	50,000	275,000	(275,000)	0	50,000
Acquisition of Assets					
Lab & Tea. Equip	6,301,254		(660,976)	0	5,640,278
Books & Perio.	1,954,869	750,000	(651,909)	0	2,052,960
Plant Machinery	169,669	1,625,000	(168,052)	0	1,626,617
Sports Goods		500,000	(90,090)	0	409,910
Others		700,000	(700,000)	0	0
Development Projects					
Student Centered Learning					
Competency Building	521,406	500,000	(208,465)	0	812,942
Leadership Development	200,000				200,000
Strengthening Research	1,808,021	620,000	(81,985)	0	2,346,036
Constructions Project					
Land, Building & Infrastructure activities	(1,500,000)	1,500,000			
	11,525,214	**6,470,000**	**(3,197,057)**	**0**	**14,798,158**

Note - 12

General Reserve

2017 Rs.			2018 Rs.
(13,533,842)	Opening Balance		(55,307,685)
674,805	Other Adjustments		2,895,180
(42,448,648)	Excess of exp. Over income		(74,313,847)
(55,307,685)			(126,726,352)

Note - 13

Rs.			Rs.
3,975,000	Donation 2010		3,975,000
118,286	NDT Past student association		118,286
4,093,286			4,093,286

Note - 14

Non-Monetary Government Grant

Rs.			Rs.
7,250,000	Opening Balance		7,250,000
7,250,000			7,250,000

Note - 15

Accumulated Fund

Rs.			Rs.
1,310,386	Director's fund		1,521,640
1,618,743	Endowment fund	(Schedule J)	2,067,945
63,016	Research & Development fund		69,899
19,279,298	Other Funds	(Schedule K)	23,646,501
22,271,443			27,305,985

Notes to the Statement of Financial Performance for the year ended 31.12.2018

Note - 16

Other Income

2017 Rs.		2018 Rs.
81,600	Registration fees	165,420
20,836	Library fines	17,455
257,168	Interest from loans	280,444
937,769	Receipts - NDT Admission Process	701,389
808,750	Miscellaneous Income	1,595,340
445,000	Award Ceremony	75,000
148,400	Exam Fees Receipts	190,200
266,707	Rent from Properties	2,259,630
	Interest from Investment	27,264
	Auction Income	7,250
1,989,912	Funds from ICC for Electricity & Water	0
124,000	Non Refundable Tender Deposits	343,500
1,325,000	Opening Ceremony Income	
	Adjustment Allowance A/C	3,688
	Staff Bus Revenue	237,557
6,405,142		**5,904,137**

Note - 17

Personal Emoluments

Rs.			Rs.
98,982,776	Academic services	(Schedule L)	123,294,397
48,193,568	Non-Academic Services	(Schedule M)	111,855,247
147,176,344			**235,149,644**

Note - 18

Traveling Expenses

Rs.		Rs.
89,362	2.1 - Traveling & Subsistance(Domestic)	110,886
68,200	2.2 - Traveling (Foreign)	247,000
157,562		**357,886**

Note - 19

Supplies & Consumable used

Rs.		Rs.
1,394,775	3.1 - Stationery & Office requirements	1,867,846
2,405,655	3.2 - Fuel & Lubricants	2,705,668
23,611	3.3 - Uniforms & Tailoring charges	571,742
0	3.4 - Mech. & Elec. Goods	46,800
286,690	3.5 - Chemical & Glassware	1,249,694
316,221	3.6 - Medical Supplies	541,334
3,069,565	3.7 - Other supplies	3,049,539
7,496,517		**10,032,623**

Note - 20

Maintenance

Rs.		Rs.
1,459,899	4.1 - Vehicle	1,702,587
470,172	4.2 - Plant Machinery & Equipment	3,938,068
	4.3 - Building Maintenance	18,361
38,900	4.4 - Others	94,368
1,968,971		**5,753,384**

Note - 21

Contractual services

Rs.		Rs.
57,240	5.1 - Transport	79,017
5,112,909	5.2 - Telecommunication	6,853,403
171,253	5.3 - Postal charges	242,040
16,589,991	5.4 - Electricity	27,513,615
6,895,624	5.5 - Secuirity	10,809,437
4,060,276	5.6 - Water	5,513,828
3,685,810	5.7 - Cleaning service	20,310,744
230,576	5.8 - Rental & Hire charges	98,916
1,119,763	5.10 - Printing & Advertising etc.	1,868,203
7,751,840	5.11 - Others	14,511,672
45,675,282		**87,800,875**

2017	Note - 22	2018
Rs.	**Research & Development**	Rs.
112,218	6.4 - Workshop & Seminars	8,000
	6.5 - Academic Research	59,233
360,557	6.6 - Staff Development	192,173
472,775		**259,406**

Note - 23

Rs.	Other operating expenses	Rs.
478,000	6.2 - Special Services- Council & Committees	449,400
623,340	6.3 - Special Services Professional & Others	695,017
336,127	6.8 - Course Material for Student & Learn. Qual. Imp.	223,726
114,124	6.9 - Industry Internship Prac. & Career Guidance	185,103
4,000	6.10 - Students Develop. initiatives & Commu. Relation.	31,251
160,950	6.11 - University Sports Activities	153,700
118,367	6.12 - Student Welfare Emp Welfare & Social Harmony	3,000
88,923	6.14 - Grants to Other Organization	
270	6.15 - Holiday Warrants & Season Tickets	67,740
1,401,051	6.16 - Entertainment Expenses	1,309,880
55,655	6.17 - Bank Charges	80,485
7,500	6.18 - Award & Indemnities	12,500
154,286	6.19 - Contributions & Membership Fees	124,394
393,270	6.20 - Award Ceremony	
894,550	6.21 - Examination Expenses	1,457,790
1,061,255	6.22 - Other Recurrent Expenses (others) [illegible]	1,054,023
918,835	Survey camp	1,064,157
739,549	NDT Admission Process Expenses	701,389
4,836	Orientation Programme	733,776
321,316	Inco Exhibition	134,080
51,409	Audit Fees	1,221,728
2,918,503	Opening Ceremony Expenses	
0	Stamp Duty	1,825
0	Withholding Tax	440,249
10,846,116		**10,167,213**

Note to the Statement of Changes in Net Assets for the year ended 31.12.2018

Note - 24

2017	Net Gains & Losses not recognized in the statement of Financial Performance	2018
Rs.		Rs.
104,743	Over paid salaries	0
7,572	Creditors(Unpresented Cheques)	0
539,896	Accrued Expenses	2,901,716
22,594	NDT Application Fees	0
	Adjustment on Revaluation Surplus	(245,828)
	Adjustment on Asset Transfers	(1,251,448)
	Dep^on Library Books	(1,410)
	Dep^on office lab & Teaching Equipment	(1,297)
	Dep^n on Moter Vehicle	(5,467)
	Dep^n on Sport Goods	5,251
	Expenses on Electricity connection	1,407,000.00
	Payment for Office lab & Teaching Equipment	38,900
	Payment for Vehicle	41,000.00
	Amortization for 2017	6,763
674,805		**2,895,180**

Notes to the Cash Flow Statement for the year ended 31.12.2018

)17	Note - 25	2018
ls.	**Other Adjustments**	Rs.
104,743	Over paid salaries	0
7,572	Creditors(Unpresented Cheques)	0
539,896	Accrued Expenses	2,901,716
22,594	NDT Application Fees	0
'87,500	Adjustment	
	Adjustment on Revaluation Surplus	(245,828)
	Adjustment on Asset Transfers	(1,251,448)
	Dep^on Library Books	(1,410)
	Dep^on office lab & Teaching Equipment	(1,297)
	Dep^n on Moter Vehicle	(5,467)
	Dep^n on Sport Goods	5,251
	Expenses on Electricity connection	1,407,000
	Payment for Office lab & Teaching Equipment	38,900
	Payment for Vehicle	41,000
	Amortization for 2017	6,763
462,305		**2,895,180**

