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National Transport Medical Institute

Introduction

This institution initially established at the premises of Rathmalana Depot to provide medical facilities for the employees of South Western Bus Company Ltd. was taken under the possession of Ceylon Transport Board with the nationalization of bus companies in 1958. After the nationalization it was named as “CTB Medical Division”. Thereafter this institution was relocated at No. 170, Highlevel Road, Nugegoda aiming at expansion of services provided by it, functioning in accordance with the National Transport Medical Institution Act No. 25 of 1997 as a revenue generating Government Statutory Institution under the Ministry of Transport. Twenty five (25) branch offices have been established throughout the country to achieve its prime objectives.

This institution targets to achieve its goals in providing required services for issuance of medical reports conducting proper medical examinations for heavy vehicle and light vehicle drivers, through the Head Office and the branch offices in line with the vision of the institute.

Chairman and the Board of Directors

Chairman

- Mr. G.Y.A.R. Pushpa Kumara

Board of Directors

- Mr. K.G. Dharmathilake (Ex-officio member)
Senior Assistant Secretary (Admin),
Ministry of Transport

Mr. Sanath Perera (Ex-officio member)
Additional Director General,
Dept. of Trade and Investment Policy,
General Treasury

Mr. W.D.A. Dhananjaya (Ex-officio member)
Assistant Superintendant of Police (Motor Traffic),
Police Head Quarters

Mr. A.P. Hemachandra (Ex-officio member)
Chairman,
National Transport Commission

Mr. Mangala Wijesinghe (appointed member)

Dr. M.M.I.K. Wanninayake (appointed member)

Mr. S. H.K. Samaraweera (appointed member)

Secretary to the Board of Directors - Ms. Chintha Damayanthi

Senior Management of the Institute

Chief Medical Officer	-	Dr. (Mrs.) K.S.M. Samarasekara
Accountant	-	Ms. C.P.I.N.Perera BSc.(Sp) Degree in Business Management, University of Sri Jayawardenepura Member, Association of Accounting Technicians (MAAT)
Internal Auditor (Cover up duty)	-	Mr. S.P.A.S. Dissanayake Bcom. (Special) Degree, University of Kelaniya Certified Business Accountant (CBA) Member, Association of Accounting Technicians (MAAT)
Administrative Officer	-	Mrs. H.H.R.K. Herath BSc. Degree in Business Management, University of Sri Jayawardenepura Higher Diploma in Human Resources Management (National Institute of Business Management)
Registered address of the Institution-		No. 170, Highlevel Road, Nugegoda
Official Telephone No.	-	0112-852868
Official Telephone No.	-	0112-809305
Official email address	-	ntmi@sltnet.lk
Official web site	-	www.ntmitransmed.org
Official Bank	-	Bank of Ceylon

Message of the Chairman

I took measures to achieve the goals of the Institution providing the required services in relevant to issuance of medical reports conducting advanced and qualitative medical examinations for heavy vehicle drivers as well as the light vehicle drivers via the Head Office and the branches throughout the country in accordance with the power vested by the National Transport Medical Institute Act of 1997 in line with the Mission of the Institution.

Accordingly, accomplished qualitative service through implementation of strategic plans required to achieve the objective of the Institution following actions to maintain good health condition for all the drivers in Sri Lanka with the improvement of quality of service provided to the clients inculcating positive attitudes among the staff serving in the Institution

As the Chairman of the Institution, I sincerely thank the Board of Directors, Senior Management who represented the respective year for the commendable support extended to achieve the progress in year 2016 while focusing the attention to provide efficient and qualitative service to the customers of the Institute.

Mr. G.Y.A.R.Pushpakumara
Chairman
National Transport Medical Institution

Vision

Placing a healthy driver behind each steering wheel

Mission

Certify physical and mental fitness conducting qualitative medical tests for all the candidates applied for driving licenses being the pioneer in the medical field of Sri Lanka.

Objectives

- ☒ Examine physical and mental fitness of all the applicants for driving licences.
- ☒ Improve the quality and security aspects of the licences issued to candidates
- ☒ Achieve quality of service through proper human resources management

Functions of the Institute

- a. Providing medical services to drivers and operators of all types of vehicles including heavy vehicles.
- b. Examine and issuing certificates of physical and mental fitness to drivers and operators of all types of vehicles including heavy vehicles.
- c. Subject drivers and operators of all types of motor vehicles to medical examinations and make recommendations regarding their qualifications and suitability.
- d. Providing necessary medical services and assistance in road accidents relating to any type of motor vehicles.
- e. Ensure that all types of motor vehicles are driven and operated only by persons physically and mentally fit, by the institution itself.
- f. Providing medical advice and recommendations on industrial hygiene and industrial accidents.
- g. Formulation of relevant standards and fixing of limits pertaining to Transport Medical Activities to be followed by relevant implementing authorities.

Current Performance

Analysis of the medical reports issued to the applicants of driving licences following medical examinations during this year as the prime function of the institution, under the guidance of the Chairman appointed as the Chief Executive Officer and the Board of Directors is given below;

Medical examinations conducted up to 31 December 2016

Group which conducted the Medical examinations	No. of Medical Examinations	No. of drivers and driving licence applicants who temporarily failed the medical examination due to health reasons	Percentage of drivers and driving licence applicants who temporarily failed the medical examinations
Head Office	102,302	7,739	7.56
Kandy	38,280	3,684	9.62
Galle	31,174	1,828	5.86
Kurunegala	65,886	5,460	8.29
Anuradhapura	37,594	4,683	12.46
Hambantota	30,332	2,102	6.93
Ratnapura	26,693	1,314	4.92
Badulla	25,277	2,041	8.07
Moneragala	17,980	1,472	8.19
Ampara	21,145	2,244	10.61
Batticaloa	21,070	1,456	6.91
Werahera	65,326	8,892	13.61
Matara	21,898	1,827	8.34
Vauniya	11,065	1,012	9.15
Mannar	4,781	191	3.99
Trincomalee	16,529	2,004	12.12
Kilinochchi	10,648	907	8.52
Jaffna	24,836	3,202	12.89
Gampaha	77,898	5,703	7.32
Kaluthara	30,087	2,171	7.22
Matale	23,345	2,348	10.06
Kegalle	23,000	2,066	8.98
Mulativu	7,471	666	8.91
Nuwara Eliya	13,993	1,208	8.63
Pollonnaruwa	19,730	2,110	10.69
Puttlam	28,926	1,392	4.81
Total	797,266	69,722	8.75

Total numbers of 797,266 medical tests were conducted up to 31 December 2016 and 8.75% out of this were recommended as not allowed to engage in driving jobs due to health reasons by the medical officers. According to these statistics it has been proved that 8-9 persons for 100 applicants are unfit for driving due to health reasons.

Comparison of the number of medical examinations conducted in year 2015 and 2016

No. of medical examinations	Heavy vehicles	Renewal of Heavy vehicles	Route permits	Light vehicles	Medical examinations for accidents	Total
2016	33,851	118,115	6,732	634,809	3,759	797,266
2015	28,556	159,375	7,690	548,542	2,681	746,844

As a large number of customers attended to obtain service of the institute in year 2016 compared to year 2015, the institute was kept open to provide an efficient and convenient service to the customers (21st November to 31st December 2016).

According to the number of customers referred to the institution by the Department of Police and Courts it has been identified that 7-9% of them are physically and mentally unfit to drive a vehicle. Therefore the institute has contributed to minimize the road accidents by certifying that the drivers who are medically unfit are not driving vehicles.

No. of customers referred to medical tests by the Department of Police and Courts.						
Year	Up to 31 December 2015			Up to 31 December 2016		
Month	No of customers	Failed No.	% of failed customers	No of customers	Failed No.	% of failed customers
January	185	19	10.27	265	25	9.43
February	197	16	8.12	276	21	7.61
March	220	13	5.91	299	19	6.35
April	145	17	11.72	256	27	10.55
May	224	26	11.61	318	18	5.66
June	246	13	5.28	321	36	11.21
July	254	16	6.30	338	50	14.79
August	228	19	8.33	364	31	8.52
September	261	17	6.51	341	22	6.45
October	248	27	10.88	352	30	8.52
November	243	14	5.76	358	33	9.21
December	230	13	5.65	271	35	12.91
Total	2,681	210	7.83	3,759	347	9.23

- Computerization of services has been finalized now. Networking of Gampaha and Verehera branches with the head office has been completed. Organizational works for networking with the Department of Motor Traffic is in progress. Planned to restart the refurbishing works of the first floor in the head office.
- Separate center has been established to provide medical facilities for differently able persons who came to the head office



Treatment Centre for differently able persons

- Anuradhapura branch office which had been maintained at the government building near the Anuradhapura public playground was temporarily shifted to a private building in Anuradhapura New Town from 01.06.2016 and it will be operated there until construction of new building is completed.
- Trincomalee branch which was established in the Trincomalee Kachcheri Complex was shifted to the office premises provided by the Department of Motor Traffic on 23.06.2016 with the aim of more efficient service delivery.



Trincomalee Branch Office

- Two days programme on positive thinking was conducted for the staff of the institute aiming at more productive service delivery.



- "Rajarata Navodaya" in Pollonnaruwa district

A programme for issuance of medical certificate to the applicants of driving licences was implemented for 10 days from 01st - 23rd July as a short term project which had been proposed under the "Rajarata Navodaya" Presidential programme in Pollonnaruwa district.



“Rajarata Navodaya” Presidential Programme

Date	Divisional Secretariat	No. of Customers
01.07.2016	Medirigiriya	132
02.07. 2016	Medirigiriya	220
07.07. 2016	Elahera	352
08. 07. 2016	Hingurakgoda	297
09. 07. 2016	Hingurakgoda	304
12. 07. 2016	Welikanda	284
16. 07. 2016	Dibulagala	284

17.07.2016	Lankapura	397
22.07.2016	Tamankaduwa	275
23.07.2016	Tamankaduwa	262
Total		2,807

“Nilamehewara” in Galle district

Programme for providing medical certificates to the applicants of diving licences was held in the Galle district for 20 days from 30th October to 05th December 2016 under the “Nilamehewara programme”.

Date	District Secretariat	No. of Customers
30.10.2016	Niyagama	300
31.10.2016	Welivitiya Divithura	178
02.11.2016	Elpitiya	273
03.11.2016	Baddegama	418
05.11.2016	Rathgama	185
06.11.2016	Ambalangoda	379
07.11.2016	Galle	380
12.11.2016	Habarauwa	264
13.11.2016	Imaduwa	368
14.11.2016	Yakkalamulla	444
16.11.2016	Hikkaduwa	384
17.11.2016	Bentota	340
20.11.2016	Balapitiya	438
21.11.2016	Karandeniya	373
25.11.2016	Neluwa	410
27.11.2016	Manawila	459
02.12.2016	Gonapeenuwala	327
03.12.2016	Uluvitake	399
04.12.2016	Thawalama	355
05.12.2016	Wanduramba	411
Total		7,085



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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல.
My No.

CTP/A/NTMI/FA/01/2016/33

ඔබේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date

11 January 2018

The Chairman,
National Transport Medical Institute

Report of the Auditor General on the Financial Statements of the National Transport Medical Institute for the year ended 31 December 2016 in terms of Section 14(2) (c) of the Finance Act, No. 38 of 1971

The audit of financial statements of the National Transport Medical Institute comprising the statement of financial position as at 31 December 2016 and the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 13(1) of the Finance Act, No.38 of 1971 and Section 18 of the National Transport Medical Institute Act, No.25 of 1997. My comments and observations which I consider should be published with the Annual Report of the Institute in terms of Section 14(2)(c) of the Finance Act appear in this report.

