Swami Vipulananda Institute of Aesthetic Studies, Eastern University, Sri Lanka

Annual Report – 2013

THE VISION OF THE SWAMI VIPULANANDA INSTITUTE OF AESTHETIC STUDIES, EASTERN UNIVERSITY, SRI LANKA

TO BE

A

LEADER IN

DEMAND DRIVEN

AESTHETIC

DISCIPLINES

THE MISSION OF THE SWAMI VIPULANANDA INSTITUTE OF AESTHETIC STUDIES, EASTERNUNIVERSITY, SRI LANKA

TO PRESERVE

AND ENRICH THE CULTURAL HERITAGE OF

SRI LANKA,

WHILE PRODUCING GAINFULLY

EMPLOYABLE GRADUATES AND

DIPLOMATS IN

THEIR CHOSEN

FIELDS OF

AESTHETIC STUDIES BY

PROVIDING OPPORTUNITIES

FOR GAINING KNOWLEDGE

AND

PERFORMING SKILLS

THE GOALS OF THE SWAMI VIPULANANDA INSTITUTE OF AESTHETIC STUDIES, EASTERNUNIVERSITY, SRI LANKA

GOALS

GOAL1

Pursuance of Excellence in Teaching, Research, & Dissemination of Knowledge

GOAL2

Enhancement of the Institutional Capacity through Human Resources, Infrastructure and other Resources Development

GOAL3

Delivery of Services for the Socio Economic & Cultural Needs of the Community

GOAL4

Maintenance & Enhancement of Good Governance

Members of the Board of Management

Chairman:	Dr. K. Kobindarajah	Vice-Chancellor, EUSL
Director:	Dr. K. Premakumar	Director/SVIAS
Dean:	Dr.K. Rajendram	Faculty of Arts & Culture, EUSL

UGC Nominee: Prof. S. Maunaguru
Rev. Fr. Joseph Mary
Rev.Srimat Swami SarvarupanandajiMaharaj

Senate Nominees: Mr. P. Satchithananantham
Ms. M. Nadira

Syndicate Nominees: Dr. S. Jeyasankar
Ms. S. Subramaniam

Council Nominees: Mr. M. M. MahroofCareeim
Mrs. P. S. M. Charles

Representative of Treasury: Mr. R. Neduncheliyan

Representative of Ministry of Higher Education: Mr. V. Sivanathan

(Secretary): Mr. A. J. Christy, Senior Assistant Registrar

03. Director's Review:

3.1Brief Introduction:

The Swami Vipulananda College of Music and Dance (SVCMD) was established on 29th May 1982 at Ramakrishna Mission/ Swami Vipulanda Mani Mandapam, KalladiUppodai, Batticaloa by the Ministry of Regional Affairs and Hindu Culture in memory of Swami Vipulananda (1892 - 1947), an accomplished Monk of the Ramakrishna order and great savant of Eastern Province, who excelled not only in Science but also in Tamil and Fine Arts. He was the first Professor of Tamil in the University of Ceylon. Initially, four year Diploma Programmes in Dance & Music were conducted by the SVCMD. In March 1982, foundation stone was laid at the Nochchimunai land premises by former Hon. Minister for Hindu Culture -Mr. ChelliahRajadurai who was responsible for the establishment of SVCMD. From 1986 onwards, Lectures and Practical classes of Dance and Music were started functioning at the New Building Complex of SVCMD at Nochchimunai, Batticaloa. (PresentBuilding Complex of SVIAS)

Ever since the Eastern University, Sri Lanka (EUSL) was established in 1986, there had been moves to take over the SVCMD by the Eastern University, Sri Lanka. There had been continuous strikes by the students of SVCMD and public agitation for the take over by the EUSL. In response to these moves and representations made by the members of the Parliament and various public organizations, the Ministry of Higher Education took initiative to absorb SVCMD into EUSL. The SVCMD was ceremonially handed over to the Ministry of Higher Education and Information Technology Development by the Ministry of Cultural Affairs on 20th April 2001. On handing over, the Hon. Minister of Cultural Affairs made a request that the name of Swami Vipulananda and the special identity of the College continue to be used. The SVCMD was affiliated to the Eastern University, Sri Lanka on the direction of the University Grants Commission on 1st January, 2002. Following this affiliation, students were admitted to the undergraduate study programmes and the degree was awarded by the EUSL. Those who had obtained a Diploma in Music and Dance from a recognized institutions were given two years exemption to follow the degree programme at SVCMD, subject to the approval of the Senate, Eastern University, Sri Lanka. In the meantime, salary of the staff at the SVCMD were paid by the Eastern University, Sri Lanka.

