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SRI JAYEWARDENEPURA GENERAL HOSPITAL
ஸ்ரீ ஜயவர்தனபுர பொது ஆசுப்பத்திரி

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ANNUAL REPORT 2011
ஆண்டறிக்கை





ANNUAL REPORT 2011

SRI JAYEWARDENEPURA GENERAL HOSPITAL

THALAPATHPITIYA,

NUGEGODA,

SRI LANKA.



PLAQUE AT THE ENTRANCE

“Sri Jayewardenepura General Hospital & Postgraduate Training Centre donated by the Government of Japan to the government of the Democratic Socialist Republic of Sri Lanka upon the initiative of His Excellency J.R.Jayewardene President of the Democratic Socialist Republic of Sri Lanka as a token of friendship & the Co-operation between Japan & the Democratic Socialist Republic of Sri Lanka 1983 ”



THE MISSION

To be a Multi - Disciplinany fee Levying State
Hospital & Tertiary Referral Centre with
High Ethical Standard providing Quality
Patient Care with Facilities For
Undergraduate & Postgraduate Education
& Research, Servicing National &
International Community Supported By a
Dedicated & Motivated staff.

THE VISION

To Be a Centre of Excellence
Providing Advanced Medical
Services to National
And International Community



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Historical Facts

The Hospital was ceremonially opened by his Excellency the President J.R.JAYEWARDENE, then President of Sri Lanka & Honourable ISHIMAYSU KITAAGAWA representing the Government of Japan on 17th of September 1984.

The first Board was appointed by Minister of Women's Affairs & Teaching Hospitals, Hon.Mrs.Sunethra Ranasinghe on 23rd February 1985, consisting of Dr.R.B.J.Peris(Chairman), Dr.D.D.Samarasinghe (Ministry Representative), Mr.S.P.Chandradasa (Representative of Ministry of Finance), Mr.K.N.Choksy (President Counsel.), Mr. M.T.Fernando(Chartered Accountant), Dr.Malinga Fernando (Director General of Health Services), & Dr.S.A.Cabraal (Director PGIM) & Mr.K.D.L. Rathnasena was the Secretary to the Board. First Board meeting held on 28th February, 1985

The first patient was admitted to ward under the care of Dr.H.H.R.Samarasinghe,(M.D,FRCP)on 17th December 1984.

The first surgical operation was carried out by Dr.K.Yoheswaran,(FRCS)with anesthesia being administered by Dr.K.A.Perera(FRARCS)on 17th January 1985.

The first delivery was on 18th January 1985 under the care of Dr. Kingsley De Silva,(FRCOG,FRCSE)

Sri Jayewardenepura General Hospital was setup to supplement the curative health service and to assist in the training of Medical Undergraduates, Postgraduates, & other health personnel. While the Board of Directors takes the policy decisions, the operational control is vested up on a committee of Management, for day to day management of the hospital. Financing of the operations and capital equipment is through a grant from the General Treasury and revenue generated by the Hospital.

**Corporate Information**

Name of the Organization : Sri Jayewardenepura General Hospital

Address : Thalapathpitiya, Nugegoda, Sri Lanka

Legal Form : Board Established by Act of Parliament No: 54 of 1983

Board of Directors

- ★ Mr.N.W.E.Wijewantha-Chairman (21.01.2011-05.10.2011)
- ★ Mr.M.M.N.D.Bandara-Chairman (from 12.10.2011)
- ★ Dr. D.L.De Lanerolle-Director of the Hospital (Ex-Officio) (till 21.01.2011)
- ★ Dr. S.A.K.Gamage-Director of the Hospital (Ex-Officio)(from18.02.2011)
- ★ Dr.Ajith Mendis-Director General of Health Services (Ex-Officio)
- ★ Prof Rizvy Sherif- Director -Post Graduate Institute of Medicine -(Ex-Officio)
- ★ Mrs.Hiransa Kaluthanthri-Treasury Representative(11.04.2011-29.11.2011)
- ★ Prof.Janaka de Silva-(Ministry Representative) (from 17.10.2011)
- ★ Dr.P.G Mahipala -(Ministry Representative) (from 16.11.2011)
- ★ Dr.D.J.Wickramaratna-Consultant Representative (from 16.11.2011)
- ★ Dr.D.L.Piyarisi- Consultant Representative (from 16.11.2011)
- ★ Dr.Mrs. M.Weerasekara -Consultant Representative (from 16.11.2011)
- ★ Dr.Harsha Samaraweera- Ministry Representative
- ★ Mr.Kiran Atapattu-Ministry Representative (from 21.01.2011 - 05.10.2011)
- ★ Mr.Mahinda Samarasekara-Ministry Representative (21.01.2011 - 05.10.2011)
- ★ Mrs.Thilani Rajapakshe (Secretary to the Board)

Bankers

Bank of Ceylon

Hatton National Bank

Standard Chartered Grindlays Bank

**Management Committee**

- 1.Dr. S.A.K.Gamage-Director-Chairman of the Committee
- 2.Dr. Mrs.C.Ariyananda-Deputy Director,Member
- 3.Dr.Rohan Aloysius-Consultant Paediatrician,Member
- 4.Dr.P.J.Ambawatta-Consultant Pathologist,Member
- 4.Dr.Harsha Gunasekara -Consultant Neurologist ,Member
- 5.Mr.D.A.Perera - Assistant Accountant ,Member-on invitation
- 6.Mrs Thilani Rajapakse -Hospital Secretary,Member.
- 7.Mrs. A.N. Saputhanthri.-Chief Matron ,Member.

Audit committee

- Mr.Hiransa Kaluthanthri -Board Member, Chairperson
- Mr.Harsha Samaraweera - Board Member, Member
- Mr.Mahinda Samarasekara - Board Member, Member
- Mr.H.D.L.C.Karunaratne -Internal Auditor, Convener

Specialist Staff

Anesthesiologist	Dr.(Ms.)C.N.Karunaratne	MBBS,MD(Cey),FRCA (London)
	Dr.V.K.P.Indraratne	MBBS,MD,FFARCSI,FRCA
	Dr.(Mrs.)J.S.K.Rajasinghe	MBBS,MD(Anesthesia),FRCA (UK)
	Dr.(Mrs.)R.P.S.Palihawadana	MBBS,MD(Anesthesia),FRCA (UK)
Cardiologist	Dr.(Ms.)N.L.Amarasena.	MBBS,MD(Colombo),FRCA (London)
	Dr.J.P.Herath	MBBS,MD
Cardiothoracic Surgeons	Dr.P.A.Gooneratne	MBBS,MS,FRCS
	Dr.A.D.Kapuruge	MBBS,MS,
ENT Surgeon	Dr.Asoka Jayasena	MBBS,MS,FRCS
Eye Surgeon	Dr. D.H.Wariyapola	MBBS,DO,FRCS (Ed),MS



Hematologist	Dr.(Ms.).C.Kariyawasan	MBBS,DipPath,MD (Hematologist)
Microbiologist	Dr.(Ms.).S.K.Jayathilleke	MBBS, (Col)Dip.Medical, Micro, MD(Microbiology)
Histopathologists	Dr.(Mrs.).M.Joseph	MBBS, DipPath,MD(Pathology)
	Dr.P.J.Ambawatta	MBBS,DipPath, MD(Pathology)
	Dr.Sonali Rodrigo	MBBS,DipPath, MD(Pathology)
Neonatologist	Dr.(Mrs)M.Weerasekera	MBBS, DCH, MD(Paed.),MRCP(UK)
Nephrologist	Dr.C.A.Herath	MBBS,MD
Obstetricians and Gynecologist	Dr.Hemantha Perera	MBBS,MS,(Sri Lanka),FRCOG(UK)
	Dr.M.Karunarathne	MBBS, MS,FRCOG,FSLCOG
Orthopedic Surgeon	Dr.A.B.S.Ananda Perera	MBBS,MS,FRCS
Pediatrician	Dr.R.A.R.D.Aloysius	MBBS,DCH,MD,MRCL
General Physicians	Dr.(Mrs.) Anula Wijesundera	MBBS, MD,(Cey),FRCP(ENG), FCCPDG M(London), FRACP(Hony)
	Dr.Champa Jayasundera	MBBS,MD
	Prof.R.L.Satharasinghe	MBBS, MD, MRCP,(LOND), FRCP(Edin),FRCP (GLAS)MRCP,FRCP(USA),FRCP(Cey) CCST(UK)MACG(USA)
	Dr.Chinthaka de Silva	MBBS,MD,MRCP (UK)
Radiologist	Dr.D.J.Wickramarathne	MBBS(Cey),MD (Radiology)
	Dr.(Ms.)N.M.P.K.Arambepola	MD (Radiology)
General Surgeons	Dr.Gamini Goonetilake	MBBS(Cey),FRCS
	Dr.D.L. Piyarisi	MS,FRCS(Ed.)
	Dr.(Ms.)D.H.Samarakoon	MBBS,MS,(COLOMBO)MRCP(UK)
Rheumatologist	Dr.Kaleel Cassim	MBBS,MD
Neurologist	Dr.H.H.Gunasekera	MBBS,MD,MRCP
Neuro Surgeon	Dr.(Ms.)M.Wijerathne	MBBS,(Hons,Melb)MS.(S.L.),FRCS(Edin)
Dermatologist	Dr.(Ms.)D.Ariyawansa	MBBS,MD(Dermatologisy)



Chairman's Message

It is a great pleasure and privilege in publishing the 2011 Annual report of the Sri Jayewardenepura . General Hospital.

Year 2011 has been very unstable period to Sri Jayewardenepura General Hospital. This is mainly due to adverse publicity without looking in to real situation. This adverse media publicity led to discouragement of all hospital staff specially the medical consultants.

During the last quarter of year 2011 Board of Directors of the Sri Jayewardenepura General Hospital had been newly appointed. In spite of this hardships and adverse publicity, hospital management was able to maintain good performance levels.

I wish to mention that active encouraging support rendered by Hon. Maithripala Sirisena, Minister of Health, Health Secretary and other senior staff of the Ministry to overcome roadblocks during the past year.

I wish to express my appreciation for the service rendered by former Chairman, Mr. N.W.E. Wijewantha and previous members of the Board of Management.

I thank the Board of Directors, Hospital Director, Hospital Secretary and other senior officials for their continued support and also our team of Consultants, Nursing staff, Para-Medical staff and all other staff members for their continued dedication, commitment and loyalty towards the Institution.

M.M.N.D. Bandara

Chairman

Sri Jayewardenepura General Hospital



Director's Message

It is with great pleasure to release this message for the year 2011 Annual Report of Sri Jayewardenepura General Hospital.

I commenced duties as the Director of this Hospital in early 2011 when there was no Director, Deputy Director and Accountant in service due to some reason.

Main objective of the fee levying tertiary care hospital is to provide quality patient care at a affordable price for the General Public as the state is funding for staff emolument and purchase of new equipment.

During the past decade Sri Jayewardenepura General Hospital has not developed as par with the other Government hospitals and private sector hospitals located in the Colombo suburbs.

In addition, the progress of this Hospital is badly affected by adverse media publicity causing prevention of General Public visiting the Hospital to get treatment.

In the meantime new Chairman and Board of Directors were able to achieve higher goals to provide better patient care with commitment and dedication of consultant, medical officers, nursing staff, paramedical staff, and all other employees in spite of great challenges.

I must appreciate all staff for their team effort and contribution in implementing **5S** concept in this Hospital during the year 2011.

I am sure that this Hospital could achieve further to reach higher goals with the appointment of permanent Accountant and Deputy Director in the near future.

Our challenge is to develop the service of the Hospital to compete with other private sector Hospitals in providing quality patient care to the General Public.

Dr.S.A.K.Gamage

MBBS(SL) MSc(Med.Adm.)

Director

Sri Jayewardenepura General Hospital



Segmental Review of Operations

General

From the patients perspective, the services can be divided in to two main sectors, namely, the Out Patient Department & the In - Patient Department.