Note - 26

Rs.	Increase in Receivables	Rs.
956,254)	Loans & Advance	515,332
(55,000)	Miscellaneous Advance	(61,216)
262,904)	Receivable Interest from Investment	23,302
949,414)	Stock	(369,426)
231,676)	Pre Payments	(831,247)
0	Receivable income from Polymer Part Time	0
785,000	Receivable Mahapola from Ministry	
200,000)	Fuel Deposit	0
0	Receivable Funds for Annual Staff Development Programe	
283,750)	Receivable Secuirity Deposits - Electricity Board	0
153,998)		**(723,255)**

Note - 27

Rs.	Increase in Payables	Rs.
;759,850)	Differed Mahapola scholarship	3,377,750
743,800	Differed Bursary scholarship	3,654,300
41,440	Deposits	354,000
39,900	Payable to University of Moratuwa(Damages)	15,960
24,838	Creditors - unpresented cheques	66,500
,002,600	Payable Mahapola Advance to UGC	0
0	United Motors Scho;arship	0
(96,875)	Research Grant - P.D.C. Kumara	0
0	Past student Association	0
30,000	Sea Training Assessment	0
(320)	Special Advance Payable to Mr. EGR Piyarathne	0
2,295,000	Pre Receipts - Hostel Fees	1,348,000
1,775,733	Payable Loan Account	157,358
0	NDT Application Fees	641,037
	Refundable Bid Security	114,500
	Payable A/C - Indirect Support Staff	31,082
	Payable A/C - NBT	13,799
	Payable A/C - UGC	70
	Payable Salary Advance	102,000
	Payee Tax Payable to Inland Revenue	49,175
,096,266		**9,925,531**

Note - 28

2017			2018
Rs.	**Cash & Cash Equilants**	Balance as at 01-01-2017	Rs. Balance as at 31.12.2018
3,072,775	Cash at Bank 308280	3,072,775	4,878,125
6,560,753	Cash at Bank 72483304	6,560,753	602,238
	Cash at Bank 83062337		178,044
19,082,110	Investments	19,082,110	13,973,244
28,715,638		**28,715,638**	**19,631,651**
	Less - Investment	(19,082,638)	(13,973,244)
		9,633,000	**5,658,407**

Schedule - A

2017			2018
Rs.	**Loans & Advances**		Rs.
6,440,918	Distress loan -1		5,971,223
555,425	Vehicle loan		576,308
57,970	Staff loan		48,450
190,500	Computer loan		156,000
108,750	Distress loan - 11		71,250
20,000	Festival advance		15,000
	Salary Advance		20,000
7,373,563			**6,858,231**

Schedule - B

Rs.	**Miscellaneous Advance**	**Date**	Rs.
55,000	K D G Kumarage	28.12.2018	55,000
	S D Alles	27.08.2018	7,200
	M I R T Fernando	05.11.2018	8,800
	Automobile Association	15.11.2018	10,216
	P D C Kumara	19.11.2018	15,000
	M C W Somarathna	19.12.2018	5,000
	A B Vidanapathirana	27.12.2018	15,000
55,000			**116,216**

Schedule - C

Rs.	**Receivable Interest From investment**		Rs.
2,687	Prabath Kaushalya Saparamadu	200201180380	2,618
1,484	T.O.P. Fernando Scholarship	200930133230	1,462
15	O.P. Kulasekara Award	66846	15
48	Kundanmals Scholarship	66854	48
33	C.W. Mackie & Co.	66862	33
31	C.H. Fernando Memorial	66889	31
22	Ananda Kaldera Award	66897	22
64	SLEDDA Scholarship	66919	63
17	N.D.T. Silver Jubilie	66927	17
334,703	Violation of Bond & Agreement	47404	338,799
5,317	Ele Tele Award	80746	5,789
3,442	NDT 1972 Batch Scholarship	47382	3,762
321,566	P & S Recurrent A/C		282,391
1,472	JTO Alumnai Award	75390124	1,443
9,994	L.H. Samanadasa Award	75735961	10,734
72,115	Lab & Library Deposit	75539846 & 81859797	84,469
13,856	Director's Fund	313600100007228-9 & 81859522	15,243
5,561	KUS Amarasekara Golden Jubilee Award 1	77575800	5,951
1,636	KUS Amarasekara Golden Jubilee Award 2	78183027	1,649
2,742	DA Thevathason Golden Jubilee Award	9775597	3,306
5,890	Divisional Development Fund Maritime	81859674	5,942
7,477	ITUM Development Fund	81859498	0
509	Research & Development Fund	81866471	515
	Upali Gunawardena Scholarship	83561787	736
	Kamalanath Jinadasa Scholarship	83432739	2,341
790,681			**707,379**

2017		2018	
			Schedule - F
Rs.	**Deposits**	Rs.	
40,000	Dongal Fee	40,000	
7,320	Security Deposit - P.V.N. Dilrukshi (Shroff)	7,320	
40,000	Refundable Tender Deposits	394,000	
87,320		**441,320**	

			Schedule - G
Rs.	**Retention Payable**	Rs.	
0	Abans PLC	0	
3,567	Star Computer Systems	3,567	
1,950	John keels office Automation	1,950	
9,110	Southern Furnishers (Pvt) Ltd	9,110	
0	Sumudu Enterprises	0	
0	Jayasuwa Constructions	0	
110,970	Techno Instrument Pvt Ltd	110,970	
125,597		**125,597**	

Schedule - H

Rs.	**Unpresented Cheques (Creditors)** Name	**Issued date**	**Chq. No.**	Rs. **Amount**
7,000	J. Margala	2016.09.06	498665	7,000
1,000	AMPR Bandara	2016.11.08	510451	1,000
3,000	AGN David	2016.12.19	510638	3,000
1,500	R Sugathapala	2016.12.19	510655	1,500
1,200	J Manthunga	2016.12.30	510738	1,200
2,370	NVDP Priyadarshani	2017.01.10	510801	2,370
1,200	HVS De Silva	2017.01.27	510909	1,200
1,200	P. Dasanayake	2017.02.22	527566	1,200
1,020	Chief Acc. SL Railway	2017.04.28	527961	1,020
4,300	SV Udayakumara	2017.05.02	527974	4,300
4,700	MBA Prashantha	2017.05.02	553201	4,700
920	K Gunarathna	2017.05.04	553227	920
3,000	PPAS Jayasinghe	2017.06.28	553406	3,000
	P Y Ranawaka	2017.10.23	568407	1,000
	P Y Ranawaka	2017.10.23	568410	1,000
	Sri Lanka Nidahas Sewaka Sangamaya	2017.10.24	568452	200
	Sri Lanka Nidahas Sewaka Sangamaya	2017.11.23	568606	250
	Sri Lanka Nidahas Sewaka Sangamaya	2017.11.23	568607	50
	University Executive Officer's Association	2017.12.29	585915	200
	D. Silva	2017.12.29	585996	6,114
	D. Ambalangodage	2017.12.29	586004	24,242
	Vidyodaya Maranadara Sangamaya	2018.04.20	615086	370
	J. M. Vidanapathirana	2018.06.13	615327	20,574
	G.P. Fernando	2018.06.29	615427	2,500
	Sri Lanka Institute of Nano Technology	2016.11.16	496550	10,000
32,410				98,910

Schedule - I

2017 Rs.	Short Courses & Consultancies	2018 Rs.
917,045	Preporatory Course	1,116,830
	Assignments for other HEIs - Electrical & Electronic Div.	184,158
	Assignments for other HEIs - Mechanical Div.	(4,009)
	Assignments for other HEIs - Polymer Chemical Div.	4,434
	Consultancy - Civil Div.	29,867
	Consultancy - Electrical & Electronic Div.	0
	Consultancy - Polymer Chemical Div.	134,650
	Short Course - Civil Div.	3,635
	Short Course - Mechanical Div.	44,000
917,045		**1,513,565**