From 2001-2005 the institution was looked after by the Faculty of Arts and Culture, Eastern University, Sri Lanka. The following persons were appointed by the University council as Coordinators from the Faculty of Arts and Culture to upgrade the institution to the university level. The academic and administration foundation were laid during their period.

- Prof.AmmankilyMurugadas
  Dean, Faculty of Arts and Culture (2001 - 2002)
- Prof.S.Maunaguru
  Head, Department of Fine Arts (2002 - 2004)
- Mr.B.Sugumar
  Head, Department of Fine Arts (2004 - 2005)

The Swami Vipulananda College of Music and Dance (SVCMD) has been recognized as an Institute for higher learning for the purpose providing, promoting and developing higher education in Aesthetic Studies and officially affiliated to the Eastern University, Sri Lanka with effect from 14th March 2005 by Extra Ordinary Gazette Notification of the Democratic Socialist Republic of Sri Lanka (No. 1392/22 of 03. 06. 2005) dated June 3rd 2005 through an order made under section 24 B of the Universities Act. No 16 of 1978. University Grants Commission has sent first batch of students from the academic year 2005/2006. All the teaching and non-teaching staff of SVCMD were officially absorbed to the SVIAS with effect from March, 2005 Vs.: Certain teaching staff were absorbed as Senior Lecturer and Lecturers (Prob.) while others were absorbed as Instructors on personal to the holder basis.

The Institute has been named as Swami Vipulananda Institute of Aesthetic Studies (SVIAS), Eastern University, Sri Lanka. The following Departments of Study in respect of the Disciplines have also been approved.

- Dept. of Carnatic Music.
- Dept. of Dance, Drama and Theatre Arts.
- Dept. of Visual and Technological Arts.

First Director, Mrs. BalambigaiRajeswaran, M.A (Music), M.Phil. (India) was retired from the services on 23.04.2012 and Dr. K. Premakumar, Senior Lecturer Gr.I in Agronomy, EUSL has been appointed by the UGC as the 2nd Director of the SVIAS, EUSL with effect from 19th of April 2012.

3.2 Location:

The Institute is located at Nochchmunai, Batticaloa along the main road leading to Kalmunai, 3km away from the Batticaloa town.

The First Batch of Students were admitted in the academic year 2005/2006 for the Course of Study in Dance BharathaNattiyam, Carnatic Music .From the Academic Year 2006/2007 year onwards students are being admitted for the following Course of Study.

- Carnatic Music
- Dance (BharathaNattiyam)
- Drama & Theatre Arts
- Visual Arts

The total number of student population is 997 in the year 2013. 423 students were admitted in the Academic Year 2012/2013.

The Course wise Students Population is given below:

- Carnatic Music - 80
- Dance - 50
- Drama & Theatre Arts - 50
- Visual Arts - 50

3.3 Achievements:

3.3.1. Award of Excellence

SVIAS, Eastern University, Sri Lanka has won Several awards including four first places in Tamil Medium Stream of the Talent Awards- Higher Education Awards Ceremony for Creative Talent-2013. SVIAS also won three First Places –National Awards in the Government Dance Festival conducted by the Department of Cultural Affairs in Vavuniya in February, 2013.

3.3.2 Harmony through Cultural Diversity

SVIAS involved in organizing cultural programs towards promoting Social Harmony. Our Students took part in various Dance and Cultural programmes all over Sri Lanka for promoting Social Harmony through Cultural Diversity.

