1981 - 2006

SILVER JUBILEE YEAR

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கிழக்குப் பல்கலைக் கழகம், இலங்கை

EASTERN UNIVERSITY, SRI LANKA

ANNUAL REPORT -2011

EASTERN UNIVERSITY, SRI LANKA

ANNUAL REPORT – 2011

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1. **Vision Statement**

Eastern University, Sri Lanka aims to be a national centre of excellence for higher learning and research with a competitive advantage, responsive to the dynamics of the regional and global condition.

2. **Mission Statement**

The purposes of the Eastern University, Sri Lanka are to pursue excellence in teaching, research and scholarship, to offer through its internal and external faculties, campuses and other facilities, an unsurpassed range of opportunities for education and training to all those who will be able to benefit, to enhance public welfare, prosperity and culture by encouraging applications of learning and research; and to secure and administer resources to achieve these aims effectively.

3. **Vice-Chancellor's Review**

   a. **Brief Introduction**

The Eastern University, Sri Lanka, was established on the 1st of October 1986 by a University Order dated 26th September 1986 issued under section 2 of the Universities Act No.16 of 1978. The University was preceded by the Batticaloa University College established on 1st August 1981. The Batticaloa University College began with two Faculties, namely the Faculty of Science and the Faculty of Agriculture. Both these faculties were affiliated to the University of Peradeniya. Batticaloa University College was upgraded to the University status in October 1986 with the additional Faculties, namely Faculty of Commerce & Management and Faculty of Arts & Culture.

Faculty of Health-Care Sciences, Eastern University, Sri Lanka was established by Gazette notification dated 23rd November 2004 with six departments, namely Department of Human Biology, Department of Supplementary Health Sciences, Department of Pathophysiology, Department of Medical Education and Research, Department of Clinical Science and Department of Primary Health-Care.

The Trincomalee Campus of the Eastern University was established with effect from 15th June 2001 by Gazette notification dated 6th June 2001 with the two Faculties, namely the Faculty of Communication & Business Studies and Applied Science.

The Swamy Vipulananda College of Music and Dance was established in 1981 by the Ministry of Regional Affairs and Hindu Culture. Which was affiliated to the Eastern University Sri Lanka in 01st January 2002, and the Commission permitted the Eastern University, Sri Lanka to enroll diploma holders of the Swamy Vipulananda College of Music and Dance for a degree program in the Department of Fine Arts. Swamy Vipulananda College of Music and Dance was ceremonially handed over by Hon. Minister of Cultural Affairs to the Ministry of Higher Education and Information Technology in April 2001. **Swamy Vipulananda Institute of Aesthetic Studies**, Eastern University, Sri Lanka was established by Ordinance No. 01 of 2005 to be operative from 14th March 2005.

b. Appointment of Competent Authority

Professor Nimal Ranjith Athenayake was appointed as Competent Authority of the Eastern University, Sri Lanka by the Honourable Minister for Higher Education, S B Dissanayake in accordance to the Gazette notification No: 1690/01 dated 24th January 2011 for the purpose of exercising, performing of discharging in lieu of the Council of the Eastern University, Sri Lanka, any power, duty or function under the act or any appropriate instrument to ensure the restoration of normal conditions in the Eastern University, Sri Lanka.

Activities implemented by the Competent Authority:

i. Academic

- Preparation of Bylaws Governing the Award of Degrees
- Preparation of Bylaws of Student Discipline
- Academic calendar should be implemented and the results should be released within the time.
- English Language Teaching Unit services for teaching English to all the students' community were restructured.
- Action is being taken to regularize the activities of CICT

ii. Financial

- Audit and Management committee is functioning effectively.
- Finance Committee was re-activated with the proper structure.
- The allocation of capital grant was divided into faculty wise.
- Income and expenditure statements and cash flow charts have been prepared effectively for proper financial control and transparency.
- Purchasing Committee is scrutinized
- Action had already been taken to operate one account instead of the ten accounts for all activities
- A government Audit unit had been established at the University premises.
- Irregularities and malpractices in the financial management were rectified.

iii. General Administration

- A Senior Civil Engineer has been appointed as a consultant for ongoing capital building projects.
- Action had been taken to fill vacant academic cadres
- Action had been taken to ensure effective control and monitoring of outsourced labourers.
- Action has been taken to fill the key posts of Registrar and Bursar by advertisement.

c. Achievements

- Mr K Mahesan was appointed as a Registrar on secondment basis from 15th September 2011. This will ease all administrative work and could monitor the same step by step.
- Mr. K Kanagaratnam was appointed as a Financial Consultant on assignment basis from 21st February 2011. This will streamline the financial operation of the University.
- Eng. S. M Siddhique was appointed as a Senior Civil Engineer on assignment basis from 2nd May 20011.
- To Govern the award of Academic distension of Eastern University, Sri Lanka, the bylaws had been prepared and implemented.
- By-laws on student discipline had been prepared and issued to the students.
- Name of the Centre for External Degrees was changed to Center for External Degrees & Extension Courses.
- Financial Committee was re-activated after a long inactivation.
- Faculty wise Capital Grant Allocation was made
  Detail:
- Action was taken operate one Bank account in place of eleven various Bank accounts in order to ensure better control of activities.
- A Government Audit Unit was established as per the University Act.
- The unanswered audit queries which were remained from the year 2007 had been answered.
- Most of the vacant for the Academic cadre positions were filled during the year.
- Actions had been taken against the employees who submitted the forge certificates and their appointments had been terminated.

- **10th Annual Research Session**

  The 10th Annual Research Session was successfully conducted by the Faculty of Science on 1st and 2nd December 2011 at the Science Block, Eastern University, Sri Lanka. 51 papers were presented under different tracks as given below.

Tracks	No. of papers presented
Science and Technology	12
Environment and Agriculture	13
Culture, identity and peace building	12
Management, Entrepreneurship & Economic Development	14

Around 150 number of participants were participated in this ARS. The occasion was graced by Prof. Uma Coomaraswamy, Emeriti Professor in Botany, Prof. V. Nanthakumar, Department of Geography, University of Peradeniya and Prof. S. Mohanathas Professor Emeritus in Chemistry and Former Vice Chancellor, University of Jaffna, Chairman, UGC Standing Committee for Sciences were the keynote speakers at the event.