Schedule - J

Rs.	Endowment Fund	Rs.
30,589	T.O.P Fernando Scholarship	33,180
51,986	Prabath Saparamadu Memorial Award	53,607
62,473	Ananda Caldera Prize	66,551
45,071	Prof. O.P.Kulshestra Award	50,699
97,737	C.H. Fernando Memorial Scholarship	115,572
51,929	NDT Silver Jubilee Award	58,113
147,032	Kundanmals Scholarship	160,018
119,225	C.W. Mackee & Company Scholarship	123,272
215,640	SLEDDA Scholarship	235,210
144,242	Endowment Fund - ELE & Telecom	163,620
27,903	Endowment Fund - NDT 1972 Batch	33,392
202,343	JTO Alumnai Award	221,565
112,819	L.H. Sumanadasa Award	125,719
105,476	Endowment Fund - KUS Amarasekara Golden Jubilee Award 1	111,866
96,636	Endowment Fund - KUS Amarasekara Golden Jubilee Award 2	127,156
107,642	DA Thevathason Golden Jubilee award	120,328
	Upali Gunawardena Scholarship	105,736
	Kamalanath Jinadasa Scholarship	162,341
1,618,743		**2,067,965**

Schedule - K

Rs.	Other Funds	Rs.
43,767	Min. of Ports & Aviation operating Account	204,676
4,887,375	Training Prog. Merchant Navy Officers Account	4,887,375
154,809	Dep. Of Mech. & Maritime Fund	154,809
3,083,340	Maritime Eng. & Nautical Eng. Equip. Fund	3,083,340
683,427	Divisional Development fund - Mechanical	885,126
1,184	Divisional Development fund - Electrical	54,680
907,154	ITUM Development fund	1,060,443
6,159,429	Violation of Bond & Agreement	7,206,651
955,030	DEM Programme	955,030
2,242,533	Lab & Library Deposit	3,232,073
161,250	Multifunction Hall & Other Hall Fund	1,843,225
0	Welfare Fund	14,028
	Divisional Development Fund Civil	24,773
	Divisional Development Fund Polymer Chemical	40,272
19,279,298		**23,646,501**

Schedule -L

Rs.	Academic Services	Rs.
33,249,692	1.1- Salaries & Wages	37,656,272
5,426,509	1.2- Universities Provident Fund - 15% + 7%	6,452,942
2,817,640	1.3 - Universities Pension Fund - 8%	3,794,110
1,648,830	1.4 - Employee Trust Fund - 3%	2,049,411
18,413,922	1.6 - Academic Allowance	26,822,729
1,399,088	1.7 - Equalization Allow.	1,399,088
3,367,000	1.8 - Cost of Living Allowance - Academic	3,551,348
100,050	1.9 - Other Allowance	60,000
9,334	Special Allowance15%	
5,313,376	1.14 - Gratuity	4,430,388
15,766,856	1.11 - Visiting	23,236,804
6,000,586	Research Allowance - 35%	8,434,943
2,557	Special Allowance 5%	
3,559,130	Additional Allowance 20%	5,035,381
	Interim Allowance	0
71,212	Entertainment Allowance	97,418
322,601	MCA	109,731
1,342,097	Adjustment Allowance	
172,296	Govt. Loan Interest on Property Loan	163,832
98,982,776		**123,294,397**

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Schedule - M

2017 Rs.	**Non Academic Services**	2018 Rs.
26,041,505	1.1 - Salaries & Wages	53,786,981
2,551,305	1.2 - Universities Provident Fund - 15% + 7%	6,086,768
934,371	1.3 - Universities Pension Fund - 8%	3,553,094
697,135	1.4 - Employee Trust Fund - 3%	1,928,038
17,458	1.5 - Acting Pay	
4,671,582	1.8 - Cost of Living Allowance (NA)	11,125,709
2,745,897	1.12 - Overtime	4,975,631
28,534	1.13 - Holiday Payment	8,532
2,166,257	1.14 - Gratuity	6,664,780
2,876	Special Allowance 15%	89,492
	Special Allowance 5%	
1,328,620	Additional Allowance 20%	5,424,213
	Interim Allowance	
370,462	Research Allowance - 35%	511,802
2,100	Other Allowance	
2,301,319	MCA	11,724,228
3,905,978	Adjustment Allowance	5,548,917
428,169	Govt. Loan Interest on Property Loan	427,062
48,193,568		**111,885,247**

Schedule - D

Schedules to the Financial Statements for the year 2018

FIXED ASSETS & DEP^N FOR THE YEAR 2018
(Building, Equipment, Office, Lab.& Teaching, Lib. Books Cloak & IT Equipment)

Rs.

Description/ Items	Dep^n Rate	Balance as at 31.12.2017	Disposals during the Year 2018	Additions During the year 2018	Balance as at 31.12.2018	Dep^n.up to 31.12.2017	Dep^n on Disposals	Dep^n.year 2018	Accumulated Dep^n.	W.D.V As at 31.12.2018
Building & Structure	5%	3,021,345	3,021,345	319,580	319,580	1,333,588	1,484,655	164,383	13,315	306,265
Office Lab & Teaching Equipment	20%	28,617,795	6,651,439	272,875	22,239,231	13,194,421	6,553,629	5,756,616	12,397,408	9,841,823
Furniture	10%	5,260,797	905,004	0	4,355,793	3,428,941	771,314	305,275	2,962,902	1,392,891
I T Equipment	20%	431,250	431,250	0	0	431,250	431,250	0	0	0
Plant Machinery	10%	189,033	0	168,052	357,085	42,532		20,971	63,503	293,582
Total		37,520,220	11,009,038	760,507	27,271,689	18,430,732	9,240,848	6,247,245	15,437,128	11,834,561

FIXED ASSETS & DEP^N FOR THE YEAR 2018
(Motor Vehicle - Donation & Non Monitory Grant)

Rs.

Description/ Items	Dep^n Rate	Balance as at 31.12.2017	Disposals during The Year 2018	Additions During the year 2018	Balance as at 31.12.2018	Dep^n.up to 31.12.2017	Dep^n on Disposals	Dep^n.year 2018	Accumulated Dep^n.	W.D.V As At 31.12.2018
Motor Vehicle	20%	11,490,100	11,490,100	10,916,000	10,916,000	11,490,100	11,490,100	249,172	249,172	10,666,828
		11,490,100	11,490,100	10,916,000	10,916,000	11,490,100	11,490,100	249,172	249,172	10,666,828

FIXED ASSETS & DEP^N FOR THE YEAR 2018
(Motor Vehicle - Relocation & Development Project)

Rs.

Description/ Items	Dep^n Rate	Balance as at 31.12.2017	Disposals during The Year 2018	Additions During the year 2018	Balance as at 31.12.2018	Dep^n.up to 31.12.2017	Dep^n on Disposals	Dep^n.year 2018	Accumulated Dep^n.	W.D.V As At 31.12.2018
Motor Vehicle	20%	68,963,050	0	0	68,963,050	0		13,792,610	13,792,610	55,170,440
		68,963,050	0	0	68,963,050	0		13,792,610	13,792,610	55,170,440

Schedule - D 1

Work in Progress - Relocation & Development Project Project

Rs

Description/ Items	Dep^n Rate	Balance as at 31.12.2017	Disposals during The Year 2018	Additions During the year 2018	Balance as at 31.12.2018	Dep^n.up to 31.12.2017	Dep^n on Disposals	Dep^n.year 2018	Accumulated Dep^n.	W.D.V As At 31.12.2018
Payment for land		25,000,000		0	25,000,000	0		0	0	25,000,000
Construction Project		44,249,619	44,249,619		0	0		0	0	0
Total		69,249,619	44,249,619	0	25,000,000	0		0	0	25,000,000

Schedule -D2

FIXED ASSETS & DEP^N FOR THE YEAR 2018

(Building & Equipment at Relocation & Development Project)

Rs

Description/ Items	Dep^n Rate	Balance as at 31.12.2017	Disposals during The Year 2018	Additions During the year 2018	Balance as at 31.12.2018	Dep^n.up to 31.12.2017	Dep^n on Disposals	Dep^n.year 2018	Accumulated Dep^n.	W.D.V As At 31.12.2018
Building & Structure	5%	8,782,174,818	0	84,869,119	8,867,043,937	336,545		439,108,741	439,445,286	8,427,598,651
Equipment	20%	736,674,782	0	119,518,980	856,193,762	789,052		147,212,082	148,001,134	708,192,628
Fence & Gate	5%	12,460,925	0	0	12,460,925	3,738,277		623,046	4,361,323	8,099,602
Furniture	10%	436,977,112	0	0	436,977,112	98,947		43,697,711	43,796,658	393,180,454
Sports Equipment	20%	0	0	4,247,500	4,247,500	0		0	0	4,247,500
Total		9,968,287,637	0	208,635,599	10,176,923,236	4,962,821	0	630,641,580	635,604,401	9,541,318,835

Schedule -E

FIXED ASSETS & DEP^N FOR THE YEAR 2018
(Lib. Books, Cloak & Mechinery)

Rs.