3.3.3Preservation and Promotion of Cultural Heritage

Swami Vipulananda Institute of Aesthetic Studies (SVIAS), Eastern University, Sri Lanka has earned reputation over the past twenty five years for playing pivotal in preserving and promoting Rich Cultural Heritage of the Region and the Nation. It organized various cultural programmes in folk & traditional Arts culture towards this goal.

3.3.4 Promotion of Reconciliation among Communities through Cultural Programmes

Our students always took part in organizing Welcome Dances and other cultural programmes in the high level functions organized in Batticaloa whenever top level portfolio ministers visit the region towards promoting Reconciliation Process.

3.3.5 Contribution towards MahindaChindhana

Our students have taken part in DayaKirulla Exhibitions , Kala Pola Exhibitions and other cultural events organized all over the Sri Lanka to promote Harmony and Peace towards achieving vision as proposed in MahindaChindhana.

3.3.6Organising Joint Cultural Programmes for Promoting Ethnic Cohesion

SVIAS students took part in organizing Joint Cultural Programmes*VZ:Dances & Folk Songs* with Students of University of Visual and Performing Arts (UVAPA) towards promoting Ethnic Cohesion .

3.3. 7Organising Cultural Programmes for Religious Festivals

SVIAS students organized cultural programmes for all three religious festivals inside the institute and outside too.

3.3.8. Conducting Workshops

Various Workshops and Seminars were conducted for the students in their discipline by eminent people.

3.4 Failure & Justification

The available Land of the Institute is six acres in extent and it is not enough for the expansion and development.

The Proposal submitted for the construction of Hostel to accommodate 200 female students is pending and the approval is to be obtained from the cabinet of Ministers. Infrastructure facilities are lacking. The preparation of Proposals for the new construction Projects are in process.

3.5 Future Plan

It has been planned to bring the existing Departments of studies to the status of the following faculties.

3.5.1 Faculty of Music
3.5.2 Faculty of Dance
3.5.3 Faculty of Drama & Theatre Arts
3.5.4 Faculty of Visual & Technological Arts.

The Commencement of Special Degree Programme in Technological Arts is being received by the Department of Study. The revision of Curriculum of all four Courses of Study is under review.

04. Details of Resources & Students as at 31.12.2013				
Department	Course of Study	Total Students	Total Academic	Total Non- Academic Staff
Music	Bachelor of Fine Art Music	305	14*	02
Dance and Dran & Theatre Arts	Bachelor of Fine Art Dance	197	07*	01
	Bachelor of Fine Art Drama & Theatre Ar	249	08*	
Visual Arts	Bachelor of Fine Art Visual Arts	246	08*	
Library		-	01	02
Administration		-	-	11
Finance		-	-	05
Total		**997**	**38**	**21**

* The student/ staff ratio in the Department of Dance, Drama & Theatre Arts and Visual & Technical Arts are very poor and therefore more cadres should be created.

The first batch of students were admitted in the Academic Year 2005/2006 and they graduated in 2010 in the courses of studies- Music (27 Students) & Dance (18 Students). The second batch of students were admitted in the Academic Year 2006/ 2007 and they graduated in 2012 in the courses of studies Music (44 Nos.), Dance (20 Nos.), Drama & Theatre (46 Nos.) and Visual Arts (06 Nos.). Third batch of students were admitted in the Academic year 2007/2008 and they graduated in 2013.

05. Details of Local Students as at 31.12.2013

Department	Course	Medium	Total Students in 2013	1st year 1st Semester 2013	1st year 2nd Semester 2013	2nd year Students	3rd year Students	4th year Students
Music	Bachelor of Fine Arts in Music	Tamil	305	72	77	79	46	31
Dance and Drama & Theatre Arts	Bachelor of Fine Arts in Dance		197	39	43	51	34	30
	Bachelor of Fine Arts in Drama & Theatre Arts		249	43	50	54	48	54
Visual Arts	Bachelor of Fine Arts in Visual Arts		246	47	52	50	50	47
Total			**997**	**201**	**222**	**234**	**178**	**162**