1.2 Management's Responsibility for the Financial Statements

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

1.3 Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Auditing Standards of Supreme Audit Institutions





(ISSAI 1000 – 1810). Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Institute's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements. Sub-sections (3) and (4) of Section 13 of the Finance Act, No.38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the audit.

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

1.4 Basis for Qualified Opinion

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

2. Financial Statements

2.1 Qualified Opinion

In my opinion, except for the effects of the matters described in paragraph 2.2 of this report, the financial statements give a true and fair view of the financial position of the National Transport Medical Institute as at 31 December 2016 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.



2.2 Comments on Financial Statements

2.2.1 Sri Lanka Public Sector Accounting Standards

The following observations are made.

(a) Sri Lanka Public Sector Accounting Standard 01

(i) According to Section 48 of the Standard, assets and liabilities shall not be offset unless required or permitted by Sri Lanka Public Sector Accounting Standards. However, contrary to it, a debit balance of Rs.170,387 included in the balance of accounts payable amounting to Rs.34,734,817 existed as at 31 December of the year under review, had been understated. As such, the balance receivable and payable had been understated in the financial statements by that amount.

(ii) According to Section 76 (c) of the Standard, assets expected to be realized within 12 months after the reporting date shall be classified under current assets and all other assets under non-current assets. Nevertheless, the total balance itself of the Distress Loan amounting to Rs.18,684,591 had been classified under current assets.

(b) Sri Lanka Public Sector Accounting Standard 07

Six items of fixed assets costing Rs.14,904,369 had been fully depreciated as the useful life of non-current assets had not been reviewed annually. However, they had still been in use. Accordingly, action had not been taken to revise the estimated error in terms of Sri Lanka Public Sector Accounting Standard 03.

2.2.2 Unexplained Differences

Even though a sum of Rs.7,305,478 had been shown in the financial statements as receivables as at the end of the year under review for issuance of medical certificates by the Institute to the Sri Lanka Transport Board, according to the financial



statements of the Sri Lanka Transport Board, the amount payable was Rs.8,352,322, thus indicating a difference of Rs.1,046,844 between the accounts of the National Transport Medical Institute and the accounts of the Sri Lanka Transport Board.

2.3 Accounts Receivable and Payable

The following observations are made.

- (a) Action had not been taken even by 30 June 2017, the date of audit, to recover a sum of Rs.742,312 receivable for the years 2011 and 2012 to the Medical Institute from the Metropolitan Bus Company.
- (b) Sums of Rs.7,305,478 and Rs.5,889,022 recoverable as at the last date of the year under review from the Head Office of the Sri Lanka Transport Board and the Driver Training School of Kalutara respectively to the Medical Institute and out of those values, sums of Rs.3,125,056 and Rs.2,988,254 were balances older than 650 days.
- (c) Sums of Rs.9,595,290 and Rs.17,734,076 had been shown respectively in accounts as bus permit fees and security fees payable to the Sri Lanka Transport Board by the Medical Institute as at 31 December of the year under review and action had not been taken from a period of over 650 days to settle sums of Rs.1,470,832 and Rs.5,576,893 out of the said bus permit fees and security fees respectively.



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

The following instances of non-compliance were observed.

Reference to Laws, Rules and Regulations	Non-compliances
(a) Section 47 of the Employees' Provident Fund Act, No.15 of 1958, Section 9(2) of the Employees' Provident Fund (Amendment) Act, No.1 of 1985 and Section 44 of the Employees' Trust Fund Act, No.16 of 1980	In the computation of contributions for the Provident Fund and the Employees' Trust Fund, interim allowances and special allowances should not be applied. However, contributions had been computed by applying those allowances. As such, overpayments of Rs.5,648,901 and Rs.1,412,225 had been made in the year under review to the Employees' Provident Fund and the Employees Trust Fund.
(b) Section 11 of the Finance Act, No.38 of 1971 and Section 8.2.2 of the Public Enterprises Circular No. PED/12 of 02 June 2003	In the investment of monies owned by the Institute, the concurrence of the Minister of Finance and the approval of the relevant Minister should be obtained. However, the Medical Institute had invested sums of Rs.78,423,506 and Rs.635,895,811 in fixed deposits and Treasury Bills respectively at the end of the year under review only on the approval of the Board of Directors.
(c) Public Finance Circular No. PF/PE 5 of 11 January 2000	Allowances amounting to Rs.3,995,040 had been paid to Medical Officers and officers of the Health and Medical Service based on the circulars issued by the



Ministry of Health without the approval of the Treasury.

(d) Public Administration Circulars

- (i) Circular No. 7/2015 of 26 March 2015 The Institute had granted approval to pay festival advances of Rs.30,000 to officers on the basis of recovery in 10 instalments contrary to provisions of circulars. As such, an overpayment of festival advances amounting to Rs.4,210,500 had been made in the year under review.
- (ii) Circular No.29/2014 of 29 December 2014 Even though the special advance entitled to public officers amounts to Rs.4,000 , advances up to Rs.25,000 had been made exceeding that amount. Accordingly, a sum of Rs.2,746,000 had been overpaid as special advances in the year 2016.

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the financial result of the Institute for the year ended 31 December 2016 had been a surplus of Rs.281,778,132 as compared with the corresponding surplus of Rs.249,514,250 for the preceding year, thus indicating an improvement of Rs.32,263,882 in the financial result for the year under review, as compared with the preceding year. Even though the administration expenditure had increased by Rs.30,019,698, the increase in income from medical services and interest income from fixed deposits and Treasury Bills respectively by Rs.45,814,543 and Rs.30,999,663 had been the main reason for the above improvement.



An analysis of the financial results of the year under review and 04 preceding years revealed that even though there had been a deficit of Rs.13,979,213 in the year 2012, there was a surplus from the year 2013 up to the year under review. In readjusting the employees' remuneration and depreciation for non-current assets to the financial result, the positive contribution of the Institute which was Rs.91,499,130 of the year 2012 had improved continuously to Rs.580,079,715 in the year 2016.

4. Operating Review

4.1 Performance

(a) According to Section 3 of the National Transport Medical Institute Act, No.25 of 1997 the functions of the Institute are as follows.

- (i) To provide medical services and assistance to drivers and operators, operating or driving all categories of motor vehicles including heavy duty vehicles and furnish certificates of physical and mental fitness to such drivers and operators.
- (ii) To provide medical services and assistance in cases of accidents involving any category of motor vehicles and provide advice and special guidance relating to the quantum of compensation or damages payable in cases of accidents.
- (iii) To appoint a panel of suitable medical officers to various districts for the purpose of discharging its functions and render medical advice and recommendations on industrial hygiene and industrial accidents.
- (iv) To ensure either by itself or in consultation with other agencies that motor vehicles of all descriptions are operated or driven by persons who are physically and mentally fit and competent.
- (v) To set standards and prescribe parameters regarding transport medicine to be adopted and implemented by the relevant implementing authorities.



- (b) Nevertheless, services such as providing medical services and assistance to the drivers or operators operating or driving all categories of motor vehicles including heavy duty motor vehicles, providing medical services and assistance in the case of accidents involving any category of motor vehicles, providing medical advice and recommendations on industrial hygiene and industrial accidents, providing advice and special guidance relating to the quantum of compensation or damages payable in cases of accidents, setting standards and prescribing parameters regarding transport medicine to be adopted and implemented by the relevant implementing authorities, setting limitations and providing medical assistance to the drivers and operators serving in the Private Bus Companies had not been carried out.

4.2 Management Activities

The following observations are made.

- (a) A portion of the land allocated for the vehicle park of the Medical Institute had been provided on rent basis without calling for tenders to a private institution for parking vehicles since the year 2012 and a written agreement had not been entered into therefor. Moreover, the income of Rs.1,100,000 from rent in the preceding year had decreased to Rs.990,000 in the year under review. Nevertheless, attention had not been paid thereon.
- (b) Surplus cash balances exceeding Rs.58,277,640 monthly had been inactively maintained in 04 current accounts in the year under review without an interest income throughout the year. Attention had not been paid to invest those surplus monies in an effective manner.
- (c) The Medical Institute had rented out a building to the National Transport Board and had been charging a rent of Rs.5,000 monthly from a period before the year 2004 therefor. A written agreement had not been entered into by both parties in respect of this and steps had not been taken to revise the monthly rent in accordance with the present market value by obtaining a valuation report.



4.3 Delayed Projects

Repairs had been commenced in the year 2013 relating to the second floor of the building of the Medical Institute for operating of office activities and a sum of Rs.4,639,631 had been spent therefor by 31 December 2016. As repairs had not been fully completed, 5,600 square feet of space in that floor had remained idle even by 23 June 2017 without been made use of for any other purpose whatsoever.

4.4 Procurement Process

The Departmental Procurement Committee had decided on 04 June 2016 to obtain the service of the institution that had submitted the minimum quotation out of the bids submitted for obtaining security service for the Institute. However, the Institute had sustained a loss of Rs.5,168,194 from January 2016 to 30 June 2017 by obtaining security services from the Sri Lanka Transport Board under higher quotations. Moreover, in terms of Section 8.9.1 (a) of the Procurement Guidelines, proper agreements should be entered into for contracts exceeding Rs.500,000. Nevertheless, in obtaining that service, the Institute had not entered into a written agreement with the Sri Lanka Transport Board.

4.5 Staff Administration

The following observations are made.

- (a) The Department of Management Services had approved a cadre of 215 for the Western Provincial offices and other provincial offices in the year 2008 considering the requirement of the Institute. However, approval had not been obtained for a Recruitment and Promotion Scheme including salary scales. The actual cadre of the Institute stood at 339 as at 31 December 2016, thus observing an excess and vacancies of 165 and 41 officers respectively.
- (b) Even though an excess cadre existed in the Institute, the posts of General Manager and Chief Accountant which are necessary for administrative activities of the Institute had been vacant. As such, a problematic situation had arisen in respect of delegation of administrative and financial authority.



- (c) Despite having recruited 124 permanent officers exceeding the approved cadre for the posts approved in the Institute, 144 officers had been recruited on contract, daily pay and part time hourly basis without the approval of the Department of Management Services.
- (d) Even though the approved cadre of Medical Officers of the Institute stood at 26, only 11 Medical Officers had been recruited therefor while 127 Medical Officers had been recruited on contract and casual basis without filling the vacancies of 15 Medical Officers on permanent basis. Moreover, recruitments had not been made for the vacant posts of Medical Officer even by 07 June 2017, the date of audit.

5. Accountability and Good Governance

5.1 Presentation of Financial Statements

In terms of Section 6.5.1 of Public Enterprises Circular No. PED/12 of 02 June 2003, the financial statements for the year under review should be presented to audit within 60 days of the closure of the year of accounts. However, the financial statements had been presented on 13 June 2017 with a delay of 03 months.

5.2 Budgetary Control

Variances ranging between 11 per cent and 373 per cent relating to 18 Items of Revenue and variances ranging between 11 per cent and 396 per cent relating to 34 Items of Expenditure were revealed in the comparison of the budgeted and the actual income and expenditure of the Institute for the year 2016, thus observing that the budget had not been made use of as an effective instrument of management control.

6. Systems and Controls

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



Areas of Systems and Controls

Observations

(a) Stock Control

Action not taken to maintain an optimum stock level in order to minimize urgent purchases of drugs.

(b) Income Control

Action not taken in a transparent manner for renting and leasing of properties of the Institute by following a Procurement Process and collection of income during specified periods.

(c) Issue of Medical Certificates

Non-maintenance of a Network Information System on the issue of Medical Certificates by every Branch.

(d) Staff Loans Control

In making payments superseding the circular instructions, payments made only on the approval of the Board of Directors without obtaining approval of the Treasury.

(e) Contract Administration

Procurement of Cleaning and Security Services without entering into service agreements.