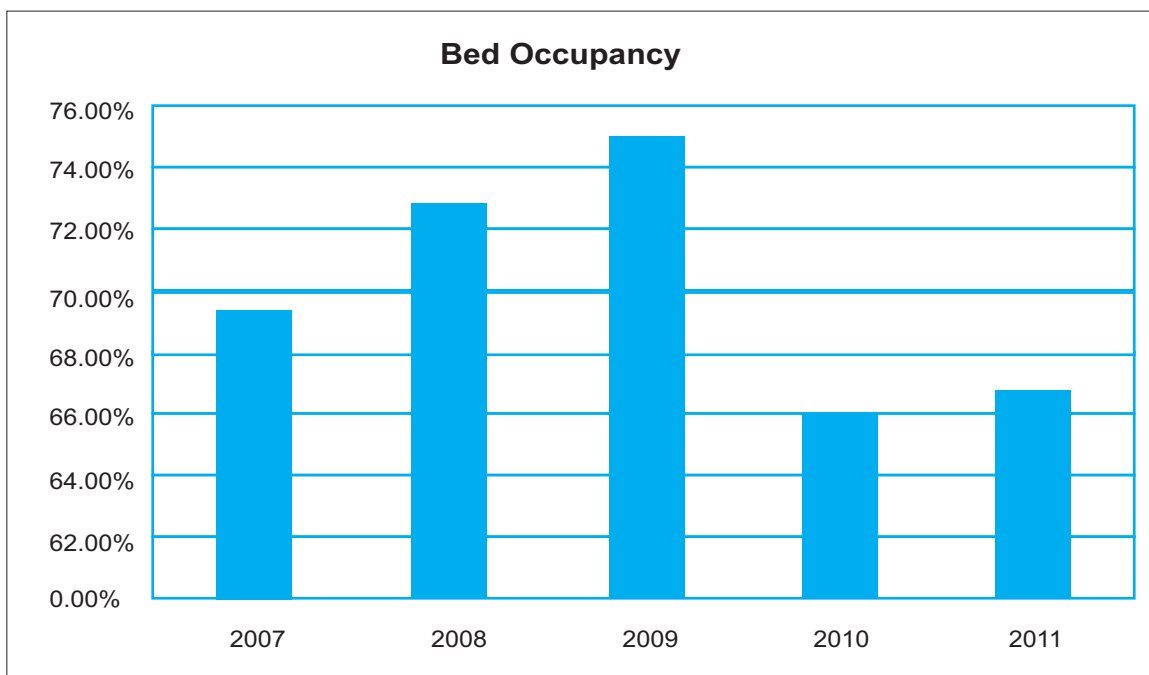
The Out - Patient Department consists of the Emergency Treatment unit, Out patient consultations, Channel Consultations and the clinics.

The In - Patient Department Includes mainly the wards and units for patients who are warded for treatment procedures.

The physical performance has many compounding factors for the work out put. Some of these more significant issues are the hospital charges and the financial strength of the patients, communicable disease pattern within the year, availability and facilities offered free of charge by state hospital etc. In addition to this shortage of staff, non functioning equipment which takes place periodically also affects the performance of the hospital.

When compared with the previous year, the number of out patient visits have increased but the number of admissions have decreased due to the above mentioned reasons.

The number of inward patients have dropped in 2011, When compared with 2010. This was mainly due to internal problems.





As shown in the graph, the Hospital has achieved its highest bed occupancy in 2009 in past five years, The Bed Occupancy in 2011 is 66.8%.

1.) Medical Wards

	2007	2008	2009	2010	2011
Clinics held	293	291	288	292	292
Patient Visits	41545	38837	38671	37408	36382
Admissions	16823	17229	17291	17009	16986
Bed occupancy	106%	113%	111%	110%	116%

Medical Units

Three medical wards ((6, 12, 17) consisting 184 beds are generally well patronized during 2011, the average bed occupancy was above 116 %. (Bed Occupancy-Ward(6)-121.8%, Ward (12)- 107.7%, Ward (17)- 118.1%).

Each physician hold clinics twice a week. so 3 physicians hold 6 clinics per week In addition to the 6 clinics held weekly, there are associated clinics namely, Asthma and Diabetic clinics which also are held every week in the hospital.

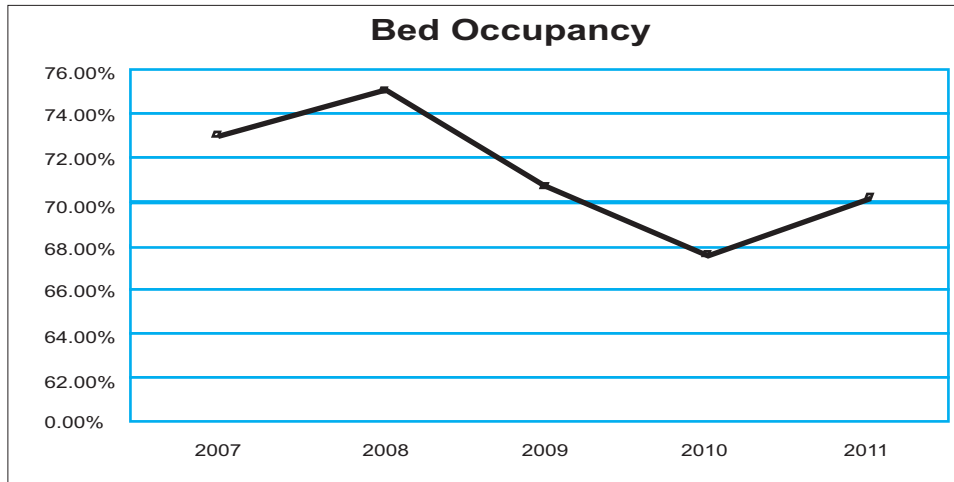
Pediatric Medical unit

The unit has 43 beds and well equipped to handle any type of pediatric medical emergencies.

2.) Pediatric Medical unit

	2007	2008	2009	2010	2011
Clinics held	330	332	336	331	337
Patient Visits	3537	4302	4744	7835	7300
Admissions	2994	3230	3885	3564	3284
Bed occupancy	73%	75%	71%	68%	70%

In addition to the Pediatric clinics held every week, there are well baby clinic, Vaccination clinic and an Asthma clinics held every week in the hospital. The bed occupancy is increased when compared with the previous year.

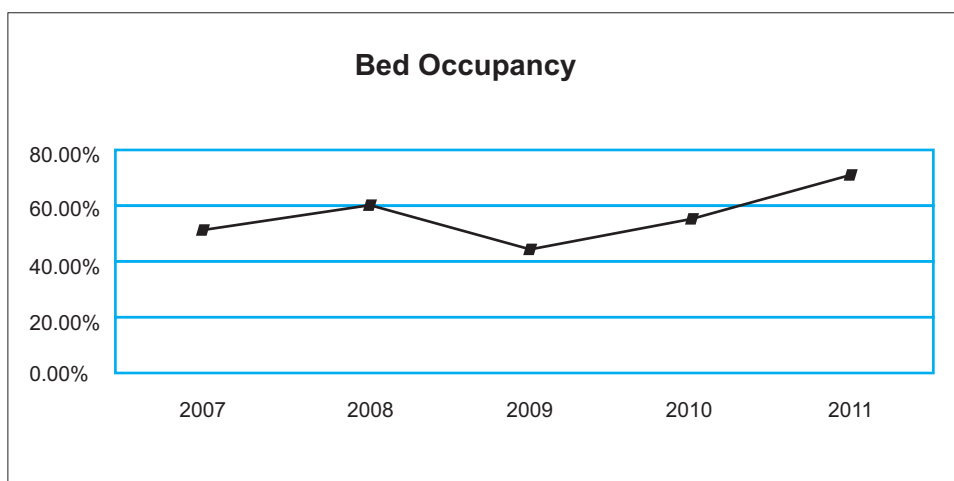


3.) Neonatal Intensive Care Unit (NICU)

NICU at SJGH continues to be the best such unit in the country. It is well equipped to handle extremely premature and low birth weight babies. Cases is referred to this unit not only from the hospital Obstetric wards but also from other Government and private sector hospitals.

The bed occupancy of the NICU shows a significant increase in 2011. Number of admissions to the NICU depends on the number of premature and low birth weight deliveries in the obstetrics department, A total number of 52 neonates has received Surfactant Therapy in the current year.

	2007	2008	2009	2010	2011
Admissions	897	937	892	916	824
Bed occupancy	51%	60%	46%	54%	71%





4.)Gynaecology and Obstetric Units

The two wards with 124 beds have shown a moderate level of bed occupancy of 83%. shown an exceptional performance in 2011. "This department boasts of the most modern facilities both in Obstetrics & Gynaecology".

4.1)Patient Education

Pre Pregnancy field visits are done for early pregnancy assessment by a team of doctors & nurses headed by the consultant. Patient education is done by conducting antenatal classes, introducing physiotherapy during pregnancy, familiarizing the labour room & its activities.

4.2)Antenatal Clinics

In ANC member, number of patients seen are unlimited. Ultra sound Scan / Doppler facility is available in both antenatal clinic and ward.

4.3)Referrals

These two units receive high risk referrals from all over the country, which include server pre-eclampsia, Multiple pregnancy fetal growth restriction .High dependency care is given in the ward to the patients, who require intensive monitoring.

4.4)In Service Training

In service training of the ward staff including Medical officers & Orderly staff is done regularly with journal club conducted on every Saturday.

4.5)Protocols & Guidelines

Suitable National & International protocols & guidelines are employed to deliver best care. Multi disciplinary approach is provided to high risk patients.

4.6)Maternal Mortality

This department has the lowest rate (0.02%) of maternal mortality in the country, despite very ill mothers being looked after.

4.7)Post Natal

Post natal plan for each mother is given, care of mother and family planning patients with diabetes mellitus & hypertension are regularly followed up during the post natal period.



4.8)Facilities in the Department

The department has an up to date library & Internet, email facility for staff to upgrade their knowledge. Our wards has better hygiene for patients & provides recreational & library facilities for them.

4.9)Clinics

Multi disciplinary approach is provided for all patient.

4.10)Gynaecology

In gynaecology, Laparoscopy, Laporatomy VH & R, TOT, Hysterroscopy, and vaginal reconstruction are carried out using up to date surgical methods. Post operative patients are closely monitored per protocol.

4.11)Surgical Procedures

All Laparoscopic surgical procedures are video filmed & shown to patients & family before discharge & further plan is discussed there.

4.12)Follow up of Post - Operative Patients

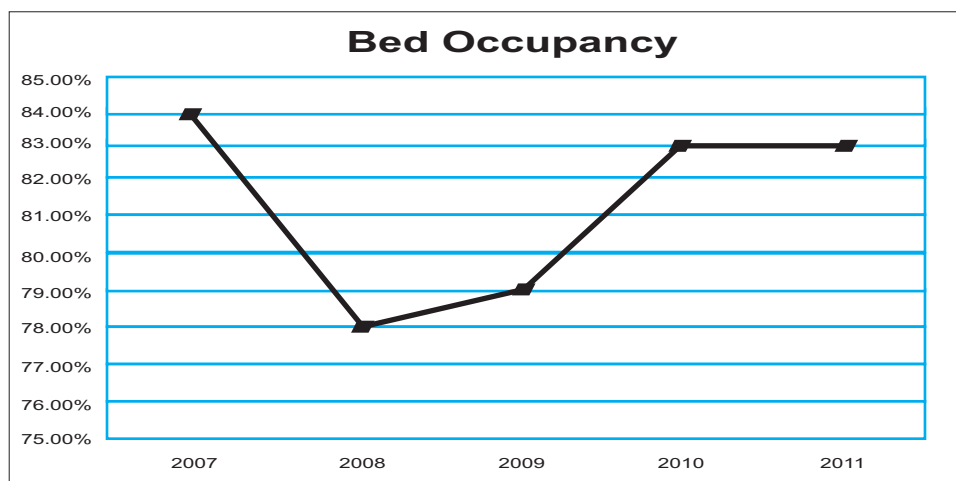
Follow up of Post - Operative patients are done & referrals to other centers both local / Foreign are made for further management such as malignancies and IVF. antenatal clinic & ward.

4.13)Audits

Audits are done regularly. Finding are discussed, in the prenatal meeting and near miss meeting, for risk management.

4.14)Research activities

Obstetric & Gynaecology department is a post graduate training station, recognized by PGIM. There are clinical research on menopause and hystra histrescopy going on all grades of medical officers are participate in research.



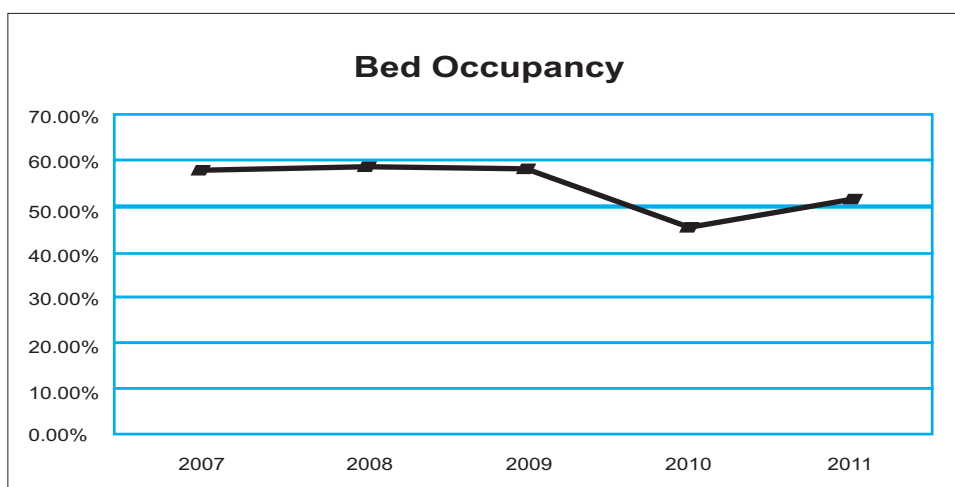


	2007	2008	2009	2010	2011
Clinics held	329	291	288	291	294
Patient visits	31109	33026	28920	27277	25421
Admissions	8213	7720	7777	7810	7871
Bed occupancy	84%	78%	79%	83%	83%
Deliveries	4355	4417	4091	3476	3877

5.)General Surgery

Overall performance of three general surgical wards is increased in last year with compared to the previous year.