06. Details of Passed out students until 31.12.2013					
Department	Course	Medium	2011	2012	2013
Music	Bachelor of Fine Arts in Music	Tamil	44	45	19
Dance and Drama & Theatre Arts	Bachelor of Fine Arts in Dance		20	20	22
	Bachelor of Fine Arts in Drama & Theatre Arts		46	44	46
Visual Arts	Bachelor of Fine Arts in Visual Arts		06	06	33
			116	**115**	**120**

Since the intake of students increased year by year, the number of graduate increased accordingly

	7.Details of Academic Staff as at 31.12.2013								
Department	Course	Medium	Senior Prof.	Professor	Senior	Lecturer	Lecturer	Asst. Lecturer	Instructor
Music	Bachelor of Fine Arts in Music	-	-	-	-	-	12	01	01
Dance and Drama & Theatre Arts	Bachelor Of Fine Arts In Dance		-	-	-	-	04	03	-
	Bachelor Of Fine Arts In Drama & Theatre Arts		-	-	01	01	04	04	-
Visual Arts	Bachelor Of Fine Arts In Visual arts		-	-	-	-	02	06	-
Library				-	-	-	01	-	-
Computer Unit				-	-	-	-		01
	Total			**01**	**01**	**01**	**23**	**14**	**02**

Out of 32 Academic Cadres, 24 are Lecturers (Prob.) 06 number of Lecturers (Prob.) are following Ph.D programme and others intend to pursue Postgraduate programme.

8. Details of Non-Academic Staff as at 31.12.2013				
Department	Executive Staff	Technical Staff	Clerical and allied Staff	Minor Employees
Music	-	-	01	01
Dance and Drama Theatre Arts	-	-	-	01
Visual & Technological Arts	-	-	-	-
Library		-	01	01
Finance	01**	-	04*	01
Administration	02	-	08	01
Total	**03**	**-**	**14**	**05**

After 2008, no non-academic cadres were created in all categories .

* Store Keeper was interdicted in 2012

** Senior Asst. Bursar was interdicted in 2012

9. Details of Research, Innovation and Publications as at 31.12.2013			
Subject	Published	Commercialized	Presented
a. No. of Researches	-	-	01
b. No. of Innovations	-	-	-
c. No. of Journals	-	-	
d. No. of Books	-	-	-
e. No. of Articles	13	-	04
f. Other	01	-	01
Total	**14**	**-**	**06**

Out of 32 Academic Staff members, 29 Staff members are Lecturer (Prob) and they have been engaging in research work in their M Phil/Ph. D programmes.

10. Details of Programme, Seminars & Workshop as at 31.12.2013			
Subject	Attended	Completed	Presented
a. No of Postgraduate Degree Programme	-	-	-
b. No of Postgraduate Diploma Programme	-	-	-
c. No of Degree Programme	-	-	-
d. No of Diploma Programme	-	-	-
e. No of Certificate Programme	**01**	**01**	**01**
f. Other	-	-	-
Total	**01**	**01**	**01**

Respective Students of department attended the workshop on Drama & Theatre Arts, Visual & Technological Arts and completed with presentation

11. Details of Awards Received During as at 31.12.2013			
Subject	No of Award	No of Academics	No of Students
a. Local Awards	-	-	-
b. National Awards	02	01	05
c. International Awards	03	-	-
d. Other	-	01	10
Total	**05**	**02**	**15**

12. Details of Recurrent Expenditure as at 31.12.2013		
Subject	2012Rs.	2013Rs.
a. Personal Emoluments	32,873,382.66	42,917,599.72
b. Travelling	211,933.00	156,364.01
c. Supplies	3,354,262.57	2,801,251.09
d. Maintenance	1,045,978.52	1,252,750.87
e. Contractual Services	11,137,619.11	13,469,937.47
f. Other	2,681,065.59	6,354,578.60
Total	**51,304,241.45**	**66,952,481.76**

Expenditures on supply and contractual service increased due to the increase of students intake, outsourcing the Security Services, respectively.

13. Details of Capital Expenditure as at 31.12.2013		
Subject	2012 Rs.	2013Rs.
a. Acquisition of Furniture & OfficeEquipments	7,992,878.74	34,363,228.19
b. Acquisition of Machineries	75,376.48	-
c. Acquisition of Building & Structures	6,034,606.36	26,955,779.69
d. Other	-	-
Total	**14,102,861.58**	**61,319,007.88**

In order to accommodate increased number of students, the expenditure on furniture, office equipments and Acquisition of Buildings & structures were increased.