(f) Investments

Investment of funds of the Institute externally without proper approval and maintenance of surplus amounts in current accounts in an underutilized manner.

(g) Utilization of Motor Vehicles

(i) Action not taken in terms of the relevant Financial Regulations and Circulars.

(ii) Non-maintenance of Motor Vehicle Log Books and particulars of Motor Vehicles.

W.P.C. Wickramaratne
Additional Auditor General
for Auditor General

Answers to the Audit Report

2.2 Answers to the Report of the Auditor General, on the Financial Statements of the National Transport Medical Institute.

2.2.1 Sri Lanka Public Sector Accounting Standards

(a) Sri Lanka Public Sector Accounting Standard 01

- (i) In purchasing medical needles, payments should be made to the State Pharmaceutical Corporation before the delivery of goods. Therefore the relevant payment has been shown accurately under the Debtors.
- (ii) In future that can be categorized accordingly.

(b) Sri Lanka Public Sector Accounting Standard 07

Noncurrent assets are depreciated under the standard rates for depreciation. As a huge cost has to be incurred to revalue the existing assets of the institution it has not been processed yet. However, it is expected to revalue the assets by appointing an internal board in future.

2.2.2 Unexplained differences

Sri Lanka Transport Board has not given details of the balance amounted to Rs. 8,352,322.00 and therefore reasons for the difference that has been mentioned in the Audit Report could not be clearly stated.

2.3 Accounts Receivable and Payable

(a)

Even the Metropolitan Institute has been informed in writing to settle the payments immediately, they have not responded yet.

(b)

Several reminders were forwarded in writing to the Driver Training Institute, Kaluthara in relevant to the payment of increased amount of tax, However they have not made the payment yet. It is expected to realize from the closest year to the preceding years.

(c)

As agreed with the Sri Lanka Transport Board, it was decided to pay the bills that are due for the past years subsequent to making payment for the closest year. The Sri Lanka Transport Board has not settled the due payments for the closest years even we have settled all the payments due to them. Therefore, it is expected to recover the payments from the closest year to the preceding years.

2.4. Non compliances with Rules Regulations and Management Decisions

(a)

In consultation with the Employee Trust Fund and Employee Provident Fund, the both institutions have instructed that interim allowances and special allowances shall be considered for calculation of contribution fee. Further, it has been revealed by the inquiries made by the other institutions that EPF and ETF are calculated for these allowances.

(b)

However it has been mentioned that Rs. 713 million has been invested in Treasury Bills and Fixed Deposits, Rs. 56 million out of this amount has been invested in a deposit in line with allocation of gratuity. All these are expected to invest in future investments for purchasing lands and constriction of buildings.

(c)

It is very difficult to appoint medical officers and the officers of the paramedical services on permanent/ contract basis to the NTMI. Due to the benefits received by the public officers (including the pension) they are not attracted to the service of the Institute. Therefore these payments are made to retain these staff in the institute. Also payments have been made on approval of the Board of Directors.

(d) (i)

The Board of Directors has approved the payment of Rs. 30,000/- as the festival advance from year 2015 and this amount has not been increased from year 2015.

(ii)

This special advance is provided to the employees as a loan provided by the institute. As per the decision No. 2015/56 of the Board of Directors, approval has been granted to provide book loan amounted to Rs 25,000.00 under 4.2% interest rate. It is informed that the interest rate is also charged accordingly. Earlier, interest has not been charged for this special advance and interest is charged from January 2015 as mentioned in the audit quarries.

3. Financial Review

3.1 Financial Result

4. Operating Review

4.1 Performance

(a)

Functions are being delivered as mentioned in the National Transport Act No. 25 of 1997. While issuing the medical certificates certify the fitness of applicants and the medical instructions are also provided as required.

(b)

Since this institute was established as the medical division of the Sri Lanka Transport Board, all the drivers engaged in SLTB comes to this institute to obtain medical services. These services are provided to the Ceylon-German Technical Training Institute and medical services and assistance is also provided to this institute in relevant to accidents.

1. Also the necessary instructions and recommendations on industrial cleanliness and industrial accidents are provided for personnel referred from these two institutions.

Examples

- i. When a fuel pump operator is referred to our institute for treatments for wheezing, he is advised to wear face mask in addition to medical treatment.
 - ii. When a fuel pump operator is referred to our institute for treatments for defect in hand, he is advised to wear gloves and shoes in addition to medical treatment.
 - iii. The divers who are suffering from regular back aches are advised to use a suitable seat arrangement in addition to medical treatment.(Ergonomic)
2. When members of the SLTB are retired due to medical grounds, this institute also engages in providing services for completion of documents required for applying ETF and EPF. This institute also represented as a Sub Committee Member for the victim or the deceased, in payment of compensation under “*Drive away after knocked down*” in the National Council for Road Safety.
3. Standards for Transport Medical Committees have been formulated at the establishment of the institute and it was printed as a book in year 2006. At present, it is being revised to include the timely adjustments and the criteria for eyes, nose and throat has already been revised.
4. Private bus drivers are referred to our institute by the National Transport Commission for obtaining route permits and its renewals.

4.2. Management Activities

- (a) In rent out the car park to CIB, monthly rental has been calculated as Rs. 75000.00 assuming that the number of days for keeping this institute open is 30, Rs 50/- is charged for each vehicle, 50 vehicles are parked per a day.

The amount of rent payable to NTMI for the car park is decided on the number of days that keeps the CIB open and as the payment of Rs 75,000.00 for each month is not profitable to the institute this decision was given. However the institute earns approximately Rs.75,000.00 as the rental. Due to limited 29 days in the month of February and keeping the CIB closed for seven days in month of May, this amount varies in these months. This decision is profitable to the institute. In deciding a fixed amount for each month it will be more disadvantageous in month of April and December.

However, it has been proposed in several instances to award the contract for refurbish works to an organization selected by calling tenders, it is difficult to provide the car park to an external party without demarcating the extent of land to be renovated in line with the requirements of the institute. Therefore, it is hereby informed that the necessary actions will be taken to provide the car park to an organization selected by calling tenders on an agreement after completion of renovation works that are expected to be commenced in this year.

Further informed that the car park is open from 8.30 am to 8.30 pm and the security officers deployed by CIB are providing security services.

It is expected to take actions as per the decision No. 12/2017 of the Board of Directors in relevant to rent out the car park to the CIB

(b)

It had been scheduled to purchase the land for the proposed building for the Gampaha branch office that was to be constructed in December 2016. The reason is due to longer period taken by SLTB to prepare the excess road to the land. Further, proposed to settle the bills for security charges for the years 2015 and 2016. Even it is delayed to forward these bills to the Accounts Division due to the defects in these. All the expenses have been settled at the beginning of the year 2017. At present, only the substantial amounts to meet the daily payments are maintained in current accounts.

(c)

Requests have been forwarded to the Sri Lanka Transport Board and expected to decide in future after having discussions.

4.3 Projects that are delayed

However the refurbishment works of the second floor of the building is planned to be completed in year 2015 it could not be performed yet. With the change of government in year 2015, 04 Chairmen were appointed time to time for the NTMI.

At the commencement of the refurbishment works the institute did not have required technical knowledge and therefore the assistance of the engineering and technical division of the Western

24 Provincial Council was sought in refurbishment works. However due to various issues the institute face difficulties in completion of refurbishment works.

Designs and estimates for the additional works that has been completed by the Aluvi Glass during refurbishment works of the upper floor of the building has to be redesigned, due to issues arisen in settlement of payments. Accordingly, all these payments are to be referred to the Procurement Committee for settlement.

As per the instructions given by the Hon Minister of Transport and Civil Aviation, Mr. Nimal Siripala De Silva, the Ministerial Procurement Committee has taken actions to call tenders to obtain consultation services for preparation of estimates and subsequently select a contractor by calling public quotations, after preparation of relevant designs. Refurbishment works have been commenced by now and scheduled to be completed in the first quarter 2018.

4.4 Procurement Process

Quotations were called by a paper advertisement published in newspapers, for providing security services for the year 2016 and the following institutions have forwarded the quotations

1. Civil Security Department
2. Rakna Arakshaka Lanka Ltd
3. Sri Lanka Transport Board

Even it was decided to award the tender to the Civil Security Department that has forwarded the lowest price, the institute could not provide their requirements including accommodation and other facilities and therefore the works could not be performed and the security services were obtained by the Sri Lanka Transport Board that is under the purview of the same line Ministry entering into an agreement with them.

This matter was discussed at the Progress Review Meeting held on 18.08.2017 at the Ministry of Civil Aviation and the Secretary to the Ministry instructed to call quotations by a paper advertisement in year 2018 and to obtain security services by the Sri Lanka Transport Board to the same minimum quoted price.

Accordingly, you are informed that the above steps are followed in future in obtaining security services and fresh quotations will be called.

4.5 Staff Administration

(a)

Number of cadre approved in 2008 by the Department of Management Services is 215.

Head office	Branch Offices
121	96

Medical reports for light vehicle drivers were issued only from our institute after 21.03.2013 other than Kegalle, Matale, Nuwara Eliya, Polonnaruwa districts and after 15.12.2014 this function is being performed solely by the institution itself. Cadre revisions required to meet the above requirements have been forwarded to the Department of Management Services in several instances. Approval for the staff has been received in year 2017 and further discussions are under way in relevant to certain positions of the institute.

(b)

As per the cadre review conducted in 2006, a post of Legal Officer/Secretary to the Board of Directors has been approved for the National Transport Medical Institute and a basic salary of Rs. 20,869.00 in JM 1.2 salary scale has been approved for this post as per the Management Services Circular No. 30.

Since its establishment as an independent body permanent appointment had not been made for the post of Legal Officer/Secretary to the Board of Directors in the National Transport Medical Institute and persons were recruited to this post only on temporary basis. Not satisfying the persons who have fulfilled the required qualifications with the stipulated salary and lack of legal matters to be attended would be the reasons.

On the results of cadre review, restructuring works are being conducted at present and it is also proposed to keep the post of Legal officer/Secretary to the Board of Directors at MM1-1 Salary scale. Recruitment procedure should be prepared accordingly.

As an Attorney at law had performed as the Administrative Consultant for the period from 2007 to 2011, his assistance was obtained in dealing with legal matters. At present an amount between Rs.5000.00 – Rs. 10,000.00 is paid to outsource legal advices, since full time engagement in legal matters are not involved. The institute has to incur an additional expense for obtaining service only for the meetings of the Board of Directors, by appointing a permanent officer and therefore Secretary to the Board of Directors has been appointed on temporary basis.

However it is informed that payments will be made for certified work schedule in delivering such duties in the future, until permanent appointment is made.

(c)/ (d)

Among the 144 officers recruited on contract, daily and hourly basis and part time hourly basis, 127 are Medical Officers.

The No. of Medical Officers in the cadre has been mentioned as 26 in the Audit Report and it should be rectified as 22.

Even attempts were made in several instances to recruit Medical Officers on permanent basis following the below given steps, it was not succeeded.

1. Publishing paper advertisements
2. Recruiting Medical Officers on secondary basis through the Ministry of Health

The reason for the failure in all these attempts is lower salaries and allowances and overtime compared to the payment made by the Department of Health.

However medical officers are recruited on contract, daily and hourly basis for the continuous and smooth functioning of the Institute.

There is a dire need for approving cadre for the National Transport Medical Institute and actions are being taken accordingly. A Discussion was held with the National Salaries and Cadre Commission on 22.08.2017 and the requested information have been forwarded to the Department of Management Services with copies to the Ministry of Transport and Civil Aviation.

Accordingly, the cadre has been approved. Approval has been granted to recruit 71 Medical Officers. It is further informed that actions are being taken to solve the current issues and to obtain necessary approval for the recruitment and increment procedures.