- Performance of External Audit Queries in 2011

Name of Institution	No. of Queries Raised / EUSL	No. of Replies Sent
EUSL	34	29
Trincomalee Campus	03	03

c. Failure & Justification

- Since many advertisements had been called, no candidate qualified for the post of the permanent Bursar.
- Due to unavoidable circumstance the Annual General Convocation was not conducted.

d. Future Plan

- ❖ Academic programs:

1. **Faculty of Commerce & Management**
   Commencement of new programs:
   - BCom (Insurance & Banking)
   - BBA (Tourism)
   - BBA (Information & Communication Technology)
   - Master of Enterprise Development.
   - M.Phil (Economics)
2. **Faculty of Agriculture**
   Commencement of new programs:
   - BSc in Food Science and Technology
   - BSc Aquaculture and Fisheries
3. **Faculty of Science**
   Commencement of new programs:
   - Bachelor of Computer System Science (BCSS)
   - BSc in Aquatic Resource Management.
   - Certificate in Advanced Mathematical Software Packages
   - Certificate in Electronics
   - Certificate in Fishery data collection
   - Diploma in Aquatic Resource Management
   - Master of Science Education (MSc. Ed)
   - MSc in Environmental Science
   - Marine biology/Oceanography – underwater studies (Diving)
4. **Faculty of Arts & Culture**
   - Commencement of new programs:
     a. Degree programs:
        M.Phil, Ph.D, Preschool and Primary Education Degree
     b. Diploma programs:
        Journalism, Folklore, Translation and Language skill, Geographic Information System (GIS), Environmental Study, Disaster Management,
   - Establishment of new Departments:
     Politics and International relations, Philosophy and Psychology, Sociology and Anthropology, Christianity,
   - Commencement new Discipline
     Ethno Cultural Studies, Ethno Music, Drama and Theatre, Comparative Performing Art
   - Establishment of new Centre for Geographic Information System (GIS)
   - Establishment of Meteorological Unit in the Department of Geography
   - Design new program under the Center for Social Science Research Development
   - Establishment of new Faculty of Hindu Civilization with the following Departments; Hindu Religious and Cultural Studies, Hindu Art and Architecture, Hindu Religion and Philosophy

5. **Faculty of Health-Care Sciences**
    - Construction of Building complex for Faculty of Health-Care Sciences with the following facilities:
      Video Conference Unit, Library, Auditorium with a minimum of 600 hundred seats, Lecture Hall with all Teaching Aids and adequate Infrastructure, Multi Disciplinary Laboratories, Gymnasium for indoor sports facilities, Seminar Common Room & Canteen.

6. **Trincomalee Campus**
    - New building complex for the Faculty of Applied Science.
    - Establish a Digital Library in the Faculty of Applied Science
    - Launching Special Degree program in Computer Science
    - Commencing new Degree Program, BSc in Applied Physics and Electronics
    - Launching Special Degree program in Physical Science
    - Establishment of Video Conference Unit.

- ❖ Hostel Project for Men & Women.

- ❖ Construction of Gymnasium.

4. Details of Resources & Students:

Faculty	Course	Total Students	Total Academic Staff	Total non Academic Staff
EUSL				
Arts & Culture	Bachelor of Arts & Culture	1506	47	18
Agriculture	Bachelor Science in Agriculture	175	31	32
Commerce & Management	Bachelor of Business Administration Bachelor of Commerce	324 318	31	12
Health-Care Sciences	Bachelor of Medicine Bachelor of Nursing	311 63	17	27
Science	Bachelor of Science (Bio) Bachelor of Science (Physical)	218 234	32	31
Total		**3149**	**158**	**120**
Trincomalee Campus				
Communication & Business Studies	B.Sc. in Management	243	18	01
	B.Sc. in Communication	218		-
Applied Sciences	B.Sc. in Computer Science	10	04	01
Unit of Siddha Medicine	B.Siddha Medicine & Surgery	60	06	04*
Total		**531**	**28**	**06**

* 03 Nos. Absorption

5. Details of Local Students:

Faculty	Course	Medium	Intake 2011	1st Year Students	2nd Year Students	3rd Year Students	4th Year Students	5th Year Students	No of Graduated
EUSL									
Arts & Culture	Bachelor of Arts & Culture	Tamil	262	516	348	380	-	-	333
Agriculture	Bachelor Science in Agriculture	English	73	42	36	24	-	-	27
Commerce & Management	Bachelor of Business Administration	English	105	88	79	52	-	-	74
	Bachelor of Commerce	English	94	75	135	14	-	-	17
Health-Care Sciences	Bachelor of Medicine	English	50	50	49	98	37	27	-
	Bachelor of Nursing	English	26	28	04	05	-	-	-
Science	Bachelor of Science (Bio-Science)	English	114	38	17	49	-	-	16
	Bachelor of Science (Physical Science)	English	133	49	20	32	-	-	
Total			**857**	**886**	**688**	**654**	**37**	**27**	**467**
Trincomalee Campus									
Communication & Business Studies	B.Sc. in Management	English	67	51	50	58	17	-	28
	B.Sc. in Communication	English	49	51	57	46	15	-	76
Applied Sciences	B.Sc. in Computer Science	English	-	-	10	-	-	-	-
Unit of Siddha Medicine	B.Siddha Medicine & Surgery	English	14	11	16	19	-	-	-
Total			**130**	**113**	**133**	**123**	**32**	**-**	**104**

6. Details of Academic Staff:

a. EUSL

Faculties	Subjects	Medium	Senior Professor	Professor	Senior Lecturer /Lecturer (Prob.)	Instructors/ Visiting Staff/ Temp. Tutor
Arts & Culture	Arabic Comparative Religion & Social Harmony Education & Childcare Fine Arts and Drama & Theater Arts Geography History Languages Islamic Studies Social Sciences Christianity Economics Hindu Civilization	Tamil/ English	-	02	25	27
Agriculture	Agric. Biology, Agric.Chemistry, Agric.Economics, Agric.Engineering, Animal Science, Crop Science	English	-	02	25	04
Commerce & Management	Commerce, Management, Economics, Human Resource Management, Marketing, Enterprise Development, Accountancy & Finance, Business Economics, Development Economics	English	-	-	22	09
Science	Botany Zoology Physics Chemistry Mathematics	English	-	-	22	10
Health Care Sciences	Dept. of Human Biology Clinical Sciences Medical Education & Research Pathophysiology Supplementary Health Sciences Primary Health Care	English	-	-	17	-
TOTAL			-	**04**	**111**	**50**

b. Trincomalee Campus

Faculties	Department/ Unit	Medium	Senior Professor	Professor	Senior Lecturer /Lecturer (Prob.)	Instructors /Visiting Staff
Communication & Business Studies	Management	English	-	-	05	-
	Communication	English			06	-
Applied Sciences	Computer Science	English	-	-	03	-
	Physical Science	English			01	-
Unit of Siddha Medicine	-	English	-	-	05	-
TOTAL		-	-	**-**	**20**	**-**