14. Details of Projects (Local/ Foreign Funded) as at 31.12.2013					
Name & Details	Loan/ Grant	Funding Agency#	TCE Rs.	RFA Rs.	DF Rs.
HETC Project	Grant	World Bank	15MR		
Total			15MR		

On submission of Project Proposal for the improvement of IT Skill, English, Soft Skill and Social Harmony under HETC- UDG grant of 15 million was awarded through HETC World Bank Project.

15. Details of Project Expenditure (Local/ Foreign Funded) as at 31.12.2013					
Name	TCE Rs.	Exp in 2012Rs.	Exp in 2013Rs.	Cumulative Exp as at 31.12.2013	% of Physical Progress
HETC Project	15MR	-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
Total	15MR	-	-	-	-

The funds were not utilized due to delay in releasing of fund.

16. Details of Financial Progress (Expenditure) as at 31.12.2013			
Subject	Provision in 2013 Rs.	Exp in 2013 Rs.	Savings/ Excess Rs.
a. Recurrent expenditure Project	69,635,789.90	72,022,453.79	2,386,663.89
b. Capital expenditure Project	50,477,000.00	61,319,007.88	10,842,007.88
c. Project - Local Funded	-	-	-
d. Project - Foreign Funded	-	-	-
Total	**120,112,789.90**	**133,341,461.67**	**13,228,671.77**

The recurrent expenditure has increased continuously due to the increased number of students

17. Details of Financial Progress (Generated Income) as at 31.12.2013			
Source of Revenue	Provision in 2013 Rs.	Collection in 2013 Rs.	Deficit/ Surplus Rs.
a. Undergraduate Studies	253,000.00	813,720.00	560,720.00
b. Postgraduate Studies	-	-	-
c. Consultancies	-	-	-
d. Other	-	-	-
Total	**253,000.00**	**813,720.00**	**560,720.00**

We have no Fees Levying Courses. Therefore no incomes were generated. Presently income was generated from the registration fee of undergraduate students.

18. Financial Performance Analysis as at 31.12.2013		
Subject	**Formula**	**Exp. Per student Rs.**
a. Recurrent Expenditure per Student (RE)	RE/ No of Student Strength	67,153.94
b. capital Expenditure per Student (CE)	CE/ No of Student Strength	362,406.23
Total		**429,560.17**

When compared to the previous year, this year the expenditure per student was decreased due to the increased number of Students' intake.

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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT

මගේ අංකය / எனது இல. / My No. EN/BT/B/SVIAS/1/13 ඔබේ අංකය / உமது இல. / Your No. දිනය / திகதி / Date 13 October 2014

The Director,
Swami Vipulananda Institute of Aesthetic Studies,
Eastern University, Sri Lanka.

Report of the Auditor General on the Financial Statements of the Swami Vipulananda Institute of Aesthetic Studies for the year ended 31 December 2013 in terms of Sub-section 108(1) of the Universities Act No. 16 of 1978.

The audit of financial statements of the Swami Vipulananda Institute of Aesthetic Studies for the year ended 31 December 2013 comprising the statement of financial position as at 31 December 2013 and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Sub-section 107(5) of the Universities Act, No. 16 of 1978. My comments and observations which I consider should be published with the Annual Report of the Institute in terms of Sub-section 108 (1) of the Universities Act, appear in this report. This report also to be considered as a detailed report in terms of Sub-section 108 (2) of the Universities Act.

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.

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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT

මගේ අංකය / எனது இல. / My No. EN/BT/B/SVIAS/1/13/02 ඔබේ අංකය / உமது இல. / Your No. දිනය / திகதි / Date 15 October 2014

Swamy Vipulananda Institute of Aesthetic Studies
27 OCT 2014
Eastern University, Kallady, Batticaloa, Sri Lanka.