5. Accountability and Good Governance

5.1 Presentation of Financial Statements

Financial Statements for the year 2017 has been submitted to the Auditor General on 22.02.2018 for auditing, 07 days prior to the prescribed date.

5.2 Budgetary Control

Details of budgeted income and expenditure and difference between actual income and expenditure have been presented to the Audit division.

6. Systems and Control

(a)

Pharmaceuticals are not purchased as an emergency purchases. It is difficult to maintain adequate stocks since this institute also issues the medicines prescribed by the Consultants Physicians outside the institute. Due to these reasons approval was granted by the then Chairman to purchase pharmaceuticals valued at Rs 40,000.00 at a one time. At present all the pharmaceuticals are purchased from the State Pharmaceutical Corporation.

(b)

Only the car park at Nugegoda and building at which maintain Kaluthara training School have been leased out by the institute.

Income for the car park leased out to CIB is received to our institute properly and only the amounts due from the Kaluthara training School has been delayed even the SLTB has agreed to pay these amounts.

(c) Networking has been completed in every branch office.

(d) Book loan, festival advance has been forwarded for the approval of the Board of Directors.

(e) Cleaning services and security services are obtained on contract agreements and annually enter into new agreements.

- (f) Additional amounts in the current accounts are invested in the Treasury Bills under the approval of the Chairman.
- (g) Log entries are being maintained.

Actions Taken to Enhance the Performance of the National
Transport Medical Institute, in the Year 2016

- 1) As more clients came to obtain the service of the institute in year 2016 compared to the year 2015, action were taken to issue the medical certificates keeping the institute open in Saturdays, for the convenience of the clients.
- 2) Computerization of the services and networking of Gampaha and Werahera branches with the Head Office has been completed.
- 3) Established Treatment Centre for the disabled persons who came to the Head Office
- 4) Trincomalee branch which had been established in the Trincomalee Kachcheri Complex was shifted to the office premises provided by the Department of Motor Traffic with the aim of more efficient service delivery.
- 5) Two days programme on positive thinking was conducted for the staff of the institute aiming at more productive service delivery.
- 6) A programme for issuance of medical certificate to the applicants of driving licences was implemented for 10 days, under the "Rajarata Navodaya" Presidential Programme in Pollonnaruwa district.
- 7) A programme for providing medical certificates to the applicants of diving licences was held in the Galle district for 20 days under the "Nilahewara programme".

National Transport Medical Institute

STATEMENT OF FINANCIAL POSITION

YEAR ENDED 31ST DECEMBER 2016

	Notes	2016 Rs.	2015 Rs.
ASSETS			
Non Current Assets			
Property Plant & Equipment	4	124,936,257.33	127,096,239.00
Work in progress - Construction		4,639,631.64	4,639,631.64
Investments	5	658,274,427.43	654,427,444.69
Investment for Gratuity Fund	6	56,044,889.89	53,308,370.02
Total Non Current Assets		843,895,206.29	839,471,685.35
Current Assets			
Inventories	7	10,781,843.50	9,893,326.31
Accounts Receivables	8	14,623,916.52	10,990,876.95
Other Receivables	9	69,901,928.37	40,305,548.46
Cash & Cash Equivalencies	10	112,218,963.80	58,486,330.01
Total Current Assets		207,526,652.19	119,676,081.73
TOTAL ASSETS		1,051,421,858.48	959,147,767.08
CAPITAL & RESERVES			
Capital		62,099,697.33	62,099,697.33
General Reserve		22,682,287.89	22,682,287.89
Accumulated Profit		860,407,222.92	778,629,090.98
Total Equity		945,189,208.14	863,411,076.20
Non Current Liabilities			
Provision of Gratuity	11	51,549,589.09	47,481,870.57
Fidelity Fund Payable	11	80,350.00	70,000.00
		51,629,939.09	47,551,870.57
Current Liabilities			
Accounts Payable	12	34,734,816.66	28,325,049.88
Accrued Expenses	13	7,878,159.23	11,254,078.31
Other Payable	14	11,989,735.36	8,605,692.12
		54,602,711.25	48,184,820.31
TOTAL EQUITY & LIABILITIES		1,051,421,858.48	959,147,767.08

It is certified that the Financial Statements of National Transport Medical Institute have been prepared and presented in compliance with Sri Lanka Public Sector Accounting Standards.

 C.F.I.N. Perera
Accountant
National Transport Medical Institute
No 170, Highlevel Road,
Nugegoda.

Accountant

The Accounting Policies on pages 35 to 36 and Notes to the Financial Statements on pages 37 to 53 from an integral part of these Financial Statements. The Board of Directors is responsible for the preparation and presentation of these Financial Statements. Signed on behalf of Board by ;

 M.B.R.S. De Silva
Chairman
National Transport Medical Institute
170, High Level Road,
Nugegoda.
Board of Director

 K. A. S. S. K. Perera
Additional Director General
Department of Development Finance
Ministry of Finance
The Secretariat
Colombo 03.
Board of Director

National Transport Medical Institute

STATEMENT OF FINANCIAL PERFORMANCE

YEAR ENDED 31ST DECEMBER 2016

		2016	2015
<u>Revenue</u>	Notes	Rs.	Rs.
Main Medical Service Income	15	619,184,200.00	573,369,657.00
Profit from Pharmacy	23	1,284,908.15	1,252,286.97
Loan Interest	17	821,311.04	662,363.95
FD & TB Interest	18	65,430,455.15	34,430,793.90
Other Income	19	2,013,884.55	1,263,178.00
TOTAL REVENUE		688,734,758.89	610,978,279.82
<u>Expenses</u>			
Administrative Expenses	20	278,764,210.97	248,744,512.73
Establishment Expenses	21	121,854,914.12	106,133,515.10
Other Expenses	22	6,337,501.86	6,586,001.05
TOTAL EXPENSES		406,956,626.95	361,464,028.88
NET PROFIT		281,778,131.94	249,514,250.94

The Accounting policies and notes on page 37 through 53 from an integral part of the Financial Statement.

National Transport Medical Institute

CHANGES IN EQUITY STATEMENT

YEAR ENDED 31ST DECEMBER 2016

	Capital	General Reserve	Accumulated profit/(Loss)	Total
Balance as at 1 st January 2015	62,099,697.33	22,682,287.89	528,563,508.39	613,345,493.61
Net profit for the period 2015			249,514,250.94	249,514,250.94
Previous Year Adjustment			551,331.65	551,331.65
Balance as at 31 st December 2015	62,099,697.33	22,682,287.89	778,629,090.98	863,411,076.20
Balance as at 1 st January 2016	62,099,697.33	22,682,287.89	778,629,090.98	863,411,076.20
Net profit for the period 2016			281,778,131.94	281,778,131.94
Contribution to the Consolidated fund of Treasury			(200,000,000.00)	(200,000,000.00)
Balance as at 31 st December 2016	62,099,697.33	22,682,287.89	860,407,222.92	945,189,208.14

The Accounting policies and notes on page 37 through 53 from an integral part of the Financial Statement.

National Transport Medical Institute

CASH FLOW STATEMENT

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
<u>Cash Flows From Operating Activities</u>		
Net Profit / (Loss) From Ordinary Items	281,778,131.94	249,514,250.94
Adjustments For Depreciation	19,537,371.92	10,874,956.36
Provision For Gratuity	4,872,655.02	5,768,275.25
Profit On Sale Of Asset	(753,035.00)	-
Interest on Investment	(65,430,455.15)	(34,430,793.90)
Operating Profit Before Working Capital Changes	240,004,668.73	231,726,688.65
Increase/(Decrease) In Inventories	(888,517.19)	(2,452,948.75)
Increase/(Decrease) In Accounts Receivable	(3,633,039.57)	(3,190,596.70)
Increase/(Decrease) In Other Receivable	(29,596,379.91)	(4,958,712.03)
Increase/(Decrease) In Accounts Payable	6,409,766.78	887,448.27
Increase/(Decrease) In Accrued Expenses	(3,375,919.08)	1,806,907.89
Increase/(Decrease) In Other Payables	3,384,043.24	1,577,898.62
Increase/(Decrease) in Fidelity Fund	10,350.00	6,550.00
Adjustment Of Prior Year	-	551,331.65
Cash Generated From Operation	212,314,973.00	225,954,567.60
Payment Of Gratuity	(804,936.50)	(5,684,281.00)
Contribution to the Consolidated fund of Treasury	(200,000,000.00)	-
Net Cash Flow From Operating Activities	11,510,036.50	220,270,286.60
<u>Cash Flows From Investment Activities</u>		
Purchase Of Property Plant & Equipment	(17,377,390.25)	(30,267,188.08)
Work in progress - Construction	-	(1,019,499.95)
Purchase Of Investments (net)	(6,583,502.61)	(285,366,537.79)
Interest on Investment	65,430,455.15	34,430,793.90
Sale Proceed From Sale Of Asset	753,035.00	-
Net Cash Used In Investing Activities	42,222,597.29	(282,222,431.92)
Net Increase In Cash And Cash Equivalents	53,732,633.79	(61,952,145.32)
Cash And Cash Equivalents At Beginning Of Period	58,486,330.01	120,438,475.33
Cash And Cash Equivalents At End Of Period	112,218,963.80	58,486,330.01

The Accounting policies and notes on page 37 through 53 from an integral part of the Financial Statement.

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

1 Corporate Information

1.1 General

National Transport Medical Institute was established in terms of the National Transport Medical Institute Act No 25 of 1997 of the government of the Democratic Socialist Republic of Sri Lanka. The registered office of the Institute is located at No 170, High Level Road, Nugegoda.

The Institute expanded its services through out the island and made a policy decision to establish a branch per district and covered whole island by 25 branches excluding Head office.

1.2 Principal Activities and Nature of Operations

The vision of the organization is to provide transport medical care to the nation. As a preliminary step to achieve the vision, National Transport Medical Institute performs a medical examination on driver applicants at the recruitment and periodically.

In addition to that medically assess the drivers who are being referred by courts and by the traffic police and submit medical reports to courts. National Transport Medical Institute also provide medical fitness certificates for private bus drivers when obtaining their route permit and certify medical fitness of drivers applying from government and private sector organizations. The organization performs a pre employment medical assessment of employees of SLTB.

It also provides an out door patient's treatment unit for employees of SLTB and German Technical school.

2 Statement of Compliance

The Financial Statements of the Institute have been prepared in accordance with Sri Lanka Public Sector Accounting Standards.

2.1 Basis of Preparation

The Financial Statements of the Institute have been prepared on a historical cost basis. The preparation and presentation of the Financial Statements are in compliance with the Sri Lanka Public Sector Accounting Standards No 1.

The Financial Statements are presented in Sri Lankan Rupees (LKR).

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

3 Summary of Significant Accounting Policies

3.1 Property Plant and Equipment

Property Plant and Equipment is initially stated at cost. If the cost incurred are related with the improvement of the capacity of Property Plant & Equipment and life time of the Property Plant & Equipment which are recognized as cost of Property Plant & Equipment. All other repair and maintenance costs are recognized in the profit and loss incurred.

Depreciation is calculated on a straight line basis over the useful life of assets as follows;

Building	-	40 Years
Machinery	-	10 Years
Furniture & Fittings	-	10 Years
Vehicle	-	5 Years
Medical Equipment	-	10 Years
Parapet Wall	-	40 Years
Computer Equipment	-	4 Years

Property Plant and Equipment are depreciated from the date of purchased

3.2 Inventories

The inventories are valued at cost.

3.3 Benefit of Gratuity

The Institute is liable to pay gratuity in terms of the relevant statute. Special provisions are made for the employees who were transferred from CTB to National Transport Medical Institute at the stage of formation of National Transport Medical Institute. Board decisions are obtained for these special provisions. Based on the both situations the provisions are made in the each year.