Description/ Items	Dep^n Rate	Balance as at 31.12.2017	Disposals during The Year 2018	Additions During the year 2018	Balance as at 31.12.2018	Dep^n.up to 31.12.2017	Dep^n on Disposals	Dep^n.year 2018	Accumulated Dep^n.	W.D.V As At 31.12.2018
Library Books & Periodic	20%	12,136,937	3,000	651,909	12,785,846	10,997,622		347,612	11,345,234	1,440,612
Cloaks	20%	522,725	0	0	522,725	375,419		50,505	425,924	96,801
Machinery	10%	304,860	0	0	304,860	238,695		28,301	266,996	37,864
Sports Goods	20%	158,128	0	90,090	248,218	155,765	5,251	3,057	153,571	94,647
Other Assets	20%	0	0	1,090,700	1,090,700	0		86,197	86,197	1,004,503
		13,122,650	3,000	1,832,699	14,952,349	11,767,501	5,251	515,672	12,277,922	2,674,427

20. NOTES OF FINANCIAL STATEMENTS - 2018

01. Reporting Entity

The Institute of Technology, University of Moratuwa was established under the Ordinance No.3 of 2000 under Section 24A of the Universities act No 16 of 1978.

02. Significant Accounting Policies and Methods

2.1 Basis of Preparation

These Financial Statements have been prepared by the Finance Administration of the Institute in accordance with the terms of Section 106 (1), (2) and 107(b) of the Universities Act No. 16 of 1978 as amended by the subsequent legislation including Universities (Amendment) Act No 7 of 1985 and in terms of section 8(3) and 12 of the Finance at Act No. 38 of 1971.

Financial statements have been prepared on accrual and going concern basis and comply with the requirements of Sri Lanka Public Sector Accounting Standards and generally accepted Accounting principles & practices and the format which have been introduced by the Department of Public Enterprises Circular No. PED / 54 dated 19th January 2010 and 03/2013 dated 02.10.2013 and University Grants Commission Finance Circular Letter No. 03/2014 dated 24th April 2014.

The Financial Statements are presented considering the following Sri Lanka Public Sector Accounting Standards published in the year 2009 and 2012 by the Institute of Charted Accountants of Sri Lanka.

SLPSAS – 01	Presentation of Financial Statement
SLPSAS – 02	Cash Flow Statements
SLPSAS – 03	Accounting policies, changes in Accounting Estimates & Errors
SLPSAS – 07	Property, Plant and Equipment
SLPSAS – 08	Provisions, Contingent Liabilities and Contingent Assets
SLPSAS – 09	Inventories

The accounting policies set out below have been applied consistently in the preparation and presentation of these Financial Statements.

03. Notes to the Statement of Financial Position

The following items have been presented as at 31st December 2018 under Statement of Financial position.

A. Current Assets

Current Assets are classified under the **Notes 1, 2 & 3 - Schedules – a, b, & c**

a. **Cash at bank** is shown in the **Note 1** consist the Recurrent Cash balance (Rs. 4.8 Mn) and the Capital Cash balance (Rs. 0.6 Mn) and Collection Account Balance (Rs. 0.1 Mn) as at 31.12.2018.

b. **Receivables** is shown in the **Note 02** are measured at fair value based on a review of outstanding amounts at the reporting date. Receivables have been decreased by Rs. 477,418/= The value of the Receivables is Rs. 12,616,776/= including Loan & Advances, Receivable Interest from Investment, Fuel Deposit and Receivable Security Deposits from The National Water Supply & Drainage Board and Electricity Board.

   End of the year 2017, a sum of Rs. 3,816,110.43 to be received as violation of bond and agreement from an Academic staff member who has been vacated from his post. Out of that amount Rs. 715,246.83 has been received during the year 2018.

c. **Stock** consists of stationeries and printing materials as at end of the period and valued at the lower of cost and net realizable value, cost being the purchase price on a First In First Out basis.

   Stores verification carried out by a team appointed by the Director/ITUM and report had been submitted to the Director/ITUM with the committee recommendations. The value of stock as at 31.12.2018 is Rs. 2,182,392.61

d. **Pre-payments** included the maintenance cost of Machinery and Vehicles. (Service agreement and Insurance) The value of Pre-payment is Rs. 1,232,187.00 as end of the year 2018.

B. Non – current Assets

Non-Current Assets are classified - Notes 4, 5, 5a & 6

a. Long – term Investments – Note - 4

Long term Investments are classified under the **Note 4** and after initial recognition they are shown at their fair value.

Two new Investments have been done such as Upali Gunawardena Scholarship award and Kamalanath Jinadasa Scholarship Award. Some Investments have been increased with its interest received for the year and two investments (ITUM Development Fund – Rs. 800,336.02 and Training Programm Merchant Navy Officers – Rs. 4,887,375.13) had to be withdrawn during the period due to lack of allocation received. Total value of investment as at 31.12.2018 is Rs. 13,973,244/=

b. Property Plant & Equipment(PPE) - Note 5 - Schedule D	
Construction Project Diyagama	- **Note 5a - Schedule D 1**
Diyagama Site	- **Note 5 - Schedule D 2**
c. Other Assets	**- Note 6 - Schedule E**

PPE

There are three main adjustments on property plant and Equipment during the year.

(i) Disposals

Rs. 7,987,689.43 worth of Assets including Furniture (Rs. 905, 004.14), IT Equipment (Rs. 431,250/=) and Office Lab & Teaching Equipment (Rs. 6,651,435.29) have been disposed during the year and the above cost and the depreciation provision (Rs. 7,756,172.94) has been transferred to a disposal account. The gain on disposal of assets was Rs. 27,403.31 has been adjusted to the Statement of Financial Performance for the year ended 31.12.2018.

(ii) Write off values

Building Rehabilitation (Rs. 3,021,344.96) done by the ITUM at the University of Moratuwa premises and its Depreciation Provision (Rs. 1,484,655.42) values have been written off from the accounts with the recommendation of Audit Committee and the Finance committee.

(iii) Revaluation

Motor vehicle Revaluation process completed as at 14th November 2018 for the three Motor Vehicles bearing numbers NA 7806, NB 3020 and KO 9589. Cost of the vehicles (Rs. 11,490,100/=), Depreciation Provision (Rs.11,490,100/=) and the Revalued Amount (Rs.10,600,000/=) has been adjusted to the Motor Vehicle Account, Depreciation Provision Account and Revaluation Adjustment Account. The balance of Revaluation Adjustment Account transferred to the Revaluation Surplus which is Rs. 10,600,000/=

(iv) Assets Value of Relocation & Development Project

Rs. 163,766,480/= worth of Assets have been adjusted to the Assets Accounts of Relocation and Development Project during the year according to the Fixed Assets Value given by the Developer. Balance on account Work-in-Progress of Rs. 44,869,118/= has been transferred to the Building Account. The total Net Assets has been increased by Rs. 163 Million as at 31st December 2018 as a result of this Adjustment. At the same time it was adjusted Rs. 661,464,519.51 for the Furniture (Relocation & Development project) during the year 2017. But according to the FAR, Furniture value is Rs. 436,464,519.51. It has been adjusted in the year 2018.

Total Project has been concluded at a cost of Rs. 10,266,087,467.30 in the year 2018. Out of total value, Staff Training component was Rs. 78,663,981.03.