	2007	2008	2009	2010	2011
Clinics held	374	435	422	431	444
Patient visits	13531	12863	12895	12633	13001
Admissions	6770	6759	6284	6358	6763
Bed occupancy	58%	59%	58%	45%	51%
Surgeries	4135	4702	4706	3751	3713



(Surgical wards no 15 records a bed occupancy of 60.9% in 2011)



6.)Eye Unit(Ophthalmology)

This unit Specialized in modern microphacoemulsification cataract surgery. Theater facilities include two ALCON 'INFINITY phaco system, a LUMERA I microscope with a calisto video recording system and Azeiss opmi 160 microscope. These facilities allow us to carry out cataract surgery through a very small incision~2.2mm.

Approx 2900 phacomulsification procedure with intra ocular lens implantations were carried out last year.

Biometry facilities include non contact IOL master and ultrasound A-scan with immersion biometry facilities. IOL master makes lens power assessment very accurate. This has made cataract surgery result extremely predictable.

The unit also carries out most other ophthalmic surgical procedures including Lamellar Keratoplasty both deep anterior Lamellar Keratoplasty for Keratoconus and descemets stripping endothelial Keratoplasty for endothelial disease. These help to reduce the complications and side effects associated with penetrating keratoplasty. The Lamellar Keratoplasty procedures have been performed for the last two years in this unit.

The unit also has facilities for vireoretinal surgeries and last year approximately 250 vireoretinal surgeries were performed.

In addition, the unit also carries out glaucoma surgery and extraocular surgeries for squint, eviscerations and enucleations, dacrocystorhinostomy, cosmetic lid surgery, and tarsorrhaphy, etc.

Clinics are held thrice a week and there are approximately 1250 patients attending the clinic per month. Patients with Diabetic retinopathy, Glucoma, refractive errors ect, are seen in this clinic. A clinic for children is held on every Saturday.

Laser Procedures are carried out for treatment of Diabetic retinopathy and other conditions. Approximately 55 focal laser treatment procedures and approximately 45 panretinal photocoagulation procedures are carried for a month.

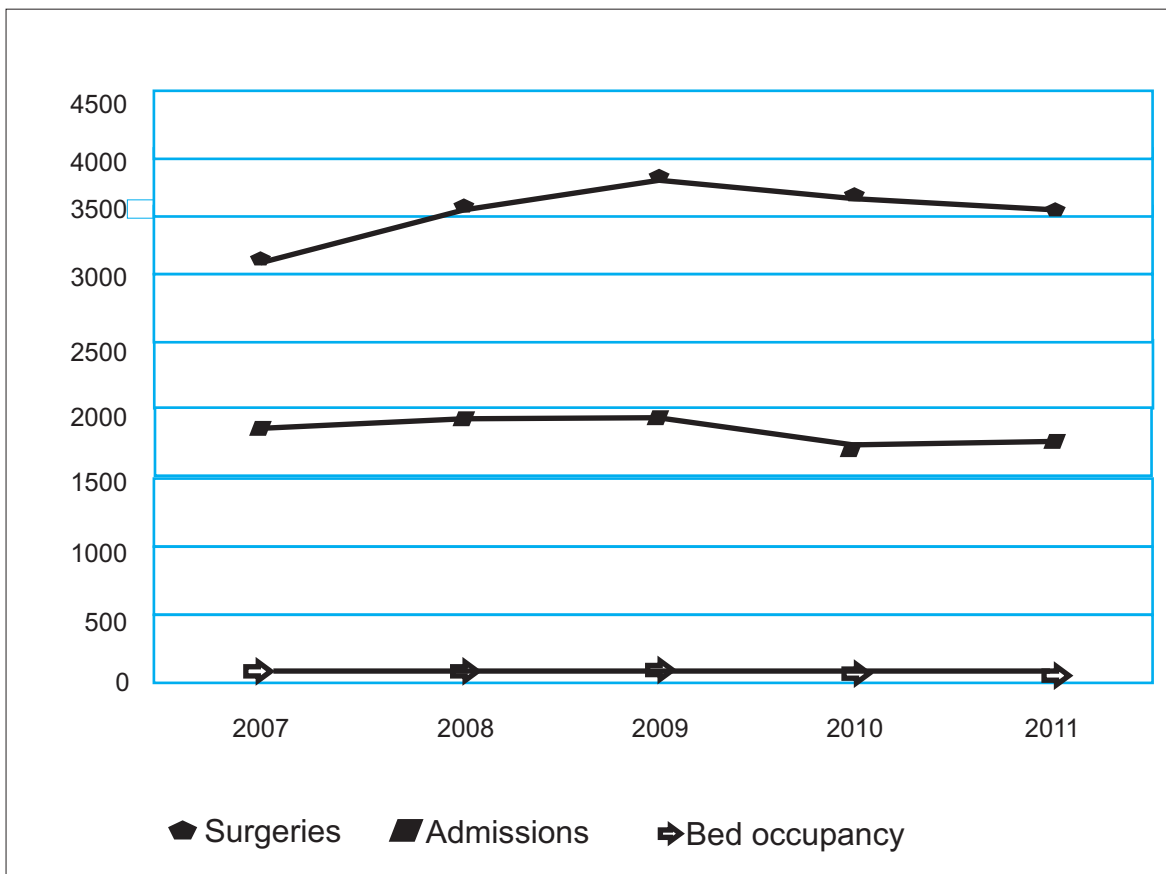
The unit has Fluorescien angiography and Indocyanin green angiography facilities which are essential for confirming the diagnosis and proper management of age related macular degeneration (ARMD). It is the only unit in the country performing photodynamic therapy for Iodopathic Polypoidal Choroido Vasculopathy.(IPCV)

The anterior segment OCT scanner is the only one of its kind in the country and valuable in assessing of the eye and angle especially in glucoma patients. Other facilities include a B - scan Ultrasound machine and corneal Topographer

The unit carries out many research projects. It presented 07 research papers last year. The presentations were in .Lamellar Keratoplasty procedures DEEK AND DALK, Phacomulsification with intraocular lens implant, Hand held study during Phacoemulsification, Vitiliform macula Degeneration, The difference between metal and diamand knife in wound healing in Phacoemulsification.



	2007	2008	2009	2010	2011
Clinics held	146	140	140	140	144
Patient visits	15341	14425	14837	14651	14538
Admissions	1842	1931	1931	1742	1766
Bed occupancy	69%	70%	68%	58%	61%
Surgeries	3304	3746	3814	3782	3506



7.)Autolaryngology (ENT)

The performance of the unit has been not satisfactory in terms of bed occupancy, admissions and patients' visits when compared with previous years. The number of clinics held per week has decreased from three to two.

The Speech Therapy Unit has treated 608 cases in the year 2011. The Audio Logial Services are provided for inward and clinic patient and are also a part of the medical check up scheme. During the year 2011, the Audiology unit has carried out 1220 number of Audio Logical and, Tympanograms 818 services.

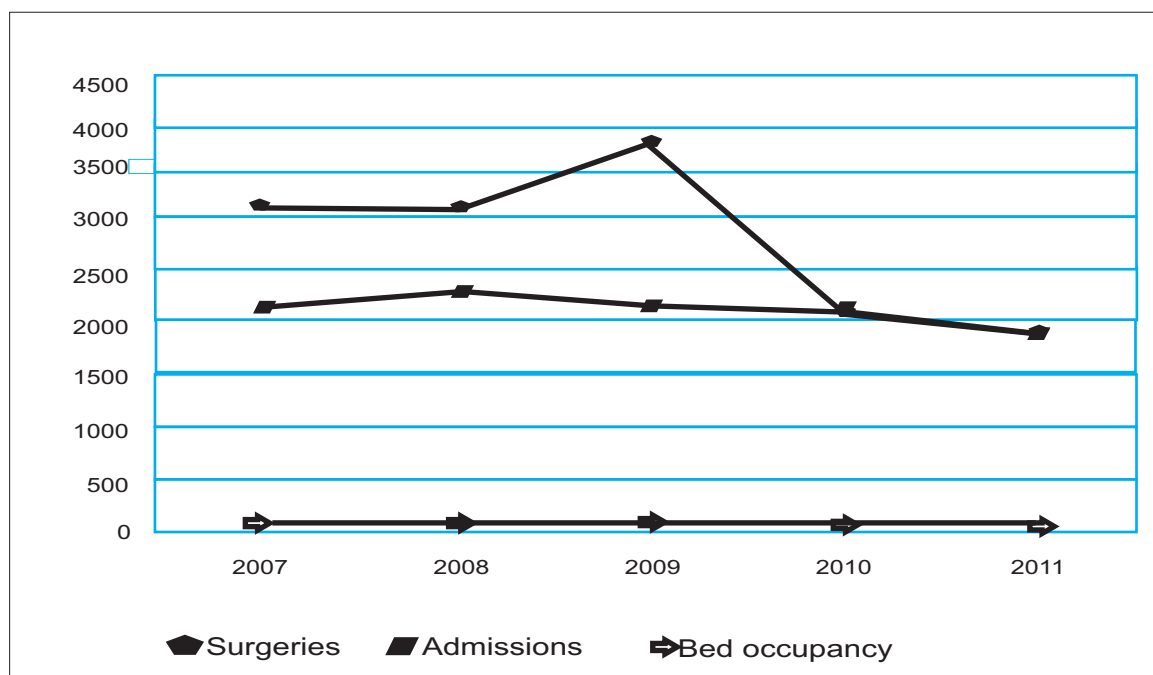


	2007	2008	2009	2010	2011
Clinics held	98	101	99	99	98
Patient visits	7515	7729	7554	7064	6382
Admissions	1877	1730	1558	1477	1314
Bed occupancy	47%	42%	38%	34%	30%
Surgeries	724	766	690	687	543
Speech therapy	1225	1121	327	666	608

8.)Orthopedic Unit

During the year (2011) under review 82 knee replacement and 30 Hip replacement surgeries have been carried out by the unit.

	2007	2008	2009	2010	2011
Clinics held	96	95	98	98	99
Patient visits	7810	8029	8761	8395	8721
Admissions	2167	2206	2159	2240	1984
Bed occupancy	82%	88%	112%	65%	61%
Surgeries	3072	3193	3928	2202	1966

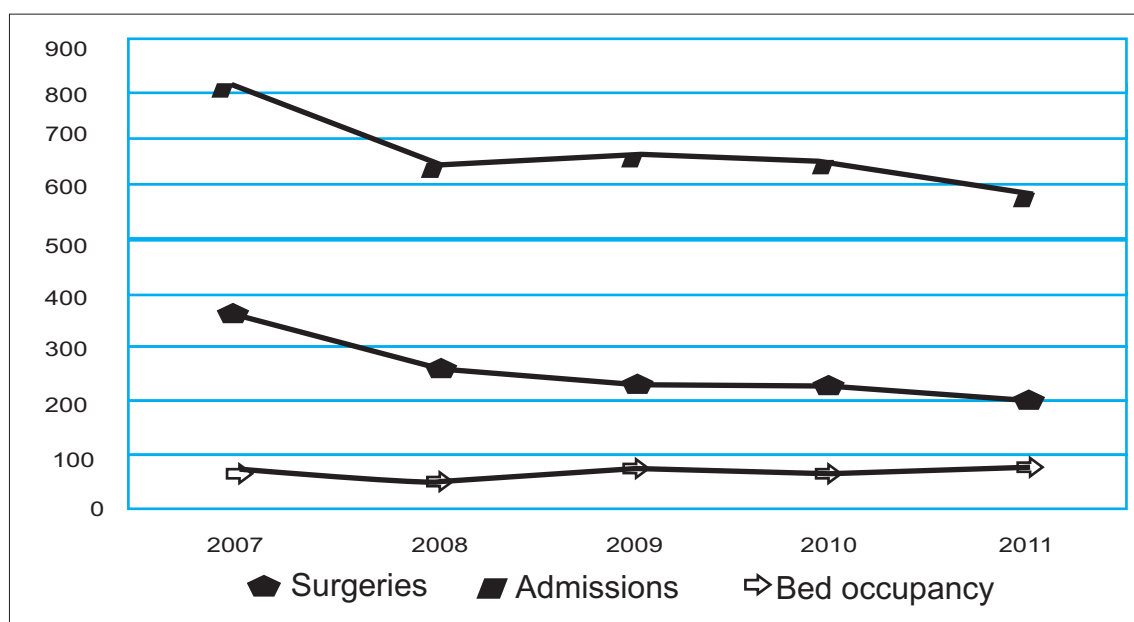




9.) Cardio Thoracic Unit

This specialized unit which is managed by two Consultant Cardio Thoracic Surgeons has earned the reputation for Pediatric heart surgeries and now a demand for adult heart surgery, including Coronary Artery Bypass Grafting. Most of the cases are referred from all over the country .General performance of the unit had not improved during the year when compared with the previous years. Out of 207 surgeries carried out during the year, 162 were Coronary Artery Bypass Graft (CABG) surgeries. The total number of surgery has come down by 17 cases and this can be attributed to the new units being opened in 2007 at LRH&T.H.Kandy, providing surgery free of charge to the patient. At the same time total cost of cardiac surgery has gone up due to the increase in the cost of consumables, which has affected the afford ability of payment by the public.

