

ANNUAL REPORT
2012

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ANNUAL REPORT OF THE
DEFENCE SERVICES COMMAND AND STAFF COLLEGE
YEAR 2012

HISTORY

1. The Army Command and Staff College (ACSC) was inaugurated on 16 March 1998 with the first Course consisting of 26 Student Officers. However the College was officially inaugurated on the 28 August 1998 by the former President, Her Excellency Mrs Chandrika Bandaranaike Kumaratunga on a request made by then Commander of the Army, Lt Gen R De S Daluwatte WWV RWP RSP VSV USP LOM ndc psc.

2. At the very inception, the British Army attached a Training Team consisting of two Lieutenant Colonels, in order to assist the faculty to formulate a syllabus similar to the British Army Command and Staff College with emphasis our requirements. They extended a yeomen service from the outset to get ACSC established, by providing required training material and fine tuning of local teaching skills. The faculty was driven through an 'on the job' Training Programme.



Inauguration of the ACSC on 28 August 1998

3. The ACSC was established with the aim of developing the professional knowledge and understanding of the selected Student Officers, both in Command and on Staff duties, of the Sri Lanka Army. In addition, a few selected Student Officers from the Sri Lanka Navy and Sri Lanka Air Force, were also trained on Army Command and Staff aspects from ACSC Course No 1 onwards. During the nine years of ACSC (1998-2006), the College produced 253 graduates, of whom 209 were from the Army, 22 were from the Navy, 21 from the Air Force and one from the Police. This was in contrast to 58 'Staff Qualified Graduates' available by the Sri Lanka Army, in the year 1996. The change from ACSC to DSCSC could be perceived as an indication shown from the very inception on the importance of a Joint Services atmosphere. Moreover the efforts of all military arms were felt imperative to be unformed, in order to combat our adversary. Military Operations in isolation had never paid us required dividends. Furthermore, changing tactics of our adversaries compelled us to revise our doctrines in war fighting, thus setting conditions for a sound 'Joint Environment'.

4. January 22nd 2007 was definitely an important milestone in the history of Armed Forces, where all military doctrinal and strategic level planning and teachings were brought under one roof, as practiced by many other Armed Forces in the world. To add value to the ceremony, the function was graced by the Secretary to His Excellency the President, Mr. Lalith Weeratunga who was the Chief Guest. Defence Services Command and Staff College Course No 1 commenced immediately after the inauguration ceremony with 36 Student Officers from the Army, 8 Student Officers from the Navy and 10 Student Officers from the Air Force registering for the first course.



Inauguration of the DSCSC on 22 January 2007

OLD CREST



NEW CREST



“TO WAR WITH WISDOM AND KNOWLEDGE”

5. The tradition of the wise old Owl appears in the legends of King Arthur, where Merlin is described as having an Owl perched on his shoulder. During the medieval period, Owls became widely accepted as symbols of learning and in the Middle Age, knowledge was vastly vested in the clergy and alchemists. Thus, during this time the Owl became the companion of the wise.

6. In Roman mythology, MINERVA is the goddess of War and Wisdom. Her favorite bird was the Owl. Several Staff Colleges have adopted MINERVA's Owl as their crest. In keeping with tradition the DSCSC too has selected the Sri Lankan Fish Owl as its crest. The motto “සිහි නුවණින් රණ දෙරණට” gives the literal meaning “To War With Wisdom and Knowledge”. The Army, Navy and Air Force is represented by crossed swords on a light orange background, and anchor on a dark blue background and an albatross on a light blue background respectively. The sheaves of paddy on either side of ශ්‍රී ලංකා (Sri Lanka) on the outer circle denotes prosperity. Defence Services Command and Staff College is indicated in Sinhala script, “ආරක්ෂක සේවා අණ සහ මාණ්ඩලික විද්‍යාලය”.

THE VISION

7. “To be an institution preparing today’s emerging leaders to meet the defence and security challenges of tomorrow with interdisciplinary defence skills that best serve the Tri-Services, state sector, and societal security needs at large”.

THE MISSION

8. The present mission of the College is **“To impart necessary educational instructions to selected officers enabling them to assume Grade 2 and above appointments and to inculcate in them personal and professional ethics, and ability to prepare them for higher command and staff roles”**

9. The mission statement guides the development and structuring of the curriculum. The College programme, therefore, focuses on two main areas:

- a. Educational and the necessary skill for intellectual development.
- b. Development of personal and professional ethnic and abilities.

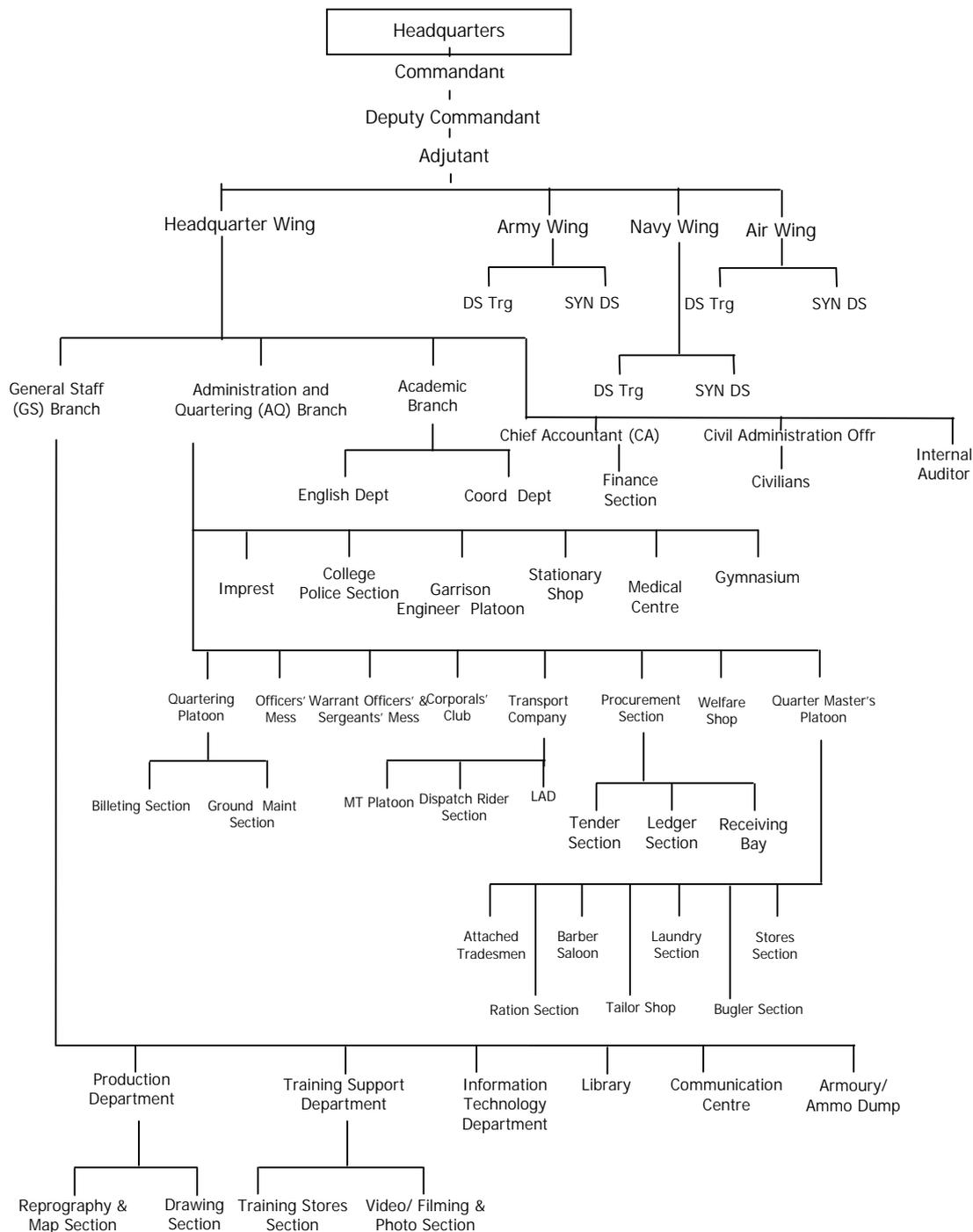
OBJECTIVES

10. The above aim is met through addressing six principal objectives, which are as follows:

- a. Know and be able to apply the function and techniques of staff in war and peace.
- b. Know and apply the principles and techniques involved in the employment of land force in particular, and armed forces in general, in all types of military operations.
- c. Analyzed the function of command up to and including divisional level.
- d. Know the structure, development, roles and interdependence of the Sri Lanka Armed Forces.
- e. Understand how the Sri Lanka defence policy is formulated and the relationship with military doctrine.
- f. Analyze those issues in national and international affairs, which influence the defence policies of Sri Lanka and her allies.

**THE OUT LINE ORGANIZATION OF THE
DEFENCE SERVICES COMMAND AND STAFF COLLEGE**

11. Organization. The DSCSC organization approved by the MOD vide MOD/CSCB/4(73) dated 24 February 2010 is as follows:



12. **Functions.** For the purpose of carrying out its objectives, the Staff College has been vested with the following functions:

- a. To admit Student Officers from the Armed Forces of Sri Lanka to follow the courses of study at the Staff College.
- b. To admit Student Officers from the Department of Police and Military establishments outside Sri Lanka to follow the courses of study at the Staff College.
- c. To admit Public Officers to follow courses of study as determined by the Board of Studies relating to Defence and Military Management at the Staff College and where necessary to levy such fees as prescribed.
- d. To conduct examination for the purpose of ascertaining the Student Officers admitted under paragraphs (a), (b) and (c) who have acquired proficiency in the selected Courses of Study.

13. **The Board of Management.** The Management and the administration of the affairs the Staff College are vested to a Board of Management which consists of the following members appointed by the Minister of Defence:

- a. Secretary Ministry of Defence and Urban Development - Chairman.
- b. Chief of Defence Staff.
- c. Commander of the Army.
- d. Commander of the Navy.
- e. Commander of the Air Force.
- f. Additional Secretary (Defence) Ministry of Defence.
- g. Vice Chancellor - KDU.
- h. Secretary to the Treasury or his nominee.
- i. Commandant of the College.
- j. Brigadier Co-ordinating. - Secretary.

14. Board of Management met during the year 2012 in order of uplift the quality of training and improve the infrastructure and other facilities of the DSCSC. Eight such meetings were held in year 2012.

15. **Board of Studies.** The affairs of the Staff College relating to academic and Defence Studies are vested in the Board of Studies which is consisted of the following members:

- a. Commandant of the Staff College.
- b. Representative nominated by Vice Chancellor of the General Sir John Kotelawala Defence University.
- c. Brigadier Coordinating.
- d. Chief Instructor of the Army Wing.
- e. Chief Instructor of the Navy Wing.
- f. Chief Instructor of the Air Wing.
- g. General Staff Officer I - Secretary.

16. **Audit and Management Committee** Affairs relating to audit and finance of the College is vested with Audit and Management Committee which is consisted of following members.

- a. Additional Secretary (Development) - MOD and UD.
- b. Commandant - DSCSC.
- c. Additional Director General - Department of State Accounts.
- d. Audit Superintendent - Auditor General's Department.
- e. Brig Coordinating - DSCSC.

- f. Brig Admin and Quartering - DSCSC.
- g. Chief Accountant - MOD and UD.
- h. Internal Auditor - DSCSC.
- i. Accountant - DSCSC.

THE SYLLABUS

17. The Course is divided into an Orientation Module of three weeks and four Terms.

18. Term 1 - Foundation Studies (11 Weeks). The Term 1 of the Course commenced on 23 January 2012 and was concluded on 7 April 2012. Subjects covered during the term were as follows:

- a. Arms and Services.
- b. Combat Service Support.
- c. Command, Command Support and Decision Making.
- d. Doctrine, Operations and War Fighting.
- e. Intelligence Staff Duties.
- f. General and Logistics Staff Duties.
- g. Logistic Staff Duties.
- h. Operations of War.
- i. Research Methodology.
- j. Sri Lanka Studies.

19. Term 2 - Operations Of War (13 Weeks). The Term 2 of the Course commenced on 16 April 2012 and was concluded on 12 July 2012. Subjects covered during the term were as follows:

- a. Air Warfare.
- b. Military Assistance to the Civil Authorities.
- c. Operations of War.
- d. Strategic Studies.
- e. International Affairs.
- f. Overseas Study Tour.

20. Term 3 - Operations Other Than War (12 Weeks). The Term 3 of the Course commenced on 17 July 2012 and was concluded on 14 October 2012. Subjects covered during the term were as follows:

- a. Operations Other Than War including Counter Insurgency (COIN).
- b. Management Studies.
- c. Maritime Warfare.
- d. Strategic Studies.
- e. International Affairs.
- f. ICRC workshop on International Humanitarian Law (IHL).
- e. Joint Operations.

21. Term 4 - Management And Technology (7 Weeks). The Term 4 of the Course commenced on 30 October 2012 and was concluded on 14 December 2012. Subjects covered during the term were as follows:

- a. Management Studies.
- b. Military Technology.
- c. UN Peace Support Operations.
- d. Training for Operations.

- e. Security.
- f. Administrative Studies.
- g. Nuclear, Biological and Chemical Warfare.