(v) Additions

The cost of Acquisition of Fixed Assets during the year 2018 was only about Rs. 2.8 Mn. out of Treasury Grants and Other Grants received. Institute capitalized this amount as additions of PPE.

(vi) Depreciation

Property, Plant and Equipment are depreciated using the Straight – Line method over their useful life as per commission Circular No. 649 dated 5th October 1995 at the following rates. These assets are reported on the balance at their historical cost, net of accumulated depreciation.

Building & Structure	:	05%
Office Lab & Teaching Equipment	:	20%
Furniture	:	10%
Library Books & Periodicals	:	20%
IT Equipment	:	20%
Cloaks	:	20%
Machinery	:	10%
Motor Vehicle	:	20%

A sum of Rs. 651.4 million has been provided for depreciation on capital assets for the year of 2018.

(vii) Amortization

Amortization is provided on a straight-line basis on all intangible assets.

C. Liabilities

Current Liabilities - **(Notes 7, 8 & 9)** and are recognized at fair value.

a. Payables are classified under the Note - 7

Payables have been increased by Rs. 9.9 Mn. during the year. The value of Payable is Rs. 9,925,531/= as at 31.12.2018. Deferred Bursary, Mahapola Advance Payable to UGC, Pre Receipt Hostel Fees and Payable Loan Account are the Higher values in the Payables.

b. Deferred income is classified under the Note - 08

Deferred income has been increased by Rs. 4.8 Mn. Hostel Fees Received Rs.6.3 Mn during the year deferred for create of a Hostel Fund for utilize the same for hostel maintenance.

c. **Accrued expenses** are classified under the **Note – 09.**

It has increased by Rs. 27.8 Mn due to the expenses for water, electricity, security, telecommunication, cleaning, other contractual services, other recurrent expenses and audit fees. Annual allocation for the year was not sufficient to meet the expenses of the Institute. ITUM has requested an additional allocation for the year several times, but it was unable to fulfill until end of the year.

D. Non-Current Liabilities

Gratuity Provision is recognized for future expenditure of uncertain amount or timing when there is a present obligation as a result of a past event. It is probable that expenditure will be required to payment of Gratuity and a reliable estimate can be made of the amount of the obligation.

Rs. 35,086,184/= has been provided as Accumulated Gratuity Provision for the year 2018, it has been increased by Rs. 10.3 Mn than the year 2017. Rs. 791,561.50 has been paid for gratuity for the Academic and Non Academic Staff during the year. Action has been taken to charge Provision for gratuity to the salary votes during the year.

E. Capital Grant spent is shown in the **Note – 10 & 10a.**

Capital Grant of Rs. 3,188,066/= spent during the year for Acquisition of Fixed Assets, Strengthening Research and Competency Building. An amount of Rs. 651,438,104/= adjusted within the two accounts of Capital Grant Spent and General Reserve for Amortization of Assets.

F. Capital Account Work-In-Progress

Since the Project is concluded the balance of Capital Account Work-in-Progress has been transferred to the Capital Grant Spent Account at the end of the year.

G. Capital Grant Unspent - Note – 11

Unspent Grant has been increased by Rs. 3.2 Mn. Funds allocated for Office; Lab & Teaching Equipment was under-utilized due to most of the equipment received under the project for Relocation & Development of ITUM.

H. General Reserve – Note - 12

General Reserve has been increased by Rs. 70.6 Mn during the period due to the excess of expenditure over income.

I. Non Monitory Government Grant – Note – 13

Non Monitory Government Grant consist the values of vehicle no. NB 3020 and KO 9589 received from the General Treasury in the year 2012.

J. Donation – Note 14

Donation includes the value of vehicle no. NA 7806 donated by NDT Past Students Association and the rest of the donation.

K. Accumulated Funds - Note 15

Accumulated Fund has been increased by Rs. 5 Mn during the period. The total value is Rs. 27,305,985/= as at 31.12.2018. The amounts are classified under **Schedules J & K.**

04. Notes to the Statement of Financial performance

The Operating Revenue & Operating Expenses have been classified for the year ended 31st December 2018.

Revenue has been recognized as accrual basis under SLPSAS. It does not require the matching of revenue to related expenses. The cash-flows arising from revenue and related expenses are taken place during the period.

A. Operating revenue

Rs. 267,500,000/= has been received from the General Treasury to the Institute and other income were received Rs. 5,904,137/= are recognized in the Statement of Financial Performance for the period. Though the Treasury Grant has been increased by Rs. 97.6 Mn it was not sufficient to meet the expenses during the year. Other income has been decreased by 0.5 Mn during the reporting period.

Rs. 5 Mn was received from the Ministry of Higher Education and Highways for the Project Office expenses and Rs. 700,000/= received for the Aesthetic Activities.

B. Operating Expenses

Under accrual accounting, expenses are increases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or incurrence of liabilities that result in decreases in Net Assets/Equity. Expenses are recognized when the transaction of event causing the expense occurs and the recognition of the expense is therefore not linked to when cash or its equivalent is received or paid.

Personal Emoluments have been increased Rs 87.9 Mn. **(Note 17)** due to increase of All Allowance as per Commission Circular 17/2016(vi) dated 14.06.2018, and New salary revision has to be made 01.01.2018 as per Commission Circular 17/2016 dated 05.12.2016. During The latter part of the year, the Institute recruited Twelve (12) numbers of new staff for the Academic Staff members, and Twenty (20) numbers of Non-Academic Staff as approved Cadre 2017. Five (5) numbers of Administrative Staff received from the University Grants Commission. And several transfers taken placed from other Higher Educational Institutions during the year.

Expenses for Supplies and Consumables and Contractual Services have been increased reasonable amounts due to the relocation of the Institute to the new location in the May 2017. Expenses for Electricity, Water, Security and Other Contractual Services which were bearing by the University of Moratuwa, have been increased significantly due to move to the new premises.

At the same time student numbers increased 350 to 500 in the year 2017 and 500 to 800 in the year 2018.

Grants for Competency Building and Strengthening Research Rs. 81,985/= and Rs. 208,465/= respectively have been recognized in the Revenue and Expenses from that grants have been recognized in the expenses during the period.

It was a **deficit** of Rs. 72,804,561/= during the year 2018 before adjustment of the loss on Asset Disposal.

05. Notes to the Statement of Cash Flow

According to the SLPSAS – 02 issued by the Institute of Charted Accountants Sri Lanka, the Cash Flows (Inflows & Outflows) from Operating Activities, Investing Activities & Financing Activities have been classified in the Cash Flow statement for year ended 31st December 2018 recognized under indirect method.

The Institute considered all the instruments of Fixed Deposits and Cash Book Balances as Cash and Cash equivalent up to 31st December 2017. Cash Balances of Recurrent Account, Capital Account & Collection Account considered as the Cash & Cash Equivalent at the end of the period. That amount is Rs. 5,658,407.59

21. AUDIT COMMITTEE REPORT

Internal Audit Report

The Internal Audit Division carried out its auditing functions of the Institute of technology University of Moratuwa according to the Internal Audit programme 2018 as approved by the Audit Committee and the board of Management with the concurrence of the Auditor General covering a significant area of engagement as follows.

1. Pre – Audits

- Releasing of University Provident Fund (UPF)
- Payment of Gratuity
- Releasing of Pension Fund
- Calculation of Bonds

2. Audit Queries issued on findings

- Verification of Fixed Assets
- Sample checking of recurrent expenditure
- Checked bank reconciliations
- Checked miscellaneous advances
- Checked a sample of staff loan, OT, leave and personnel files
- Procurement – construction and purchasing.
- Verification of petty cash management
- Status report on ITUM activities

3. The Audit Committee

The Audit Committee of the ITUM meets regularly at least once in three months to review activities of the ITUM. The Committee considers the Audit reports and Queries sent by the Auditor General and the Internal Audit and the responses of the ITUM to those queries. The Committee makes recommendations. And directives for corrective actions are also monitored.

The Audit Committee met on four occasions during the year under review.

4. The Staff

The Internal Audit Activities of the ITUM are carried out by the Audit Assistant assigned by the institute under the supervision of the Senior Assistant Internal Auditor of the University of Moratuwa. The Internal Audit Staff of University of Moratuwa are also providing their support in carrying out the audit activities of ITUM.