7. Details of Non-Academic Staff:

a. EUSL

Faculties/Departments/Sections/ Branches/ Units	Most Senior	Senior Staff	Junior Staff	Minor Employees
Office of the Vice Chancellor, VC Lodge	-	-	01	01
Office of the Registrar	-	-	02	01
Senate House	01	-	01	02
Administration Branch	-	-	02	14
Internal Audit Unit	01	-	01	01
Career Guidance Unit	-	-	-	-
Non Academic/ Establishments Branch	-	-	03	-
Academic/ Establishments Branch	-	-	05	01
Supplies Branch	-	-	07	01
Office of the Bursar	01	01	07	02
Faculty of Agriculture	01	03	09	19
Faculty of Commerce & Management	01	-	06	05
Faculty of Science	02	09	10	10
Faculty of Health Care Sciences	-	01	11	15
Faculty of Arts & Culture	01	04	10	06
Centre for Information & Communication Technology	-	-	02	01
English Language Teaching Unit	-	-	-	01
Examination Branch	-	02	07	03
Centre for External Studies	-	-	01	02
Library	-	01	01	04
Health Centre	-	-	-	04
Physical Education	-	-	-	02
Welfare Branch	-	-	02	01
Department of Maintenance	-	-	04	21
Hostels	-	-	01	06
Office of the Security	-	-	-	15
Total	**07**	**18**	**93**	**138**

b. Trincomalee Campus

Faculties/Departments/Sections/ Branches/ Units	Most Senior	Senior Staff	Junior Staff	Minor Employees
General Administration	-	07	-	-
Maintenance	-	-	02	-
Examination Branch	01	-	01	01
Establishments Branch	-	01	-	-
Welfare Branch	-	01	-	-
Finance Branch	04	02	01	01
Library	01	03	02	-
Dept. of Business & Management	-	-	-	01
Dept. of Language & Communication Studies	-	-	-	-
Faculty of Applied Science	-	-		01
Unit of Siddha Medicine	-	-	01	-
Total	**06**	**14**	**09**	**04**

8. Details of Research, Innovation and Publications:

a. EUSL

1. Faculty Agriculture			
Subject	**Published**	**Commercialized**	**Presented**
a. No of Researches	62	-	23
b. No of Innovations	-	-	-
c. No of Journals	03	-	-
d. No of Books	01	-	-
e. No of Articles	-	-	13
f. Other	12	-	-
Total	**78**	**-**	**36**
2. Faculty Arts & Culture			
Subject	**Published**	**Commercialized**	**Presented**
a. No of Researches	07	-	07
b. No of Innovations	-	-	-
c. No of Journals	-	-	-
d. No of Books	01	-	01
e. No of Articles	15	-	15
f. Other	-	-	-
Total	**23**	**-**	**23**
3. Faculty of Commerce & Management			
Subject	**Published**	**Commercialized**	**Presented**
a.No of Researches	10	-	11
b.No of Innovations	-	-	-
c.No of Journals	-	-	-
d.No of Books	-	-	-
e.No of Articles	05	-	-
f. Other	-	-	-
Total	**15**	**-**	**11**

4. Faculty Health-Care Sciences			
Subject	**Published**	**Commercialized**	**Presented**
a. No of Researches	12	-	-
b. No of Innovations	-	-	
c. No of Journals	-	-	05
d. No of Books	-	-	-
e. No of Articles	04	-	-
f. Other	-	-	-
Total	**16**	**-**	**05**
5. Faculty Science			
Subject	**Published**	**Commercialized**	**Presented**
a. No of Researches	28		03
b. No of Innovations	-		-
c. No of Journals	01		-
d. No of Books	02		-
e. No of Articles	-		-
f. Other	-		-
Total	**31**		**03**

b. Trincomalee Campus

Subject	Published	Commercialized	Presented
a. No of Researches	-	-	03
b. No of Innovations	-	-	-
c. No of Journals	-	-	-
d. No of Books	-	-	-
e. No of Articles	-	-	-
f. Other	-	-	01
Total	**-**	**-**	**04**

9. Details of Programme, Seminars & Workshops:

a. EUSL

1. Faculty Agriculture			
Subject	**Attended**	**Completed**	**Presented**
a. No of Postgraduate Degree Programme	03	-	-
b. No of Postgraduate Diploma Programme	-	-	-
c. No of Degree Programme	-	-	-
d. No of Diploma Programme	-	-	-
e. No of Certificate Programme	03	10	-
f. Other	-		-
Total	**06**	**10**	**-**

2. Faculty Arts & Culture			
Subject	**Attended**	**Completed**	**Presented**
a. No of Postgraduate Degree Programme	03	02	03
b. No of Postgraduate Diploma Programme	-	-	-
c. No of Degree Programme	03	03	03
d. No of Diploma Programme	03	03	03
e. No of Certificate Programme	02	02	02
f. Other	09	-	03
Total	**20**	**10**	**14**

3. Faculty of Commerce & Management			
Subject	**Attended**	**Completed**	**Presented**
a. No of Postgraduate Degree Programme	03	04	01
b. No of Postgraduate Diploma Programme			
c. No of Degree Programme		01	
d. No of Diploma Programme			
e. No of Certificate Programme	01	07	01
f. Other	09	05	05
Total	**13**	**07**	**07**

4. Faculty Health-Care Sciences			
Subject	**Attended**	**Completed**	**Presented**
a. No of Postgraduate Degree Programme	01	01	-
b. No of Postgraduate Diploma Programme	01	-	-
c. No of Degree Programme	-	-	-
d. No of Diploma Programme	-	-	-
e. No of Certificate Programme	01	03	03
f. Other *(Seminars & Workshops)*	09	-	-
Total	**12**	**04**	**04**