CONDUCT OF THE DSCSC COURSE NO 6

22. Student Officers followed the DSCSC Course No 6 is as follows:

Army (a)	Navy (b)	Air Force (c)	Foreign (d)	Total Strength (e)
55	19	17	11	102

Table - 01

23. Foreign Student Officers who followed the DSCSC 6 were as follows:

- a. Bangladesh - 1
- b. China - 2
- c. India - 2
- d. Indonesia - 1
- e. Malaysia - 1
- f. Maldives - 1
- g. Nepal - 1
- h. Pakistan - 1
- i. Sudan - 1

24. Results. Results of the DSCSC Course No 6 tabled and approved by the 24th Board of Management meeting on 24 January 2013. Summary of the results of DSCSC Course No 6 is as follows:

(a)	Total No of Student Officers in the Final Term (b)	'psc'			Qualified for the Award of MDS (f)
		Awarded (c)	Followed the Course Category (d)	Return to Unit due to Disciplinary Reasons (e)	
Army Wing	64	64	-	-	30
Navy Wing	20	20	-	-	09
Air Wing	18	18	-	-	13
Total	102	102	-	-	52

Table - 02

25. The DSCSC Course No 6 was conducted as per the approved Course Syllabus. The Course Syllabus has been conducted by the Directing Staff and lectures pertinent to four academic subjects which form part of Master of Science in Defence and Strategic Studies (MSc (D&SS)) have been conducted by qualified visiting lecturers. Further, Student Officers were given opportunities to widen their horizons by facilitating them on tours / visits to important public and private sector establishments.

26. Four Academic Terms of the DSCSC Course No 6 included the following Training Activities:

- a. Exercises conducted during the term 1.

(1) Army Wing.

(a) Exercise – ‘THUNDER BOLT’. This exercise was held on 25 January 2012 for the Army Student Officers, within the College premises with the aim of exercising the Student Officers to make a fire plan for Offensive Operations.



(b) Exercise – ‘HOLD FAST’. This exercise was held on 30 January 2012 for the Army Student Officers at the College premises with the aim of exercising Student Officers on the tactical and technical aspects of Engineer Support Planning in support of defensive operations, within the framework of a Division / Brigade level.



(c) Exercise – ‘PANDORA’S BOX’. This was held on 3 February 2012 for the Army Student Officers at the College premises with the aim of exercising Student Officers in practicing / preparing of an Executive Summary.



(d) Exercise – ‘MASTER WRITER’. This was held on 22 February 2012 for the Army Student Officers at the College premises

with the aim of exercising Student Officers to practice in correct use of rules and conventions at Service Writing.



(d) Exercise – ‘CARAVAN’. Exercise ‘CARAVAN’ was held on 5 March 2012 for the Army Student Officers at the College premises with the aim of exercising Student Officers to master the staff work involved in the techniques of planning a road movement, prior to the operations and campaign planning.



(e) Exercise – ‘BRASS TACKS’. Brass Tacks Exercise was held on 27 March 2012 in the general area Asgiri Rajamaha Viharaya at Gampaha, with the aim of exercising Student Officers on planning and conducting of a deliberate defence within the Brigade and Divisional at concepts.



(2) Navy Wing.

(a) Exercise – ‘LEFT HOOK’. This was held on 3 February 2012 for the Navy Student Officers at the College premises, with the aim of exercising Student Officers to understand the main thread of a subject in a lengthy piece of unmethodical script and to develop the capability to

extract the crux of a document and finally to pen down a summarized version of the same in a logical manner.



(b) Exercise – ‘VERBAL D’. This was held on 15 February 2012 for the Navy Student Officers at the College premises with the aim of exercising Student Officers to deliver an impromptu speech on an out of the hat topic. An impromptu speech enables a person to present his own views on a topic displaying his knowledge on the subject and ability to present his thoughts to others.



(c) Exercise – ‘SMOKE STACK’. This was held on 14 May 2012 for the Navy Student Officers at the College premises with the aim of exercising Student Officers on the use of graphical methods to project solutions for complex evolutions that could be easily perused and comprehended by the Command and Staff.



(3) Air Wing.

(a) Exercise – ‘VIDWATH KATHA’. This was held on 15 February 2012 for Air Force Student Officers at the College premises

with the aim of exercising Student Officers to produce a document on a given subject and present it in a logical and structured manner.



(b) Exercise – ‘GUWAN PRAHARA’. This was held on from 26 March 2012 to 27 March 2012 for Air Force Student Officers at the College premises with the aim of exercising Student Officers to practice / produce an individually assessed exercise.



(4) Joint Exercises.

(a) Exercise - ‘ROUND TABLE’. This was held on 12 March 2012 for all Student Officers at the College premises with the aim of exercising Student Officers on writing a Conference Minute.



b. Exercises (Term 2).

(1) Army Wing.

(a) Exercise - ‘UPPER CUT’. This exercise was held from 8 to 14 May 2012 for Army Student Officers in the General Area Narammala

with the aim of exercising Student Officers to discuss and practice the planning of Offensive Operations at Brigade level.



(b) Exercise - 'SHINING ARMOUR'. This was held on 28 May 2012 for Army Student Officers at the College premises, with the aim of exercising on preparing of an Operation Order.



(c) Exercise - 'CARRIER PIGEON'. This was held from 2 to 8 July 2012 for Army Student Officers at the College premises with the aim of exercising Students Officers in planning divisional level defensive and offensive operations plus their associated transitional phases within the doctrinal framework of manoeuvre warfare.



(2) Navy Wing.

(a) Exercise - 'KILLER WHALE'. This exercise was held on 19 June 2012 for the Navy Student Officers at the College premises, with

the aim of exercising Student Officers to instill the ability to present facts, opinions, and arguments leading to definite decisions or recommendations.



(b) Exercise – ‘KONTIKI’. This was conducted from 25 to 27 June 2012 for Navy Student Officers in general area Avissawella and Hanwella with the aim of exercising Student Officers to practice/develop leadership skills, team work, creativity and professionalism in an atmosphere of adventure and to develop confidence in task planning.



(c) Exercise – ‘OP – ULYSSESS’. This was held on 2 July 2012 for Navy Student Officers at the College premises with the aim of exercising Student Officers to inculcate the importance and the rationale in the operational planning process of the Sri Lanka Navy.



(d) Exercise – ‘THUNDER STRIKE’. This was held on 5 July 2012 for Navy Student Officers at the College premises with the aim of exercising Student Officers to practice / enhance the ability to research

through literature, comprehend concepts and their applicability in various contexts.



(3) Joint Exercises.

(a) Exercise – ‘OCTOPUS’. This was held on 10 to 11 May 2012 for Navy and Air Force Student Officers at the College premises with the aim of exercising Students Officers in planning and executing Maritime Air Operations.



(b) Exercise – ‘CONCRETE JUNGLE’. This was held from 18 to 25 May 2012 for Student Officers of Army and Air Force in the general area Kurunegala and Ethugala with the aim of exercising Students officers in planning offensive and defensive operations at Brigade level in a built-up area.



(c) Exercise – ‘GOLDEN SHIELD’. This was held from 28 May 2012 to 6 June 2012 for Student Officers of Tri Services in general area

Galewela, Dambulla and Naula with the aim of exercising decision making process and the production of written staff work related to ground and air power applications in Divisional and Brigade level defensive operations.



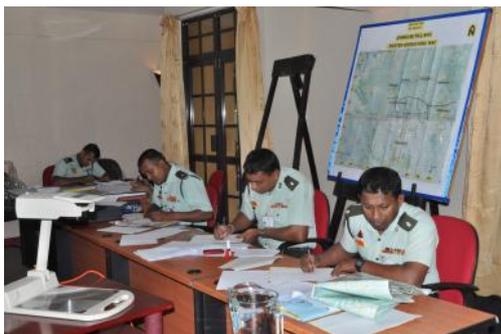
(d) Exercise – ‘SHADOW DANCE’. This was held from 20 to 28 June 2012 for Student Officers of Army and Air Force at the College premises with the aim of exercising Student Officers knowledge of understanding the use of war gaming as a staff tool, and further to confirm their understanding of the battle procedure, planning and to conduct joint \ offensive and defensive operations in a Divisional setting.



c. Exercises (Term 3).

(1) Army Wing.

(a) Exercise – ‘PILL BOX’. This was held on 6 to 7 August 2012 for Army Student Officers at the College premises with the aim of exercising detailed planning considerations of defensive operations at brigade level in a Counter Insurgency Operations (COIN) scenario.



(b) Exercise – ‘INK BLOT’. This was held from 2 to 6 September 2012 for Army Student Officers at the College premises with the aim of exercising planning a Divisional deployment and writing an estimate, related to an offensive operation in a Counter Insurgency Operations (COIN) scenario.



(2) Navy Wing.

(a) Exercise – ‘TRIDENT’. This was held from 3 to 6 September 2012 for Navy Student Officers at the SLN Dockyard Trincomalee with the aim of exercising the operational planning.



(b) Exercise – ‘CONOPS’. This was held from 3 to 4 October 2012 for Navy Student Officers at the College premises with the aim of analyzing an operation in order to discuss the lessons learnt in contrast to Principles of War.



(c) Exercise - SEA LION. This was held on 20 November 2012 for Navy Student Officers at the College premises with the aim of exercising the key concepts, principles and issues of Maritime Strategy and to relate them to present and future operations.



(3) Joint Exercises.

(a) Joint Warfare Package. The Joint Warfare Package was conducted by Tri Services Officers of Bangladesh Defence Services Command and Staff College from 27 to 30 August 2012 at the College premises.



(b) Exercise – ‘SLEDGE HAMMER’. This was held from 10 to 15 September 2012 for Army Navy and Air Force Student Officers at the College premises with the aim of exercising the practice in planning and formulating of:

- i. Operation / tactical level campaign plans to conduct Counter Insurgency (COIN) Operations.
- ii. Contingency plans at operation / tactical level in Counter Insurgency (COIN) Operations.
- iii. Conducting a War Game.



(c) Exercise – ‘MAGNUM FORCE’. This was held from 17 to 22 September 2012 for Student Officers at the College premises with the aim of exercising various staff planning and decision making tools at the military strategic level.



d. Exercises (Term 4).

(1) Army Wing.

(a) Exercise – ‘GUIDING LIGHT’. This was held on 20 November 2012 for the Army Student Officers at the College premises with the aim of exercising the way of developing a Brigade training instructor within the context of the Sri Lanka Army Training Policy.



(b) Exercise – ‘GHOST WALK’. This was held on 23 November 2012 at general area Weliweriya, Pugoda and Kirindiwela for Army Student Officers with the aim of exercising Student Officers to write a Tactical Exercise Without Troops on Offensive Operation at Battalion level in a conventional scenario.



(2) Navy Wing.

(a) Exercise – ‘SALAMANDER’. This was held on 14 November 2012 for Student Officers of Navy at the College premises with the aim of exercising Student Officers to understand the importance of Joint Planning in Amphibious Operations.



(3) Air Wing.

(a) Exercise – ‘DANDU MONARA’. This was held on 23 November 2012 for Air Force Student Officers at the College premises with the aim of exercising Student Officers on writing an appreciation and associated charts / tables.



(4) Joint Exercises.

(a) Exercise - ‘CRUCIBLE’. This was held on 12 November 2012 for Student Officers of Tri Services at the College premises with the aim of exercising Student Officers in planning and carrying out operations when called upon to provide Military Aid to the Civil Authority.



- (b) Exercise – ‘PURPLE TURTLE’. This was held from 15 to 19 November 2012 for Student Officers of Tri Services at the College premises with the aim of exercising Student Officers to practice in planning an Amphibious Operations at Operational Level.



e. Red Ink Corrections (Term 1).

(1) Army Wing.

- (a) Ex MASTER WRITER - 2 was held on 22 February 2012.
(b) Ex ROUND TABLE was held on 12 March 2012.

(2) Navy Wing.

- (a) Ex - SCRIBE was held on 13 February 2012.
(b) Ex ROUND TABLE was held on 12 March 2012.

(3) Air Wing.

- (a) Ex PEN DRIVER was held on 22 February 2012.
(b) Ex ALBATROSS was held on 12 March 2012.

f. Red Ink Corrections (Term 2).

(1) Army Wing.

- (a) Ex UPPER CUT was held on 16 May 2012.
(b) Ex GOLDEN SHIELD was held on 6 June 2012.
(c) Ex SHADOW DANCE was held on 28 June 2012.

(2) Navy Wing.

- (a) International Maritime Law (IML) Examination was held on 19 April 2012.
(b) Ex SMOKESTACK was held on 14 May 2012.
(c) Ex OP ULYSSESS was held on 20 June 2012.

(3) Air Wing.

- (a) Ex AIR DETERRENCE was held on 19 June 2012.
- (b) Ex GOLDEN SHIELD was held on 6 June 2012.

g. Red Ink Corrections (Term 3).

(1) Army Wing.

- (a) Ex INK BLOT was held on 6 September 2012.
- (b) Ex SLEDGE HAMMER was held on 15 September 2012.

(2) Navy Wing.

- (a) Ex - TRIDENT was held on 4 September 2012.
- (b) Ex - SLEDGE HAMMER was held on 15 September 2012.

(3) Air Wing.

- (a) Ex SLEDGE HAMMER was held on 15 September 2012.

h. Red Ink Corrections (Term 4).

(1) Army/Navy/Air Wing.

- (a) Commandant's Research Paper was submitted on 24 September 2012.

27. Following Examinations were conducted for all Student Officers on academic subjects which form part of Master of Science in Defence and Strategic Studies (MSc (D&SS)) Programme:

a. Term 2.

- (1) Sri Lankan Studies Examination was held on 15 June 2012.

b. Term 3.

- (1) International Affairs Examination was held on 24 July 2012.
- (2) Strategic Studies Examination was held on 25 August 2012.

c. Term 4.