22. Auditor General's Report

Report of the Auditor General on the Financial Statements and Other Regulatory Requirement of the Institute of Technology of the University of Moratuwa for the year ended 31 December 2018 in terms of Section 12 of the National Audit Act No. 19 of 2018.

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Institute of Technology of the University of Moratuwa ("Institute") for the year ended 31 December 2018 comprising the statement of financial position as at 31 December 2018 and the statement of financial performance , statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 and the Finance Act No. 38 of 1971. My report in terms of Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka will be tabled in the Parliament in due course.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph of this report, the financial statements give a true and fair view of the financial position of the Institute as at 31 December 2018, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Qualified Opinion

The following observations are made in this regard.

1.2.1 Compliance with Sri Lanka Public Sector Accounting Standard
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a) As a result of that the useful life time had not been reviewed annually, even though property plant and equipment at a cost of Rs.11, 993,585 had been completely depreciated as at 31 December 2018, those assets were in use. Accordingly, actions had not been taken to make corrections in connection with the estimated error occurred in estimating depreciation rates as per the Sri Lanka Public Sector Accounting Standards No.03.

b) The Institute had filed a suit in the Moratuwa District Court against to an external institute for claiming compensation amounting to Rs. 05 Million and the defendant of that suit had produced an appeal to the high court in respect of the said suit. Disclosure had not been made in the financial statements in this regard as per the Sri Lanka Public Sector Accounting Standard No. 08.

c) The Cash flow statement should be prepared as per the Sri Lanka Public Sector Accounting Standard No. 02. However, the following observations were made in this regard.

(i) Paying money for acquisition of property, plant and equipment, intangible assets and other long term assets and receiving money by sale of those assets should be disclosed separately and net effect of the cash flow on purchase and sale of investment should be reported in the cash flow statement. However, the net investment value of Rs. 5,108,867 occurred as a result of releasing fixed deposit investment of Rs. 5,712,172 and reinvesting the interest income of Rs. 603,306 had not been shown as a cash flow generated on investment activities.

(ii) The value of net adjustment of Rs. 2,895,180 made for correction of accounting errors relating to operating income and expenses for the year 2017 which had not affected to the deficiency generated from operating activities of the year 2018 had been shown under the non-financial movements of the cash flow statement for the year under review. As a result, the net cash flow generated from the operating activities had been overstated by Rs. 2,895,180.

(iii) The net value of Rs. 10,303,605 relating to expense of gratuity provision for the year 2018 amounting to Rs. 11,095,168 and payment of gratuity of Rs, 791,562 had been shown under the non-financial movements instead of being shown separately as a cash inflow and outflow in the cash flow statement.

(iv) The grant of Rs. 2,200,000 received to the Institute of Technology from the Ministry of Higher Education as Rs. 1,500,000 for the Reinstallation and Development Project and Rs. 700,000 for aesthetic activities had been utilized for the intended purposes. However, the said cash outflow had not been presented in the cash flow statement thus the cash flow generated on investment activities had been overstated by Rs. 2,200,000.

1.2.2 Other Accounting Deficiencies

Details are given below.

a) A sum of Rs. 6,303,404 received during the year as hostel fees had not been recognized as an income for the year and it had been taken in to accounts as differed income.

b) Although the revenue generated during the year under review from the services of conducting short term courses, supplying consultancy services and making practical assignments in other Higher Education Institutes amounting to Rs. 4,402,087 and expenditure thereon amounting to Rs. 3,805,568 should be shown separately in the financial performance statement, the difference between the total receipts and payments amounting to Rs. 596,510 had been taken only into accounts as differed income.

c) A sum of Rs. 2,104,236 paid during the year under review for the electricity bill of December 2017 had been taken into accounts as a recurrent expenditure of the year thus the expenditure of electricity for the year under review had been overstated by Rs. 2,104,236 and the deficit for the year had been overstated by the same amount.

d) Although various stock items of the medical centre conducted in the Institute of Technology should be disclosed in the financial statements, the said balance had not been verified and shown in the accounts.

e) Accounting errors made in the previous year not being corrected.

(i) The grant received for Reinstallation and Development Project during the year 2018 amounting to Rs. 3,499,000 and the expenditure incurred thereon amounting to Rs. 186,667 had been considered as recurrent revenue and recurrent expenditure respectively. Therefore, the deficit on the operations for the year 2018 had been understated by Rs. 3,312,333.

(ii) The cost of Rs. 11,767,051 incurred during the year 2017 for the Diyagama Reinstallation and Development Project had not been shown under the working progress and had been recognized as an expenditure in the statement of income. Further grant of Rs. 5,000,000 received for the year 2017 for the above expenses and the error occurred in accounting as operating income had not been rectified. Hence the total deficit had been overstated by Rs. 5,360,051 and the working progress account had been understated by Rs. 11,767,051.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Institute ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

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

As per section 16 (1) of the National Audit Act No. 19 of 2018, the Institute is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Institute.

1.4 Auditor’s Responsibilities for the Audit of the Financial Statements

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My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detected a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those who charged with Governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. Report on Other Legal and Regulatory Requirements

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

- According to the requirements included in the Section 12 (a) of the National Audit Act No. 19 of 2018, except for the effect of the matters described in the Basis for Qualified Opinion paragraph, I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Institute.

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

- Except for the observations mentioned in the paragraph 1.2.2 (e), the financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

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

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

2.2 except for the observations mentioned below to state that the Institute has not complied with any applicable written law, general and special directions issued by the governing body of the Institute as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018

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Reference to laws rules and regulations	observation
Paragraph 45 (2) (1) (xv) of the University Act	Although any money belong to the University should be invested legally in a security or should be deposited as a fixed deposit in a bank of which the Commission had approved, it was observed that a sum of Rs. 3,082,004 relating to 6 funds had been remained in a current account of the Institute without utilizing for any investment activity.
Financial Regulation 757 (c) 2 (a)	Although board of survey reports should be submitted to the Auditor General, the said reports had not been submitted even up to 10 May 2019.
Financial Regulation 445	Although cash books should be maintained for every account, a cash book had not been maintained for the collection account No. 83062337 conducted by the Institute of Technology.

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

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

a) A provision for capital activities amounting to Rs. 4,270,000 received for the year 2018 had been shown as Rs. 6,470,000 in the final account and a provision of Rs. 2,220,000 received not from the Annual Budgeted Provision but from the Ministry of Higher Education for Reinstallation and Development Project and aesthetic activities was included in the above capital receipts. Further out of the capital provision of Rs. 4,270,000 received in the year 2018, a sum of Rs. 2,250,000 had been remained in the recurrent bank account up to the end of the year 2018.

b) Total capital provision at the beginning of the year under review was Rs. 17,995,214 including Rs. 11,525,214 received from the General Treasury in few years' time and a sum of Rs.6, 470,000 received from the year under review. Out of that a sum of Rs. 3,197,057 had been utilized during the year and the unutilized amount of provision was Rs. 14,798,158.

c) Contrary to the objectives of the establishment of Funds, a sum of Rs. 5,688,895 had been withdrawn during the year 2018 from fixed deposits of 3 Funds in order to settle operating expenses of the Institute of Technology.

d) The total value of 3 Funds as at 31 December 2018 amounting to Rs. 8,125,524 had remained idle over 12 years from the establishment of the said Funds, without utilizing any activity. Further four Funds valued at Rs. 2,070,147 had been remained unutilized for the intended purpose over a period more than 10 years even though funds had been credited.

e) Out of 18 Funds, which had been established in the objective of awarding scholarships for students, what so ever scholarship had not been awarded from 13 Funds amounting to Rs. 1,383,072 during the year under review.

f) A sum of Rs. 477,009 had been paid during the year under review as fines as a result of non-payment of electricity bills in due date.

g) An annual action plan had been prepared by the Institute of Technology for the year 2018 under 07 targets and in examining the progress of achieving the said targets the following observations were made.