	2007	2008	2009	2010	2011
Clinics held	97	91	96	100	94
Patient visits	4831	4238	4069	4015	3663
Admissions	805	621	667	644	485
Bed occupancy	65%	53%	66%	56%	87%
Surgeries	357	259	239	224	205



10.) Cardiology & Cardiac Investigation Unit

The clinics visits & the admissions policy of the unit are to handle referral cases from other units. When compared with the previous year the number of Echocardiogram investigations done by the unit has increased by 103 and the stress tests by 85. An Ambulatory Blood pressure-monitoring unit was purchased last year enabling the unit to increase the number of investigations. Cath lab has performed 542 Angiograms in 2011.

**Cardiology & Cardiac Investigation Unit**

	2007	2008	2009	2010	2011
Clinics held	91	95	97	99	99
Patient visits	4304	5040	5027	5234	5582
Admissions	1248	1651	1813	1829	1944
Bed occupancy	50%	60%	68%	52%	56%
Echo cardiograms	9858	10854	12199	12360	12463
Stress Test	1743	1863	2000	2050	1965
Coronary Angio:	367	432	445	483	542
Temporary Pace Maker	3	7	22	16	18
Permanent Pace Maker	4	7	13	10	21
Catheterization					
Right heart coronary	15	6	2	1	3
Percutaneous Traansluminal					
Coranary Angiogram	69	94	77	103	121
Holter Monitoring test done	248	42	20	297	387

11.)Endoscopy Unit

This unit conducts investigations & treatment for patients suffering from Gastro Intestinal problems. The performance of the unit has improved during last two years as physicians also carry out investigations in addition to the surgeons.

There is a significant reduction in E.R.C.P. during the year 2008 to 2011. This is mainly due to the fact that the other hospitals do not refer to any kind of Endoscopyies, and also provides Endoscopies free of charge to the patiens. However it is to be noted that 46% of the total performance of this unit is by patients from Medical ward 06.

Endoscopy Unit

	2007	2008	2009	2010	2011
G.I.Endoscopy	1535	1579	1832	1754	1759
Colonoscopy	76	380	531	552	653
E.R.C.P.	43	33	21	24	15
Sclorotherapy	2	8	11	2	0
Bronchoscopy	45	46	41	35	25
Esophageal Varceal Banding	198	203	166	210	226
Total Examination	1899	2249	2915	2867	3020



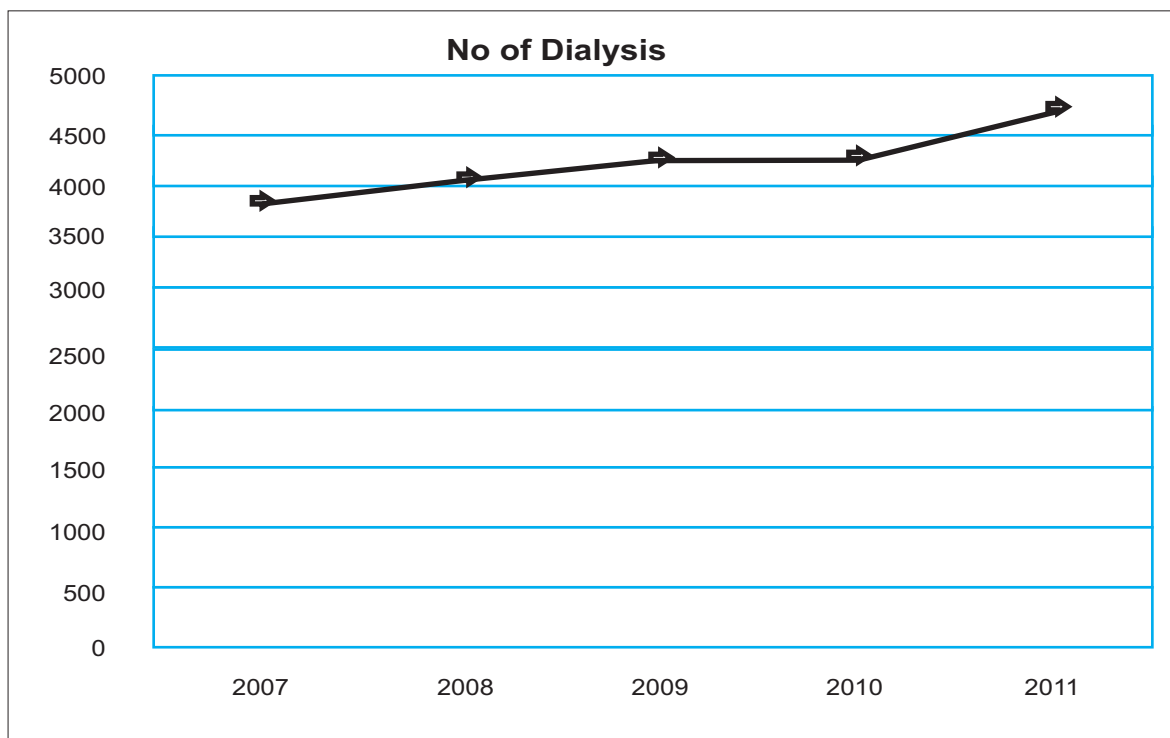
12.)Nephrology & Dialysis Unit

The Performance of the unit has improved during the year 2011. A slight decrease in patient visits and a significant Increase in dialysis is shown in the table below. The number of Dialysis done for year the 2011 have improved.

In the year 2011, there were twelve (12) Kidney transplant surgeries. Financial assistance for these patients were given by the President's Fund for the surgeries. The post operative follow up medicine too are costly and after negotiations, the Minister of Health has agreed to provide them free of charge to the patients.

Nephrology & Dialysis Unit

	2007	2008	2009	2010	2011
Clinics held	146	147	144	142	142
Patient visits	10137	9031	9446	9876	9751
Bed occupancy	75%	88%	87%	86%	73%
No of Dialysis	3838	4072	4460	4668	4700
Renal Biopsy	88	78	75	76	66



Correction done in calculating bed occupancy rate with Board approval.

**13.)Pathological Services**

The laboratory functions at the hospital are fully automated with most modern electronic and auto analyzers, which are capable of providing analytical reports at high speed.

	2007	2008	2009	2010	2011
Biochemistry (Test)	275383	397042	396226	379259	401098
Hematology(Test)	199891	209637	250537	245175	250878
Histology Investigation	19854	29627	24301	23484	22405
Microbiology Specimens*	56733	84020	69225	76584	63526
OPD Lab Test	45432	65509	61072	48495	45296
Total	597293	785835	801361	772997	783203

* 3-5 Test are done on each specimen

14.)Hospital Blood Bank

The Hospital Blood Bank provides 24-hours service. It was managed as an independent unit hence of this the institution had to face many practical problems including the shortage of consumables and not having adequate stock of blood. To overcome this situation, a Memorandum of Understanding was signed between the National Blood Transfusion Service(NBTS) and SJGH, with the approval of the Ministry of Healthcare & Nutrition in September 2005. With this arrangement all the consumables are provided free of charge to SJGH by the NBTS. and the patients are given all blood and blood products free of charge.

The unit supplies blood and blood components for specialized cardiac surgeries, Kidney transplant, NICU as well as to the Medical, Surgical and Gynaecology and Obstetric units. The blood is screened according to WHO recommendations before they are issued. The unit also has a Mobile blood collection service for obtaining blood from volunteered donors.

15.) Radiology Department

When compared with 2010, an increase is observed in CT Scan studies in 2011. All CT Scan referrals were sent to Cancer Hospital Maharagama in year 2008. CT Scan studies were done at SJGH in 2011, and the number of studies were 5568.

**Radiology Department**

	2007	2008	2009	2010	2011
No of patients Routing X-rayed	38721	49174	42526	40433	40520
X-ray examinations	47440	59685	50140	46738	46975
CT scan studies	973	0**	4213	4728	5568
Ultrasounds scans	5536	7816	8834	8906	8519
IVP	354	341	185	79	36
Mammograms	171	222	424	407	364

16.) Paying Wards**16.1) Class I**

There are 18 Air -Condition rooms with telephone and TV facilities in the crass I (Ward 3). The demand for these rooms is very high

Class I

	2007	2008	2009	2010	2011
Admissions	1573	1578	1764	1840	1632
Bed occupancy	98%	102%	108%	104%	98%

16.2) Class 2

	2007	2008	2009	2010	2011
Admissions	4837	5367	5625	5153	4674
Bed occupancy	50%	55%	55%	46%	42%

Class 2 - paying section consists of wards with 90 (ward 04, 44, ward 5, 46).The bed occupancy & number of admissions to these two wards have decreased this year when compared to 2010.

**17.) General ICU**

	2007	2008	2009	2010	2011
CCU	361	382	945	923	966
ICU	352	369	}		
No of death &	176	192		188	206
Percentage	22.5%	25.5%	20%	22.3%	22%
Bed occupancy	111%	100%	101%	107%	78%

Bed occupancy is 78.3%. Death rate around 20%-30% is due to the admission of patients of cardio respiratory arrest elsewhere, prior to ICU admission.

18.) Physiotherapy Department:

The overall performance of the unit has gone down.

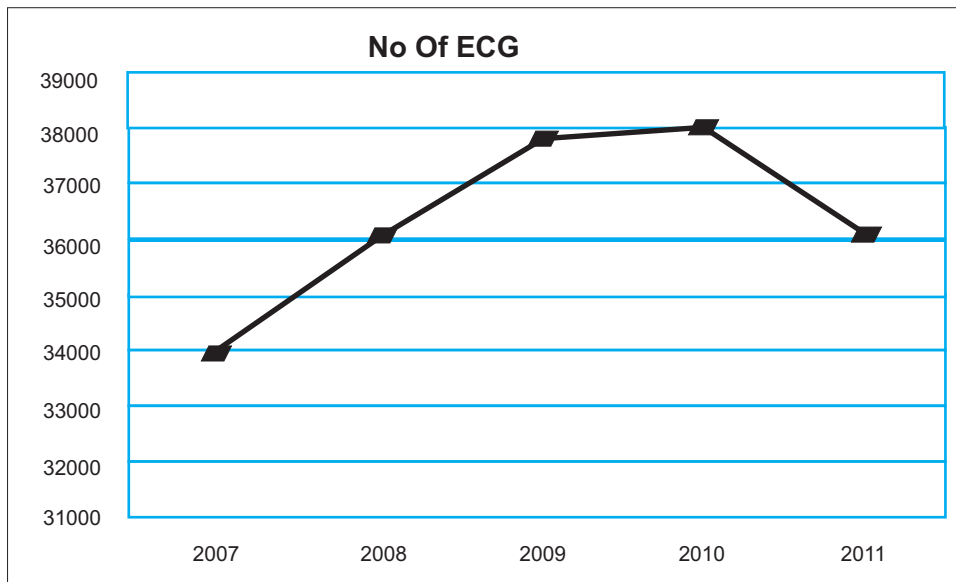
Physiotherapy Dept:

	2007	2008	2009	2010	2011
No of new patients	2228	2103	1703	-	-
No of patients visits	26365	19819	17150	-	-
No of Treatment unit given	36089	29969	27621	-	-
No of Lung function test	281	209	89	-	-

19.) ECG & EEG Department

The number of Electro Encephalograms (EEG) done in the current year is increased due to the availability of trained technician.