- (1) Management Studies Examination was held on 6 November 2012.

28. Presentations. Following Presentations were conducted by Student Officers of Course No 6 during the course.

a. Term 1.

(1) Command Studies Presentations (Army Wing).

- (a) Fd Mshl K M Cariappa - INDIA.
- (b) Stuart, James Ewell Brown - USA.
- (c) Fd Mshl Allenby, Edmund Henry Hynman - UK.
- (d) Ridgway, Matthew Bunker - USA.
- (e) Gen Ulysses S Grant - USA.

- (f) Mshl Georgi Konstantinovich Zhukov - USSR.
- (g) Augustus Italy.
- (h) Louis XIV.
- (i) Peter the Great - RUSSIA.
- (j) George William Casey USA.
- (k) Harald Alexander UK.
- (l) Omar Bradley USA.

(2) Command Studies Presentations (Navy Wing).

- (a) Admiral Isoroku Yamamoto.
- (b) Admiral of the Fleet Louis Mountbatten.
- (c) Fleet Admiral Chester William Nimitz 1885 – 1966.
- (d) Admiral Frank Jack Fletcher.

(3) Command Studies Presentations (Air Wing).

- (a) General James Harold Doolittle.
- (b) Maj Gen Ezer Weizman.
- (c) Air Chief Marshal Sir Hugh Dowding.



b. Term 2.

(1) War Studies Presentations (Army Wing).

- (a) Vistula – Order Offensive.
- (b) Battle of Okinawa.
- (c) Battle of Monte Casino.
- (d) Invasion of Poland.
- (e) Battle of Singapore.
- (f) Battle of Arras.
- (g) Battle of Bulge.
- (h) Battle of Crete Island.
- (i) Battle of Philippines.
- (j) Battle of Tannenberg.
- (i) Battle of Somme.
- (j) Battle of Sicily.

(2) War Studies Presentations (Navy Wing).

- (a) Battle of Coral Sea 1944.
- (b) Battle of Eastern Solomon in 1942.
- (c) Falkland War 1982.
- (d) Battle of Cape Matapan in 1941

(3) War Studies Presentations (Air Wing).

- (a) Falklands War.
- (b) Six Day War.
- (c) Pacific Air Campaign in World War 2.
- (d) Gulf War 1.



c. Term 3.

(1) Historical Case Studies Presentations (Joint).

- (a) Insurgency in Ache.
- (b) People Power Revolution in Philippines.
- (c) The Iraqi Insurgency of 2003 - 2006.
- (d) The Angolan Civil War.
- (e) The Rwandan Civil War.
- (f) The Insurgency in Sri Lanka 1987 - 1989.
- (g) The 2011 Egyptian Revolution.
- (h) The First Chechen Rebellion.
- (i) The Iranian Revolution.
- (j) Insurgency in Nepal

(2) War Studies Presentations - Air Power in Counter Insurgency (Air Wing).

- (a) Rhodesian Bush War of 1965 - 1973).
- (b) Operation Barrel Roll (1964 - 1973).
- (c) Algerian War of 1954 - 1962.
- (d) Chechnya War of 1994 - 2009.



d. Term 4.

(1) Sri Lankan Coin Operations Case Studies Presentations (Army).

- (a) Humanitarian Operation from the LTTE point of view.
- (b) Battle of Pothukkudiyiruppu.
- (c) Thoppigala Final Operation.

RESTRICTED

- (d) Battle of Pooneryn (Debacle of Pooneryn).
- (e) Siege of Mullaittivu in 1996.
- (e) Operation Sathjaya.

(2) Sri Lankan Coin Operations Case Studies Presentations (Navy).

- (a) Strategies adopted to defeat LTTE Sea Tigers for the Success of Humanitarian Operation in Northern Theatre.
- (b) Strategies adopted to defeat LTTE Sea Tigers for the Success of Humanitarian Operation in Eastern Theater.

(3) Sri Lankan Coin Operations Case Studies Presentations (Air).

- (a) Humanitarian Operation from the LTTE point of view.
- (b) Thoppigala Final Operation.
- (c) Battle of Pothukkudiyiruppu.
- (d) Siege of Mullaittivu in 1996.
- (e) Battle of Pooneryn (Debacle of Pooneryn).



29. Visits. Student Officers were given opportunities to widen their horizons by facilitating them with tours / visits to important public and private sector establishments. In addition, an Overseas Study Tour was organized to visit the military establishments in India, Indonesia, Malaysia and Pakistan for a period of approximately 10 days.

a. Term 1.

- (1) Survey Department was visited on 2 February 2012.



- (2) The Colombo High Courts was visited by the Naval Student Officers on 23 April 2012.



b. Term 2.

(1) Bandaranaike International Airport (BIA) and Sri Lanka Air Force (SLAF) Base at Katunayake were visited on 30 April 2012.



(2) Sigiriya Project Archaeological Site was visited on 7 June 2012.



(3) National Aquatic Resources Research and Development Agency (NARA) and Metrological Department were visited on 18 June 2012.



(4) An Overseas Study Tour was organized to visit the military establishments in India, Indonesia, Malaysia and Pakistan for a period of approximately 10 days. Four delegations consisting of Student Officers and Directing Staff toured the above mentioned countries from 15 to 25 October 2012.



c. Term 3.

(1) Western Naval Command, Port Authority and Colombo Dockyard were visited on 16 August 2012.



(2) Naval Student Officers visited the Central Bank - Colombo on 21 August 2012.



(3) The Sri Lanka Parliament was visited on 27 September 2012.



30. Special Events.

a. Visits of Foreign Delegations. Following Foreign Delegations visited the Defence Services Command and Staff College in year 2012:

(1) The Delegation from the Armed Forces War Course of Bangladesh visited on 4 July 2012.

(2) The Commander Royal Brunei Land Force of the Brunei Army Brigadier General Dato Seri Pahlwan Haji Yussof bin Haji Abd Rahaman visited on 7 August 2012.



(3) State Councillors and Minister of National Defence of Peoples' Republic of China HE Liang Guanglie visited on 30 August 2012.



(4) The High Commissioner of India in Sri Lanka His Excellency Ashok K Kantha visited on 22 November 2012.



- (5) The Members from Scottish Police College of United Kingdom visited on 23 November 2012.



- b. Visits of Senior Military Officials. Following Senior Military Officials visited Defence Services Command and Staff College in year 2012:

- (1) The Commander of the Air Force visited on 28 November 2012.



- (2) The Commander of the Navy visited on 30 November 2012.



- (3) The Commander of the Army visited on 3 December 2012.



- (4) The Chief of the Defence Staff visited on 6 December 2012.



c. Educational Programmes. Following Educational programmes were conducted at the Defence Services Command and Staff College in year 2012:

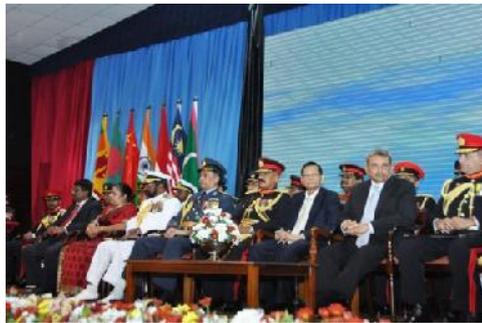
- (1) ICRC Workshop on International Humanitarian Law was conducted by the ICRC delegation from 18 to 20 July 2012.



- (2) Joint Warfare Workshop was conducted by the DSCSC, Mirpur Delegation of Bangladesh from 27 to 30 August 2012.



d. Graduation Ceremony. Graduation Ceremony of the DSCSC Course No 6 was held at the 'Temple Trees' Auditorium on 20 December 2012. The Chief Guest of the event was Hon Professor G L Peiris, Minister of External Affairs. Secretary to the Ministry of Defence and Urban Development Mr Gotabhaya Rajapaksa, Chief of Defence Staff, Commanders of the Army, Navy, Air Force and many other distinguished Officials also participated on the occasion. The award winners of the DSCSC Course 6 are as follows:



- (1) First in Order of Merit (Army Wing).

Major P G T U B Jayaratne SLA

- (2) First in Order of Merit (Navy Wing).

LCdr (N) Y R Edirisinghe

- (3) First in Order of Merit (Air Wing).

Wg Cdr Devashish Kukreti - India

- (4) Golden Pen Award. Awarded for the best Commandant's Research Paper.

Major M A K R K Abeywickramasinghe SLE

- e. Graduation Dinner Night. Graduation Dinner was held at the DSCSC Officers' Mess at 1900 hrs onwards on 21 December 2012.



31. Social Events. Following Social Events were held in year 2012:

- a. Inter Syndicate Soft Ball Cricket Tournament was held at the DSCSC College Ground on 21 January 2012.



b. New Year Celebration was held 7 April 2012 at the DSCSC ground with the participation of Student Officers, Permanent Staff, Civil Staff and the members of their families.



c. College Hash Run was held on 8 September 2012 in order to enhance the determination of the officers and their family members. Apart from that, officers had an opportunity to enjoy with their family members during the event.



d. College Pantomime was held on 6 December 2012 at the Officers' Mess of the DSCSC. Student Officers had shown their talents during the event.



e. Course Picnic of DSCSC Course No 6 was held at the Army Holiday Resort at Kukuleganga on 8 December 2012. This event was organized to develop the mutual understanding, unity and gain pleasure with the family participation.



32. Ladies' Club. Inaugural meeting of the Ladies' Club was held with the participation of all Spouses of Officers' on 10 February 2012 in order to acquaintances the Spouses and to share their knowledge. Some of the activities during the year are as follows:

- a. Demonstration on Beauty Culture programme by Mrs Minoshinee Ikrem on 16 March 2012.



- b. Demonstration on Cake Making by Mrs Subalethi Jayarathne on 5 April 2012.



- c. Vesak Bakthi Gee Programme was held on 4 May 2012.



- d. Ladies' Night was held on 11 October 2012 with variety entertainment events.



- e. Ladies' Birthdays were celebrated as appropriate.



ADMINISTRATION AND QUARTERING BRANCH

33. Administration and Quartering Branch is responsible for acquisition and provisioning of facilities and services for the effective functioning of the College. Following sections are placed subordinated to this Branch for its effective function:

- a. Procurement Section.
- b. Receiving Bay.
- c. Transport Section.
- d. Officers' Mess.
- e. WOs' and Sgts' Mess
- f. Cpls' Clubs.
- g. Other Ranks Mess.
- h. Quartering Section.
- i. Engineer Service Regiment (ESR) Section.
- j. Medical Centre.

34. Detailed services provided by above institutions during Year 2012 are stated below:

a. Procurement Section. This section is responsible of procuring facilities and items required by the College by following the correct tender procedure and the provisions given in the Financial Regulations. The details of the procurement carried out by Year 2012 are as listed below:

- (1) Purchasing of engineering equipment
- (2) Purchasing of barrack items
- (3) Purchasing of photocopiers/computers/Refrigerator Machines
- (4) Purchasing of spare parts for mechanical transport
- (5) Transport services and repairs
- (6) Lecture fees, entertainment expenditure and decorations
- (7) Purchasing of stationary
- (8) Purchasing of sport equipment
- (9) Preparation of survey plans for newly acquired land
- (10) Printing

b. Receiving Bay. The role of the receiving bay is to make correct registration and ledgering of the items purchased on the recommendation of Tender Board, and handover them to quartering stores for appropriate use on the approval of the Commandant.

c. Transport Section. The College has its own fleet of vehicles and the availability of the vehicles in the Transport Section is as follows:

Army (a)	Navy (b)	Air Force (c)	MOD (d)	Rent Vehicle (e)
17	02	02	17	04

Table - 03

- (1) The College received following new vehicles from the Ministry of Defence and Urban Development during the Year 2012:

KR - 8591 (Suzuki Maruti Car)

KR - 8614 (Suzuki Maruti Car)

- (2) The detailed list of vehicles available at DSCSC is shown bellow:

Vehicles Provided by the Sri Lanka Army.

S/N	VEHICLE NO	VEHICLE MODEL
1.	UHA 26138	Toyota Costar Bus
2.	UHA 26141	Toyota Costar Bus
3.	UHA 7436	Tata 16 x 12 Truck (Condemn)
4.	UHA 23080	Tata SD 13 x 13 Truck
5.	UHA 4138	Tafe Tractor
6.	UHA 4841	Toyota Land Cruiser Mark III Jeep
7.	UHA 18048	Land Rover Mark III Jeep
8.	UHA 21504	Mitsubishi L 300 Van
9.	UHA 19072	Isuzu Double Cab
10.	UHA 2181	Toyota Double Cab (Condemn)
11.	UHA 19039	Mitsubishi L 300 Double Cab
12.	UHA 10410	Yamaha Motor Bike
13.	UHA 10621	Hero Steam Motor Bike
14.	UHA 4424	Tractor Trailer
15.	UHA 9022	Water Trailer (Bowser)
16.	UHA 26416	Toyota Star AC Bus
17.	UHA 3393	Tractor Trailer

Table - 04

Vehicles Provided by the Sri Lanka Navy.

S/N	VEHICLE NO	VEHICLE MODEL
1	NAHA 5597	Nissan Civilian Bus
2	NAHA 6024	Toyota VAN

Table - 05

Vehicles Provided by the Sri Lanka Air Force.

S/N	VEHICLE NO	VEHICLE MODEL
1.	G 3627	Rosa Bus
2.	G 3703	Lanka Asoka Leyland
3.	G 3822	Lanka Asoka Leyland

Table - 06

Vehicles Provided by the Ministry of Defence Services and Urban Development.