(i) Although it had been planned to present 57 research reports allocating budgeted provision of Rs. 1,750,000 in the year under review in order to improve new invention and formation through research, only 31 research reports had been presented during the year under review and a sum of Rs. 215,872 had been incurred thereon.

(ii) It had been planned to implement 3 development programmes for the academic, non-academic and administration staff allocating budgeted provision of Rs. 3,000,000 during the year under review. However, even though only 2 development programes had been implemented incurring a sum of Rs. 114,000 for academic and non-academic staff during the year 2018, whatsoever programme had not been implemented for administration staff.

(iii) Although it had been planned to establish a student development centre , to implement leadership development programmes and to establish a vocational guidance center during the year under review in order to personality development of students, it had not been established even up to 31 December 2018.

(iv) It had been planned to develop an effective Management Information System in the Institute of Technology since the year 2016. Even though the initial preparation activities of the said system were in progress as at 31 December 2018, the expected objectives could not be achieved from the system.

3. Other observations

a) The approved cadre of the Institute as at 31 December 2018 was 258 whilst the actual permanent cadre was 188 and the cadre temporary recruited was 16. There were 54 vacancies when comparing the said actual and approved cadre and there were 03 07 and 44 vacancies of academic, academic assistant and non-academic staff respectively.

b) All Statutory Institutions should be functioned in accordance with the 2030 Agenda for Sustainable Development adopted by the United Nations and the University had taken actions to aware the activities under there purview. However, it had not been included into the annual budget and to the action plan for the year under review and performance indicators and milestones to measure the achievements had not been identified.

W.P.C. Wikramarathne

Auditor General

23. REPLY TO THE AUDITOR GENERAL'S REPORT

Replies to the report of the Auditor General on the Financial Statements and Other Regulatory Requirement of the Institute of Technology of the University of Moratuwa for the year ended 31 December 2018 in terms of Section 12 of the National Audit Act No. 19 of 2018.

Audit Opinion	Description / Action taken
1.1 Qualified Opinion	**1.1 Qualified Opinion**
1.2 Basis for Qualified Opinion	**1.2 Basis for Qualified Opinion**
1.2.1 Compliance with Sri Lanka Public Sector Accounting Standard a) As a result of that the useful life time had not been reviewed annually, even though property plant and equipment at a cost of Rs.11, 993,585 had been completely depreciated as at 31 December 2018, those assets were in use. Accordingly, actions had not been taken to make corrections in connection with the estimated error occurred in estimating depreciation rates as per the Sri Lanka Public Sector Accounting Standards No.03. b) The Institute had filed a suit in the Moratuwa District Court against to an external institute for claiming compensation amounting to Rs. 05 Million and the defendant of that suit had produced an appeal to the high court in respect of the said suit. Disclosure had not been made in the financial statements in this regard as per the Sri Lanka Public Sector Accounting Standard No. 08.	**1.2.1 Compliance with Sri Lanka Public Sector Accounting Standard** a) Information technology equipment valued at Rs. 431,250 had been sold in the auction held on October 2018. It was notified that actions to be taken to assess the value of fixed assets which were in use after completing the useful life time and to enter into the financial statements presented in the year 2019. b) Relevant officers had been informed to present legal events as notes in presentation of annual accounts for the coming year.

Audit Opinion	Description / Action taken
1.2 Qualified Opinion	**1.2 Qualified Opinion**
c) The Cash flow statement should be prepared as per the Sri Lanka Public Sector Accounting Standard No. 02. However, the following observations were made in this regard (i) Paying money for acquisition of property, plant and equipment, intangible assets and other long term assets and receiving money by sale of those assets should be disclosed separately and net effect of the cash flow on purchase and sale of investment should be reported in the cash flow statement. However, the net investment value of Rs. 5,108,867 occurred as a result of releasing fixed deposit investment of Rs. 5,712,172 and reinvesting the interest income of Rs. 603,306 had not been shown as a cash flow generated on investment activities. (ii) The value of net adjustment of Rs. 2,895,180 made for correction of accounting errors relating to operating income and expenses for the year 2017 which had not affected to the deficiency generated from operating activities of the year 2018 had been shown under the non-financial movements of the cash flow statement for the year under review. As a result, the net cash flow generated from the operating activities had been overstated by Rs. 2,895,180.	c) (i)/ (ii)/ (iii)/ (iv) Relevant officers had been informed to rectify the adjustments in connection with cash flow statement.

Audit Opinion	Description / Action taken
1.3 Qualified Opinion	**1.3 Qualified Opinion**
(iii) The net value of Rs. 10,303,605 relating to expense of gratuity provision for the year 2018 amounting to Rs. 11,095,168 and payment of gratuity of Rs, 791,562 had been shown under the non-financial movements instead of being shown separately as a cash inflow and outflow in the cash flow statement. (iv) The grant of Rs. 2,200,000 received to the Institute of Technology from the Ministry of Higher Education as Rs. 1,500,000 for the Reinstallation and Development Project and Rs. 700,000 for aesthetic activities had been utilized for the intended purposes. However, the said cash outflow had not been presented in the cash flow statement thus the cash flow generated on investment activities had been overstated by Rs. 2,200,000.	

Audit Opinion	Description / Action taken
1.2.2 Other Accounting Deficiencies	**1.2.2 Other Accounting Deficiencies**
a) A sum of Rs. 6,303,404 received during the year as hostel fees had not been recognized as an income for the year and it had been taken in to accounts as differed income.	a) This fund was shown as a differed income as per the instructions given by the Audit Committee to be remained for activities of hostel maintenance. However, criteria for all funds are being in progress and this fund is included in it as well.
b) Although the revenue generated during the year under review from the services of conducting short term courses, supplying consultancy services and making practical assignments in other Higher Education Institutes amounting to Rs. 4,402,087 and expenditure thereon amounting to Rs. 3,805,568 should be shown separately in the financial performance statement, the difference between the total receipts and payments amounting to Rs. 596,510 had been taken only into accounts as differed income.	b) It was noted that revenue and expenditure in respect of conducting short courses, supplying consultancy services and practical assignments of other higher education centers to show in the financial statements as you pointed out.
c) A sum of Rs. 2,104,236 paid during the year under review for the electricity bill of December 2017 had been taken into accounts as a recurrent expenditure of the year thus the expenditure of electricity for the year under review had been overstated by Rs. 2,104,236 and the deficit for the year had been overstated by the same amount.	c) The payment made in January 2018 for electricity had been debited to the electricity expenses account by mistake even though it should be debited to the accrued expenses account. It was noted to make corrections.
d) Although various stock items of the medical centre conducted in the Institute of Technology should be disclosed in the financial statements, the said balance had not been verified and shown in the accounts.	d) Rectifications will be made after making adjustments with the annual accounts for the year 2019.

Audit Opinion	Description / Action taken
1.2.2 Other Accounting Deficiencies	**1.2.2 Other Accounting Deficiencies**
e) Accounting errors made in the previous year not being corrected.	
(i) The grant received for Reinstallation and Development Project during the year 2018 amounting to Rs. 3,499,000 and the expenditure incurred thereon amounting to Rs. 186,667 had been considered as recurrent revenue and recurrent expenditure respectively. Therefore, the deficit on the operations for the year 2018 had been understated by Rs. 3,312,333.	(i) It was noted to present relevant corrections with the annual accounts for the year 2019.
(ii) The cost of Rs. 11,767,051 incurred during the year 2017 for the Diyagama Reinstallation and Development Project had not been shown under the working progress and had been recognized as an expenditure in the statement of income. Further grant of Rs. 5,000,000 received for the year 2017 for the above expenses and the error occurred in accounting as operating income had not been rectified. Hence the total deficit had been overstated by Rs. 5,360,051 and the working progress account had been understated by Rs. 11,767,051.	(ii) It was noted to make relevant corrections in the said accounts.