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

4

Assets Category	Cost as at 2016.01.01	Purchases for the Year 2016	Disposal for the Year 2016	Cost as at 2016.12.31	Accumulated Depreciation as at 2016.01.01	Depreciation For the Year 2016	Disposal for the Year 2016	Accumulated Depreciation as at 2016.12.31	Net value
Freehold Land	36,654,535.00	-		36,654,535.00	-			-	36,654,535.00
Building	28,584,872.09	333,027.75		28,917,899.84	4,077,605.39	721,559.89		4,799,165.28	24,118,734.56
Parapet Wall	1,529,839.32	-		1,529,839.32	409,241.91	38,245.99		447,487.90	1,082,351.42
Motor Vehicles	24,592,999.67	-	(1,416,666.67)	23,176,333.00	16,306,100.05	4,023,600.00	(1,416,666.67)	18,913,033.38	4,263,299.62
Machinery	14,640,150.90	10,040,946.00		24,681,096.90	5,920,083.55	1,515,819.74		7,435,903.29	17,245,193.61
Furniture & Fittings	25,436,543.31	2,316,073.80		27,752,617.11	11,837,262.56	2,590,101.20		14,427,363.76	13,325,253.35
Office Equipments	1,220,707.48	1,546,192.97		2,766,900.45	72,896.54	223,221.56		296,118.10	2,470,782.35
Medical Equipments	5,929,057.25	759,339.23		6,688,396.48	2,561,751.02	511,586.99		3,073,338.01	3,615,058.47
IT Related Software	5,695,467.97	944,732.00		6,640,199.97	266,310.97	1,565,050.25		1,831,361.22	4,808,838.75
Computer Equipments	33,418,846.06	1,437,078.50		34,855,924.56	9,155,528.06	8,348,186.30		17,503,714.36	17,352,210.20
	177,703,019.05	17,377,390.25	(1,416,666.67)	193,663,742.63	50,606,780.05	19,537,371.92	(1,416,666.67)	68,727,485.30	124,936,257.33

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
5 Investments		
Fixed Deposit – BOC	5,800,000.00	5,800,000.00
Fixed Deposit – NSB	71,923,506.25	17,580,000.00
Treasury Bills – BOC	333,051,071.00	461,767,518.89
Treasury Bills – NSB	247,499,850.18	169,279,925.80
	658,274,427.43	654,427,444.69
6 Investment for Gratuity Fund		
Treasury Bills – BOC	55,344,889.89	52,608,370.02
Fixed Deposit – NSB	700,000.00	700,000.00
	56,044,889.89	53,308,370.02
7 Inventory		
7.1 Pharmacy Drug Stock		
Pharmacy Drug Stock-Main	170,925.56	
Pharmacy Drug Stock-Sub 1	53,439.31	842,538.19
Pharmacy Drug Stock-Sub 2	40,937.45	
	265,302.32	842,538.19
7.2 Medical Forms Stock		
Medical Forms Stock-Main	1,784,234.50	1,793,456.90
Medical Forms Stock-Nugegoda	30,317.57	73,353.00
Medical Forms Stock-Kandy	75,619.21	104,710.69
Medical Forms Stock-Galle	47,310.60	42,983.22
Medical Forms Stock-Kurunegala	66,062.49	80,974.55
Medical Forms Stock-Anuradhapura	56,412.19	63,846.71
Medical Forms Stock-Hambantota	29,592.68	46,122.69
Medical Forms Stock-Ratnapura	59,556.58	57,100.05
Medical Forms Stock-Badulla	70,269.99	97,235.54
Medical Forms Stock-Monaragala	93,569.99	73,356.87
Medical Forms Stock-Ampara	52,446.69	45,396.77
Medical Forms Stock-Batticaloa	62,775.02	104,324.75
Medical Forms Stock-Werahara	55,935.50	99,426.78
Medical Forms Stock-Vauniya	57,310.98	48,079.55
Medical Forms Stock-Mannar	96,097.18	61,960.79
Medical Forms Stock-Matara	33,299.87	46,993.00
Medical Forms Stock-Trincomalee	96,690.20	50,642.21

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
Medical Forms Stock-Jaffna	55,296.55	85,605.43
Medical Forms Stock-Gampaha	42,608.07	97,221.29
Medical Forms Stock-Kilinochchi	24,053.61	31,418.05
Medical Forms Stock-Kalutara	36,782.63	102,273.86
Medical Forms Stock-Matale	47,295.14	97,996.55
Medical Forms Stock-Kegalle	79,857.67	91,287.01
Medical Forms Stock-Mullatiuv	60,696.84	34,992.81
Medical Forms Stock-Nuwara Eliya	49,159.61	49,946.53
Medical Forms Stock-Polonnaruwa	60,409.63	48,479.76
Medical Forms Stock-Puttalam	47,590.63	63,777.38
	3,271,251.62	3,592,962.74
7.3 A 10 Book Stock		
A 10 Book Stock - Main	477,345.75	504,685.40
A 10 Book Stock - Nugegoda	2,095.00	-
A 10 Book Stock - Kandy	3,340.80	3,340.80
A 10 Book Stock - Galle	2,723.50	2,296.80
A 10 Book Stock - Kurunegala	8,769.60	10,231.20
A 10 Book Stock - Anuradhapura	2,933.00	6,285.00
A 10 Book Stock - Hambantota	4,071.60	4,071.60
A 10 Book Stock - Ratnapura	2,923.20	3,132.00
A 10 Book Stock - Badulla	1,148.40	1,252.80
A 10 Book Stock - Monaragala	2,296.80	2,296.80
A 10 Book Stock - Ampara	939.60	939.65
A 10 Book Stock - Batticaloa	1,148.40	1,252.80
A 10 Book Stock - Werahara	3,340.80	3,340.80
A 10 Book Stock - Vauniya	2,192.40	2,192.40
A 10 Book Stock - Mannar	1,566.00	1,566.00
A 10 Book Stock - Matara	1,148.40	1,148.40
A 10 Book Stock - Trincomalee	-	1,879.20
A 10 Book Stock - Jaffna	4,489.20	4,489.20
A 10 Book Stock - Gampaha	1,670.40	1,670.40
A 10 Book Stock - Kilinochchi	1,148.40	1,148.40
A 10 Book Stock - Kalutara	208.80	313.20
A 10 Book Stock - Matale	1,670.40	1,670.40
A 10 Book Stock - Kegalle	835.20	939.60

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
A 10 Book Stock - Mullatiuv	104.40	104.40
A 10 Book Stock - Nuwara Eliya	209.50	104.40
A 10 Book Stock - Polonnaruwa	4,503.55	208.80
	532,823.10	560,560.45
7.4 Computer Receipt Paper Stock		
Computer Receipt Paper Stock - Main	16,100.00	11,822.28
Computer Receipt Paper Stock - Nugegoda	-	151,705.73
Computer Receipt Paper Stock - Kandy	5,910.08	1,970.02
Computer Receipt Paper Stock - Galle	1,024.29	985.01
Computer Receipt Paper Stock - Kurunegala	3,940.06	-
Computer Receipt Paper Stock - Anuradhapura	3,330.00	-
Computer Receipt Paper Stock - Hambantota	985.01	2,955.03
Computer Receipt Paper Stock - Ratnapura	4,440.00	985.01
Computer Receipt Paper Stock - Badulla	3,330.00	1,970.02
Computer Receipt Paper Stock - Monaragala	1,970.03	2,955.03
Computer Receipt Paper Stock - Ampara	985.01	-
Computer Receipt Paper Stock - Batticaloa	4,440.00	2,955.03
Computer Receipt Paper Stock - Werahara	3,330.00	2,955.03
Computer Receipt Paper Stock - Vauniya	5,550.00	1,970.02
Computer Receipt Paper Stock - Mannar	4,440.00	1,970.02
Computer Receipt Paper Stock - Matara	3,330.00	2,955.03
Computer Receipt Paper Stock - Trincomalee	1,110.00	985.01
Computer Receipt Paper Stock - Jaffna	4,440.00	985.01
Computer Receipt Paper Stock - Gampaha	2,955.04	2,955.03
Computer Receipt Paper Stock - Kilinochchi	1,110.00	985.01
Computer Receipt Paper Stock - Kalutara	3,940.06	985.01
Computer Receipt Paper Stock - Matale	4,440.00	985.01
Computer Receipt Paper Stock- Kegalle	-	985.01
Computer Receipt Paper Stock- Mullaitivu	4,440.00	985.01
Computer Receipt Paper Stock- Nuwara Eliya	3,330.00	985.01
Computer Receipt Paper Stock- Polonnaruwa	2,220.00	985.01
Computer Receipt Paper Stock- Puttalam	4,925.07	985.01
	96,014.65	200,958.39

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

		2016	2015
		Rs.	Rs.
7.5	Stationery Stock		
	Stationery Stock- Main	1,452,632.05	1,248,568.99
	Stationery Stock- Kandy	19,279.75	-
	Stationery Stock- Galle	1,416.50	-
	Stationery Stock- Kurunegala	120,649.42	58,799.00
	Stationery Stock- Anuradhapura	10,071.60	5,417.30
	Stationery Stock- Hambantota	11,120.14	41,549.80
	Stationery Stock- Ratnapura	63,498.66	29,079.50
	Stationery Stock- Badulla	5,486.74	-
	Stationery Stock- Monaragala	12,993.91	-
	Stationery Stock- Ampara	10,803.30	15,785.36
	Stationery Stock- Batticaloa	4,507.50	-
	Stationery Stock- Werahara	3,032.50	83,419.53
	Stationery Stock- Vauniya	5,502.08	-
	Stationery Stock- Mannar	3,323.40	-
	Stationery Stock- Matara	9,493.30	14,986.33
	Stationery Stock- Trincomalee	4,793.00	29,106.33
	Stationery Stock- Jaffna	6,366.32	9,226.52
	Stationery Stock- Gampaha	46,173.30	86,270.03
	Stationery Stock- Kilinochchi	1,529.00	8,919.30
	Stationery Stock- Kalutara	1,500.47	26,785.24
	Stationery Stock- Matale	28,385.73	4,916.70
	Stationery Stock- Kegalle	28,101.75	28,795.06
	Stationery Stock- Mullaitivu	523.60	8,237.53
	Stationery Stock- Nuwara Eliya	3,738.75	3,649.11
	Stationery Stock- Polonnaruwa	4,401.75	-
	Stationery Stock- Puttalam	10,732.76	8,860.63
		1,870,057.28	1,712,372.26
7.6	X-Ray Items Stock		
	X-Ray Stock- Main	54,841.34	77,623.53
		54,841.34	77,623.53

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
7.7 Laboratory items Stock		
Laboratory items Stock-Main	1,612,522.02	400,337.29
Laboratory items Stock-Nugegoda	81,020.85	20,231.73
Laboratory items Stock-Kandy	183,858.68	180,800.36
Laboratory items Stock-Galle	139,871.17	131,352.21
Laboratory items Stock-Kurunegala	107,538.72	103,241.06
Laboratory items Stock-Anuradhapura	156,424.11	162,079.99
Laboratory items Stock-Hambantota	121,594.34	95,478.71
Laboratory items Stock-Ratnapura	140,498.07	87,724.64
Laboratory items Stock-Badulla	46,440.22	61,332.63
Laboratory items Stock-Monaragala	44,022.79	42,951.54
Laboratory items Stock-Ampara	61,602.01	102,496.11
Laboratory items Stock-Batticaloa	118,820.58	136,564.57
Laboratory items Stock-Werahara	139,005.21	113,535.22
Laboratory items Stock-Vauniya	62,078.24	92,550.41
Laboratory items Stock-Mannar	30,529.31	77,319.19
Laboratory items Stock-Matara	93,847.16	98,898.48
Laboratory items Stock-Trincomalee	84,992.00	81,329.59
Laboratory items Stock-Jaffna	31,333.15	83,225.44
Laboratory items Stock-Gampaha	573,933.32	112,820.33
Laboratory items Stock-Kilinochchi	62,238.98	81,551.23
Laboratory items Stock-Kalutara	123,584.15	139,419.91
Laboratory items Stock-Matale	159,581.53	91,038.73
Laboratory items Stock-Kegalle	123,213.20	87,322.39
Laboratory items Stock-Mullatiuv	73,337.77	68,474.14
Laboratory items Stock-Nuwara Eliya	12,769.80	62,493.52
Laboratory items Stock-Polonnaruwa	86,640.85	44,527.87
Laboratory items Stock-Puttalam	105,793.96	71,899.46
	4,577,092.19	2,830,996.75
7.8 Photo Papers stock		
Photo Papers Stock- Anuradhapura	-	15,750.00
	-	15,750.00