S/N	VEHICLE NO	VEHICLE MODEL
1.	KF 3471	Nissan Sunny Car
2.	KF 3697	Nissan Sunny Car
3.	LE 8419	Mitsubishi Single Cab
4.	LE 8420	Mitsubishi Single Cab
5.	NA 5801	Mitsubishi L 300 VAN
6.	NA 7343	Fuso Bus
7.	RA 8869	Massy Ferguson Tractor
8.	TS 1409	Yamaha 106 Motor Bike
9.	TS 1404	Yamaha 106 Motor Bike
10.	TS 1414	Yamaha 106 Motor Bike
11.	TS 1419	Yamaha 106 Motor Bike
12.	QM 5327	Bajaj Three wheeler

13.	LF 3072	Tata Double Bowser
14.	PC 5484	Tata Double Cab
15.	NB 1012	Asoka Leyland Bus
16.	WPKR 8591	Suzuki Maruti Car
17.	WPKR 8614	Suzuki Maruti Car

Table - 07

Hired Vehicles on the Approval of Ministry of Defence and Urban Development.

S/N	VEHICLE NO	VEHICLE MODEL
1.	GF 1171	Carina Car
2.	GE 7098	Carina Car
3.	HJ 9664	Toyota Car
4.	KD 7099	Toyota Car

Table - 08

d. Officers' Mess. Approximately 166 officers including 92 x Student Officers, 63 x Officers of the Faculty and the Permanent Staff belong to Sri Lanka Armed Forces and 11 Foreign Officers who followed the DSCSC Course No 6, were provided with appropriate mess facilities during the Year 2012. Required renovations to the buildings and the curtaining of the Officers' Mess Anti Room were carried out prior to the Graduation.

e. Warrant Officers' and Sergeants' Mess. There are approximately 64 Warrant Officers and Sergeants utilize facilities of this institution. Messing and accommodation facilities have been developed considerably under the supervision of an officer.

f. Corporals' Club. Standards of the Corporals' Club have been supervised and elevated under the supervision of an officer.

g. Other Ranks' Mess. This institute was renovated to uplift the exciting standards with following:

- (1) Repairing of Tables and Chairs.
- (2) Colour Washing of the Building.
- (3) Repairing of doors and windows.
- (4) Repairing of electrical fans.
- (5) Replacing of Table Cloths, Food Covers and Curtains.

h. Quartering Section. This section is responsible for repair and maintenance of all quarters within the College premises and also supports the Training Support Section in outdoor and indoor exercises.

i. Engineer Service Regiment (ESR) Section. Responsibilities of Engineer Services Section is to carry out following tasks.

- (1) Maintenance and construction of buildings other facilities and training equipment of the College.
- (2) Supply of Water and Electricity.
- (3) Following construction works have been completed by the ESR section in 2012.

S/N (a)	Construction/Repairing (b)	Expenditure In SL Rupees (c)
1.	Construction of Billet for Student Officers' buddies	600,000.00
2.	Construction of Billet for Civil Servant	600,000.00
3.	Construction of Sy turret at Youth Council	350,000.00
4.	Construction of Indoor Gymnasium	896,000.00
5.	Construction of 200 ft wall at Youth Council	328,000.00

Table - 09

k. Medical Centre. The DSCSC Medical Centre conducted routine OPD Services and handles minor sicknesses. The patients requiring further medical treatment are referred to Service Hospitals. The Medical Officer in charge is sent on rotational basis from the Tri Services for a period of one month. Following personnel have been treated during the Year 2012:

(1)	Officers	-	553
(2)	Services Personnel	-	2663
(3)	Civil Personnel	-	579
(4)	Foreign Students	-	42

DENTAL

(1)	Officers	-	54
(2)	Services Personnel	-	212
(3)	Civil Personnel	-	38
(4)	Foreign Students	-	21

l. Apart from the above, following medical duties also have been carried out by the Medical Centre.

- (1) Provisioning of medical facilities for Sports Events, Outdoor Exercises, Annual / Term Physical Efficiency Tests.
- (2) Medical and health education programmes.
- (3) Special programmes to prevent infectious deceases such as:
 - (a) Dengue.
 - (b) Food handlers' inspection.
 - (c) Monthly inspection of the DSCSC.

35. Welfare Facilities. Following welfare facilities have been provided for the Officers and Other Ranks serving in the College:

- a. The College continued to use the available facilities until the Gymnasium construction and the propose play ground is completed.
- b. Following facilities have been made available for the welfare of the Officers, Other Ranks and the civilian staff.
 - (1) Cafeteria.
 - (2) Canteen and a welfare shop.
 - (3) A routine free of charge bus service between Kiribathgoda and DSCSC.

36. Account Office. An accountant has been appointed to DSCSC by the Ministry of Defence and Urban Development.

- a. Function of the accounts office includes
 - (1) Preparation and timely submission of Financed Statements.
 - (2) Preparation of budget (annual) estimates.
 - (3) Classification and reporting of all income & expenses.
 - (4) Preparation of monthly bank reconciliations.
 - (5) Establishing and maintaining accounting control procedure.
 - (6) Co-operation with other institutions such as Ministry of Defence and Urban Development, Ministry of Finance and Planning, Inland Revenue Department.
 - (7) Request funds and make payments timely.
 - (8) Preparation of monthly wages of College civil servants.
 - (9) Maintaining and updating of Fixed Asset Register.
 - (10) Implementing other duties of DSCSC according to requirement.
- b. Accounts Office consists of an Accountant and 3 Management Assistants.
- c. Financial Statements of the year 2012 for the DSCSC, have been forwarded to the Ministry of Defence and Urban Development after the ratification by the Board of Management and Financial Statement is attached as Annex "A" to the Annual Report.
- d. Account office has paid Rs 103 Million and Rs 140 Million for recurrent and capital expenses respectively during the year and maintained the cash books, vote ledgers and other control register on such payments.

37. Civil Administration Office. There are 89 civil servants who were directly recruited to DSCSC at the beginning of 2012 and 9 vacancies were filled during the year 2012.

- a. The Civil Administration office is responsible for:
 - (1) Maintain daily administrative matters of civil employees of DSCSC.
 - (a) Maintaining the In and Out Register of the civil staff.
 - (b) Maintaining the Leave/short leave Register (Attendance) of civil staff.
 - (c) Deploy the civil servants to the duties according to the requirement.
 - (2) Obtaining the approval for the recruitment of civil servants, recruiting and deploying them to the internal duties of the College.
 - (3) Obtaining the Security Clearance of the recruited civil servants through the Government Intelligence Bureau.
 - (4) Making arrangement for the retirement of civil servants.
 - (5) Maintaining the discipline among the civil servants and advice them.
 - (6) Deploy the civil servants as per the functions/duties as required by the DSCSC.

- (7) Making arrangement on payments and allowances of civil Employees.
- (8) Payment of over time / traveling and combined allowances for the civil servants who are deployed at the Out Door exercises of DSCSC.

b. Civil Administration Office/consists of Civil Administrative Officer and 2 Management Assistants.

38. Internal Audit Office.

a. After being an independent statutory body, an Internal Audit Office was established as a separate section of the Finance Division. However, this section is directly responsible to the Board of Management, through the Commandant.

b. Internal Audit Office consists of an Internal Audit Officer and 2 Management Assistant.

c. Functions of the Internal Audit Office are as follows:

- (1) Preparation of Annual Audit Plan and implementing the same.
- (2) Evaluate the existing internal control system periodically and identifying strength and weaknesses of the system and propose remedial actions to restore it.
- (3) Convene the Audit and Management Committee and review periodical reports such as Financial Statements, Stock Reports and also review facts enumerated in External Auditor's Reports.
- (4) Ascertain whether the statutes, regulations, rules, circulars, and guidelines are complied with.
- (5) Review implementation of recommendations/directives of Committee on Public Enterprises as well as General Treasury.

d. During the year 2011, 3 Audit and Management Committee meetings have been held to discuss issues identified, in order to strengthen the internal control system of the College.

39. Infrastructure Developments within the Year. Apart from the constructions indicated in above Para 33 sub Para j, following major construction projects have been completed during the Year under review.

S/N (a)	Description (b)	Contractor (c)	Remarks (d)
1.	Aluminum Fabrication works for Cafeteria	Alucare (Pvt) Ltd Rs. 809,838.40	Completed
2.	Renovation to Tennis Court	Bystech – Rs. 947,500.00	
3.	Construction of internal road carpeting - stage ii	Kandy Constructions Rs. 15,234,527.62	
4.	Construction of 2 Field Toilets and 2 Urinal points	A IM Alu Engineers Rs. 607,000.00	
5.	Renovation to Stationary Shop	A IM Alu Engineers Rs. 379,453.00	
6.	Laying of interlocks – Cafeteria paving	Nishan Enterprises Rs. 28,399.65	
7.	Laying of interlocks - Canteen paving	Nishan Enterprises Rs. 67,999.95	

Table - 10

40. As incorporated in the DSCSC Corporate Plan, following major construction projects were also launched from the Capital Vote allocated for the Year 2012 and yet to be completed.

S/N (a)	Description (b)	Responsibility (c)	Remarks (d)
1.	Construction of four storied Syndicate Building	Sri Lanka Navy Rs. 46.20 M	20% completed in Year 2012
2.	Construction of Student Officers Married Quarts (3 Blocks)	Sri Lanka Air Force Rs. 96.00 M	55% completed in Year 2012 and to be completed in January 2012.
3.	Constriction of Dual Carriage Road	Sri Lanka Army Rs. 12.3 M	30% completed in Year 2012

Table - 11

41. Special Projects. The College owns a Paddy field (4 acres) was cultivated to align with the Government launched “Api Wawamu Rata Nagamu” concept. A total at Rs. 146,000.00 has been invested for the project and the yield expected is approximately Rs. 250,000.00.

RECOMMENDATIONS

42. Existing accommodation facilities at the DSCSC are to be developed whilst new accommodation facilities being constructed uniformly for the increasing student intake and the staff.

43. Training facilities such as computer laboratory, Library and model room to be developed with modern equipments.

44. Networking on Inter and Intra information sharing at the institute to be implemented on a matter of priority in order to develop paperless learning culture in future.

CONCLUSION

45. The DSCSC has indicated a noticeable growth in all aspects and has been able to achieve specified annual objectives to reach its Vision Statement. The Course Curriculum has been reviewed and conducted to suit the latest military trends, and has been able to confirm to the Course Calendar approved by the Board of Studies at the beginning of the Course.

46. The College has effectively utilized the Capital and Recurrent Votes allocated for the year 2012 and to launch/complete the projects that are included in the Corporate Plan for the Year 2012. Expansion of the required infrastructure facilities has been given a serious consideration in order to meet the objectives set for Year 2015. Further, sophistication of Inter and Intra information sharing by expanding the DSCSC LAN was also given a special emphasis in the Year 2012.

47. Utilization of finances has been regularized effectively and the draft financial statement has been approved by the Ministry of Defence and has been ratified at the Board of Management.

48. Considering the constant growth the DSCSC has achieved in both infrastructure and the intake of Student Officers from Tri Services, a necessity has arisen to review the prevailing organization. The organization is to be reviewed in the Year 2012 with the concurrence of the Board of Management.

STATEMENT OF FINANCIAL POSITION

1. The financial statements of the college for the year ended 31 December 2012 are prepared in compliance with Sri Lanka Accounting Standards (LKAS/SLFRS) and Sri Lanka Public Sector Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka. These are the College's first SLFRS financial statements prepared in accordance with Sri Lanka Accounting Standards SLFRS 01 (First time adoption of Sri Lanka Accounting Standards).
2. The College's statement of financial position once again revealed the institution's strong financial position. Total assets increased 4.4 percent to almost Rs 28.18 mn compared to previous year, despite of having a deficit of Rs 6.41 mn during the year. Loss of Rs 2.16 mn on derecognition of five vehicles provided by the Sri Lanka Army was a key reason to record the above deficit.
3. Financial position has been improved significantly given the investments made towards the improvements of infrastructure facilities coupled with acquisition of fixed assets. Rs 113.37 mn out of total government capital grant received of Rs 139.80 mn was utilized to improve infrastructure development including construction of Syndicate building, Dual carriage road, Student officers married quarters, carpeting of internal road network, fuel pump, water sump and pump house. Further, the grant of two vehicles during the year by the Ministry of Defence and Urban Development and a bus by the Sri Lanka Army helps to improve the assets base.
4. Total expenses of the college have increased to Rs 109.69 mn in 2012 compared with Rs 98.84 mn in 2011. Operating costs grew this year largely as a result of price hike in contractual services, increase in personal emoluments and increase expenses on student officer's activities during the year under review.
5. We have discharged our responsibility during the year 2012 also for organizing the financial and accounting affairs of the college by taking action to keep records of the payments made on recurrent and capital expenses, produce periodical and year end financial statements and monthly bank reconciliations, prepare budget estimates, provide financial information to enable management to make better decision, request funds and manage cash flows and maintain financial related documents. We, as an accounts division, are keen to continue the good things during coming years with necessary improvements on financial and accounting affairs of the college.