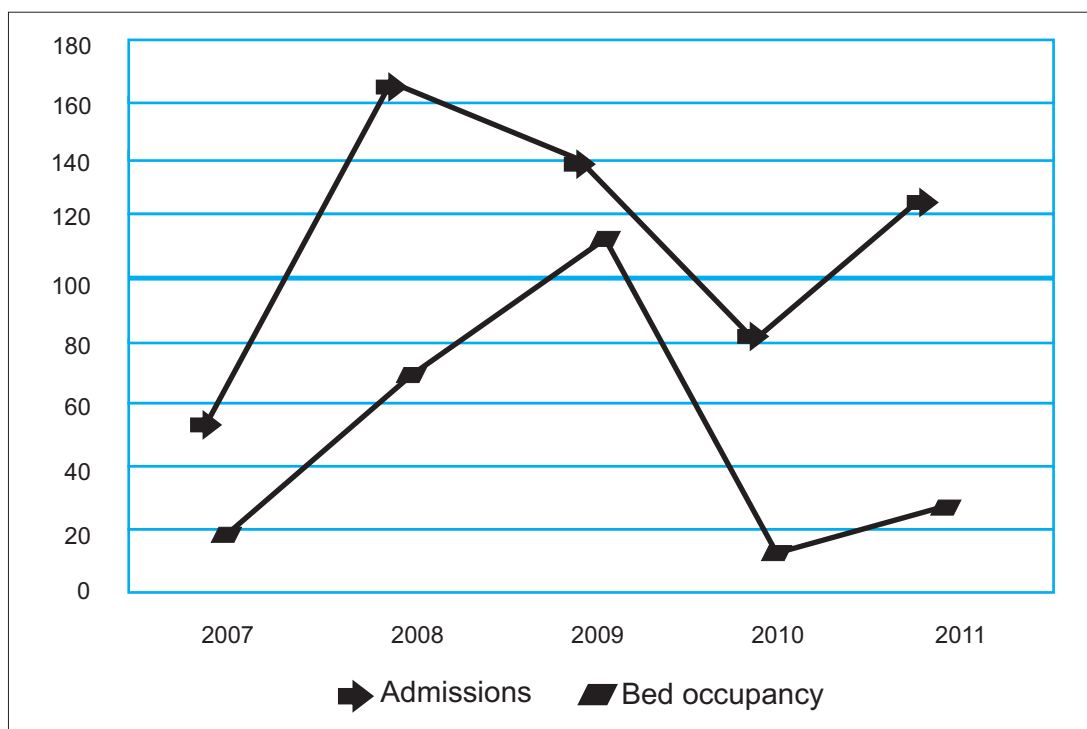
	2007	2008	2009	2010	2011
ECG taken	33971	36086	37960	38166	36156
EEG taken	347	265	487	446	487
EEG taken			863	860	1063



20.) Neurology Unit

Neurology Unit was established in 2007 and 08 beds allocated for the unit in ward 16A.

	2007	2008	2009	2010	2011
Clinics held	115	97	96	96	102
Patient visits	1232	1355	2394	2063	2615
Admissions	54	167	140	81	128
Bed Occupancy	21%	73%	117%	15%	27%

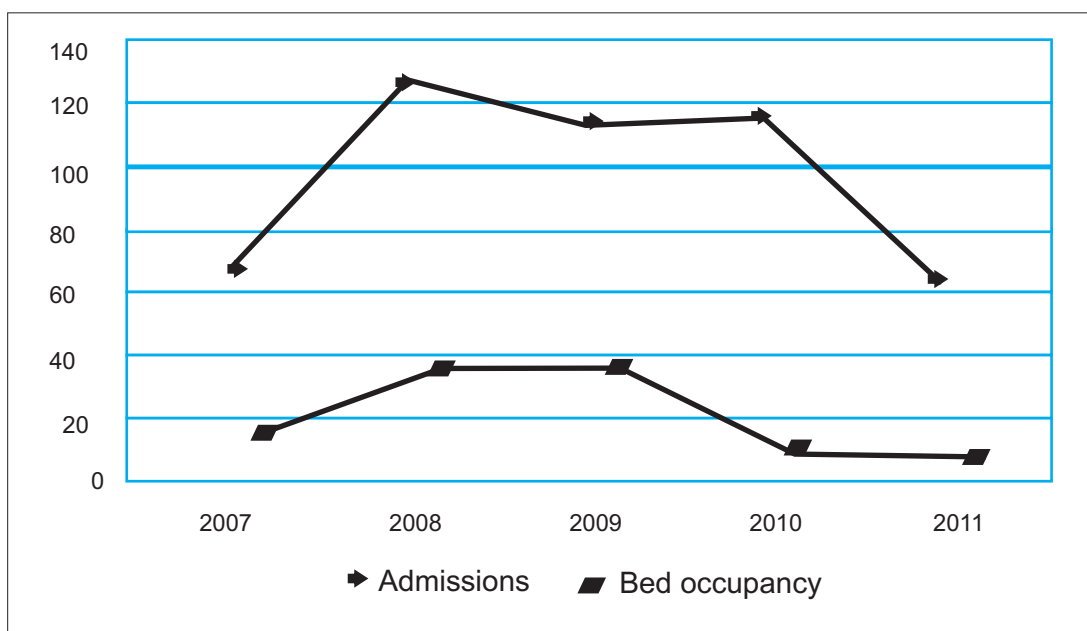




21.) Rheumatology Unit

Rheumatology Unit was established in 2007 and 8 beds were allocated for the unit in ward 16A.

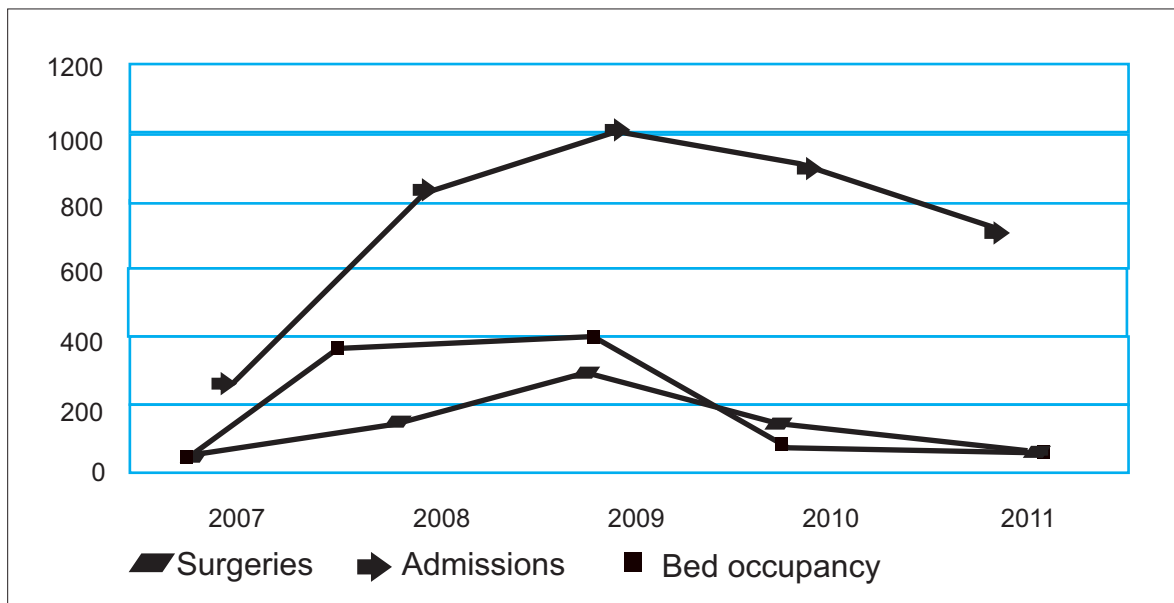
	2007	2008	2009	2010	2011
Clinics held	145	142	143	144	142
Patient visits	2046	2332	3581	4287	3727
Admissions	70	128	115	118	65
Bed occupancy	17%	38%	38%	13%	10%



22.) Neuro Surgery

Neuro surgery unit which was established in 2007 in ward 16B, was shifted a separate ward with ICU facilities in 2010 (ward 18)

	2007	2008	2009	2010	2011
Clinics held	72	93	95	93	92
Patient visits	434	693	1132	850	650
Admissions	245	841	1015	963	763
Bed occupancy	82%	363%	40%	83%	34%
Surgeries	98	196	340	194	67



23.) Dermatology Unit

This unit was established in 2009. Dr.(Mrs) D. Ariyawansa, Consultant Dermatologist is the consultant in charge of the unit.

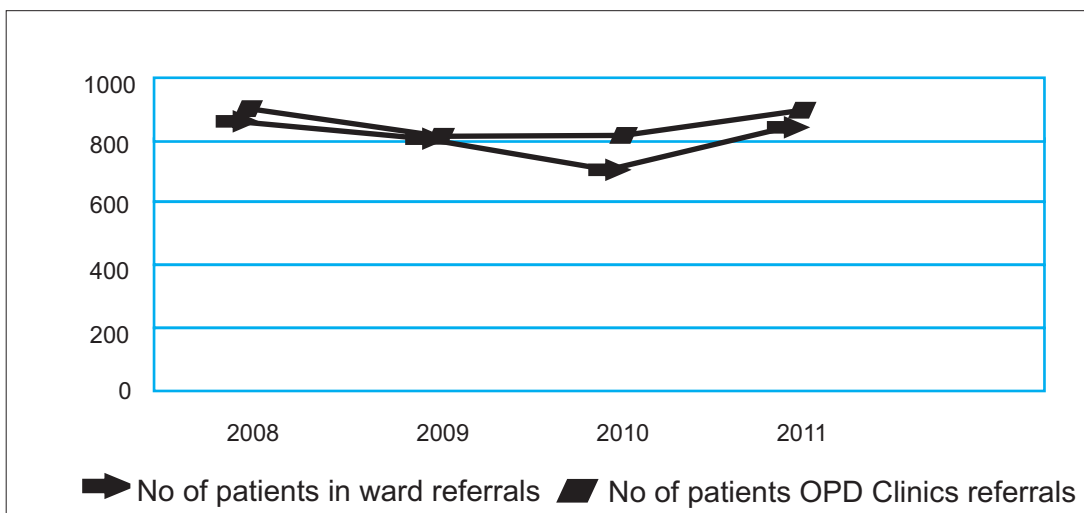
	2009	2010	2011
Clinics held	171	188	193
Patient visits	3659	4321	4972
Admissions	35	57	52
Bed occupancy	6%	9%	8%

24.) Nutrition Unit

Nutrition Unit started with the intention of providing the nutritional requirements of inward patients & Nutritional Counseling for diet therapy.

Individual nutritional Assessment & Dietary advises are given for inward & out patients. eg:Hypercholesterolemia ,Diabetics mellitus, Obesity etc. Rs. 100 is charged only from out patients. In 2011 approximately 844 clinic patients were referred for nutritional advice. Nutritional guidelines are provided for planning of patients as well as staff meals. Inward patients special diets are prescribed according to individual nutritional requirements. Training of Nutrition undergraduate from Wayamba University is also done by this unit.

	2008	2009	2010	2011
No of patients inward referrals	867	800	738	903
No of patients OPD & Clinics referrals	925	806	825	844



25.) Department of Anaesthesiology

Anaesthetic service are provided by 4 consultants and 17 junior anesthetists, in 8 Operating theaters main building and two operating theaters in the new cardiac building. All the theaters function daily with provision for 24 hour emergency surgery in one theater in each section.

Anaesthetic service are provided to the Endoscopy and Radiology investigations when required and to the ICC / CCU, cardio thoracic ICU and Cath - Lab and ETU. The department also provides an Epidural Analgesia service in the Labor room and responds to cardiac arrest calls 24 hour a day. SJGH is a recognized training center for MD Anesthesia and Cardiac thoracic Anesthesia on a regular basis.

26.) HUMAN RESOURCES DEVELOPMENT

Training of employees:

Several in-house training programmes were conducted during the year to up-grade the knowledge and the skill of minor staff in patient care.

26.1: One day work shop was held for all Health Management Assistance on office procedures.

26.2: Medical Laboratory Technologists were sent for training programs and workshops on, quality control calibration and measurements uncertainty, commencement of antimicrobial resistance, collection of blood samples, In service training program for nursing officers were conducted, 6 - two day programme, 14 - one day programme.

Several Training programme were conduct for nursing staff through out the year 13 nursing officers were sent for long term training programmes in Mental training, midwifery ect,.

Medical Education

Over 100 Medical students from Medical faculty of Sri Jayewardeneपुरa University and from foreign universities underwent clinical training at the hospital during the year.

There were 33 Clinical meetings conducted by The Clinical Society of SJGH during the year, followed by Annual Academic Sessions.

**27.) Medical Check - up Unit**

The Medical Check-up unit was shifted to the ground floor of the new building in may 2004. This unit caters for person seeking overseas employment. They are directed to us from Foreign Employment Bureau. The number of persons underwent medical examinations in 2011 were 4086.

Executive Medical Check - up packages are also carried out by the Medical Check - up unit. A number of 724 Executive packages were in 2011.