DIRECTOR'S OFFICE
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23 OCT 2014
Swami Vipulananda Institute of Aesthetic Studies

The Director,
Swami Vipulananda Institute of Aesthetic Studies,
Eastern University, Sri Lanka.

Report of the Auditor General on the Financial Statements of the Swami Vipulananda Institute of Aesthetic Studies for the year ended 31 December 2013 in terms of Sub-section 108(1) of the Universities Act No. 16 of 1978.

The English version of the above mentioned report is sent herewith

H.A.S. Samaraweera
Auditor General

Copies: 01. Secretary, Ministry of Finance and Planning.
02 Secretary, Ministry of Higher Education
03. Chairman, University Grants Commission

① R/SVIAS
③ SAB/SVIAS.
② AIA/SVIAS
F.I. & N.A. please.
K.
3/10/2014
Director
Swamy Vipulananda Institute of Aesthetic Studies
Eastern University, Sri Lanka
Kallady, Batticaloa.

PA/SVIAS - file please

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

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1.3 Auditor's Responsibility

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

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

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

1.4 Basis for Qualified Opinion

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

2. Financial Statements

2.1 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 Swami Vipulananda Institute of Aesthetic Studies as at 31 December 2013 and its financial performance and cash flows for the year then ended in accordance with the Sri Lanka Public Sector Accounting Standards.

2.2. Comments on Financial Statements

2.2.1 Accounts Receivable and Payable

The following observations are made

(a) Loan balances aggregating Rs.573,338 receivable from 04 officers who were interdicted or dismissed from the service had remained outstanding for over 02 years. However, the Institute had not taken action to recover those outstanding balances.

(b) Salary loans aggregating Rs.14,393 had remained outstanding for more than 02 years without taking action to recover them from the officers concerned.

(c) A sum of Rs. 12,046 payable to the Eastern University had remained outstanding for more than 02 years without taking action to settle it.

2.2.2 Lack of Evidence for Audit

The following evidence indicated against each item had not been furnished to audit.

Item	Value	Evidence not made Available
	Rs.	
(a) Land and Buildings	39,078,017	Title Deeds
(b) Plant and Machineries	2,294,781	Register of Fixed Assets
(c) Motor Vehicles	237,372	Register of Fixed Assets
(d) Furniture Fittings and Office Equipment	23,107,830	Register of Fixed Assets
(e) Other Assets	777,275	Register of Fixed Assets
(f) Books and Periodicals	242,287	Register of Fixed Assets
(g) Welfare Goods	1,585,071	Register of Fixed Assets
(h) Health Equipment	105,432	Register of Fixed Assets
(i) Laboratory Equipment	23,300	Register of Fixed Assets
(j) Sports Goods	978,977	Register of Fixed Assets
(k) Loans and Advances	7,067,789	Detailed Schedules and Age Analysis

2.2.3 Transactions not Supported by Adequate Authority

According to the letter No.PE/01/174/11 (b) dated 6 March 1998 of the Director General of Public Enterprises and Establishments Circular Letter No. 08/2013 dated 23 May 2013 of the University Grants Commission, allowances payable for language proficiency for government officers should not be extended to State Corporations and Statutory Boards. However, a sum of Rs. 27,650 had been paid to three non-academic staff as language proficiency allowance from the year 2012 up to 31 May 2013 and this payment had not been recovered from the officers concerned even up to 30 April 2014. In this regard, the Director had informed that, after receiving the circular from the UGC by May 2013, the payment of allowances had been stopped from June 2013.

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

Instances of non-compliance observed in audit are given below.

Reference to Laws, Rules, Regulations and Management Decisions	Non- compliance
(a) Section 109 Universities Act No. 16 of 1978	The audited financial statements and report of the Auditor General on the financial statements for the year 2012 had not been published in the Government Gazette up to 30 April 2014.
(b) Financial Regulations F.R.756	Annual physical verification of stores had not been carried out as at the end of the year under review even up to the date of audit on 22 May 2014.
(c) Establishments Code for the University Grants Commission and Higher Educational Institutions	
(i) Section 20.6 of Chapter- X	Particulars of no-pay leave obtained by 02 academic staff had not been reported to the Auditor General in Form General : 96
(ii) Section 3:1 of Chapter- XXVII	Academic staff of the Institute had not recorded their departure in the attendance register. In this regard, the Director had informed me that, by tradition the academic staffs sign only their arrivals in the attendance register.