Audit Opinion		Description / Action taken
2.2 except for the observations mentioned below to state that the Institute has not complied with any applicable written law, general and special directions issued by the governing body of the Institute as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018		
Reference to laws rules and regulations	**observation**	
Paragraph 45 (2) (1) (xv) of the University Act	Although any money belong to the University should be invested legally in a security or should be deposited as a fixed deposit in a bank of which the Commission had approved, it was observed that a sum of Rs. 3,082,004 relating to 6 funds had been remained in a current account of the Institute without utilizing for any investment activity.	a) The sum of Rs. 204,676.00 pointed out by you was not a fund account but a capital account for sundry expenses of Marine Studies Section. Regarding the rest of that, actions had been taken to invest funds until the criteria prepared. However, said funds had been incurred for recurrent expenditure due to insufficient recurrent provision.
Financial Regulation 757 (c) 2 (a)	Although board of survey reports should be submitted to the Auditor General, the said reports had not been submitted even up to 10 May 2019.	b) Ten boards of survey had been appointed for survey activities of the Institute of Technology for the year ended 31 December 2018 and inform to the Chairmen of relevant Board of Surveys on 14 December 2018. Accordingly reports of 5 boards had been received and after reminders it had agreed to submit the rest of survey reports before 30 May 2019. The reports already received had been submitted to the Auditor General and actions will be taken to submit the rest of reports to the Audit Section as soon as received.

<table>
<tr><th>Audit Opinion</th><th>Description / Action taken</th></tr>
<tr><td>
<table>
<tr><th>Reference to laws rules and regulations</th><th>observation</th></tr>
<tr><td>Financial Regulation 445</td><td>Although cash books should be maintained for every account, a cash book had not been maintained for the collection account No. 83062337 conducted by the Institute of Technology.</td></tr>
</table>
</td><td>c) A cash book had been opened for the account No.83062337 up to now.</td></tr>
<tr><td>2.4. to state that the resources of the Institute had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018 .

a) A provision for capital activities amounting to Rs. 4,270,000 received for the year 2018 had been shown as Rs. 6,470,000 in the final account and a provision of Rs. 2,220,000 received not from the Annual Budgeted Provision but from the Ministry of Higher Education for Reinstallation and Development Project and aesthetic activities was included in the above capital receipts. Further out of the capital provision of Rs. 4,270,000 received in the year 2018, a sum of Rs. 2,250,000 had been remained in the recurrent bank account up to the end of the year 2018.</td><td>a) All funds relating to recurrent and capital expenditure are credited to recurrent account. Out of that a sum of Rs. 2,020,000.00 had been credited to capital account and the value of capital expenditure incurred from the recurrent account during the years 2017, 2018 was Rs. 1,740,550.90. It was noted that the rest of the funds to be credited to the capital account in the year 2019.</td></tr>
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Audit Opinion	Description / Action taken
b) Total capital provision at the beginning of the year under review was Rs. 17,995,214 including Rs. 11,525,214 received from the General Treasury in few years' time and a sum of Rs.6, 470,000 received from the year under review. Out of that a sum of Rs. 3,197,057 had been utilized during the year and the unutilized amount of provision was Rs. 14,798,158.	b) It was noted to be taken necessary actions after searching in this regard.
c) Contrary to the objectives of the establishment of Funds, a sum of Rs. 5,688,895 had been withdrawn during the year 2018 from fixed deposits of 3 Funds in order to settle operating expenses of the Institute of Technology.	c) The fixed deposit funds pointed out by you had to be withdrawn because a sufficient amount of government grant for recurrent expenditure had not been received. Hence an investment namely Divisional Development Fund – Electrical mentioned in it had been taken in to revenue as it had not been accepted by the bank as fixed deposits.
d) The total value of 3 Funds as at 31 December 2018 amounting to Rs. 8,125,524 had remained idle over 12 years from the establishment of the said Funds, without utilizing any activity. Further four Funds valued at Rs. 2,070,147 had been remained unutilized for the intended purpose over a period more than 10 years even though funds had been credited.	d) These funds had been invested already in fixed deposits and request had not been made for making payment from these funds up to now.

Audit Opinion	Description / Action taken
e) Out of 18 Funds, which had been established in the objective of awarding scholarships for students, what so ever scholarship had not been awarded from 13 Funds amounting to Rs. 1,383,072 during the year under review.	e) Most of these scholarships are awarded in the Diploma Awarding Ceremony held for students and even though applications had been called for awarding diplomas for the year 2018, it was stroked by students. Hence such function had not been held up to now.
f) A sum of Rs. 477,009 had been paid during the year under review as fines as a result of non-payment of electricity bills in due date.	f) The budgeted provision received for recurrent expenditure of the Institute for the year 2018 was not sufficient. As a result, some amount of interest had to be paid for electricity expenses.
g) An annual action plan had been prepared by the Institute of Technology for the year 2018 under 07 targets and in examining the progress of achieving the said targets the following observations were made.	
(i) Although it had been planned to present 57 research reports allocating budgeted provision of Rs. 1,750,000 in the year under review in order to improve new invention and formation through research, only 31 research reports had been presented during the year under review and a sum of Rs. 215,872 had been incurred thereon.	(i) Existence of 11 internationally presented research papers in the year 2018 can be seen as a qualitative improvement. However, actions will be taken to improve the number of research reports presented in annual sessions.

Audit Opinion	Description / Action taken
(ii) It had been planned to implement 3 development programmes for the academic, non-academic and administration staff allocating budgeted provision of Rs. 3,000,000 during the year under review. However, even though only 2 development programes had been implemented incurring a sum of Rs. 114,000 for academic and non-academic staff during the year 2018, whatsoever programme had not been implemented for administration staff.	(ii) Administrative officers should be referred to external institutes for development programmes relevant to them. Nevertheless, there were no opportunities to refer for further training programmes as a result of minimizing provisions received during the year under review. It is expected to be providing more opportunities for training in coming year for those officers.
(iii) Although it had been planned to establish a student development centre , to implement leadership development programmes and to establish a vocational guidance center during the year under review in order to personality development of students, it had not been established even up to 31 December 2018.	(iii) A Student Development Committee had been established in the Institute in order to introduce a new system for personality development of students. Further, several Programmes of Student Leadership Development had been conducted during the year 2018.
(iv) It had been planned to develop an effective Management Information System in the Institute of Technology since the year 2016. Even though the initial preparation activities of the said system were in progress as at 31 December 2018, the expected objectives could not be achieved from the system.	(iv) Initial actions relating to information system are being taken in order to maintain information of students as per the requirement of the Institute. However it could not be taken into use practically during the year 2018.It is expected to be used the software which is in progress for registration of students coming year.

Audit Opinion	Description / Action taken
3. Other observations	**3. Other observations**
a) The approved cadre of the Institute as at 31 December 2018 was 258 whilst the actual permanent cadre was 188 and the cadre temporary recruited was 16. There were 54 vacancies when comparing the said actual and approved cadre and there were 03 07 and 44 vacancies of academic, academic assistant and non-academic staff respectively.	a) Although applications had been called for all vacancies during the year 2018, recruitment could not be completed due to unavailability of qualified applicants. However academic staff is recruited on temporary basis as per the service requirement.
b) All Statutory Institutions should be functioned in accordance with the 2030 Agenda for Sustainable Development adopted by the United Nations and the University had taken actions to aware the activities under there purview. However, it had not been included into the annual budget and to the action plan for the year under review and performance indicators and milestones to measure the achievements had not been identified.	b) Sustainable Development A Sustainable Development Committee was appointed in the chairmanship of a senior lecturer to be implemented in the activities of achieving sustainable development goals. The relevant Committee had identified several objectives and fields of targets and attention was paid for operations implemented by the Institute for the said objectives. The requirement of entering the said objectives to Action Plans for achieving identified objectives had come to light. The first report prepared by the appointed Committee was presented to the Board of Management on 21 February 2019 and the Board of Management had decided that the Sustainable Goals which were already identified should be included in the Action Plan. Actions were already commenced in order to fulfil activities relating to prepare an Action Plan (2020-2025) for the Institute and it is scheduled to be applied recommendations of the Sustainable Development Committee to the relevant Action Plan. Matters relating to measure the progress of identified objectives and implementing and identifying relevant milestones will be considered in coming sessions of the Committee.

Sgd. - Major General (Retd) S.K. Thirunavukarasu RSP VSV USP
Competent Authority
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