Channel Consultation

**No of Channel patients gradually increased 2006 to 2009.

	2007	2008	2009	2010	2011
Channel patients	9451	13178	15869	14205	10205

Staff Strength

As at 31st December 2011

Executive Staff	16
Medical specialists	33
Permanent Medical Officers	41
Contract Medical officers	69
Intern Medical Officers	33
PGIM Trainees	58
Medical Officers on Annual Transfer	05
Clerical & Allied Grades	131
Para Medical Staff	95
Other staff	94
Minor staff	405
Nursing Sister	28
Nursing Officers	497
Student Nurses	103
Total	1608



Corporate Governance

SJGH Board is guided by the "Code of Best Practice on Corporate Governance for Public Enterprises ", a handbook by the Public Enterprises Department of General Treasury. Generally the successive Boards since the inception of the Hospital practiced the principles contained in this document.

The Board & the Members.

The Board consists of eight (08) members appointed by the Minister & three (03) ex-officio members. The Director of the Hospital implements the Board decisions and day to day administrative issues with the committee of management. The Hon. Minister of Health has the authority to give directives from time to time, under the power vested by section No.9 of Sri Jayewardenepura General Hospital Board Act.

The non Executive Board members while not involved in the day to day running of the Hospital participate in the close review & monitoring of the operations. Two of the Board Member functions as members of the Procurement Board, and one in the Budgetary Planning and Implementation Committee. The Treasury representative chairs the Audit Committee meetings.

Remuneration of Board Members

The remuneration of the chairman and The Board Members is on the basis of the Public Enterprises Circular NO.PED 04 of 01.01.2003.

The Committee of Management

The Committee of Management under the Chairmanship of the Director consist of the members as per SJGH Act, and administers the day- to - day affairs of the Hospital and Carry out an advisory function to the Board.

Audit Committee

The Audit Committee functions under the Chairmanship of Treasury representative to the Board and consist of two other non executive Board members. The Internal Auditor functions as the secretary to the committee. The Audit Superintendent from the Auditor Generals' Department participates on invitation as an observer for audit committee meetings.

The committee is empowered to oversee and exercise due diligence and control over the financial aspects, operational and performances of the hospital.

Code of Ethics & Best Practices

The principles contained in the document published by Public Enterprises Department are being used as guidance.



SRI JAYAWARDENEPURA GENERAL HOSPITAL BOARD
THALAPATHPITIYA. NUGEGODA

Balance Sheet as at 31st December 2011

	<u>Note</u>	<u>Rs:</u>	<u>Rs:</u>	<u>2011</u>	<u>2010</u>
<u>Contributed Capital and Reserves</u>				<u>Rs:</u>	<u>Rs:</u>
Capital and Reserves					
Grants Received from Japanese Govt.		978,976,227			978,976,227
Capital Reserve - (Other Grants Received)		37,848,935			37,848,935
Capital Reserves		<u>2,280,000</u>			<u>2,280,000</u>
				1,019,105,162	1,019,105,162
Deferred Income (Capital Grant From SL Government)				<u>260,735,556</u>	<u>164,153,056</u>
				1,279,840,718	1,183,258,218
Income and Expenditure Account				(847,707,652)	(825,455,067)
				<u>432,133,066</u>	<u>357,803,151</u>

Represented By:

Fixed Assets

Property, Plant & Equipment	Note 1	662,145,463			698,212,555
Furniture & Others	Note 1	<u>142,173,240</u>			<u>105,426,334</u>
		804,318,702	804,318,702		803,638,889

Add: Current Assets

Short term Investments	Note 2	10,045,000			10,045,000
Stocks	Note 3	136,457,613			129,730,420
Debtors, Deposits, Pre-Payments	Note 4	148,434,853			133,580,208
Bank & Cash Balance	Note 5	<u>120,169,732</u>	415,107,198		<u>53,267,759</u>

Less: Current Liabilities

Creditors & Accrued Payments	Note 6	<u>787,292,835</u>	(372,185,637)		(772,459,125)
			<u>432,133,066</u>	<u>357,803,151</u>	

Accountant

Director

Chairman

Date: 16/04/2011



SRI JAYAWARDENEPURA GENERAL HOSPITAL

INCOME STATEMENT FOR THE YEAR ENDED 31ST DECEMBER

		2011 Rs.	2010 Rs.
Revenue	Note:07	1,689,268,276	1,620,030,213
Other operating Income (interest)		<u>4,443,027</u>	<u>3,333,679</u>
		<u>1,693,711,303</u>	<u>1,623,363,892</u>
Materials & Consumables used	Note:08	516,694,280	451,767,411
Staff Cost	Note:09	946,558,795	874,862,871
Depreciation & ammortisation	Note:10	(22,322,459)	6,700,817
Other Operating expenses	Note:11	<u>269,826,508</u>	<u>227,548,929</u>
		<u>1,710,757,123</u>	<u>1,560,880,028</u>
Surplus/(Deficit) from operation		(17,045,820)	62,483,864
Finance Cost	Note:12	2,207,459	2,297,874
Other expenses & Outgoings	Note:13	<u>-</u>	<u>-</u>
Surplus/(Deficit) before Taxation		(19,253,279)	60,185,990
Income tax (Economic service charges & on interest)		<u>8,642,497</u>	<u>8,121,211</u>
Surplus/(Deficit) after Taxation		(27,895,776)	52,064,779
Income & Expenditure Account brought forward	Note:14	(819,811,879)	(877,289,359)
Income & Expenditure Account carried forward		<u>(847,707,655)</u>	<u>(825,224,580)</u>

**CASH FLOW STATEMENT**

FOR THE YEAR ENDED 31ST DECEMBER	2011 Rs.	2010 Rs.
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operating activities (Note A)	(42,975,513)	9,847,335
Gratuity Paid	(11,540,418)	(10,701,715)
Net Cash Inflow from operating activities	<u>(54,515,930)</u>	<u>(854,380)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Income	4,443,027	3,333,679
Capital Grant (received)	236,785,000	115,000,000
Purchase of Property, Plant & Equipment	(119,810,123)	(86,097,294)
	<u>66,901,973</u>	<u>31,382,005</u>
Net Increase in Cash & Cash Equivalents		
Cash & Cash Equivalents as at 1st January	53,267,759	21,885,754
Cash & Cash Equivalents as at 31st December (Note B)	<u>120,169,732</u>	<u>53,267,759</u>
	<u>66,901,973</u>	<u>31,382,005</u>
Note - A		
CASH GENERATED FROM OPERATIONS		
Deficit for the year	(27,895,776)	52,064,779
Adjustment in respect of previous year	5,643,188	7,332
Adjustment in Capital Grant Amortization	(140,202,500)	(113,654,017)
Depreciation	119,130,311	120,354,834
Provision for Gratuity	37,425,242	27,843,208
Provision for Expiry Items	1,351,858	
Provision for Bad debts		
Investment Income (Interest)	(4,443,027)	(3,333,679)
	<u>(8,990,704)</u>	<u>83,282,457</u>
Operating Deficit before Working Capital Changes	(8,990,704)	83,282,457
Adjustment for Working Capital Changes		
(Increase) / Decrease in Stocks	(8,079,049)	(15,259,399)
(Increase) / Decrease in Debtors	(14,854,645)	(6,610,620)
Increase / Decrease in Creditors & Payables	(11,051,115)	(51,565,103)
	<u>(42,975,513)</u>	<u>9,847,335</u>
Note - B		
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash in Hand & Bank	120,169,879	53,498,393
Bank Overdraft	(147)	(147)
	<u>120,169,732</u>	<u>53,498,246</u>

Notes to the accounts
 Note -1

FIXED ASSETS (PROPERTY, PLANT & EQUIPMENT, FURNITURE ETC.,)

	Freehold Land (26 acres)	Buildings Donated by Japan	Other Buildings	Other donations by Japan	Furniture & fittings, Gas cooke Equipments & other equipmeImplements	Medical Equipments	Automobiles	Computer Software	Renovation Of Kitchen	Capital Work-in-Progress	Total 2011	Total 2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 1st January	15,015,732	453,028,634	326,676,885	416,490,078	79,785,867	1,159,698,741	26,630,282	650,000	28,760,185	50,436,489	2,557,172,893	2,471,075,599
Additions			4,474,832		24,799,317	68,289,820	5,785,000	88,000		32,053,186	135,490,155	101,807,884
Transfers/ Disposals										15,680,032	15,680,032	15,710,590
As at 31st December	15,015,732	453,028,634	331,151,717	416,490,078	104,585,184	1,227,988,561	32,415,282	738,000	28,760,185	66,809,643	2,676,983,015	2,557,172,893
DEPRECIATION												
As at 1st January		235,574,892	70,708,787	416,490,077	55,166,670	949,923,758	23,194,590	487,500	1,987,728		1,753,534,002	1,633,179,169
Charge for the year		9,060,573	7,275,138		5,660,592	92,496,034	3,037,455	162,500	1,438,019		119,130,311	120,354,834
Charge on Disposals												
As at 31st December		244,635,465	77,983,925	416,490,077	60,827,262	1,042,419,792	26,232,045	650,000	3,425,747		1,872,664,313	1,753,534,003
NET BOOK VALUE												
As at 1st January	15,015,732	217,453,742	255,968,098	1	24,619,197	209,774,983	3,435,692	162,500	26,772,457	50,436,489	803,638,891	837,996,430
As at 31st December	15,015,732	208,993,169	253,167,791	1	43,757,922	185,568,769	6,183,237	88,000	25,334,438	66,809,643	804,318,702	803,638,890

**Notes to the accounts****Note 02. INVESTMENTS**

	<u>2011</u>	<u>2010</u>
	Rs.	Rs.
Short Term Investments - Call Deposits		
Bank of Ceylon - call deposit	10,000,000	10,000,000
National Savings Bank (Staff Security Deposits)	45,000	45,000
	<u>10,045,000</u>	<u>10,045,000</u>

Note 03. STOCKS

General stores	8,960,896	12,334,297
Drugs stores	19,132,142	8,045,406
Surgical consumables stores	43,582,853	46,247,622
Dressings stores	7,659,845	8,103,020
Electro Mechanical Engineering (EME) stores	9,215,702	9,975,088
Radiology Department stores	3,030,164	2,335,304
Path lab & Blood Bank stores	2,691,774	2,404,993
General items in sub stores	4,357,998	5,111,069
Drugs & Surgical consumables in sub stores	<u>39,893,687</u>	<u>35,889,213</u>
	138,525,061	130,446,012
Less: Provision for expiry items	<u>2,067,450</u>	<u>715,592</u>
	<u>136,457,611</u>	<u>129,730,420</u>

Note 04. DEBTORS, DEPOSITS AND PRE-PAYMENTS

Miscellaneous deposits	Schedule 01	5,805,781	5,805,781
Income Receivable	Schedule 02	4,869,357	4,947,764
Staff Distress Loans	Schedule 03	76,757,243	74,798,551
Staff School Book advance			51,500
Special Loan-Flood Disaster		28,875	
Staff - Special Advance		-	5,800
Staff - Salary advance	Schedule 04	84,999	59,190
Staff-Festival Advance	Schedule 05	1,104,000	1,350,000
Local Purchase Advance		-	20,221
sundry Debtors	Schedule 06	8,596,193	12,307,317
Hospital Charges receivable	Schedule 07	46,064,648	28,710,327
Ministry of Heath-sewerage Charges of NTS		5,907,011	5,907,011
Death Donation Recoverable		500,000	900,000
Clinical society		<u>44,463</u>	<u>44,463</u>
		149,762,570	134,907,925
Less - Provision for bad debts		<u>1,327,716</u>	<u>1,327,716</u>
		<u>148,434,853</u>	<u>133,580,209</u>

**Notes to the accounts****Note 05. BANK AND CASH BALANCES**

	2011	2010
	Rs.	Rs.
Standard Chartered Grindlays Bank	93,615	93,615
Bank of Ceylon current A/C	103,658,056	28,957,847
Bank of Ceylon current A/C -No 02	160,000	160,000
Hatton National Bank - 20th Anniversary a/c	20	20
Hatton National Bank	1,274,578	11,683,613
H N B Call Deposit a/c	11,126,000	11,200,000
Bank of ceylon - Dialysis Fund current account	637,775,	612,775
Cash in hand & Imprest accounts	3,172,825	513,024
Petty cash imprest for stamp duty	47,010	47,010
HNB-dialysis fund current a/c	(147)	(147)
	<u>120,169,732</u>	<u>53,267,757</u>

Note 06. CURRENT LIABILITIES

Creditors and Accrued Expenses	460,041,692	468,261,068
Other Liabilities	22,929,888	25,761,627
Provision for Gratuity	304,321,255	278,436,430
	<u>787,292,835</u>	<u>772,459,125</u>

**Note 06 - A****STATEMENT OF CHANGES OF EQUITY**

	2011	2010
	Rs.	Rs.
CAPITAL GRANTS		
Grant from Japanese Government to Sri Lanka Government for the Project	928,851,297	928,851,297
Grant received under Japanese International Co-operation	50,124,930	50,124,930
Deferred Income (Capital Grant from SL Government) Note -C	260,735,556	164,153,056
Capital Reserves	2,280,000	2,280,000
Donation to purchase a Hemo Dialysis machine	799,233	799,233
Care & Equipment donated by Kajima Corporation of Japan	260,000	260,000
Grant from Olympus Corporation of Japan	79,700	79,700
Central Bank Grant for Cardio-thoracic unit	30,000,000	30,000,000
Grant from President Fund	6,710,000	6,710,000
	<u>1,279,840,216</u>	<u>1,183,258,216</u>

Note - C**Deferred Income (Capital Grant from SL Government)**

Balance as at 1st January	164,153,056	162,807,073
Add : Capital Grant Received During the year	236,785,000	115,000,000
Less : Capital Grant Amortization	140,202,500	113,654,017
Balance as at 31st December	<u>260,735,556</u>	<u>164,153,056</u>

Creditors and Accrued Expenses

Accrued Expenses	Schedule 11	70,358,186	67,408,624
Auditor Generals Department		2,282,901	1,732,901
Trade Creditors	Schedule 12	38,238,377	44,386,328
N W S & D B		26,045,734	28,745,734
M S D		323,116,494	322,368,518
S P C		-	3,618,964
		<u>460,041,692</u>	<u>468,261,069</u>



SRI JAYAWARDENAPURA GENERAL HOSPITAL
NOTES TO THE INCOME STATEMENT FOR THE YEAR ENDED 31ST DECEMBER.....