H M N Dharshana

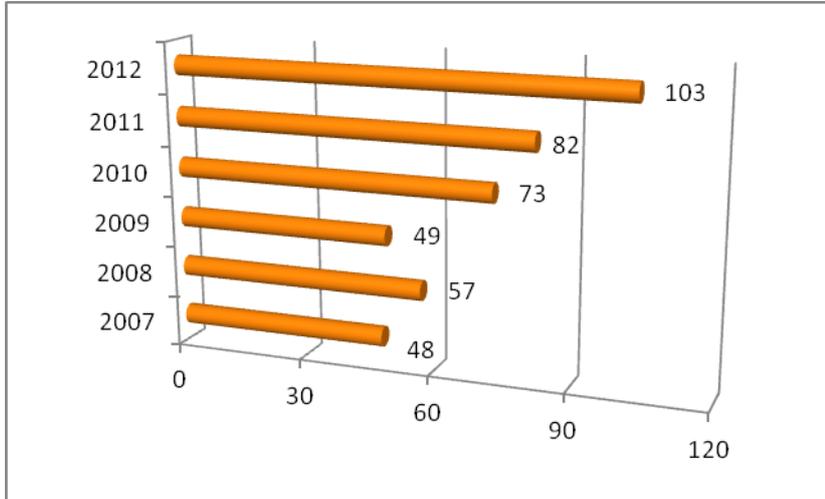
ACA, ACMA, BSc mktg mgt (Special)

Accountant

PERFORMANCE OF DSCSC AT A GLANCE

No of graduates

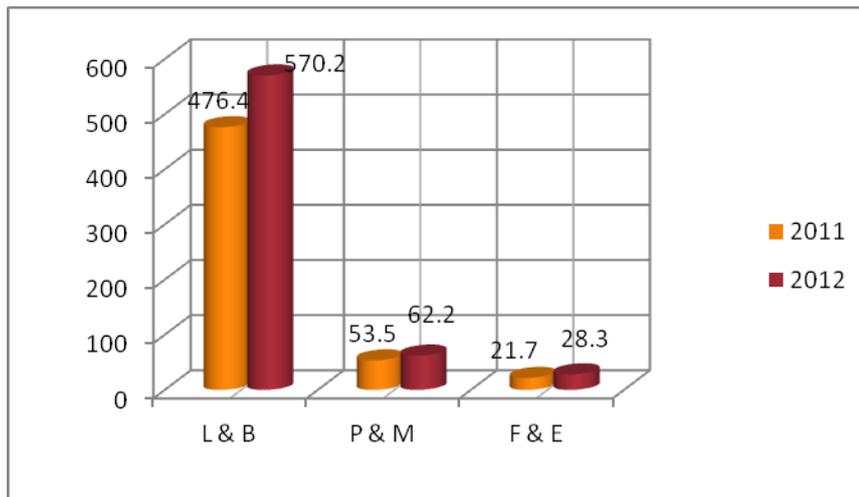
115% growth in number of graduates in 2012 compared with 2007.



Improved Property, Plant and Equipments

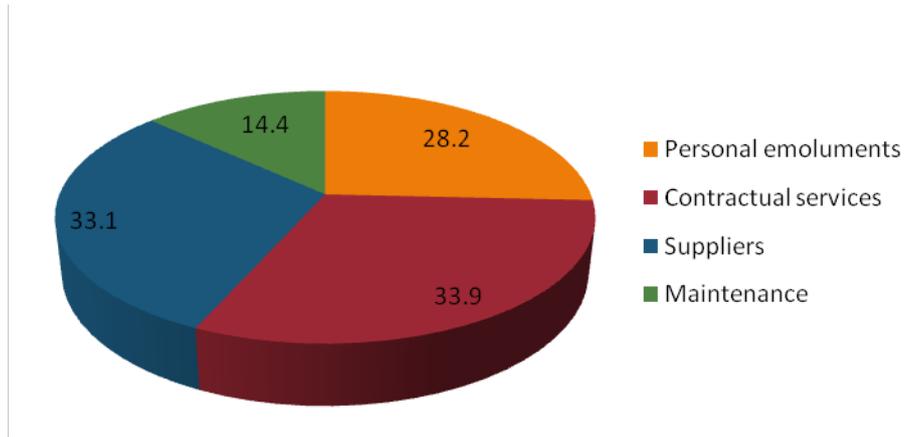
Growth was recorded in all categories of property, plant and equipments.

Rs Mn



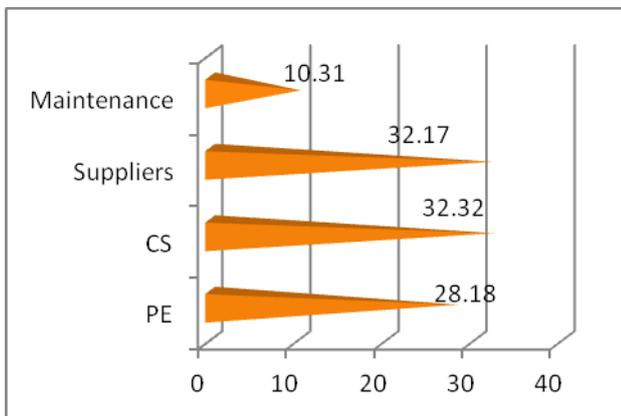
L & B – Land and Buildings
P & M – Plant, Machinery and Vehicles
F & E - Furniture and Equipments

Distribution of expenses – Rs 109.69 mn



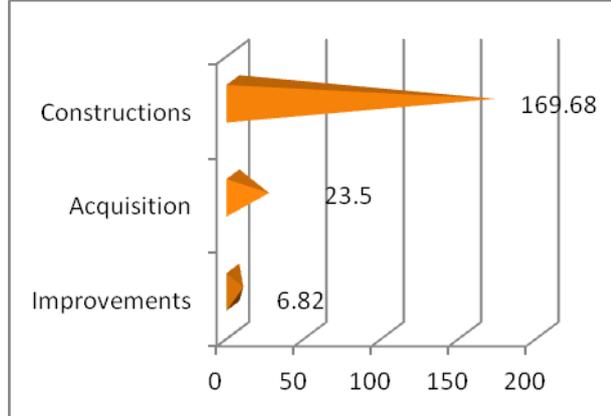
Budget allocation - Recurrent expenses

Rs Mn

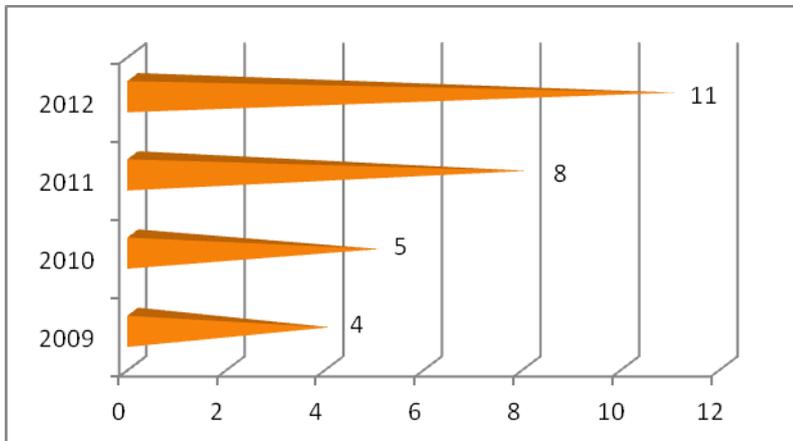


Budget allocation - Capital expenses

Rs Mn



Participation of foreign students



H M N Dharshana

ACA, ACMA, BSc mktg mgt (Special)
Accountant

STATEMENT OF THE INTERNAL AUDIT OFFICER

1. The main aim of the Internal Audit Section during the financial year ending 31 December 2012 was to work to an elaborated plan to achieve aims of the section. In that the section evolved a plan and put it into action covering stock maintenance, pay matters, various other payments, internal administrative structure and preparing of financial statements / submission. I am pleased to report that due to this effective multi facet approach towards achieving desired goals, the section did complete its tasks as expected and brought out under mentioned facts at the audit and management meeting for compliance.

a. Emphasizing the necessity to submit the financial statement of the financial year ending 31 December 2010 to 31 December 2011 to the Cabinet and subsequently to the Parliament.

b. To take appropriate measures to manage used as well as condemned vehicle spare parts and convene verification boards to ascertain the optimum use of these spare parts.

a. To taking over all the vehicles received from MOD, Army, Navy and Air Force and efficient management of them.

b. To comply with recommendations made by Condemnation boards and to take appropriate actions to dispose condemn items which will help the government to profit as well as manage store space within the college.

c. To review the progress of budget action plan, procurement plans and how it is implemented for the year 2012. These plans should be used to work out the budget action plan and procurement plans for the year 2013.

d. Necessity to get the approval of procurement committee for all the construction works within college prior to concluding contractual agreement with contractors. Furthermore not to include 10% contingencies to the contract (if such requirement arise to consider subsequently).

2. The Internal Audit Section brought the above-mentioned observations to the notice of the management for necessary rectification and onward actions.

3. The college ended the 2012 financial year with a sound note with 4 Audit and management committee meetings. Representatives from Auditor General Department and Internal Audit Section of MOD were present at these meetings as observers

M.S. Kaluarachchi
Internal Audit Officer

ANNEX C TO
DSCSC ANNUAL REPORT 2012

DEFENCE SERVICES COMMAND AND STAFF COLLEGE - SAPUGASKANDA

STATEMENT OF FINANCIAL POSITION

	As at 31 December 2012	As at 31 December 2011	As at 01 January 2011	
Note	Rs	Rs	Rs	
ASSETS				
Non current assets				
Property, plant and equipment	02	660,651,140	634,092,346	480,330,931
Total non current assets		660,651,140	634,092,346	480,330,931
Current assets				
Inventories	03	3,807,813	2,306,407	-
Deposit and prepayments	04	249,460	194,339	14,050
Cash and cash equivalents	05	71,881	10,267	302,238
Total current assets		4,129,154	2,511,013	316,288
Total assets		664,780,294	636,603,359	480,647,219
EQUITY AND LIABILITIES				
Equity and non current liabilities				
Accumulated fund	06	589,424,584	594,382,950	451,910,711
Deposit account	07	2,120,955	1,347,246	-
Other grants	08	34,547,075	20,513,175	-
Total equity and non current liabilities		626,092,615	616,243,371	451,910,711
Current liabilities				
Accrued expenses and other payables	09	3,569,762	2,737,332	174,261
Sundry creditors	10	35,117,917	17,622,656	28,562,247
Total current liabilities		38,687,680	20,359,988	28,736,508
Total equity and liabilities		664,780,294	636,603,359	480,647,219

The above statement of financial position and the attached statement of comprehensive income of Defence Services Command and Staff College have been prepared according to the books of accounts, records and all other accounting information of Defence Services Command and Staff College.

The annexed notes to the financial statements are an integral part of these financial statements.

K D S Ruwanchandra
Additional Secretary (Development)
Ministry of Defence and Urban
Development
Member, Board of Management
DSCSC

J C Rambukpotha RSP USP
Major General
Commandant
DSCSC

H M N Dharshana
Accountant
DSCSC

Gotabaya Rajapaksha RWP RSP
Secretary, Ministry of Defence and Urban Development
Chairman, Board of Management
DSCSC

DEFENCE SERVICES COMMAND AND STAFF COLLEGE - SAPUGASKANDA**STATEMENT OF COMPREHENSIVE INCOME**

Year ended 31 December		2012	2011
	Note	Rs	Rs
Government grants		102,865,139	95,000,000
Other income	11	37,961,533	31,220,605
Total receipts		140,826,672	126,220,605
Expenses			
Personal emoluments		28,237,064	25,738,628
Supplies and consumables		33,112,162	25,572,568
Maintenance		14,432,467	18,277,943
Contractual services		33,909,604	29,256,172
Total expenses	12	109,691,297	98,845,311
Excess from operations before depreciation and removal of PPE		31,135,375	27,375,294
Loss on removal of PPE	13	(2,160,000)	-
Depreciation for the year	14	(35,385,411)	(29,392,508)
Deficit for the year		(6,410,036)	(2,017,213)

The annexed notes to the financial statements are an integral part of these financial statements.

DEFENCE SERVICES COMMAND AND STAFF COLLEGE - SAPUGASKANDA**STATEMENT OF CHANGES IN EQUITY**

	Accumulated fund	Deposit account	Other grants (capital)
	Rs	Rs	Rs
Balance as at 01 Jan 2011	451,910,711	-	-
Increase during the year	144,573,584	1,347,246	20,513,175
Decrease during the year	-	-	-
Deficit for the year	(2,017,213)		
Balance as at 01 Jan 2012	594,467,082	1,347,246	20,513,175
Increase during the year	83,821,398	929,385	14,033,900
Decrease during the year	(82,453,859)	(155,676)	-
Deficit for the year	(6,410,036)	-	-
Balance as at 31 December 2012	589,424,584	2,120,955	34,547,075

The annexed notes to the financial statements are an integral part of these financial statements.

DEFENCE SERVICES COMMAND AND STAFF COLLEGE - SAPUGASKANDA**STATEMENT OF CASH FLOWS**

Year ended 31 December	2012 Rs	2011 Rs
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts	103,698,970	97,439,428
Government grants - Recurrent	102,865,139	95,001,557
Other grants - Recurrent	833,831	2,437,871
Payments	(103,656,659)	(97,726,328)
Personal emoluments	(28,192,028)	(25,423,989)
Suppliers	(32,775,114)	(28,500,501)
Maintenance	(10,245,291)	(12,735,038)
Contractual	(32,444,227)	(31,066,800)
Net cash flows from operating activities	42,311	(286,900)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	(21,610,475)	(14,115,592)
Development expenditure	(97,577,031)	(63,529,669)
Transfer to deposit account	(884,349)	(1,051,654)
Net cash flows from investing activities	(120,071,854)	(78,696,915)
CASH FLOWS FROM FINANCING ACTIVITIES		
Government grant - capital	120,091,158	78,527,772
Other grants - capital	-	164,071
Net cash flows from financing activities	120,091,158	78,691,843
Net increase / (decrease) in cash and cash equivalents	61,615	(291,972)
Cash and cash equivalent at beginning of the year	10,266	302,238
Cash and cash equivalent at end of the year	71,881	10,266

The annexed notes to the financial statements are an integral part of these financial statements.