5. Faculty Science			
Subject	**Attended**	**Completed**	**Presented**
a. No of Postgraduate Degree Programme	03	02	-
b. No of Postgraduate Diploma Programme	-	-	-
c. No of Degree Programme	-	-	-
d. No of Diploma Programme	-	-	-
e. No of Certificate Programme	-	-	-
f. Other	63	-	04
Total	**66**	**02**	**04**

b. Trincomalee Campus

Subject	Attended	Completed	Presented
a. No of Postgraduate Degree Programme	04	03	02
b. No of Postgraduate Diploma Programme	-	-	-
c. No of Degree Programme	-	-	-
d. No of Diploma Programme	-	-	-
e. No of Certificate Programme	-	-	-
f. Other	-	-	-
Total	**04**	**03**	**02**

10. Details of Awards Received:

a. EUSL

1. Faculty of Agriculture			
Subject	**No of Awards**	**No of Academics**	**No of Students**
a. Local awards	-	-	-
b. National Awards	-	-	-
c. International Awards	01	-	-
d. Other	-	-	-
Total	**01**	**-**	**-**
2. Faculty of Health Care Sciences			
Subject	**No of Awards**	**No of Academics**	**No of Students**
a. Local awards	-	-	-
b. National Awards	01	-	-
c. International Awards	-	-	-
d. Other	-	-	-
Total	**01**	**-**	**-**

11. Details of New Courses Started:

a. EUSL

Faculty	Course	Medium	Master
1. Faculty of Science	M.Sc in Science Education	English	01
Total			**01**

12. Details of Recurrent Expenditure:

a. EUSL

Subject	2010 Rs.	2011 Rs.
a. Personal emoluments	268,376,379.00	278,295,941.69
b. Travelling	2,244,379.00	1,324,620.30
c. Supplies	18,407,368.00	20,538,845.73
d. Maintenance	16,279,528.00	8,506,836.13
e. Contractual Services	45,776,421.00	48,786,417.51
f. Other	12,061,250.00	10,544,669.74
Total	**363,145,325.00**	**367,997,331.10**

b. Trincomalee Campus

Subject	2010 Rs.	2011 Rs.
a. Personal emoluments	30,931,244.73	33,554,885.25
b. Travelling	406,098.50	267,113.78
c. Supplies	2,815,663.25	4,262,968.12
d. Maintenance	2,286,007.32	2,413,526.93
e. Contractual Services	20,008,314.08	27,394,627.28
f. Other	6,694,595.18	1,692,524.28
Total	**63,141,923.06**	**69,585,663.64**

13. Details of Capital Expenditure:

a. EUSL

Subject	2010 Rs.	2011 Rs.
a. Acquisition of furniture & Office. Equipments	9,666,464.52	14,230,524.46
b. Acquisition of Machineries	-	
c. Acquisition of Building & Structures *	62,278,578.97	9,815,888.46
d. Other	-	49,872,259.13
Total	**71,945,043.49**	**73,918,672.05**

* - Construction Project

b. Trincomalee Campus

Subject	2010 Rs.	2011 Rs.
a. Acquisition of furniture & Office Equipments	863,037.00	1,207,770.50
b. Acquisition of Machineries	-	-
c. Acquisition of Building & Structures	1,128,562.70	5,260,250.04
d. Other	2,104,795.83	809,916.55
Total	**4,096,395.53**	**7,299,937.09**

14. Details of Projects (Local/Foreign Funded):

a. Trincomalee Campus

Name &Detail	Loan / Grant	Funding Agency #	TCE Rs.	RFA Rs.	DF Rs.
Improvement of classroom building (Lecture Hall – 01)	Grant	GOSL	1,059,285.00	-	-
Men's Hostel	Grant	GOSL	100,000,000.00	-	-
Women's Hostel	Grant	GOSL	100,000,000.00	-	-
Improvement of classroom building (Lecture Hall – 02)	Grant	GOSL	786,155.00	-	-
Improvement of classroom building (Lecture Hall – 03)	Grant	GOSL	863,615.00	-	-
Improvement of viewing room for LCS	Grant	GOSL	1,133,150.00	-	-
Improvement of front entrance	Grant	GOSL	1,569,675.88	-	-
Drainage system around the existing buildings	Grant	GOSL	1,193,250.00	-	-
Rehabilitation of corridor for Gents & Ladies toilets	Grant	GOSL	659,827.00	-	-
Rehabilitation of Lecture hall & Office for Dept. of BMS	Grant	GOSL	2,384,395.00	-	-
Rehabilitation of Generator room	Grant	GOSL	247,245.00	-	-
Rehabilitation of Lecture hall & Office for Faculty of Applied Science.	Grant	GOSL	3,215,330.00	-	-
Rehabilitation of toilets (05 Nos.) & Bathrooms (05 Nos.) for Boys Hostel, 315, Dockyard road, Trincomalee	Grant	GOSL	1,453,043.40	-	-
Renovation of Lecture Hall, Faculty of Applied Science	Grant	GOSL	1,246,500.00	-	-
Total			**215,811,471.28**	**-**	**-**

(GOSL / ADB / IDA / WB / ……….)

15. Details of Project Expenditure (Local/ Foreign Funded):

a. Trincomalee Campus

Name	TCE Rs.	Exp in 2010 Rs.	Exp in 2011 Rs.	Cumulative Exp as at 31.12.2011	% of Physical Progress
Relocation of Trincomalee Campus	128,304,000	9,312,558	107,360,896	-	-
Men's Hostel	100,000,000	-	-	-	-
Women's Hostel	100,000,000	-	-	-	-
Science Laboratory	14,000,000	-	-	-	-
Total	**342,304,000**	**9,312,558**	**107,360,896**		**-**

16. Details of Financial Progress (Expenditure):

Trincomalee Campus

Subject	Provision in 2011Rs	Exp in 2011 Rs	Savings / Excess Rs
a. Recurrent except Project	69,493,000	70,033,320	(540,320)
b. Capital except Project	29,000,000	7,277,937	21,722,063
c. Project - Local funded.	100,000,000	10,050,286	89,949,714
d. Project Foreign funded	-	-	-
Total	**198,493,000**	**87,361,543**	**111,131,457**