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3. Financial Review

3.1 Financial Results

According to the financial statements presented, the activities of the Institute during the year under review had resulted in a deficit of Rs. 70,750,664 before taking into account the Government Grant of Rs. 68,364,000 for recurrent expenditure as compared with the corresponding deficit of Rs. 53,926,128 for the preceding year before taking into account the Government Grant of Rs.57,500,000 for that year thus indicating a further deterioration of Rs. 16,824,536 in the financial results. The increase of personal emoluments, examination expenses and welfare expenses were the reasons for this deterioration

4. Operating Review

4.1 Performance

The academic performances of the University during the year under review were as follows.

(a) Results of Examinations

Details of final examinations held in 2013 and the passing out of graduates are shown below.

Details	Faculty of Music	Faculty of Dance	Faculty of Drama and Theatre	Faculty of Visual and Technological Arts
No. of students sat for final examinations during the year under review	26	25	50	43
No. of students passed the examinations	19	22	46	33
No. of students passed degree examinations, as a percentage of No. of students who sat for the examinations	73.07	88	92	76.74

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In this regard, the following observations are made.

(i) Out of 26 students of the Faculty of Music sat for final examination, 19 students had passed the exam, which represents 73.07 per cent of the total number of students sat for the final examination.

(ii) Out of 43 students of the Faculty of Visual and Technological Arts sat for final examination, 33 students had passed the exam, which represents 76.74 per cent of the total number of students sat for the final examination.

(b) Cost per Student

The total cost of each faculty of the Institute and the cost per student for the year under review are shown below.

	Faculty of Music	Faculty of Dance	Faculty of Drama and Theatre	Faculty of Visual and Technological Arts	Total
Total Cost (Rs.)	12,496,872	9,350,020	21,280,967	28,894,594	72,022,454
Total Number of Students	305	197	249	246	997
Cost per Student(Rs.)	40,973	47,462	85,466	117,458	67,154

The highest cost per student amounting to Rs. 117,458 was reported at the Faculty of Visual and Technological Arts whilst lower cost per student amounting to Rs. 40,973 was reported at the Faculty of Music.

(c) Mahapola and Bursaries

A sum of Rs. 5,552,500 had been paid to 572 students as Bursary and a sum of Rs. 660,000 had been paid to 108 students as Mahapola during the

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year under review. However, sums of Rs. 17,500 and Rs. 265,700 in respect of Mahapola and Bursaries respectively had not been paid to 26 students up to the date of audit on 22 May 2014 as those students had discontinued their courses.

4.2 Management Inefficiencies

The following observations are made.

(a) The Institute had delayed nearly one year to initiate a formal inquiry against the Senior Assistant Bursar and the Storekeeper who had been charged for the cheque fraud of Rs. 5 million and fraudulent payment of Rs. 4.5 million in terms of Sections 5.2 and 5.3 of Chapter XXII of the Establishments Code for the University Grants Commission and Higher Educational Institutions.

(b) A sum of Rs. 1,395,000 had been overpaid with regard to the purchase of floor carpets, easels, sculpture wheels, and bunk beds made in 2011. However, the Institute had not taken necessary action against the officers who were responsible for the above overpayment.

(c) The Institute had not taken action to recover the losses sustained due to the cheques fraud, which had taken place by encashing fourteen cheques to the value of Rs. 3,622,315 by an officer of the Institute through a bank account of an unknown person maintained at a private Bank in Batticaloa.

(d) The Institute had purchased 106 toners for photocopying machines at a cost of Rs.1.27 million without considering the actual requirements and the inferior quality of toners had affected spare parts such as the Drum, Drum Blade, Heater Roller of photocopying machines. As a result, 21 of such toners had remained idle at the stores of the Institute up to the date of audit inspection on 22 May 2014.

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6. Systems and Controls

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

(a) Assets Management

(b) Procurement

H. A. S. Samaraweera
Auditor General.

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