DEFENCE SERVICES COMMAND AND STAFF COLLEGE – SAPUGASKANDA**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2012****1. Accounting policies and explanatory notes:****a. Reporting entity**

The Defence Services Command and Staff College (DSCSC) was incorporated under Act of Parliament No 5 of 2008 on the 19 February 2008 and inaugurated on 22 June 2007 as the successor to the Army Command and Staff College (ACSC). ACSC was inaugurated on 16 March 1998.

The principal place of the college is located at Sapugaskanda, Makola.

First set of financial statement of DSCSC was prepared in 2010 once recognised DSCSC as a separate institute having separate vote allocation.

b. Principal activities

The principal activities of the college are as follows.

- (1) To admit student officers from the Armed Forces, Department of police and public institution of Sri Lanka and military establishments outside Sri Lanka to follow the courses of the college.
- (2) To conduct examinations for the purpose of ascertaining the student officers.
- (3) To issue Certificates and grant and confer the designation “psc” (passed staff college) on student officers on the successful completion of the courses of study.

c. Basis of preparation**(1) Statement of compliance**

The financial statements of the college comprise the statement of financial position, statements of comprehensive income, statements of changes in equity, statements of cash flows and notes to the financial statements. These financial statements are prepared in compliance with Sri Lanka Accounting Standards (LKAS/SLFRS) and Sri Lanka Public Sector Accounting Standards (SLPSAS) issued by the Institute of Chartered Accountants of Sri Lanka. These are the college’s first SLFRS financial statements prepared in accordance with Sri Lanka Accounting Standards SLFRS 01 (First time adoption of Sri Lanka Accounting Standards)

DEFENCE SERVICES COMMAND AND STAFF COLLEGE – SAPUGASKANDA**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2012**

DSCSC has used the same accounting policies in its opening SLFRS statement of financial position and throughout all periods presented in its first SLFRS financial statements.

(2) Basis of measurement

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

No adjustments have been made for inflationary factors in the financial statements.

(3) Functional and presentation currency

These financial statements are presented in Sri Lanka Rupees (Rs), which is the college's functional currency.

d. Significant accounting policies**(1) Property, plant and equipment****(a) Recognition and measurement**

i. Property, plant and equipment are stated at historical cost or valuation less accumulated depreciation and any accumulated impairment losses. A valuation of property, plant and equipment was done as to the date of 31.12.2009 in order to prepare the first set of financial statements for the year 2010. The valuation was done by the qualified persons using effective depreciation rate and market value.

ii. Property, plant and equipment, which are not having clear title to the college, have not been valued and also not taken to accounts. However, vehicles provided by the Ministry of Defence & Urban Development and the Sri Lanka Army, which are having ownership to respective institutions but benefit and cost owned to the DSCSC, have been included under property, plant and equipment. Actions have been initiated and in progress to transfer ownership of such vehicles to the DSCSC. Advance given to acquire the land has been considered as property, plant and equipment at the financial statements.

DEFENCE SERVICES COMMAND AND STAFF COLLEGE – SAPUGASKANDA**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2012**

iii. The cost of property, plant and equipment is the cost of acquisition or construction together with any expenses incurred in bringing the asset to its working condition for its intended use. Subsequent cost incurred has been recognised in the carrying amount of an item of property, plant and equipment, if the recognition criteria are met.

iv. Computer and accessories have been identified as separate category during the year 2012 and cost and depreciation on reclassification of property, plant and equipment up to 31.12.2011 have been adjusted accordingly.

(b) Depreciation

i. The provision for depreciation is calculated on the cost/valuation of all property, plant and equipment as follows.

Buildings	2%
Plant and machinery	12.5%
Furniture and office equipments	20%
Vehicles	20%
Computer and accessories	20%

ii. Depreciation is recognized in the statement of comprehensive income on a straight-line basis over the estimated lives of property, plant and equipment.

iii. Depreciation is provided on property, plant and equipment purchased/constructed during the year. No depreciation has been made for the land.

iv. Depreciation is not provided for the item of property, plant and equipment, which have derecognised during the year.

DEFENCE SERVICES COMMAND AND STAFF COLLEGE – SAPUGASKANDA

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

(c) Derecognition

i. The gain or loss arising from the derecognition of an item of property, plant and equipment has been included in the statement of comprehensive income, when the item is derecognised.

ii. Cost and accumulated depreciation on derecognised property, plant and equipment have been reversed in the financial statements.

(2) Accounting for government grant

(a) Recurrent grant is treated as income to the statement of comprehensive income and presented under “other income”.

(b) Capital grant provided for acquisition and improvements of capital assets is treated as deferred income shown under accumulated fund and release to the statement of comprehensive income over the life of the assets.

(c) Non monetary grants received from the government/government institutions for the use of the college have been accounted in the financial statements as grant and assets at the fair value.

(3) Statement of cash flows

Statement of cash flow has been prepared using direct method as it is encouraged to report statement of cash flows in direct method as per Sri Lanka Public Sector Accounting Standards (SLPSAS) no 02 – Cash flow statements.

Grants received during the year by way of non monetary assets have been excluded from the statement of cash flows.

(4) Liabilities and provisions

All known liabilities have been accounted for in preparing the financial statements.

(5) Income recognition

DEFENCE SERVICES COMMAND AND STAFF COLLEGE – SAPUGASKANDA

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

The revenue of the college represents the income from government and other grants in recurrent nature. All income and expenditure have been recognized in accrual basis.

(6) Employee benefits – Defined contribution plan

Obligation for defined contribution plan is recognized as an expense in the statement of comprehensive income as incurred. The college contributes 12% of emoluments of civil employees to Public Service Provident Fund (PSPF).

(7) Other non operating expenses

All expenditure incurred in the operations of the college and in maintaining the capital assets is a state of efficiency have been charged to the statement of comprehensive income in arriving at the college's surplus/ (deficit) for the year.

(8) Comparative information

Comparative figures have been rearranged to confirm with the current year's presentation, where necessary.

(9) Events occurring after the date of statement of financial position

The materiality of events occurring after the date of statement of financial position has been considered and appropriate adjustments, wherever necessary, have been made in the financial statements.

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கணக்காய்வாளர் தலைமை அறிப்பதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



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02. ඉහත සඳහන් ලිපිය සමඟ එවන ලද මාගේ වාර්තාවේ ඉංග්‍රීසි අනුවාදය මේ සමඟ එවා ඇත.

Dr.
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இல. 306/72, பொல்துவ வீதி,
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#- மெயில் } oaggov@sltnet.lk
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கணக்காய்வாளர் தலைமை அறிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



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 Your No. }

දිනය } 17 February 2014
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The Chairman
 Defence Services Command and Staff College

Report of the Auditor General on the Financial Statements of the Defence Services Command and Staff College for the year ended 31 December 2012 in terms of Section 14(2)(c) of the Finance Act, No. 38 of 1971

The audit of Financial Statements of the Defence Services Command and Staff College for the year ended 31 December 2012 comprising the statement of financial position as at 31 December 2012 and the comprehensive income statement, statement of changes in equity and cash flows 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 21(2) of the Defence Services Command and Staff College Act, No. 5 of 2008. My comments and observations which I consider should be published with the Annual Report of the College in terms of Section 14(2)(c) of the Finance Act, appear in this report. A detailed report in terms of Section 13(7)(a) of the Finance Act, was furnished to the Chairman of the College on 19 July 2013.

1:2 Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka 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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 பத்தரமுல்லை இலங்கை

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 #- மெயில் } oaggov@slt.net.lk
 E-mail. }

1:3 Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards. Those standards require that I comply with ethical requirements and plan and perform the audit 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 misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the College'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 College'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 the extent of the audit.

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

1:4 Basis for Qualified Opinion

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

2. Financial Statements

2:1 Qualified Opinion

In my opinion, except for the effects of the matters described in paragraph 2:2 of this report, the financial statements give a true and fair view of the financial position of the Defence Services Command and Staff College as at 31 December 2012 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

2:2 Comments on Financial Statements

2:2:1 Accounting Deficiencies

The following observations are made.

(a) Inclusion of Motor Vehicles not belonging to the College in the Financial Statements

(i) Motor Vehicles costing Rs.51,321,500 used by the College but belonging to the Ministry of Defence and Sri Lanka Army had been brought to account as non-current assets of the Staff College and as such those assets and the Accumulated Fund had been overstated by a sum of Rs.51,321,500.

(ii) As the depreciation on motor vehicles not owned had been adjusted to the accounts, the provision for depreciation had been overstated by a sum of Rs.23,712,900 and the Accumulated Fund had been understated by a sum of Rs.13,448,600 while the loss for the year had been overstated by a sum of Rs.10,264,300.

(iii) The loss of Rs.2,160,000 incurred in the disposal of motor vehicles used by the College but belonging to Sri Lanka Army had been adjusted to the accounts and as such the loss for the year under review had been overstated by that amount.

(b) Deposit Account

 The retention money payable to the contractors and the recoveries made from the staff for no-pay leave had been credited to the Deposit Account under non-current liabilities. As a sum of Rs.340,628 recovered in connection with no-pay leave from February 2010 in January 2012 had been credited to the Deposit Account referred to above the non-current liabilities had been overstate by that amount.

2:2:2 Non-compliance with Laws, Rules, Regulations and Management Decisions

 Instances of non-compliance with laws, rules, regulations and management decisions observed during the course of audit are given below.

Reference to Laws, Rules, Regulations , etc.	Non-compliance
-----	-----
(a) Finance Act, No. 38 of 1971 Section 8(1)	Even though the budget for every financial year should be prepared and approved by the Governing Body not later than three months prior to the beginning of the relevant financial year, the budget for the year 2012 had been approved only on 27 February 2013.
(b) Public Enterprises Circular No. PED/12 of 02 June 2003. Section 5.2.1	The budgeted balance sheet, the budgeted income and expenditure statement and the budgeted funds flow statement had not been included in the budget prepared for the year under review.

3. Financial Review

3:1 Financial Results

According to the financial statements presented, the financial results generated from the operations for the year under review amounted to a deficit of Rs.6,410,036 as compared with the corresponding deficit of Rs.2,017,213 for the preceding year, thus indicating a deterioration of Rs.4,392,823 in the financial results.

3:2 Analytical Financial Review

The increase in certain items of expenditure as compared with the preceding year by a sum of Rs.22,844,365 had been the main reason for the deterioration of Rs.4,392,823 in the financial results.

4. Operating Review

4:1 Performance

The number of students who participated in the degree courses conducted by the Staff College in the year under review had been 102 as compared with the participation of 83 students in the preceding year. According to the comprehensive income statement, the total expenditure for the year under review amounted to Rs.145,076,708 and as such the cost per graduate amounted to Rs.1,422,321.

4:2 Management Inefficiencies

The following observations are made.

(a) Stores Examination

- (i) The accuracy of the balance of stocks shown in the balance sheet as at 31 December 2012 could not be established as the stock books had not been maintained externally from the stores.
- (ii) Separate Inventory Registers had not been maintained for recording the particulars assets used by each Division of the College.

4:3 Operating Inefficiencies

- (a) The four storeyed syndicate building of the College had been planned for construction in the year 2011 at an estimated cost determined at Rs.64 million, through an external contractor under the supervision of Sri Lanka Navy. Even though a sum of Rs.46.2 million out of that had been given to Sri Lanka Navy in the year 2011 a sum of Rs.4.2 million only had been spent. A sum of Rs.42 million had been credited to the Treasury again at the end of the year 2011.
- (b) A sum of Rs.17.8 million out of the provisions of the College had been given for this construction in the year 2012 as well. Nevertheless, the construction works had not been completed even by the end of the year under review. The estimate had been increased to Rs.86.5 million due to cost escalations and delays. In view of the delay in the construction works, it had not been possible to expand the courses expected for commencement in the year 2013.

4:4 Underutilisation of Funds

Crediting of the capital grants given annually by the Treasury at the end of the years as the provision had not been utilized by the College had been a recurrent feature. Accordingly sums of Rs.27.2 million, Rs.55.7 million and Rs.16.8 million had been credited to the Treasury without being utilized in the years 2010, 2011 and 2012 respectively.

4:5 Motor Vehicles Utilization

The Ministry of Defence and the Sri Lanka Army had made available 17 and 14 motor vehicles respectively to the College and the ownership of the motor vehicles had not been transferred to the College. A three wheeler motor vehicles condemned had been left parked since 17 December 2011. Even though all the motor vehicles used by the College should be controlled by one Division that had been decentralized. The motor vehicles of Sri Lanka Army and the Ministry of Defence are being controlled by the Transport Division and the 04 motor vehicles supplied by Sri Lanka Air force and 02 motor vehicles supplied by Sri Lanka Navy are being controlled by their respective Wings.

4:6 Staff Management

Even though the approved staff of the college had been 100 only a staff of 92 had been deployed.

5. Accountability and Good Governance

5:1 Annual Action Plan

Provision amounting to Rs.103,000,000 for recurrent expenditure and Rs.200,000,000 for capital expenditure had been received for the College in respect of the year 2012. Out of those a sum of Rs.109,691,297 as recurrent expenditure and Rs.146,473,933 as capital expenditure had been incurred in the year under review. An Action Plan for the

identification of the financial targets and the physical targets according to the respective periods had not been prepared. The Performance Reports had not been prepared in a manner to facilitate comparison with the Action Plan.