17. Details of Financial Progress (Generated Income):

a. EUSL

Source of Revenue	Provision in 2011 Rs.	Collection in 2011 Rs.	Deficit ⁄Surplus Rs.
Undergraduate Studies (External)	-	4,326,610.16	-
Postgraduate Studies	-	2,327,775.60	-
Consultancies	-		-
Other	-	11,039,201.55	-
Total	**-**	**18,039,587.31**	**-**

b. Trincomalee Campus

Source of Revenue	Provision in 2011 Rs.	Collection in 2011 Rs.	Deficit ⁄Surplus Rs.
Undergraduate Studies	1,845,000.00	1,653,100.00	(191,900.00)
Postgraduate Studies	-	-	-
Consultancies	-	-	-
Other	293,000.00	469,355.09	176,355.09
Total	**2,138,000.00**	**2,122,455.09**	**(15,544.91)**

18. Financial Performance Analysis - 2011:

a. EUSL

Subject	Formula	Exp. Per Student Rs.
Recurrent Expenditure per Student (RE)	RE / No of Student strength	116,861.65
Capital Expenditure per Student (CE)	CE / No of Student strength	23,473.70
Total		**140,335.35**

b. Trincomalee Campus

Subject	Formula	Exp. Per Student Rs.
Recurrent Expenditure per Student (RE)	RE / No of Student strength	131,148.54
Capital Expenditure per Student (CE)	CE / No of Student strength	32,449.85
Total		**163,598.39**

19. Report of the Auditor General on the Finance Statements of Eastern University, Sri Lanka for the year ended 31 December 2011

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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்

AUDITOR GENERAL'S DEPARTMENT

මගේ අංකය எனது இல. My No	EN/BT/B/EUSL/FA/2011	ඔබේ අංකය உமது இல. Your No.		දිනය திகதி Date	28 September 2012

The Vice- Chancellor,

Eastern University, Sri Lanka.

Report of the Auditor General on the Financial Statements of the Eastern University, Sri Lanka for the year ended 31 December 2011 in terms of Section 108(2) of the Universities Act, No. 16 of 1978 and Section 13(7) (a) of the Finance Act, No. 38 of 1971.

The audit of financial statements of the Eastern University, Sri Lanka for the year ended 31 December 2011 comprising the balance sheet as at 31 December 2011 and the income statement. Statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Sections 108(1) and 111 of the Universities Act. No. 16 of 1978 and Sub- sections (3), (4) and (7) of Section 13 of the Finance Act, No. 38 of 1971. This report is furnished in terms of Section 108 (2) of the Universities Act, and Section 13(7) (a) of the Finance Act.

1:2 Management's Responsibilities for the Financial Statements.

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

1.3 Auditor's Responsibility.

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards. Those standards

අංක 306/72 පොල්දුව පාර, බත්තරමුල්ල , ශ්‍රී ලංකාව | இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை இலங்கை | No.306/72, Polduwa Road, Battaramulla , Sri Lanka

දුරකථනය / தொலைபேசி / Telephone 2887028 -34 | ෆැක්ස් අංකය / பக்ஸ் இல / Fax No. 2887223 | ඉලෙක්ට්‍රොනික් තැපැල් / ஈ- மெயில் / E-mail. oaggov@sltnet.lk

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 performance 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 risk of the 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 University's preparation and fair presentation of 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 University's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements. Sub-sections (3) and (4) of Section 13 of the Finance Act, No.38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the audit.

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

1.4. Basis For Qualified Opinion.

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

2. Financial Statements

2.1 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 Eastern University, Sri Lanka_as at 31 December 2011 and its financial performance and cash flows for the year then ended in accordance with the Sri Lanka Accounting Standards.

2.2. Comments on Financial Statements.

2:2:1 Presentation of Financial Statements

Financial Statements of the Eastern University, Sri Lanka for the year ended 31 December 2011, which should have been rendered for audit within 60 days after the closure of financial year in terms of Section 6.5.1 of the Public Enterprises Guidelines for Good Governance Circular No PED/12 dated 02 June 2003 had been rendered to audit only on 16 May 2012.

2.2.2 Accounting Deficiencies

The following accounting deficiencies were observed in audit.

(a) Although Improving Relevance and Quality of Undergraduate Education (IRQUE) Project had been completed and assets transferred to the University, the value of assets had not been disclosed in the financial statements.

(b) Laboratory equipment valued at Rs.9,555,427 received as donations from Central Environmental Authority during the year 2006 had not been brought to accounts.

(c) Action had not been taken by the University to investigate and to make appropriate adjustments in the accounts relating to the direct credits and direct debits valued at Rs 10,692,587 and Rs 4,985,165 respectively shown in the bank reconciliation statements.

2:2:3 Non- compliance with Laws, Rules, Regulations and Management Decisions.

Instances of non- compliance with Laws, Rules, Regulations and Management Decisions observed in audit are given below.

Reference to Laws, Rules, Regulations and Management Decisions	**Non compliance**
(a). Financial Regulations	
(I) F.R 102	Action had not been taken in respect of losses amounting to Rs 17,860,815 sustained during the year 1990.
(II) F.R 371	Action had not been taken to recover the advances aggregating Rs.66,480,590 lying in the accounts for a period ranging from 01 year to 15 years .
(III) F.R 569	A deposits ledger had not been maintained.
(IV) F.R 702 (3)	Copies of the contract agreements had not been forwarded to the Auditor General.
(V) F.R.756	A physical verification of the assets of the University had not been carried out as at and of the year under review.
(VI) F.R 1646	Daily running charts had not been rendered for audit in respect of vehicles attached to the University.
(VII) F.R 1647(b)	Board of Survey for the year under review on vehicles had not been carried out.

(b) Establishments Code for the University Grants Commission and Higher Educational Institutions

(i)	Section 20.6 Chapter- X	All leaves without pay had not been reported monthly to the Auditor General in form General : 96
(ii).	Section 3:1 Chapter- XXVII	An attendance register had not been maintained in respect of the academic staff of the University to mark the time of arrival and departure.

3. Financial Review.

3.1 Financial Results

According to the financial statements presented, the activities of the University during the year under review had resulted in a deficit of Rs. 464,498,837after taking into account the Government Grant of Rs. 437,448,075 for recurrent expenditure as compared with the corresponding deficit of Rs. 411,635,687 for the preceding year after taking into account the Government Grant of Rs. 393,635,000 for that year thus indicating a further deterioration in the financial results by Rs.52,863,150 due to increase in operating expenditure by Rs.56,922,395.