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
7.9 Medical Equipment Spare Parts stock		
Medical Equipment Spare Parts stock- Main	114,461.00	59,564.00
	114,461.00	59,564.00
8 Accounts Receivables		
SLTB Head Office	7,305,477.83	5,294,906.71
C.G.T.T.I. - Moratuwa	323,818.39	207,486.39
C.G.T.T.I. - Boralla D.T.S.	380,233.10	341,306.10
Central Bus Stand	154,174.00	143,140.00
Colombo North R.T.B.	33,950.00	33,950.00
Colombo South R.T.B.	30,890.00	30,890.00
Shell Gas Company	1,450.00	1,450.00
Metropolitan Bus Company	742,312.21	742,312.21
Kaluthara Training School	5,999,104.05	4,478,959.10
National Transport Commission	4,600.00	-
Cash Received for Medical Test	-	(22,460.00)
Parliament of Sri Lanka	(6,950.00)	-
Sri Lanka Engineering Corporation	(11,120.00)	-
Provin RD passanger Authority	11,500.00	-
Provision for Bad Debts	(345,523.06)	(261,063.56)
	14,623,916.52	10,990,876.95
9 Other Receivables		
Advances to Office works	338,502.38	169,655.32
Receivable Treasury Bill Interest	31,654,375.61	14,462,480.99
Receivable Fixed Deposit Interest	5,298,619.58	708,521.75
Receivable Insurance 1/3 from Employees	1,102,751.29	918,507.83
Receivable Medical Forms Income	320,000.00	320,000.00
Receivable from Employees	927,925.96	893,760.48
10 Month Distress Loan Receivable	18,684,591.63	13,391,749.80
10000/- Loan Receivable	21,000.00	19,000.00
Book Loan Receivable	3,629,464.21	4,035,073.16
Festival Advance Receivable	1,824,672.39	1,349,561.55
Salary Advance Receivable	-	46,374.22
Prepayments Medical Insurance	1,787,316.05	1,472,780.53
Prepayments Vehicle Insurance	214,489.99	229,595.16
Prepayments for Service Agreements	296,585.03	210,752.41

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
Prepayments Other	329,134.25	2,519.60
Prepayments – Rental Advance	3,137,500.00	1,619,194.01
Other Receivables	135,000.00	456,021.65
Security Deposit for Transformer	200,000.00	-
	69,901,928.37	40,305,548.46
10 Cash & Cash Equivalencies		
10.1 Bank Current A/c		
Bank Current A/c – Income 76883133	56,967,644.39	40,587,263.91
Bank Current A/c – Nugegoda 228044	52,060,958.68	14,803,695.70
Bank Current A/c - Gratuity Fund 228068	1,124,145.27	1,683,312.81
Savings Account - Fidelity Fund	112,316.20	90,966.78
	110,265,064.54	57,165,239.20
10.2 Petty Cash Bank Current A/c		
Petty Cash Bank Current A/c - Kandy	16,000.00	34,411.84
Petty Cash Bank Current A/c - Galle	58,487.07	24,000.00
Petty Cash Bank Current A/c - Kurunegala	15,000.00	15,000.00
Petty Cash Bank Current A/c - Anuradhapura	15,500.00	15,500.00
Petty Cash Bank Current A/c - Hambantota	16,250.02	16,250.02
Petty Cash Bank Current A/c - Ratnapura	20,000.00	20,000.00
Petty Cash Bank Current A/c - Badulla	14,704.37	14,709.37
Petty Cash Bank Current A/c - Monaragala	1,811.03	2,000.00
Petty Cash Bank Current A/c - Ampara	10,100.00	10,100.00
Petty Cash Bank Current A/c - Batticaloa	18,059.12	1,249.12
Petty Cash Bank Current A/c - Vauniya	10,000.00	-
Petty Cash Bank Current A/c – Mannar	7,500.00	7,500.00
Petty Cash Bank Current A/c - Matara	15,030.00	15,000.00
Petty Cash Bank Current A/c - Trincomalee	25,000.00	-
Petty Cash Bank Current A/c - Jaffna	53,065.90	31,500.13
Petty Cash Bank Current A/c - Gampaha	25,000.00	25,000.00
Petty Cash Bank Current A/c - Kilinochchi	15,000.00	15,000.00
Petty Cash Bank Current A/c - Kalutara	10,000.00	10,000.00
Petty Cash Bank Current A/c - Matale	15,000.00	5,000.00

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
Petty Cash Bank Current A/c - Kegalle	15,000.00	10,750.08
Petty Cash Bank Current A/c - Mullatiuv	15,000.00	15,000.00
Petty Cash Bank Current A/c - Nuwara Eliya	37,962.76	25,000.00
Petty Cash Bank Current A/c - Polonnaruwa	16,168.42	3,208.00
Petty Cash Bank Current A/c - Puttalam	488.56	24,998.66
	446,127.25	341,177.22

10.3 Petty Cash A/c

Petty Cash A/c - Nugegoda	52,829.38	29,185.98
Petty Cash A/c - Kandy	35,797.91	10,836.16
Petty Cash A/c - Galle	408.02	18,088.88
Petty Cash A/c - Kurunegala	1,422.13	3,814.88
Petty Cash A/c - Anuradhapura	240.10	2,254.13
Petty Cash A/c - Hambantota	61.31	10,943.10
Petty Cash A/c - Ratnapura	3,288.31	7,895.22
Petty Cash A/c - Badulla	12,051.86	673.63
Petty Cash A/c - Monaragala	1,739.32	31,601.50
Petty Cash A/c - Ampara	6,274.48	5,051.13
Petty Cash A/c - Batticaloa	2,811.62	23,705.18
Petty Cash A/c - Werahara	24,340.50	17,887.50
Petty Cash A/c - Vauniya	521.00	6,432.89
Petty Cash A/c - Mannar	1,522.07	699.65
Petty Cash A/c - Matara	15,724.00	21,423.38
Petty Cash A/c - Trincomalee	5.00	25,000.00
Petty Cash A/c - Jaffna	20.43	175.01
Petty Cash A/c - Gampaha	1,863.25	1,154.14
Petty Cash A/c - Kilinochchi	750.00	44.16
Petty Cash A/c - Kalutara	6,192.29	25,750.50
Petty Cash A/c - Matale	5,072.81	6,256.38
Petty Cash A/c - Kegalle	1,391.77	13,448.72
Petty Cash A/c - Mullatiuv	1,245.44	3,619.55
Petty Cash A/c - Nuwara Eliya	5,289.09	22,987.35
Petty Cash A/c - Polonnaruwa	1,345.39	2,319.44
Petty Cash A/c - Puttalam	17,521.44	4,835.13
	199,728.92	296,083.59

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
10.4 Cash In Hand		
Cash In Hand - Nugegoda	276,698.09	146,975.00
Cash In Hand - Galle	56,270.00	-
Cash In Hand - Kurunagala	126,300.00	84,950.00
Cash In Hand - Anuradhapura	79,000.00	-
Cash In Hand - Hambantota	106,675.00	750.00
Cash In Hand - Ratnapura	13,700.00	16,925.00
Cash In Hand - Badulla	6,750.00	17,900.00
Cash In Hand - Monaragala	83,775.00	9,000.00
Cash In Hand - Ampara	47,250.00	108,000.00
Cash In Hand - Batticaloa	89,850.00	21,925.00
Cash In Hand - Werahara	39,750.00	-
Cash In Hand - Vauniya	4,925.00	-
Cash In Hand - Mannar	17,250.00	-
Cash In Hand - Matara	37,850.00	8,250.00
Cash In Hand - Trincomalee	23,250.00	-
Cash In Hand - Jaffna	49,500.00	-
Cash In Hand - Gampaha	33,000.00	27,155.00
Cash In Hand - Kilinochchi	33,925.00	-
Cash In Hand - Kalutara	21,750.00	43,500.00
Cash In Hand - Matale	26,250.00	88,675.00
Cash In Hand - Kegalle	27,075.00	8,225.00
Cash In Hand - Mullatiuv	63,750.00	-
Cash In Hand - Nuwara Eliya	19,500.00	91,100.00
Cash In Hand - Polonnaruwa	24,000.00	10,500.00
	1,308,043.09	683,830.00
11 Non Current Liability		
Provision of Gratuity	51,549,589.09	47,481,870.57
Fidelity Fund Payable	80,350.00	70,000.00
	51,629,939.09	47,551,870.57
12 Accounts Payable		
Security Charges Payable	17,734,076.34	13,710,254.33
Bus Pass Payable	9,595,290.06	11,977,951.52

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
Abans PLC	-	110,907.48
Alu V Glass Engineering (pvt) Ltd	288,772.23	864,289.84
Ananda Paper Convertors	107,725.00	-
Central Engineering Consultancy Bureau	15,001.25	-
Colombo North R.T.B.	50,000.00	50,000.00
Colombo South R.T.B.	30,000.00	30,000.00
Daytona Limited	14,540.00	-
Debug Computer Peripherals (Pvt) Ltd	15,479.00	-
Dinapala Super Centre	-	89,800.00
E wis Pheripherals (pvt) Ltd	709,525.00	158,375.00
Esna Allied Enterprises (Pvt) Ltd	137,270.00	-
Ew Information systems Ltd	913,026.21	994,050.05
IOM Lanka (Pvt) Ltd	236,333.47	236,313.47
Limax Medica (Pvt) Ltd	1,725,000.00	-
Medcon (Pvt) Ltd	2,604,750.00	-
Medsense International (Pvt) Ltd	5,800.00	-
Metropolitan Office (Pvt) Ltd	28,462.50	-
Other	-	0.84
Sarasavi Bookshop (Pvt) Ltd	58,079.60	-
Shield Medical (Pvt) Ltd	75,060.00	-
SL State Trading Corporation Ltd	-	103,107.35
State Pharmaceutical Co-operation	(170,386.85)	-
State Trading (General) Corporation Ltd	68,475.35	-
Sunshine healthcara lanka ltd	62,375.00	-
TAS Medical suppliers & Co. (Pvt) Ltd	15,300.00	-
T & R Power Engineering (Pvt) Ltd	414,862.50	-
	34,734,816.66	28,325,049.88

13 Accrued Expenses

Refundable Tender deposit	528,500.00	419,000.00
Performance Bond Payable	-	210,534.16
EPF Payable	4,162,929.42	3,828,943.09
ETF Payable	569,153.99	522,127.95
Payable on Stationary	115,172.00	460,854.85
Payable on Drugs	-	739,379.21
Payable on Medical Supplies	-	2,797,700.22
Payable on Maintenance of Medi. equipment	-	16,500.00
Payable on Janitorial Expenses	172,003.65	82,745.83