5:2 Budgetary Control

Significant variances existed between in estimated provision and the actual expenditure, thus indicating that the budget had not been made use of as an effective instrument of management control.

5:3 Tabling of Annual Reports

In terms of Section 6.5.3 of the Public Enterprises Circular No. PED/12 of 02 June 2003, the Annual Report on the activities of the Defence Services Command and Staff College and the accounts should be tabled in Parliament within 150 days after the close of the financial year. Nevertheless the Annual Reports for the years 2010 and 2011 had not been tabled in Parliament even by 09 November 2013.

6. Systems and Controls

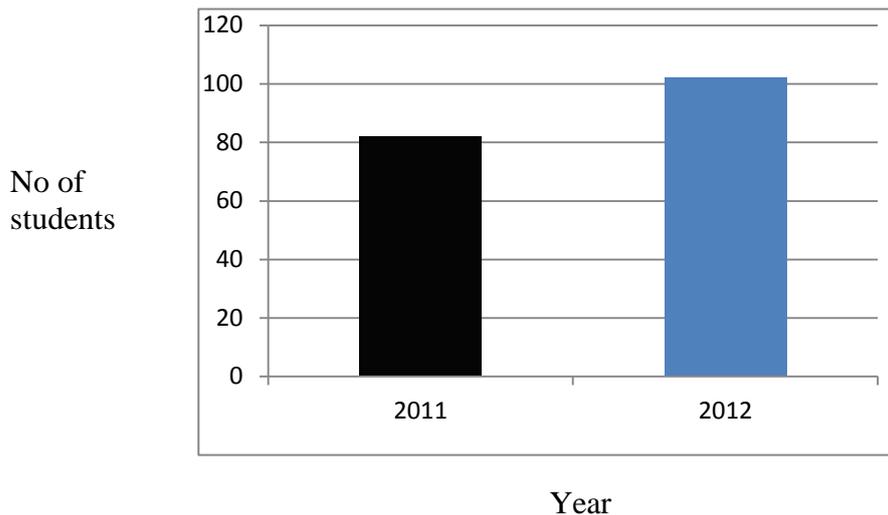
Deficiencies observed during the course of audit were brought to the notice of the Chairman of the Defence Services Command and Staff College from time to time. Special attention is needed in respect of the following areas of control.

- (a) Utilization of Capital Provision
- (b) Staff Control
- (c) Construction Works
- (d) Stores Control

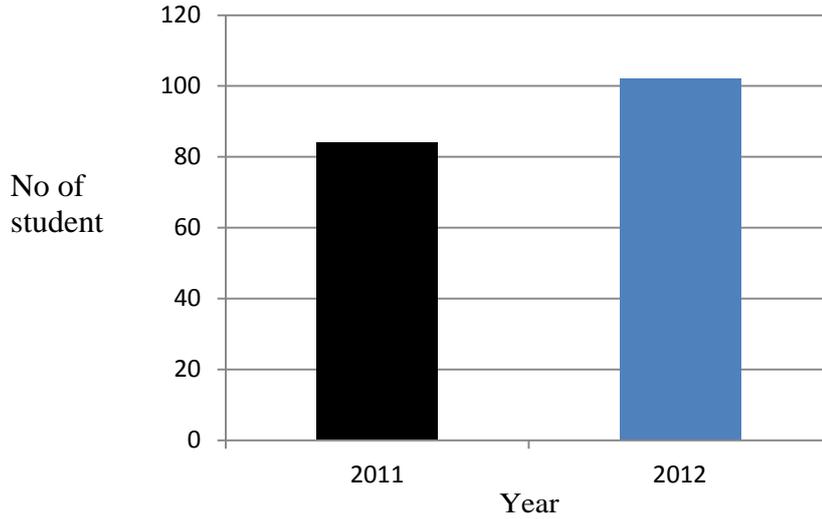
H.A.S. Samaraweera
Auditor General

REPORT OF KEY PERFORMANCE INDICATORS - 2012**Key Performance Indicator**

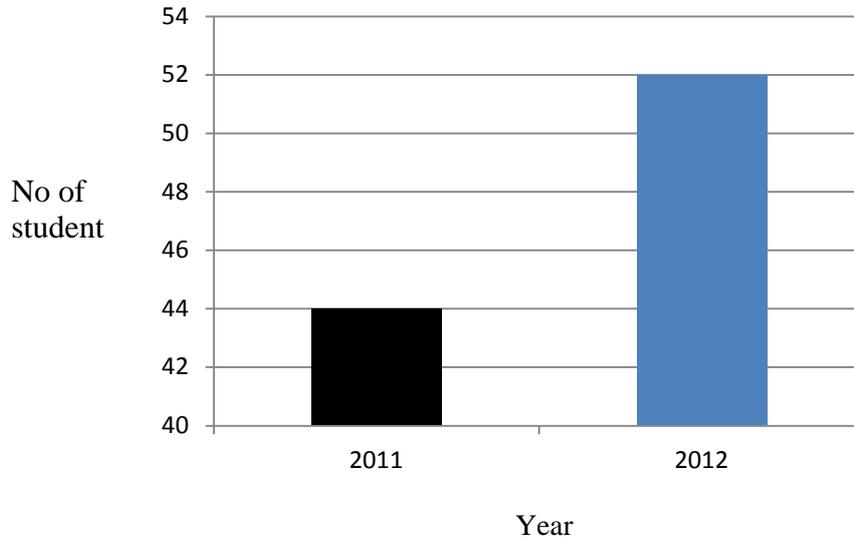
S/No	Key Performance Indicator	Measurement	Target/Milestone Reached
(a)	(b)	(c)	(d)
01	<u>Academic Indicator.</u> a. Student Participation Indicator	<p>a. Increasing of student participation of tri Services up to 120.</p> <p>b. Increasing of the percentage of qualifying the staff Course up to Optimum level.</p> <p>c. Increasing the percentage of awarding of Master of Science degree (M Def S)</p> <p>d. Gradually increasing of Foreign Student participation.</p>	<p>a. No of the students attended for Staff Course in year 2011 was 82 and it was increased up to 102 in year 2012.</p> <p>b. No of Student qualified in year 2011 was 84 and it was increased up to 102 in year 2012.</p> <p>c. Awarding of Master of Science (M Def S) in year 2011 was 44 and it was increased up to 52 in year 2012.</p> <p>d. Foreign Student Officers participation in year 2011 was 8 and it was increased up to 11 in year 2012.</p>

01. **Academic Indicator.**a. **Student Participation Indicator.**(1) **Increasing of Tri Services Participation.**

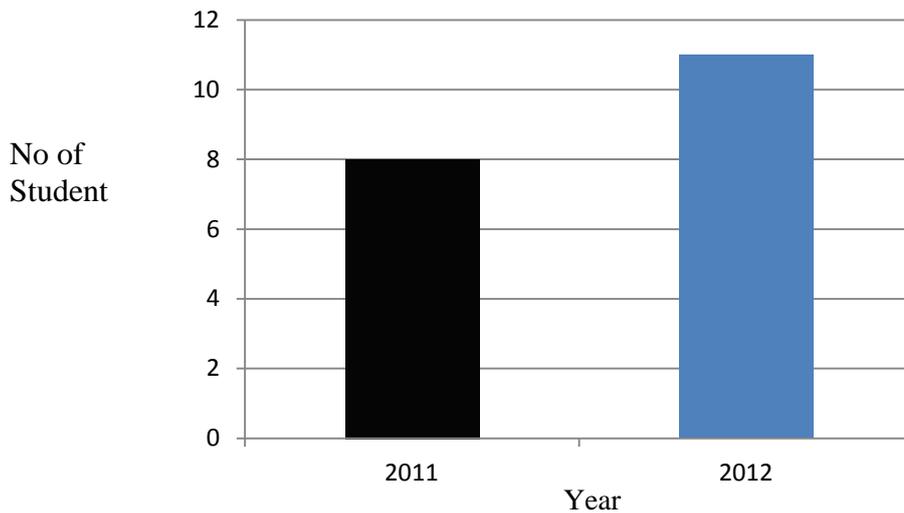
(2) Qualifying of Staff Course.



(3) Awarding of Master of Science Degree (M Def S).



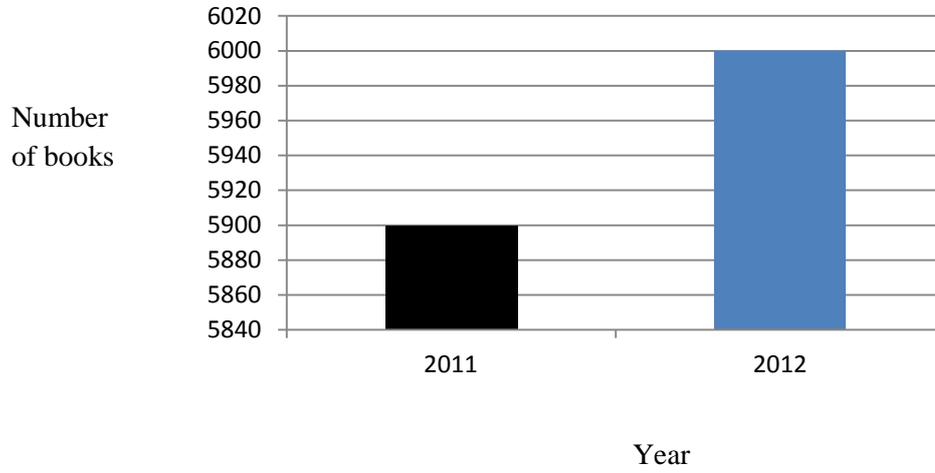
(4) Increasing Of Foreign Student Participation.



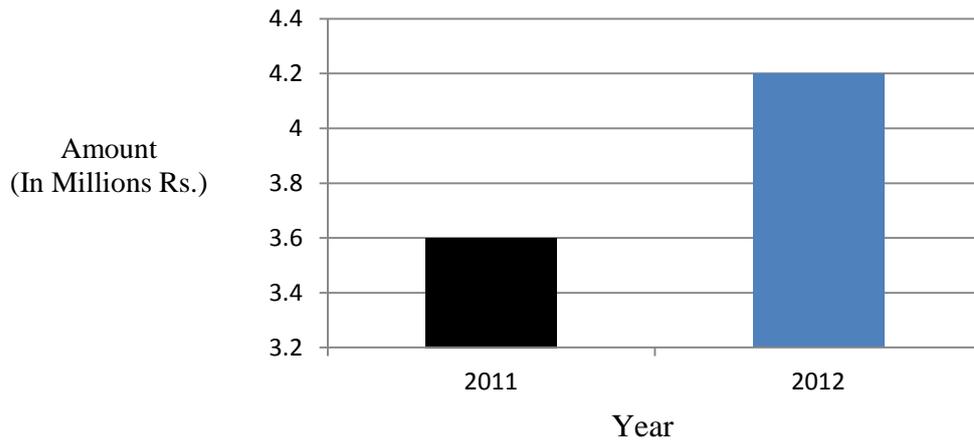
S/No	Key Performance Indicator	Measurement	Target/Milestone Reached
(a)	(b)	(c)	(d)
02	<p><u>Academic Development Indicator.</u></p> <p>a. Library Facility Development Indicator</p> <p>b. Equipment acquirement Indicator</p>	<p>a. Developing of reading material at library in quality and quantity wise.</p> <p>b. Developing of modern training aids.</p>	<p>a. Number of books available in year 2011 was increased in 100 and initiations were taken to computerized the system.</p> <p>b. Following capital items need for the staff course were purchased during year 2012.</p> <p>Printers - 10</p> <p>Multi Media Projector - 05</p> <p>Photocopy Machine - 03</p> <p>Laptop - 26</p> <p>Digital Duplicator - 01</p> <p>Computer Chair - 55</p> <p>Computer Table - 58</p> <p>Bookshelf - 15</p> <p>USB Optical Mouse - 10</p> <p>Mouse - 03</p>