4. Operating Review

4.1. Performance

(a) Results of Examinations held

According to the information made available, the details of examinations held during the year under review are given below.

Faculty	Period of Examination held	No of Students sat for the examinations	No of Students passed
Agriculture	March, April, October, November and December 2011	136	81
Arts	March, April June, July, October and November 2011	293	282
Commerce and Management	February ,March, April, May, June, July, September, November and December2011	724	519
Science	February ,March, April, October, November and December2011	59	47
Total		**1,212**	**929**

(b) Cost Per Student

Total number of students registered for 07 courses of the University was 2,786. Total recurrent expenditure incurred during the year under review amounted to Rs. 364,049,548. The average recurrent cost per student for the year was Rs.130,671.

No. of Students	Total Expenditure	Cost per Student
	Rs	Rs
2,786	364,049,548	130,671

(c) Mahapola and Bursaries

A sum of Rs. 11,981,100 had been paid as Mahapola to 597 students and a sum of Rs. 17,399,400 had been paid as Bursary to 1326 students during the year under review.

(d) Library Administration

515 books had not been returned within the stipulated period by the students, academic staff and non academic staff who had obtained books from the Library. No proper action had been taken in order to get back these books and proper action had not been taken with regard to damaged books.

4.2 Management Inefficiencies

The following observations are made.

(a) A sum of Rs. 70.98 million received from lecturers who had violated bonds and obligations had been shown under other reserves in the financial statements instead of action being taken in terms of University Grants Commission Circular No.737 dated 18 August 1998 to account all receipts from violation of agreements and bonds to the University and invested in interest earning assets such as fixed deposits and Treasury bills.

(b) A sum of Rs 14,559,150 had been paid on 03 August 2010 for the procurement of 155 Computers and 06 UPS under Improving Relevance and Quality of Undergraduate Education (IRQUE) Project during the year 2010. It was observed in audit that an order had been placed for the procurement of 155 computers including155 license keys(Windows Vista Business downgraded to XP Professional original OEM license) , which were estimated at Rs 5,186,455 even though there were sufficient stock of license keys received as donation from an international software company. However, license keys so purchased were returned to the supplier in exchange for 15 personal computers and 15 UPS valued at Rs.1,395,000. As a result of this transaction, a loss of Rs. 3,791,455 had been sustained by the University due to excessive purchase of license keys.

(c) A penalty of Rs 58,490 had been paid by the University to a lecturer following a ruling of Labour Tribunal due to non-payment of gratuity in time.

(d) The University had granted study leave to a senior lecturer from 08 May 2007 to follow PhD Degree at the University of Reading, United Kingdom. However, study leave had been extended from 08 June 2010 to 07 September 2010 with pay and from 08 September 2010 to 07 December 2010 on no- pay. However, a sum of Rs.316,401 had been overpaid to the senior lecturer due to the computation of no-pay leave as with- pay leave.

4.3 Operating Review

The following observations are made.

(a) The University had not maintained proper individual records in respect of each research grant project. The records maintained had not contained the details relating to the projects, approval of the Research Committee and the research reports. In the absence of above, it was not possible to ascertain in audit as to whether the intended objectives were achieved from the utilization of those research grants.

(b) An advance of Rs.900,000 had been paid to a Coordinator for conducting 9th Annual Research Session of the Faculty of Arts and Culture. The following observations are made in this regard.

(i) Approval from the Council had not been obtained.

(ii) Procurement procedures had not been followed in terms of Section 2:14:1 of the Procurement Guidelines-2006.

(iii) It was noted that this advance had been deposited in the personal name of the Coordinator in a Bank.

(c) **Procurement of Medical Equipment**

Medical equipment to the value of Rs 13 million had been procured during the year 2011 for the use of Faculty of Health Care Sciences (FHCS) from the supplier in Chennai. The following observations are made in this regard.

(i) Instead of 05 quotations, only 03 quotations had been obtained. Two bids were forged. Out of 03 bids, one bidder was found to be a garment accessories supplier.

(ii) Tender documents had been posted from the same post office and date stamp placed in the letters from Chennai was the same date.

(iii) Bids had been called for by the Head of the Department of Human Biology of FHCS and bids had been addressed to his personal name.

(iv) Departmental procurement committee had recommended to purchase medical equipment from Indian supplier without ascertaining the genuiness of the bid documents. Further, approval had not been obtained from the Council of the University.

(v) A Technical Evaluation Committee had not been appointed in this regard.

(vi) Ultrasound Scanner purchased in the above equipment for Rs 4 million could not be utilized due to technical defect.

Item name	Market price (USD)	Purchased price (USD)
Mortuary Refrigerator (Mortuary Chambers)	1320- 7900(Range)	26,000
Ultra-sound Scanner	8,000-15,000	36,324
Binocular Microscope	2,123-4,425	9,015

(viii) Advance of Rs 669,000 had been paid to a cargo clearance company without any agreement or approval.

5. Accountability and Good Governance

5.1 Corporate Plan and Action Plan.

Although the Corporate Plan for the periods 2003-2007, 2007-2011 and 2010-2015 had been prepared, the relevant information in terms of the Public Enterprises Circular No.PED/12 of 02 June 2003 had not been contained in the Corporate Plan and Plan had not been updated annually.

5.2 Budgetary Control

Major variations were observed between the budgeted expenditure and actual expenditure, thus indicating that the Budget had not been made use of as an effective instrument of management control.

5.3 Audit Committee

07 Audit Committee meetings had been conducted during the year under review. The Committee in several meetings had recommended to reply audit queries. However, action had not been taken to reply 07 audit queries issued by the Auditor General.