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
Provision for Audit Fee	303,780.00	220,280.00
Payable on Medical Insurance	-	16,859.00
Payable on Uniform & ID	-	2,563.54
Payable on Rent	535,696.45	629,892.90
Payable on Security Charges	144,000.00	96,000.00
Electricity Payable	608,431.94	421,097.71
Telephone Payable	312,870.15	232,270.79
Water Payable	83,721.68	60,630.67
Outside X Ray Chargers	266,880.00	344,870.00
Drinking Water Payable	23,416.95	7,773.89
People's Bank Loan Installment Payable	-	13,900.00
Sanasa Development Bank Payable	10,850.00	4,623.62
Payable on Housing Development	-	9,496.50
Payable on Regional Development	-	90,026.38
Reimbursed Insurance Payable	40,753.00	26,008.00
	7,878,159.23	11,254,078.31
14 Other Payable		
Salary Control A/c	2,253,674.42	1,929,601.57
Payable Locum Salary & Other	3,006,693.10	2,827,249.65
Salary B/F	253.37	237.39
Medical Camp & Assets Verification allowance Payable	1,144,150.00	-
Trainee Allowances payable	313,000.00	120,500.00
Traveling payable	139,618.00	84,097.00
Payable on Food & Accommodation	157,940.00	1,500.00
Postage payable	22,177.50	20,540.00
News Paper payable	14,020.00	6,575.00
Fuel payable	21,500.00	-
Board Director & Secretry Fee payable	62,300.00	20,000.00
Payable on Office Requisites	84,602.91	8,786.00
Other Payable	484,713.27	103,214.24
Medical Leave payable	4,183,025.11	3,297,391.59
Welfare payable	3,042.00	-
Stamp Duty Payable	22,771.00	14,621.00
Union Payable - S.L.N.S.S.	47,550.00	21,055.00
Union Payable - J.S.S.	4,945.00	8,595.00
Maranadara Society Payable	18,050.00	112,750.00
PAYE tax payable	5,709.68	28,978.68
	11,989,735.36	8,605,692.12

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016 Rs.	2015 Rs.
15 Main Medical Service Income		
Light Vehicle Examination	475,588,950.00	395,582,650.00
HGV Medical Examination	25,063,500.00	20,402,250.00
HGV Renewal Medical Examination	85,354,500.00	111,657,000.00
Route Permits	3,690,000.00	4,007,400.00
Accident Medical Examination	1,497,250.00	2,250,700.00
X-Ray Income	5,439,700.00	7,443,440.00
ECG Income	22,425.00	92,885.00
Medical Examination For Other Institutions	281,250.00	447,600.00
Private Bus Conductor Examination	724,500.00	515,550.00
Driver Instructor Examination	452,250.00	335,450.00
NTC Medical Examination	1,742,250.00	1,805,850.00
CTB New Recruitment	112,000.00	1,738,370.00
CTB Re-employment	8,250.00	765,000.00
Renewal over 10 years	2,443,500.00	2,646,500.00
Medical Examination For Government Institutions	473,250.00	301,850.00
Lab Test Income	2,783,235.00	2,180,290.00
Renewal Of Medical Report	105,050.00	125,400.00
Photo Income	-	19,258,650.00
Medical Camp Income	7,612,200.00	824,650.00
Consultancy & Medical Officer Fee	695,140.00	988,172.00
Leaner permit	147,000.00	-
Foreign Medical Examination	3,400,000.00	-
Court & Police Referral	1,548,000.00	-
	619,184,200.00	573,369,657.00
16 Pharmacy Income		
CTB Head office Treatment – Credit	1,834,212.12	2,268,609.70
CTB Depot Treatment – Cash	1,438,826.00	1,151,919.00
CGTTI Medical Income – Credit	433,033.00	832,059.81
CBS treatment – Credit	125,400.00	133,024.00
	3,831,471.12	4,385,612.51
17 Loan Interest Income		
10 Month Distress Loan Interest	631,479.88	542,838.52
10000/- Loan Interest	160.00	2,840.00
Book Loan Interest	189,671.16	116,685.43
	821,311.04	662,363.95

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
18 FD & TB Interest Income		
Interest on Treasury Bills - BOC	39,547,941.43	29,235,423.80
Interest on Treasury Bills - NSB	19,545,521.92	3,678,044.34
Interest on Fixed Deposit - BOC	470,210.00	324,040.04
Interest on Fixed Deposit - NSB	5,866,781.80	1,193,285.72
	65,430,455.15	34,430,793.90
19 Other Income		
Car Park Income	990,000.00	1,040,000.00
Income from Disposal Items	753,035.00	-
Rent Income	60,000.00	60,000.00
Other Income	11,609.00	126,178.00
Non refundable Tender deposit	199,240.55	37,000.00
	2,013,884.55	1,263,178.00
20 Administrative Expenses		
Salaries & Wages	117,895,509.87	100,471,749.53
Allowances	115,921,469.04	107,662,820.84
Over Time & Weekend Allowances	2,988,288.26	2,804,183.95
Medical Leave Encashment	4,678,465.20	3,931,041.62
Chairman's Allowance	893,700.00	623,850.00
Bonus	4,463,100.00	4,332,550.00
Trainees Allowances	1,893,500.00	1,275,500.00
EPF 12%	21,215,882.20	19,545,892.25
ETF 3%	5,305,448.59	4,886,465.24
Welfare	307,987.35	1,321,425.00
Free Medical Treatment	990,704.02	1,044,099.99
Medical Bill Reimbursement	935,546.44	773,894.31
Medical Camp Allowance	1,188,250.00	-
Transport Allowances	86,360.00	-
3 Months Paid Leave Expenses	-	71,040.00
	278,764,210.97	248,744,512.73
21 Establishment Expenses		
Electricity	6,044,626.20	4,882,214.65
Water	808,229.08	907,278.75
Drinking Water	592,972.24	419,845.08

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
Rate & Taxes	267,435.32	319,035.03
Rent	12,167,857.40	10,533,990.62
Postage	1,437,058.85	1,203,330.21
Telephone	2,615,611.27	2,228,545.03
News paper & Magazines	161,820.00	117,735.00
Janitorial & Maintenance Service Charges	1,454,252.58	1,029,660.76
Travelling	520,615.50	741,995.18
Fuel	1,396,670.22	927,693.56
Tea Expenses For Employees	2,313,345.41	2,155,707.14
Food & Accommodation	1,375,645.50	774,123.00
Advertisement	284,401.55	190,290.70
Buss Pass Expenses	8,124,457.90	6,691,322.30
Uniform & ID Card	620,467.82	36,369.24
Maintenance of Office Equip & Furniture & Fittings	716,775.51	577,199.23
Maintenance of Medical Equip & Machinery	192,834.04	42,343.24
Maintenance of Office Vehicle	1,665,269.72	903,244.80
Maintenance Of Building	192,970.55	675.00
Maintenance Of Computers	84,798.81	187,181.50
Stationary Expenses	5,593,314.35	4,740,316.20
Medical Forms Consumed	8,743,991.12	7,850,288.03
Photo Paper Consumed	90,060.00	553,205.30
Computer Receipt Paper Consumed	1,062,548.73	685,849.17
A10 Book Consumed	27,737.35	128,976.75
Office requisites	2,057,030.34	3,674,486.94
Laboratory items Consumed	26,949,458.49	26,907,020.44
X-Ray items Consumed	29,144.85	1,200,436.96
Security Charges	6,898,535.97	7,049,889.37
Board Directors Fees	546,000.00	545,112.00
Audit Committee Allowance	144,000.00	94,000.00
Board Secretary Fees	240,000.00	183,700.00
Verification Allowance	379,150.00	40,000.00
Insurance for Office Vehicle	277,962.26	379,423.01
Insurance for Employees	2,596,170.28	1,866,163.87
Insurance for Money in Transit	123,226.22	89,446.12
Depreciation	19,537,371.92	10,874,956.42
Hiring Charges/Transport	1,019,079.50	154,783.00
Entertainment	319,279.14	134,239.00
Training for employees	497,101.17	57,100.00
Outside Photo Expenses	-	2,025,140.00
Outside X-ray Expenses	1,212,930.00	1,921,220.00

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	Rs.	Rs.
Consultancy Fee	300,000.00	-
Other Expenses	102,836.21	107,982.50
Miscellaneous	69,870.75	-
	121,854,914.12	106,133,515.10
22 Other Expenses		
Legal Expenses	514,241.00	334,099.08
Bank Charges	492,146.34	137,571.80
Audit Fees	250,000.00	250,000.00
Donation	124,000.00	15,000.00
Bad Debtors	84,459.50	81,054.92
Gratuity Adjustment	4,872,655.02	5,768,275.25
	6,337,501.86	6,586,001.05

National Transport Medical Institute

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

YEAR ENDED 31ST DECEMBER 2016

23	Notes	2016 Rs.	2015 Rs.
Pharmacy Income	16	3,831,471.12	4,385,612.51
Opening Stock		842,538.19	350,884.19
(+)Purchases		2,890,318.71	4,598,105.74
(-)Closing Stock		(265,302.32)	(842,538.19)
		3,467,554.58	4,106,451.74
(-) Free Medical Treatment		(920,991.61)	(973,126.20)
Cost of Goods Sold		2,546,562.97	3,133,325.54
Profit from Pharmacy		1,284,908.15	1,252,286.97

National Transport Medical Institute

BUDGET STATEMENT OF FINANCIAL POSITION

YEAR ENDED 31ST DECEMBER 2016

	Notes	2016 Actual Rs.	2016 Budgeted Rs.
ASSETS			
Non Current Assets			
Property Plant & Equipment	4	129,575,888.97	300,000,000.00
Investments	5	658,274,427.43	625,000,000.00
Investment for Gratuity Fund	6	56,044,889.89	51,000,000.00
Total Non Current Assets		843,895,206.29	976,000,000.00
Current Assets			
Inventories	7	10,781,843.50	8,000,000.00
Accounts Receivables	8	14,623,916.52	7,000,000.00
Other Receivables	9	69,901,928.37	35,000,000.00
Cash & Cash Equivalencies	10	112,218,963.80	15,000,000.00
Total Current Assets		207,526,652.19	65,000,000.00
TOTAL ASSETS		1,051,421,858.48	1,041,000,000.00
CAPITAL & RESERVES			
Capital		62,099,697.33	62,099,697.33
General Reserve		22,682,287.89	22,682,287.89
Accumulated Profit		860,407,222.92	865,561,969.99
Total Equity		945,189,208.14	950,343,955.21
Non Current Liabilities			
Provision of Gratuity	11	51,549,589.09	51,000,000.00
Fidelity Fund Payable	11	80,350.00	66,000.00
		51,629,939.09	51,066,000.00
Current Liabilities			
Accounts Payable	12	34,734,816.66	26,000,000.00
Accrued Expenses	13	7,878,159.23	8,000,000.00
Other Payable	14	11,989,735.36	5,590,044.79
		54,602,711.25	39,590,044.79
TOTAL EQUITY & LIABILITIES		1,051,421,858.48	1,041,000,000.00

National Transport Medical Institute

BUDGET VS ACTUAL STATEMENT

YEAR ENDED 31ST DECEMBER 2016

		2016 Actual	2016 Budgeted
<u>Revenue</u>	Notes	Rs.	
Main Medical Service Income	24	619,184,200.00	647,451,000.00
Profit from Pharmacy	32	1,284,908.15	1,000,000.00
Loan Interest	26	821,311.04	600,000.00
FD & TB Interest	27	65,430,455.15	25,000,000.00
Other Income	28	2,013,884.55	1,265,000.00
TOTAL REVENUE		688,734,758.89	675,316,000.00
<u>Expenses</u>			
Administrative Expenses	29	278,764,210.97	268,650,000.00
Establishment Expenses	30	121,854,914.12	118,888,000.00
Other Expenses	31	6,337,501.86	7,170,000.00
TOTAL EXPENSES		406,956,626.95	394,708,000.00
NET PROFIT		281,778,131.94	280,608,000.00