	2011 Rs.	2010 Rs.
Note: 07 Revenue:		
Revenue from Hospital care	828,235,820	812,121,169
Government Grant - Recurrent	837,000,000	775,000,000
Other Income	24,032,457	32,909,044
Note A	<u>1,689,268,276</u>	<u>1,620,030,213</u>

Note A Other Income

Ambulance charges	930,691	1,118,230
By-standards/Visitors	1,752,333	2,030,747
Revenue from staff meals	755,485	796,399
Revenue from staff rent and electricity	1,975,676	2,148,333
Hospital shop - Rent	960,000	870,000
Hospital Shop - Electricity	463,212	236,294
Hospital Bank - Rent	240,000	240,000
Hospital Bank - Electricity	334,750	251,153
Sanasa Rent	12,000	12,000
Bank of Ceylon - Electricity	287,583	317,137
Sunday Income	4,936,696	7,096,923
Bonds settled by Staff members	1,307,012	7,875,997
Sales Commission	293,918	190,127
Channeling Fees	1,261,635	2,254,077
Security Service Electricity	46,724	41,430
Milk Bar Electricity	94,943	51,978
Milk Bar Rent	60,000	60,000
Rent - OSUSALA	1,020,000	1,020,000
People's Bank Electricity	38,745	40,164
Service Charges 1%	241,455	275,626
Profit on Sale of PABX System	6,939,600	5,982,430
Profit on Sale of Moter Vehicle	80,000	
	<u>24,032,457</u>	<u>32,909,045</u>

Note:08 Materials & consumables used**Purchase of materials**

Drugs	145,933,419	102,107,630
Surgical Items	113,811,713	124,743,878
Dressings	29,953,779	44,421,981
Medical Oxygen	16,751,482	16,906,108
Lab Chemicals & Consumables	84,752,413	57,701,448
X-ray films & Chemicals	15,676,968	13,570,902
General Supplies	34,852,531	33,727,472
Electro Medical Engineering (consumables)	5,112,393	5,806,657
	<u>446,844,697</u>	<u>398,986,076</u>
Add: Stocks brought forward	130,445,990	117,959,210
Less: Stocks carried forward	138,525,061	130,446,011
	<u>438,765,627</u>	<u>386,499,275</u>
Add: Condemned & expired stocks (Provision)	1,351,858	2,772,598
Add: Material cost for meals (for patients and staff)	76,576,796	68,040,732
	<u>516,694,280</u>	<u>451,767,409</u>

Adjustment for over provision is in brackets



	2011 Rs.	2010 Rs.
Note:09 Staff Cost		
(a) Salaries & Wages		
Salaries & Allowances	639,147,429	584,767,951
EPF & ETF	88,884,506	85,864,762
Overtime, Piece Rate & Extra Duty Payment	135,346,871	135,291,137
Uniform allowance	5,420,458	4,968,561
Encashment of leave	5,000,000	5,000,000
Pension Contribution	3,857,860	3,185,649
Traveling	567,222	783,179
	<u>878,224,345</u>	<u>819,861,239</u>
Add: Other staff related expenses		
Cost of free medical treatment	30,271,123	26,794,371
Staff Welfare	394,965	
Human resources development expenses	243,120	364,053
Provision for gratuity	37,425,242	27,843,208
	<u>946,558,795</u>	<u>874,862,871</u>
Note: 10 Depreciation & amortization		
Provision for the depreciation for the year	117,880,041	120,354,834
Less: Amortization	140,202,500	113,654,017
	<u>-22,322,459</u>	<u>6,700,817</u>
Note: 11 Other operating expenses		
(a) Fuel		
Stand by generators	910,163	204,400
Boilers	7,324,100	4,844,400
Motor Vehicles	3,314,277	3,140,578
	<u>11,548,540</u>	<u>8,189,378</u>
(b) Utility services		
Electricity Charges	101,413,052	91,907,884
Water Charges	25,029,363	23,277,456
Telephone Charges (Communication)	2,754,178	3,025,973
	<u>129,196,593</u>	<u>118,211,313</u>
(c) Repairs & maintenance		
Service Agreements signed with suppliers	19,387,743	9,388,314
Repairs to motor vehicles	2,126,190	1,653,852
Repairs to medical equipment (breakdown)	34,419,223	17,355,976
Repairs to steel furniture	-	26,020
Repairs to Buildings	4,273,672	4,374,030
	<u>60,206,829</u>	<u>32,798,191</u>
(d) Other services		
Janitorial and cleaning services	22,773,365	22,253,228
Garbage disposal service	1,447,798	1,492,680
Removal of unclaimed dead bodies	400,250	364,100
Maintenance of sewerage line	9,849,021	11,875,740
Laundry service	6,229,776	4,792,257
Security Service	15,060,531	13,877,462
Licence and Insurance	615,360	387,647
Legal Charges	829,298	363,144
Audit fees	550,000	550,000
Disciplinary procedure expenses	-	342,260
Postage & Stamps	643,081	598,301
Refreshment	665	11,500
Allowances for Board Members/ Tender Board Members	259,750	127,984
Hospital charges exempted (clergy/ other)	5,298,042	6,269,7191
Pres advertisements	2,219,408	1,435,124
Books & Periodicals	896,878	1,008,273
Sundry expenses	965,102	1,683,407
Rates & Taxes	836,220	917,220
	<u>68,874,546</u>	<u>68,350,046</u>
	<u>269,826,508</u>	<u>227,548,929</u>

**Note:12****Finance cost**Bank charges
Credit card commission

2011
Rs.
413,200
1,794,259
2,207,459

2010
Rs.
724,869
1,573,005
2,297,874

Note:13**Other expenditure & outgoings**Bad debts written off
Provision for bad doubtful debts
Pre Payments written Off
Distress Loan Written Off

-
-
-
-
-

-
-
-
-
-

Note:14**HOSPITAL FUND UN-APPROPRIATED BALANCE**

Surplus/(Deficit) as per income & expenditure a/c

(27,895,776)

52,064,779

Income & expenditure a/c 1st January

(825,455,067)

(877,527,178)

Adjusted in respect of previous years

5,643,188

7,332

Income & expenditure a/c 31st December

(819,811,879)

(877,519,846)

Excess of Expenditure over Income at the end of the year

(847,707,655)**(825,455,067)**



Significant Accounting Policies - 2011

01. GENERAL

1.1 Basis of Preparation

1. The Balance Sheet, Income Statement, Statement of Changes in Equity and Accounting Policies and Notes of the Board are prepared in accordance with the Sri Lanka Accounting Standards laid down by the Institute of Chartered Accountants of Sri Lanka.
2. The Financial Statements of the Board are prepared under the historical cost convention.
3. The Financial Statements of the Board are prepared in Sri Lankan Rupees (Rs.)

1.2 Government Grants

Board received following Government grants namely:

Capital Grant - from the General Treasury

Recurrent Grant - from the General Treasury

1. In the absence of a Sri Lanka Accounting Standard for presentation of Government Capital Grant received by a statutory Board, the SLAS 24 Para 26 is adopted by the Board.
2. Accordingly Capital Grant is credited to a deferred income account and amortized at the rate 25% per year. Amortization rate is approximately equal to the weighted average depreciation rate calculated to the investment made in assets from the years 1997 to 2006.
3. Recurrent Grant from the Treasury has been recognized as income of the period and credited to the Income Statement for the year.

1.3 Taxation

The provision for income tax is based on the element of income and expenditure as reported in the Financial Statements and computed in accordance with the provision of the Inland Revenue Act No. 10 of 2006. However in view of tax losses brought forward no provision has been made in the Accounts.

Rs.764,328.00 has been provided in the Accounts as Economics Service Charge (ESC)

Income Tax on interest income had not been provided in the Accounts as such income tax can be set off against ESC.

1.4 Comparative Information

The Accounting policies have been consistently applied by the Board and are consistent with those of the previous year.

All adjustments was made according to SLAS 10.

All exempted Hospital bills have been recognized as Hospital Income and shown as an expenditure, in the Income Statement.

2. ASSETS AND BASES OF THEIR VALUATION

2.1 Property, Plant & Equipment, Depreciation and Re-valuation

1. Property, Plant & Equipment are stated at cost or valuation less accumulated depreciation.

The cost of property, plant & equipment is the cost of purchase or construction together with any incidental expenses incurred in bringing the assets to its working condition for its intended use.

Expenditure incurred for the purpose of acquiring, extending or improving assets of a permanent nature by means of which to carry on the services provided or to increase the capacity of the services provided has been treated as capital expenditure.

**Significant Accounting Policies contd ...****2. ASSETS AND BASES OF THEIR VALUATION**

2. Depreciation is provided on the assets other than on freehold land using straight line method at the rates as stated below;

Japanese Government Donation

Building	02%
Electrical work	10%
Sewerage & Plumbing	10%
Air conditioning	15%
Lifts	10%
Furniture & Fillings	13%
Medical Equipment	20%

Other Assets

Buildings	05%
Furniture & fittings, Gas cookers and Other equipments	20%
Electrical equip; Sewing mach., Cylinders	10%
Medical equip; & implement	25%
Refrigerator & Photocopy mach.	15%
Automobile	20%
Software (Locally Developed)	100%

3. No depreciation is provided in the year of purchase or acquisition, full depreciation is provided in the year of disposal.

4. For the purpose of presentation of cash now statement cash and cash equivalents consist of cash in hand and outstanding bank overdraft. Cash flow statement reported herein is based on the indirect method.

3. LIABILITIES & PROVISIONS**3.1 Capital Commitments & Contingencies**

All material capital expenditure commitments and contingent liabilities as at the date of Balance Sheet have been disclosed in the notes to the accounts.

3.2 Retirement Benefit Cost

Provision for gratuity is made only for employees served over five (5) years recognizing their date of retirement.

A provision of Rs.37,425,242.00 was made in the 2011 in calculating the revised liability as at 31 st December 2011

3.3 Provision for expiry items of drugs & surgical requisites and Provision for bad debts

(a) The actual cost of drugs expired during the year is recognized as a provision for expiry items and the difference is adjusted in the Income & Expenditure Statement.

3.4 Valuation of Inventories

Inventories have been valued at the Average cost which is lower than the net realizable value assuming that the latter is equal to the Market Price.



4. INCOME & EXPENDITURE ACCOUNT

4.1 REVENUE

1. The revenue of the Board represent the income from the Hospital charges, Governments Recurrent Grant, Interest Income from call deposits and loans to employees, and other miscellaneous income.

2. All income has been recognized on an accrual basis.

4.2 EXPENDITURE

1. All expenditure incurred in proving patient care services, and in maintaining the capital assets in a state of efficiency has been charge to revenue on an accrual basis in arriving at the surplus or deficit for the year.

2. For the purpose of presentation of the income statement, the board is of the view that the nature of expenses method fairly present the element of the Boards performance: hence such a presentation method is adopted.

3. Professional fees of Rs.160 million collected by the Hospital Board during the year had not been recognized in the accounts as the same fees are not earned or derived by the Board. These professional fees belongs to some identified employees of the Board for providing professional services on private clients during their off duty hours and on holidays. the Hospital Board has deducted Rs.1.8 million as withholding Tax fromthe above fees and remitted to the Department of Inland Revenue.



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கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல
My No } HW/B/SJGH/FA
/2011

ඔබේ අංකය
உமது இல
Your No. }

දිනය
திகதி
Date } 31 July 2012

The Chairman,
Sri Jayawardenepura General Hospital Board.