6. Systems and Controls

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

(a) Accounting

(b) Fixed Assets

(c) Inventory

(d) Payments and Settlement of Advances

(e) Procurements

H.A.S. SAMARAWEERA
AUDITOR GENERAL

20. MANAGEMENT RESPONSE TO THE AUDITOR GENERAL'S REPORT ON THE FINANCIAL STATEMENTS OF THE EASTERN UNIVERSITY, SRI LANKA FOR THE YEAR ENDED 31 DECEMBER 2011 IN TERMS OF SECTION 108 (2) OF THE UNIVERSITIES ACT, NO. 16 OF 1978 AND SECTION 13 (7) (A) OF THE FINANCE ACT, NO. 38 OF 1971

Audit Paragraph Reference & Management Observation of Governing Authority		Observation
2.2 Comments on Financial Statements		
2:2:1 Delay in Presentation of Financial Statements:		
	Financial Statements of the Eastern University, Sri Lanka for the year ended 31 December 2011, which should have been rendered for audit within 60 days after the closure of financial year in terms of Section 6.5.1 of the Public Enterprises Guidelines for Good Governance, had been rendered to audit only on 16 May 2012.	The comment of the Auditor General is accepted. The delay was due to the lack of supporting staff. Out of two book-keepers one was interdicted and only one handled the entire Financial Reporting works. In the meantime a new person was appointed by the Council as an Actg. Bursar. Further some regularization process of past deficiencies was pending. These were the delay. Every effort will be taken to present the Financial Statement within the stipulated time in future.
2:2:2 Accounting Deficiencies		
a.	Although Improving Relevance and Quality of Undergraduate Education (IRQUE) Project had been completed and assets transferred to the University, the value of assets had not been disclosed in the financial statement.	The comment of the Auditor General is accepted. All the assets which were procured under IRQUE Project had been transferred to the relevant departments by the LTS Office, IRQUE Project, EUSL as per the letter dated 15.09.2010 from the Secretary, MOHE. Further regarding the Capitalization of the assets in the financial statement, it was not cleared in the letter whether the value of assets which were procured under IRQUE project appearing in the inventory register of LTS office could be taken into the final accounts as depreciated value or cost value. This was the delay to disclose in the financial statement. However, action is being taken to disclose the depreciate value in the financial statement for the year 2012.

b.	Laboratory equipment valued at Rs. 9,555,427 received as donations from Central Environmental Authority during the year 2006 had not been brought to account.	The comment of the Auditor General is accepted. Details are being obtained from the relevant departments and will be taken in to the accounts.
c.	Action had not been taken by the University to investigate and to make appropriate adjustments in the accounts relating to the direct credits and direct debits valued at Rs. 10,692,587 and Rs. 4,985,165 respectively shown in the bank reconciliation statements.	The comment of the Auditor General is accepted. We have already taken the unidentified direct credits as revenue in the year 2011. We have already informed the relevant banks to get the details on Direct Debits but there were no positive responses from the banks so far. However action is being taken to clear this matter before end of the year 2012.
2:2:3 Non-compliance with Laws, Rules, Regulations and Management Decisions.		
a. <u>Financial Regulations:</u>		
	I. F.R 102 Action had not been taken in respect of losses amounting to Rs. 17,860,815 sustained during the year 1990.	Letters of request had already been sent to Treasury/Ministry of Higher Education/UGC. In the mean time the Finance committee appointed a committee to report in this regard to expedite the matter.
	II. F.R 371 Action had not been taken to recover the advances aggregation Rs. 66,480,590 lying in the accounts for a period ranging from 01 year to 15 years.	All the outstanding advances had been identified and classified as follows **01. Advance taken by the Internal Staff** a. Employees in service b. Employees already retired c. Employees death Letters had been send to the relevant employees / persons and action is being taken to recover the advances from their salaries or UPF. **02. Advance to the supplier** A committee has been appointed to study and submit a report. Action will be taken based on the recommendation of the Committee.
	III. F.R 569 A deposits ledger had not been maintained.	The following ledgers are available at the Finance Branch on deposits: • Daily Collection Register • PIV Register

	IV. F.R 702(3) Copies of the contracts agreements had not been forwarded to the Auditor General	The said documents are available at the Capital Works Branch. In future a copy of the contract agreements will be sent to the Auditor General
	V. F.R 756 A physical verification of the assets of the University had not been carried out as at end of the year under review.	Physical verification for the year 2011 was delayed due to the recent strike of the Non academic and Academic staff and now almost completed.
	VI. F.R 1646 Delay running charts had not been rendered for audit in respect of vehicles attached to the University.	The running charts are available in the Administration branch, EUSL
	VII. F.R 1647 (b) Board of Survey had not been carried out on vehicles	We agree. Action is being taken to survey the vehicles in the year 2012
b.	**Establishments Code for the University Grants Commission and Higher Educational Institutions**. i. Section 20.6 Chapter-X: All leaves without pay had not been reported monthly to the Auditor General in form General: 96 ii. Section 3:1 Chapter-XXVII: An attendance register had not been maintained in respect of the academic staff of the University to mark the time of arrival and departure.	i. We agree and action will be taken to report all the no-pay leave particulars to the Auditor General in future. iii. By tradition the academic staff are not recorded their attendance. However, the leave particulars are maintaining at the Faculty level.
3 Financial Reviews.		
3.1 Financial Results.		
4. Operating Review.		
4.1. Performance.		
a.	Results of Examinations held	Noted
b.	Cost Per Student	Noted
c.	Mahapola and Bursaries	Noted

d.	Library Administration: 515 books had not been returned within the stipulated period by the students, academic staff and non academic staff who had obtained books from the Library. No proper action had been taken in order to get back these books and proper action had not been taken with regard to damaged books.	We agree. Certain books had been returned. Further final reminders have already been send to the borrowers and if they failed to respond, cost of the book/s would be deducted from their salary with the surcharge, if they are in service unless it will be deducted from their UPF.
4.2 Management Inefficiencies		
a.	A sum of Rs. 70.98 million had been shown under other reserves in the financial statements of EUSL instead of action being taken in terms of University Grants Commission Circular No.737 dated 18 August 1998 to account all receipts of the violation of agreements and bonds and invested in interest earning assets such as fixed deposits and Treasury bills.	We agree that the money recovered from the Bond defaulters should have been deposited in Fixed Deposits and the interest earned thereon should have been utilized as per the UGC Circular No: 737 dated 18.08.1998 and subsequent Circular No: 805 dated 10.07.2002. However, in the past action had not been taken according to the said Circulars. We noted to act according to that in future.
b.	A sum of Rs 14,559,150 had been paid on 03 August 2010 for the procurement of 155 Computers and 06 UPS under Improving Relevance and Quality of Undergraduate Education (IRQUE) Project during the year 2010. It was observed in audit that an Order had been placed for the procurement of 155 computers including 155 license keys (Windows Vista Business downgraded to XP Professional original OEM license), which were estimated at Rs 5,186,455 even though there were sufficient stock of license keys received as donation from a international software company. However, license keys so purchased were returned to the supplier in exchange for 15 personal computers and 15 UPS valued at Rs. l,395,000. As a result of this transaction, a loss of Rs, 3,791,455 had been sustained by the University due to excessive purchase of license keys.	The comment of the Auditor General is accepted. The Management of EUSL had appointed an Inquiry Committee to investigate the lapses in the procurement of 155 nos. of Computers and UPSs. The Inquiry Committee has submitted their report. At the same time an Inquiry Committee appointed by the Chairman, UGC also inquired this matter and submitted their report. Based on these reports, preparation of the Charge Sheet is in progress and it will be issued shortly to the relevant officers. Auditor General will be kept informed about the outcome.