02. **Academic Development Indicator.**

a. **Development in Library Facilities.**



b. **Equipments Acquirement Indicator.**

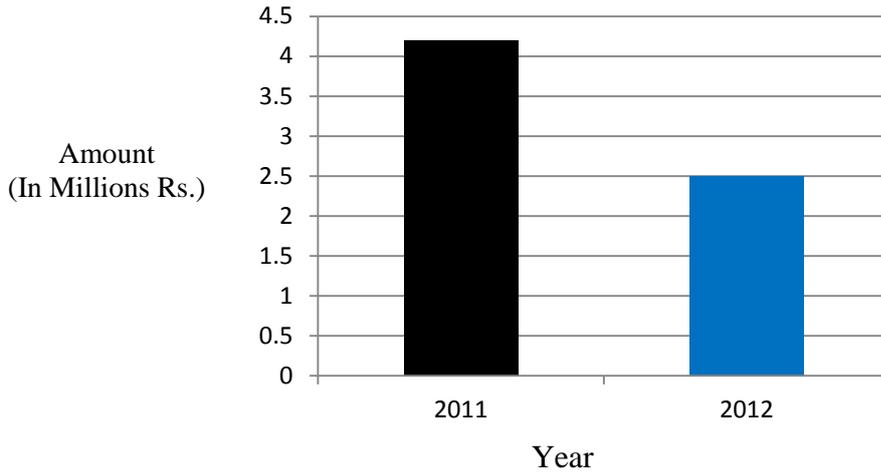


S/No	Key Performance Indicator	Measurement	Target/Milestone reached
(a)	(b)	(c)	(d)
03	<p><u>Infrastructure and facility Development Indicator.</u> <u>Year 2011</u></p> <p>a. Construction of married quarters (3 Blocks) for student offers</p> <p>b. Four storey syndicate building (Plan to complete in three stages)</p> <p>c. Supply and installation of LAN</p> <p>d. Renovation of dual carriage Road network.</p> <p>e. Carpeting of internal roads (Stage II)</p> <p><u>Year 2012</u></p> <p>a. Constructions of three married quarters buildings.</p> <p>b. Construction of 5000 g/h overhead water tank and 3000 g/h water sump.</p> <p>c. Carpeting of internal roads (Stage III).</p> <p>d. Construction and Installation of Fuel Pump.</p> <p>e. Installation of 160 KVA Transformer and power line.</p>	<p>a. should be completed before 31 Dec 2011.</p> <p>b. 1st Stage should be completed before 31 Dec 2012.</p> <p>c. should be completed before 31 Dec 2016.</p> <p>d. should be completed before 31 Dec 2011.</p> <p>e. should be completed before 31 Dec 2011.</p> <p>a. Should be completed by 31.12.2012.</p> <p>b. Should be completed by 28.12.2012.</p> <p>c. should be completed by 31 Dec 2012.</p> <p>d. should be completed by 31 Dec 2012.</p> <p>e. should be completed by 31 Dec 2012.</p>	<p>a. 1st Phase of Married quarters completed on 22.12.2011, 2nd Phase completed on 15.02.2012 and 3rd Phase completed on 5.04.2012.</p> <p>b. 40% of the constructions completed by October 2012.</p> <p>c. 45% of the project completed by 31.09.2012.</p> <p>d. 60% of constructions completed by 31.09.2012.</p> <p>e. Constructions completed during 2011.</p> <p>b. 80% of constructions completed by 31.09.2012.</p> <p>b. Forwarded for the approval of Tender Board by 31.09.2012.</p> <p>c. 70% of constructions completed by Oct 2012.</p> <p>d. 50% completed by 31.09.2012 (paid CEB for installation of the Transformer. Tender approval has been given for the power line).</p>

03. **Infrastructure and facility Development Indicator.**

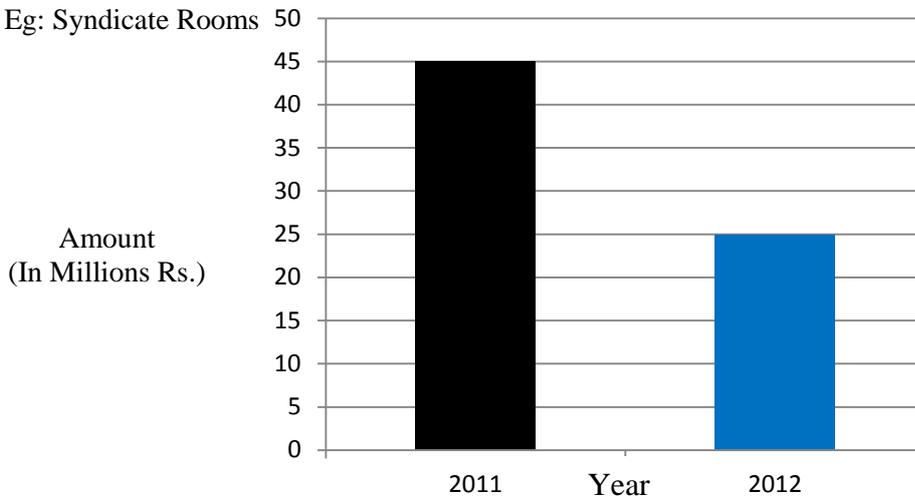
a. **Development of Welfare Facilities for Student Officers.**

Eg: Married Quarters



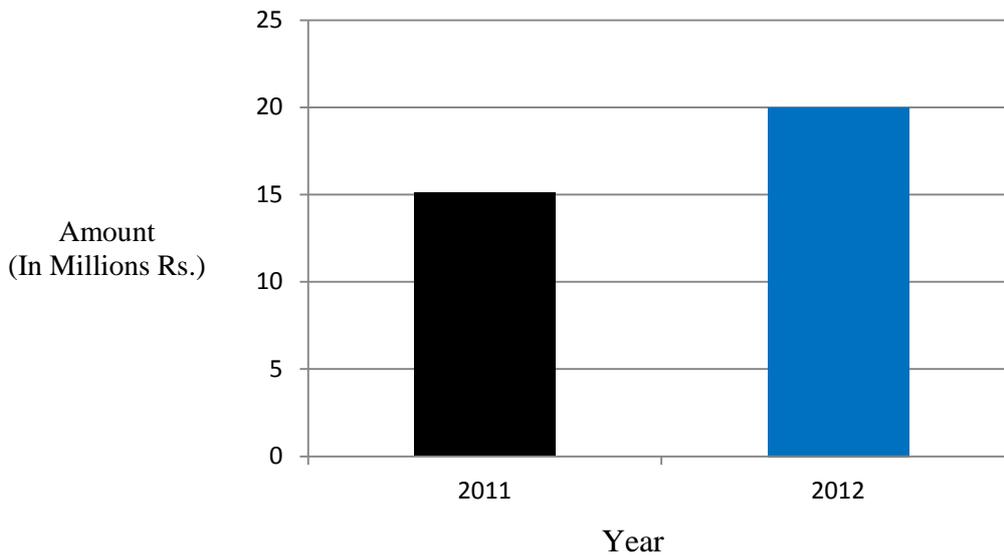
b. **Academic Infrastructure Development.**

Eg: Syndicate Rooms



c. **Development of Infrastructure of DSCSC.**

Eg: Internal Road Network



MEDIUM TERM INVESTMENT PLAN

1. The following constructions have already been completed as stipulated in the year 2011 Action Plan in order to cope with the increasing student officers up to 120 by 2016. The following projects are underway since 2010.

a. **Construction of Dual Carriage Road - Rs. 12.3 Million.**

Since the accommodation facilities were not adequate for the increasing number of student officers, new officers married quarters have already been built at the newly acquired land from the NYSC. Accordingly, a Dual carriage Road across the paddy land between the DSCSC and the NYSC land has already been built in 2012 and has to be asphalted.

b. **Development of Internet Facilities – Rs. 6.0 Million.**

Development of Internet Facilities to cope with the increasing no of local and Foreign Student Officers.

c. **Construction of Officers Married Quarters – Rs. 50.0 Million.**

According to the increasing number of Student Officers for the Staff Course 2012; the construction work of 3 buildings consisting of 06 married quarters have already been commenced.

d. **Construction of Four Storied Syndicate Building – Rs. 25.0 Millions.**

The four storied syndicate building which consists of class rooms Mini Auditorium and Sand Model rooms for the use of local and Foreign Student Officers is under construction and the 3rd stage of the construction work is to be commenced.

e. **Construction of Gymnasium - Rs. 7.0 Million.**

Fully equipped gymnasium for the use of student officers has been established in 2012 in order to uplift the existing sports facilities for the student officers.

f. **Construction of the Guard Room – Rs. 3.0 Million.**

A new Guard Room and a Main Gate at the rear entrance of the College in the land acquired from the NYSC, has been constructed in order to facilitate the Officers/ORs for their transportation.

g. **Establishment of Fuel Pump – Rs. 3.0 Million.**

Two Fuel Pumps for diesel and petrol for the use of College vehicle fleet utilizing the capital have been established in 2012.

h. **Construction of Underground Water Storage Tank with the Capacity of 30,000 GL, Pump House and a Distribution Tank with Capacity of 5,000 GL – Rs. 5.92 Million.**

Underground Water Storage Tank, Pump House and a Distribution Tank have been built in 2012 for the interrupted water supply to the officers married quarters.

2012 AUDITOR GENERAL'S REPORT AND THE REMEDIAL MEASURES
ADHERED TO THE OBSERVATIONS

1. The Auditor General's Report received for year 2012 is enclosed herewith for the perusal of the BOM. The remedial measures adhered to and the current states of the issues raised are as follows:

PARA NO	OBSERVATION	CORRECTIVE MEASURE	CURRENT SITUATION
(a)	(b)	(c)	(d)
2.2.1 (a)	Inclusion of motor vehicle not belonging to the College in the financial statements.	Actions are being taken to include the vehicles in the final finance statement.	Although the authority been requested to take over the vehicles to DSCSC, authority yet not been received.
2.2.1(b)	Deposit account Deduction of the no-pay leave had been credited to the deposit account under the noncurrent liabilities.	Money had been removed from the Deposit account and adjusted to the final account correctly in 2013.	Annual audit report of 2013 and 2014 been forwarded to the BOM approval.
2.2.2(a)	Accordingly to the Finance Act No 38 of 1971, the Annual Budget has not been forwarded to the Governing Body not later that three month prior to the beginning of the relevant financial year.	The Budget estimate as per the approved Action Plan 2012 has been forwarded to the MOD on 27 July 2011. After informing the approved fund, the Final Budget Statement has been forwarded for the approval of BOM.	Annual Budget Statement for the year 2013/2014 has been forwarded for the approval of BOM.
2.2.2(b)	Accordingly to the Public Enterprises Circular PED/12 of 2 July 2003 in terms of section 5.2.1 the budgetary balance sheet, budgeted income and expenditure statement has not been included in the budget prepared for the year under review.	Since the College is not a profit earning institution, it is not expected an annual excess. Accordingly the budget is prepared as per the College requirement considering the needs. Fund is used based on recurrent and capital expenditure.	Budgeted balance sheet income and expenditure statement have been included to the budget year.

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3.2	<p><u>Analytical Finance Review</u> The increase in certain items of expenditure as compared with the proceeding year by a sum of Rs 22,844,365 had been the main recent for the deterioration of Rs 4,392,823 in financial result.</p>	Parallel to the fund provided by the government to run the DSCSC smoothly, it has increased the no of student participated during the year under review for the degree course conducted by the Staff College was 102 and corresponding no of student was 83.	Necessary steps will be taken to minimize the expenditure.
4.2 (a) (i)	<p><u>Management Inefficiencies</u> Stores examination.</p>	Separate Inventory Register is maintained at the Admin Section for the Receiving and Issuing of goods by the stores. Final stock has been taken as at 31 Dec 2012.	The accuracy of the balance of stocks shown in the stock book and they are well maintained.
4.2 (a)(ii)	Separate Inventories for each section had not been maintained.	At present fixed assets used by all the branches of College are being inventoried and instructions been given to maintain them.	Inventories for the fixed assets used by all the branches are maintained.
4.3 (a) (b)	<p><u>Operating Inefficiencies</u> Due to the delay of construction of the syndicate building, annual allocation had been credited to Treasury again.</p>	The College has inquired from the Navy about the delay of construction of the syndicate building even though the money had been allocated. Further, College has informed that allocated money to be deposited to a internal account maintained by the Navy due to the end of the financial year under review.	Funds allocated to this project was not credited to the Treasury in 2013. This situation ratified by setting the project bills through liquidity cash.
4.4	<p><u>Underutilization of Funds</u> Sum of Rs 27.2 M, Rs 55.7 M and Rs 16.8 M had been credited to the Treasury without being utilized in the years 2010, 2011 and 2012 respectively.</p>	All funds received as liquidity money to the College 2010, 2011 and 2012 has been utilized as per the procurement plan and annual budget. But the allocations made to the other institution as Direct Transfer for the constructions have created this situation.	Steps were taken to prevent the allocated funds to be credited to the Treasury which were given to the other institutions. The College would undertake constructions in due course.
4.5	<p><u>Motor Vehicle Utilization</u> MOD and Sri Lanka Army had made available 17 and 14 motor vehicles had not been transferred to College. A Three wheeler condemned had been left parked since 17 Dec 2011. Audit and Management Board of the</p>	Authority has been requested take over all the vehicles to the College given by Army, Navy and Air Force. Since QM 5327 Three Wheeler is not roadworthy, it is to be handed over to the relevant place.	Request has been made to legally take over all the vehicles given by the MOD and the Tri Forces to the College. Approval has not yet been given. Steps will be taken to return the

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	College have suggested to transfer all the vehicles which belonging to Army, Navy and Air Force to the College. The request has been forwarded to the MOD for approval. QM 5327 Three Wheeler to be sent back as per the instruction requested by the letter DSCSC/TP/QM5327(06) dated 21 July 2013.		Three Wheeler which is un roadworthy.
4.6	<u>Staff Management</u> Even though the approved staff of the College had been 100 only a staff of 92 had been deployed.	Steps are be taken to recruit the approved cadre.	Approved staff for the College has now been recruited
5.1	<u>Annual Action Plan</u> The performance report had not been prepared in a manner to facilitate comparison with the action plan.	Recurrent expenditure and Capital expenditure for the year 2012 which have been incurred in the year as per the action plan.	Key performance indicator reports for the year the under review have been prepared and forwarded for the previous audit board.
5.2	<u>Budgetary Control</u> Significant variances existed between in estimated province and the actual expenditure thus indicating the budget had been made use of as an effective instrument of management control.	Rs 60 M has not been received from the approved capital assert, and as a result the actual expenditure decreased by 27%.	The situation was unable to be controlled since the College didn't receive the approved funds.
5.3	<u>Tabling of Annual Report at the Parliament</u>	Annual Report of 2010 had already forwarded to the MOD at the time of draft audit report was discussed. Annual Report of 2011 has also been forwarded to the MOD.	Annual Report 2010 and 2011 have already been forwarded to the MOD for tabling at the Parliament