National Transport Medical Institute

BUDGET CASH FLOW STATEMENT

YEAR ENDED 31ST DECEMBER 2016

	2016 Actual Rs.	2016 Budgeted Rs.
<u>Cash Flows From Operating Activities</u>		
Net Profit / (Loss) From Ordinary Items	281,778,131.94	280,608,000.00
Adjustments For Depreciation	19,537,371.92	10,000,000.00
Provision For Gratuity	4,872,655.02	6,000,000.00
Profit On Sale Of Asset	(753,035.00)	-
Interest on Investment	(65,430,455.15)	-
Operating Profit Before Working Capital Changes	240,004,668.73	296,608,000.00
Increase/(Decrease) In Inventories	(888,517.19)	1,855,642.34
Increase/(Decrease) In Accounts Receivable	(3,633,039.57)	(1,779,682.06)
Increase/(Decrease) In Other Receivable	(29,596,379.91)	(294,645.56)
Increase/(Decrease) In Accounts Payable	6,409,766.78	4,739,731.29
Increase/(Decrease) In Accrued Expenses	(3,375,919.08)	4,228,901.13
Increase/(Decrease) In Other Payables	3,384,043.24	
Increase/(Decrease) in Fidelity Fund	10,350.00	4,850.00
Cash Generated From Operation	212,314,973.00	305,362,797.14
Payment Of Gratuity	(804,936.50)	(5,358,316.25)
Contribution to the Consolidated fund of Treasury	(200,000,000.00)	-
Net Cash Flow From Operating Activities	11,510,036.50	300,004,480.89
<u>Cash Flows From Investment Activities</u>		
Purchase Of Property Plant & Equipment	(17,377,390.25)	(53,978,881.02)
Work in progress - Construction	-	(3,620,131.69)
Purchase Of Investments (net)	(6,583,502.61)	(285,841,798.19)
Interest on Investment	65,430,455.15	-
Proceeds From Sale Of Asset	753,035.00	-
Net Cash Used In Investing Activities	42,222,597.29	(343,440,810.90)
Net Increase In Cash And Cash Equivalents	53,732,633.79	(43,436,330.01)
Cash And Cash Equivalents At Beginning Of Period	58,486,330.01	58,436,330.01
Cash And Cash Equivalents At End Of Period	112,218,963.80	15,000,000.00

National Transport Medical Institute

BUDGET VS ACTUAL STATEMENT (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016 Actual Rs.	2016 Budgeted Rs.
24 Main Medical Service Income		
Light Vehicle Examination	475,588,950.00	494,000,000.00
HGV Medical Examination	25,063,500.00	25,000,000.00
HGV Renewal Medical Examination	85,354,500.00	90,000,000.00
Route Permits	3,690,000.00	4,500,000.00
Accident Medical Examination	1,497,250.00	3,000,000.00
X-Ray Income	5,439,700.00	4,500,000.00
ECG Income	22,425.00	20,000.00
Medical Examination For Other Institutions	281,250.00	350,000.00
Private Bus Conductor Examination	724,500.00	1,000,000.00
Driver Instructor Examination	452,250.00	300,000.00
NTC Medical Examination	1,742,250.00	1,700,000.00
CTB New Recruitment	112,000.00	65,000.00
CTB Re-employment	8,250.00	15,000.00
Renewal over 10 years	2,443,500.00	5,000,000.00
Medical Examination For Government Institutions	473,250.00	800,000.00
Lab Test Income	2,783,235.00	2,500,000.00
Renewal Of Medical Report	105,050.00	100,000.00
Medical Camp Income	7,612,200.00	8,000,000.00
Consultancy & Medical Officer Fee	695,140.00	600,000.00
Leaner permit	147,000.00	1,000.00
Foreign Medical Examination	3,400,000.00	4,000,000.00
Court & Police Referral	1,548,000.00	2,000,000.00
	619,184,200.00	647,451,000.00
25 Pharmacy Income		
CTB Head office Treatment – Credit	1,834,212.12	2,250,000.00
CTB Depot Treatment – Cash	1,438,826.00	1,500,000.00
CGTTI Medical Income – Credit	433,033.00	500,000.00
CBS treatment – Credit	125,400.00	150,000.00
	3,831,471.12	4,400,000.00
26 Loan Interest Income		
10 Month Distress Loan Interest	631,479.88	
10000/- Loan Interest	160.00	600,000.00
Book Loan Interest	189,671.16	
	821,311.04	600,000.00

National Transport Medical Institute

BUDGET VS ACTUAL STATEMENT (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016 Actual Rs.	2016 Budgeted Rs.
27 FD & TB Interest Income		
Interest on Treasury Bills - BOC	39,547,941.43	
Interest on Treasury Bills - NSB	19,545,521.92	25,000,000.00
Interest on Fixed Deposit - BOC	470,210.00	
Interest on Fixed Deposit - NSB	5,866,781.80	
	65,430,455.15	25,000,000.00
28 Other Income		
Car Park Income	990,000.00	1,100,000.00
Income from Disposal Items	753,035.00	-
Rent Income	60,000.00	60,000.00
Other Income	11,609.00	25,000.00
Non refundable Tender deposit	199,240.55	80,000.00
	2,013,884.55	1,265,000.00
29 Administrative Expenses		
Salaries & Wages	117,895,509.87	120,000,000.00
Allowances	115,921,469.04	100,000,000.00
Over Time & Weekend Allowances	2,988,288.26	3,750,000.00
Medical Leave Encashment	4,678,465.20	5,000,000.00
Chairman's Allowance	893,700.00	900,000.00
Bonus	4,463,100.00	5,000,000.00
Trainees Allowances	1,893,500.00	1,500,000.00
EPF 12%	21,215,882.20	22,000,000.00
ETF 3%	5,305,448.59	5,500,000.00
Welfare	307,987.35	2,800,000.00
Free Medical Treatment	990,704.02	1,000,000.00
Medical Bill Reimbursement	935,546.44	1,000,000.00
Medical Camp Allowance	1,188,250.00	50,000.00
Transport Allowances	86,360.00	150,000.00
	278,764,210.97	268,650,000.00

National Transport Medical Institute

BUDGET VS ACTUAL STATEMENT (Cont.)

YEAR ENDED 31ST DECEMBER 2016

	2016 Actual	2016 Budgeted
	Rs.	Rs.
30 Establishment Expenses		
Electricity	6,044,626.20	5,800,000.00
Water	808,229.08	1,200,000.00
Drinking Water	592,972.24	200,000.00
Rate & Taxes	267,435.32	300,000.00
Rent	12,167,857.40	13,500,000.00
Postage	1,437,058.85	1,350,000.00
Telephone	2,615,611.27	2,600,000.00
News paper & Magazines	161,820.00	300,000.00
Janitorial & Maintenance Service Charges	1,454,252.58	1,500,000.00
Travelling	520,615.50	800,000.00
Fuel	1,396,670.22	1,350,000.00
Tea Expenses For Employees	2,313,345.41	2,500,000.00
Food & Accommodation	1,375,645.50	1,500,000.00
Advertisement	284,401.55	150,000.00
Buss Pass Expenses	8,124,457.90	8,000,000.00
Uniform & ID Card	620,467.82	700,000.00
Maintenance of Office Equip & Furniture & Fittings	716,775.51	1,200,000.00
Maintenance of Medical Equip & Machinery	192,834.04	150,000.00
Maintenance of Office Vehicle	1,665,269.72	1,500,000.00
Maintenance Of Building	192,970.55	100,000.00
Maintenance Of Computers	84,798.81	150,000.00
Stationary Expenses	5,593,314.35	5,500,000.00
Medical Forms Consumed	8,743,991.12	
Photo Paper Consumed	90,060.00	9,500,000.00
Computer Receipt Paper Consumed	1,062,548.73	
A10 Book Consumed	27,737.35	
Office requisites	2,057,030.34	1,000,000.00
Laboratory items Consumed	26,949,458.49	29,750,000.00
X-Ray items Consumed	29,144.85	50,000.00
Security Charges	6,898,535.97	7,500,000.00
Board Directors Fees	546,000.00	588,000.00
Audit Committee Allowance	144,000.00	150,000.00
Board Secretary Fees	240,000.00	240,000.00
Verification Allowance	379,150.00	150,000.00
Insurance for Office Vehicle	277,962.26	400,000.00
Insurance for Employees	2,596,170.28	4,500,000.00
Insurance for Money in Transit	123,226.22	125,000.00
Depreciation	19,537,371.92	10,000,000.00
Hiring Charges/Transport	1,019,079.50	500,000.00

National Transport Medical Institute

BUDGET VS ACTUAL STATEMENT (Cont.)

YEAR ENDED 31ST DECEMBER 2016

2016 Actual

	Rs.
Entertainment	319,279.14
Training for employees	497,101.17
Outside Photo Expenses	-
Outside X-ray Expenses	1,212,930.00
Consultancy Fee	300,000.00
Other Expenses	102,836.21
Miscellaneous	69,870.75

121,854,914.12

31 Other Expenses

Legal Expenses	514,241.00
Bank Charges	492,146.34
Audit Fees	250,000.00
Donation	124,000.00
Bad Debtors	84,459.50
Gratuity Adjustment	4,872,655.02

6,337,501.86

National Transport Medical Institute

BUDGET VS ACTUAL STATEMENT (Cont.)

YEAR ENDED 31ST DECEMBER 2016

32	Notes	2016 Actual	2016 Budgeted
		Rs.	
Pharmacy Income	25	<u>3,831,471.12</u>	<u>4,400,000.00</u>
Opening Stock		842,538.19	400,000.00
(+)Purchases		2,890,318.71	4,000,000.00
(-)Closing Stock		(265,302.32)	(400,000.00)
		<u>3,467,554.58</u>	<u>4,000,000.00</u>
(-) Free Medical Treatment		(920,991.61)	(600,000.00)
Cost of Goods Sold		<u>2,546,562.97</u>	<u>3,400,000.00</u>
Profit from Pharmacy		<u>1,284,908.15</u>	<u>1,000,000.00</u>

National Transport Medical Institute

BRANCH PROFITABILITY

YEAR ENDED 31ST DECEMBER 2016

	Year Profit 2016 Rs.	Year Profit 2015 Rs.
Nugegoda	18,140,396.98	(6,505,391.62)
Kandy	8,969,327.80	12,794,241.03
Galle	14,592,761.35	10,397,552.40
Kurunagala	28,160,418.81	26,391,433.09
Anuradhapura	16,507,550.60	17,760,985.87
Hambantota	11,481,100.50	13,657,238.27
Ratnapura	7,711,929.31	10,036,670.34
Badulla	7,710,403.43	7,896,552.18
Monaragala	5,485,731.03	4,922,734.98
Ampara	5,737,353.74	4,888,009.67
Batticaloa	8,512,787.74	8,870,719.87
Werahara	30,589,503.82	30,474,897.35
Vauniya	2,827,322.42	1,405,183.82
Mannar	17,658.10	(118,607.54)
Matara	5,210,005.17	6,595,334.63
Trincomalee	4,450,005.61	5,200,402.43
Jaffna	11,121,329.70	9,219,465.87
Gampaha	37,412,679.74	36,603,011.57
Kilinochchi	2,178,698.52	434,682.29
Kalutara	12,266,981.52	13,222,186.14
Matale	6,836,025.70	5,368,342.61
Kegalle	8,643,611.19	9,249,309.20
Mullatiuv	1,397,015.78	850,660.08
Nuwara Eliya	3,584,264.83	3,688,094.05
Polonnaruwa	9,493,732.71	6,328,734.74
Puttalam	12,739,535.84	9,881,807.62
	281,778,131.94	249,514,250.94