c.	A penalty of Rs 58,490 had been paid by the University to a lecturer following a ruling of Labour Tribunal due to not paying the gratuity in time.	At present the University has filed a case against the ruling of the Labour Tribunal at district court and action would be taken after the court ruling.
d.	The University had granted study leave to a senior lecturer from 08 May 2007 to follow PhD Degree at the University of Reading, United Kingdom. However, study leave had been extended from 08.06.2010 to 07.09.2010 with pay and from 08.09.2010 to 07.12.2010 on no- pay. Due to this, a sum of Rs. 316,401 had been overpaid to a senior lecturer due to the computation of no-pay leave as with pay leave.	The comment of the Auditor General is accepted. The matter was discussed at the 22nd Meeting of the Financial Committee held on 20.12.2011 and on the recommendation of the Financial Committee; the Competent Authority in lieu of the Council of the EUSL had approved to recover the over payment in twelve instalments. Recovery is in progress.
4.3 Operating Inefficiencies		
a.	The University had not maintained proper individual records in respect of each research grant project. The records maintained had not contained the details relating to the projects, the approval of the Research Committee and the research reports. In the absence of above, it was not possible to ascertain in audit as to whether the intended objectives were achieved from the utilization of those research grants.	The comment of the Auditor General is accepted. The EUSL is maintaining the required documents in detail at the Examination Branch at present. All the research Grants are now channeled through the Research Committee.
b.	An advance of Rs. 900,000 had been paid to a Coordinator for conducting 9th Annual Research Secession of the Faculty of Arts and Culture. The following observations are made in this regard: (i) Approval from the Council had not been obtained. (ii) Procurement Procedures had not been followed in terms of Section 2: 14: 1 of the Procurement Guidelines-2006. (iii) It was noted that this advance had been deposited in the personal name of the Coordinator in the Bank.	The comment of the Auditor General is accepted. This matter was brought to the notice of the 18th Meeting of the Finance Committee held on 19.08.2011 and decided to obtain the observation from former Actg. Bursar who handled the payment of advance in order to make a decision. The Finance Committee at its 20th Meeting held on 13.10.2011 considered the observation of the Actg. Bursar and recommended the settlement of advance of Rs. 900,000.00. However the Competent Authority in lieu of the Council, EUSL had not approved the recommendation made

		by the Finance Committee and decided to refer this matter along with all other pending cases to the Committee appointed by the Competent Authority, in lieu of the Council, EUSL.
c.	**<u>Procurement of Medical Equipment</u>** Medical equipment to the value of Rs 13 million had been procured during the year 2011 for the use of Faculty of Health Care Sciences (FHCS) from the supplier in Chennai. The following observations are made in this regard. (i) Instead of 05 quotations, only 03 quotations had been obtained. Two bids were forged. Out of 03 bids, one bidder was found to be a garment accessories supplier. (ii) Tender documents had been posted from same post office and date stamp placed in the letter from Chennai was same date. (iii) Bids had been called by the Head of the Department of Human Biology of FHCS and bids had been addressed to his personal name. (iv) Departmental procurement committee had recommended to purchase medical equipment from Indian supplier without ascertaining the genuiness of the bid documents. Further, approval had not been obtained from Council of the University. (v) Technical Evaluation Committee had not been appointed in this regard. (vi) Ultrasound Scanner purchased in the above equipment for Rs 4 million could not be utilized due to technical defect. (vii) Prices of those equipment were higher than the prevailing market prices at international market for medical equipment. A few of those prices are given below.	The comment of the Auditor General is accepted. This matter was discussed at the 11th meeting of the Audit Committee held on 12.05.2012 and the subsequent meeting of the Council at its 222nd meeting held on 13.05.2012 appointed a Member of the Council to investigate and submit a report in this regard. Further the EUSL has made only the advance payments to the supplier and it was informed to the supplier that the balance payment would be made after completion of the investigation process. Decision of the Council will be informed to the Auditor General in due cause.

Item name	Market Price (USD)	Purchased price (USD)
Mortuary Refrigerator (Mortuary Chambers)	1320-7900 (range)	26,000
Ultra-sound Scanner	8,000-15,000	36,324
Binocular Microscope	2,123-4,425	9,015

(viii) Advance of Rs 669,000 had been paid to Cargo Clearance Company without any agreement or approval.

5. Accountability and Good Governance

5.1. Corporate Plan and Action Plan.

Although the Corporate Plan for the years 2003-2007, 2007-2011 and 2010-2015 had been prepared, the relevant information in terms of the Public Enterprises Circular No.PED/12 of 02 June 2003 had not been contained in the Corporate Plan and Plan had not been updated annually.	The comment of the Auditor General is accepted. Action is being taken in to include the relevant information in revised the Corporate Plan for the year 2012-2016 in accordance with the Public Enterprises Circular No.PED/12 of 02 June 2003.

5.2. Budgetary Control

Major variations had been observed between the budgeted expenditure and actual expenditure, thus indicating that the Budget had not been made use of as an effective instrument of management control.	The comment of the Auditor General is accepted. The reason for the major variation was the increase the allowances to the academic staff as per the UGC Circular letter No.:03/2011 dated 14.03.2011

6. Systems and Controls

Deficiencies observed in systems and controls during the course of audit were brought to the notice time to time of the Vice Chancellor of University. Special attention is needed in respect of the following areas of control. (a) Accounting (b) Fixed Assets (c) Inventory (d) Advances	

23/11/2012

Vice-Chancellor
Eastern University Sri Lanka

Dr. K Kobindarajah
Vice Chancellor