Report of the Auditor General on the Financial Statements of the Sri Jayawardenepura General Hospital Board for the year ended 31 December 2011 in terms of Section 14(2) (c) of the Finance Act. No. 38 of 1971.

The audit of financial statements of the Sri Jayawardenepura General Hospital Board 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 Section 13(1) of the Finance Act, No. 38 of 1971 and Sub Section 3 of Section 12 of the Sri Jayawardenepura General Hospital Board Act No 54 of 1983. My comments and observations which I consider should be published with the Annual Report of the Board 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 issued to the Chairman of the Board on 01 June 2012.

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 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.

අංක 306/72 පොල්දූව පාර,
බත්තරමුල්ල, ශ්‍රී ලංකාව

දුරකථනය
தொலைபேசி } 2887028-34
Telephone. }

இல. 306/72, பொல்துவ வீதி,
பத்தரமுல்லை, இலங்கை

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ඉලෙක්ට්‍රොනික් තැපෑල
மின்-அஞ்சல் } 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 Board'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 Board's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Sub - sections (3) and (4) of the 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 Sri Jayawardhanapura General Hospital Board as at 31 December 2011 and its financial performance and its cash flows for the year then ended in accordance with Generally accepted accounting Principles.

2.2 Comments on Financial Statements

2.2.1 Accounting deficiencies

The following Observations are made

- (a) Although depreciation for the year under review amounted to Rs.117,880,041 a sum of Rs.140,202,500 had been brought to accounts as amortization and as such the years deficit had been understated by Rs.22,322,459.
- (b) The value of two ambulance received by the hospital in the year 2009 as donations amounted to Rs.5,785,000. The following observations are made in this regard.
 - i. As the value of motor vehicles had been brought to account as capital grants, the balance of capital grant account had been overstated by that amount and the amortization thereon amounting to Rs.1,446,250 had been overstated, resulting in an understatement of years deficit by that amount.
 - ii. As depreciation of Rs.1,157,000 for the preceding year had not been computed and brought to account and the depreciation for the year under review had not been brought to accounts the brought forward deficit and the deficit for the year under review had been understated by Rs.1,157,000 respectively.
 - iii. This value of donations had been shown in the cash flow statement as cash inflow and outflow.



- (c) As the value of depreciation on other buildings had been understated by Rs.93,270 in the financial statement the years deficit had been understated by that amount.
- (d) Except motor vehicles out of assets received as donations the other assets had not been brought to accounts. The Nerve Stimulator Monitor valued at Rs.2,800,000 received as donations under National Health Development Fund had not been brought to account under Property Plant and Equipment, As depreciation for the year under review amounting to Rs.700,000 had been understated, the years deficit had been understated by the same amount.
- (e) The gratuity unpaid to the 11 officers who had retired and left the hospital service during the year under review amounted to Rs.2,458,721. It had not been transferred to the gratuity payable account.
- (f) The service of 7 officers who had served for periods ranging from 6 to 26 years and whose services had been temporarily suspended, and they had been reinstated in the year 2011. Their gratuity provided for the entire period of service had been provided in the year under review. As such the gratuity provision as well as the deficit for the year had been overstated by Rs. 1,357,488.
- (g) According to the income of the year under review, the economic service charge should have been Rs.8,522,683 but according to the financial statements that expenditure amounted to Rs.8,642,497 and as such the economic service charge expenditure and the deficit for the year had been overstated by Rs.119,815.
- (h) By rectifying the over recovery of Rs. 320,905 of withholding tax on value added tax had been credited to the relevant expenditure accounts instead of crediting it to the relevant suppliers account and as a result, the years expenditure and the deficit had been understated by that amount.



- (l) Out of a donation of Rs.290,000 received by the hospital, medical equipment had been purchased. While the double entry had been correctly posted, the donation account had been debited and purchases account had been credited by journal entry again. As a result the years deficit and the value of donation had been understated by Rs.290,000.
- (j) The value of obsolete stock relating to the year under review amounted to Rs 2,067,450 and it had not been written off against the years profit. Instead, it had been set off against the provision for obsolete stock balance and only the difference of Rs. 1,351,858 had been transferred to the income and expenditure account for the year thus understating the years deficit by Rs.715,592.
- (k) Even though the construction of the 3rd floor of the Advanced Cardiac Centre building had been completed and utilised by 31 December of the year under review, the expenditure incurred thereon amounting to Rs.28,010,153 had not been transferred to the other buildings account from the capital work in progress account.

2.2.2 Unreconciled Control Account

The following unreconciliations were observed.

Item of account	Balance as per financial statements	Balance as per schedule/ records presented	Difference
	Rs.	Rs.	Rs.
i. Staff distress loans	76,757,243	76,841,942	84,699
ii. Hospital charges receivable	46,064,648	46,905,016	840,368



2.2.3 Accounts Receivable and Payable

The following observations are made

- (a) Action had not been taken to recover a sum of Rs.130,332 receivable as from various institutions as rent income, electricity bills sewerage, transport charges and hospital charges remained outstanding for more than 9 years and a sum of Rs.7,248,583 remained outstanding for the period from 1 to 4 years.
- (b) A sum of Rs.1 117,561 receivable from the hospital canteen, Presidents Fund and the Ministry of Health remained outstanding for more than 5 years had been written off against the accumulated fund without being recovered.
- (c) Action had not been taken even during the year under review to settle 3 balances of Rs.178,144,248 payable to sundry creditors and various institutions remained unsettled for more than 5 years while 2 balances totalling Rs.148,445,693 remained unsettled for 1 to 5 years periods.

2.2.4 Lack of Evidence for Audit

Evidence for the following items of accounts stated against each item was not made available for audit.

Item of account	Value	Evidence not made available
-----	-----	-----
	Rs.	Rs.
I. Sundry debtors	8,596,193	Confirmation of balances
II. Hospital charges receivable	46,064,648	-do-



III.	Sewerage charges of Nurses Training School receivable from the Ministry of Health	5,907,011	Confirmation of balances
IV.	Payables to the Water Supply and Drainage Board	26,045,734	-do-
V.	Payables to the Medial Supplies Division	323,116,494	-do-
VI.	Trade debtors	38,238,377	<ul style="list-style-type: none"> • Schedule for the value of Rs.10,446,000 • Confirmation for the balances of Rs.36,030,515

2.2.5 Non-compliance with Laws Rulers, Regulation and Management Decisions

The following Non-compliances were observed.

Reference to laws, rules, regulations etc

Non- compliance

(a) Establishment Code
Section 2.2 of Chapter ix

Ten percent of the charges received for non- official work done outside the duty hours should be credited to the consolidated fund. Nevertheless, 10 percent of the professional charges of Rs.160,970,070 paid to the Doctors during the year under review had not been credited to the consolidated fund.



- (b) Financial regulations
- (i). F.R. 104 (3) and (4)

The preliminary and the complete reports in respect of 2 accidents occurred in the years 2010 and 2011 had not been presented to the Chief Accounting Officer
 - (ii). F.R. 371 (2) (C)
 - I. Advances to Non-staff Officers had been given in 78 instances, amounted to Rs.1,191,600.
 - II. Although the ad-hoc imprests should be settled immediately after the completion of the purpose for which it was given the amount not so settled in 11 instances amounted to Rs.111,020.
 - (iii). F.R. 762

Stock levels had not been determined.
 - (iv). F.R. 1645 (a)

Log books had not been updated by posting relevant information by the officer in charge of motor vehicles.
 - (v). F.R. 1647 (a)

A register of consumables goods had not been maintained.
 - (vi). F.R. 1647 (c)

A register of motor vehicles had not been maintained
- (c). Drugs Management Manual Chapter 6 Section 2 and 7
- Eventhough the drugs should be prescribed in considering the Generic name and the prices. contrary to that drugs had been prescribed on the basis of trade name. As a result the overpayment which had to be made by patients relating the 6 months period of the year under review amounted to Rs.17,038,325.



- (d). Public Enterprises Circular No.PED/12 OF 02 June 2003 Section 9.8.2 Without obtaining the approval of the Department of Public Enterprises of the Treasury, an allowance of Rs.796,648 had been paid to the Officers for testing purposes of the beneficiaries referred to the Hospital for Korean medical tests.
- (e). Section 2.8.4 of the Procurement Guidelines No.NPA/8 dated 25 January 2006 of the National Procurement Agency The Technical Evacuation committee of the Department Procurement Committee should consist of an officer in the Line Ministry or outside person who has the expertise knowledge in the relevant field. Nevertheless this requirement had not been complied with in respect of purchasing medical equipment and 6 machines valued at Rs.24,900,000.
- (f). Public Administration Circular No. 14/2008 dated 26 June 2008 and No 22/99 dated 08 October 1999. A monthly transport allowance of Rs.30,000 had been paid to the Hospital Secretary and the Deputy Director of the Hospital who are not entitled for use of official vehicles. Accordingly a sum of Rs.360,000 and Rs.210,000 had been paid as transport allowances during the year under review.
- (g). Management Services Circular No 39 of dated 26 May 2009 A sum of Rs.480,000 had been paid to the Director for 8 months at Rs.60,000 per month without the approval of the Department of Management Services, After the audit query it had been stopped.



- (h). Circular letter No PED/PU dated 08 July 2009 of the Department of Public Enterprises. Recruitment and promotion schemes should be prepared and submitted to the Salaries and Cadre Commission before 30 th July 2009. Nevertheless that requirement had not been complied with even by the end of the year under review.
- (i). Management Audit Circular No. DMA/2009 (2) dated 01 September 2009 A Register of Fixed Assets had not been maintained in the specified format.
- (j). General Circular No 1-18/2009 dated 29 May 2009 of the Ministry of Health. On –call allowances can be obtained by Doctors only for the maximum of 4 hours per day. Contrary to that On-call allowances of Rs.172,800 and Rs.122,400 had been obtained by the Hospital Director and the Deputy Director respectively for the period from May to August 2011 at 8 hour per day.

03. Financial Review

3.1 Financial results

According to the financial statements presented the operation of the Board for the year ended 31 December 2011 had resulted in a deficit of Rs.27,895,776 as against the surplus of Rs.52,064,779 for the preceding year, thus deteriorating the financial result by Rs.79,960,555. Increase in material consumption expenditure, cost of staff, other operating expenditure by Rs.64 million, Rs.71 million and Rs.42 million respectively as compare with the increase in total income by Rs. 69 million had been the main reasons for this deterioration.



3.2 Analytical Financial review

Financial results and financial position for the year under review, analytically compared with that of the preceding year are given below.

item	Value in the year 2011	Value in the year 2010	Variance	Variance percentage
-----	-----	-----	-----	-----
	Rs.	Rs.	Rs.	%
Stock of drugs	19,132,142	8,045,406	11,086,736	137.8
Sundry debtors	8,596,193	12,307,317	(3,711,124)	(30)
Hospital charges Receivable	46,064,648	28,710,327	17,354,321	60
Bank current account	103,658,056	28,957,847	74,700,209	257.9
Audit fees payable	2,282,901	1,732,901	550,000	31.7
<u>Income</u>				
Sundry income	4,936,696	7,096,923	(2,160,227)	(30)
Channeling fees	1,261,635	2,254,077	(992,442)	(44)
<u>Expenditure</u>				
Purchase of drugs	145,933,419	102,107,630	43,825,789	43
Purchase of dressing consumables	29,953,779	44,421,981	(14,468,202)	(32)
Purchase of laboratory consumables	84,752,413	57,701,448	27,050,965	46.8
Fuel expenses	11,548,540	8,189,378	3,359,162	41
Repair and maintenance expenses	60,206,829	32,798,192	27,408,637	83.6



3.3 Working Capital Management

<u>Liquidity Ratios</u>	<u>Standard Ratio</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Current Ratio	2:1	1:1.9	1:2.4	1:2.9
Quick Ratio	1:1	1:2.8	1:3.9	1:5

Low liquidity ratios were shown and there was no sufficient working capital to settle liabilities of the Hospital.

4. Operating Review

4.1 Performance

The following observations are made in respect of performance of the General Hospital Board.

Performance indicators	2011	2010	Decrease	2011 percentage as compared with 2010
I. Number of neuro surgeries	67	194	127	65.5
II. Number of ENT surgeries	543	687	144	20.96
III. <u>EYE Unit</u>				
- No of CCT tests	16	52	36	69.23
- No of Topographic Tests	59	107	48	44.85
IV. <u>Maternity unit</u>				
Doppler scan tests	214	562	348	61.92
Ultrasound scans	2979	4613	1634	35.42
V. Medical check-up FEB	4086	6659	2573	38.63



- (b). Bed utilization in the preceding year amounted to 61 percent and it had dropped to 51.63 per cent in the year under review.
- (c). As the plant by which visual field tests were carried out had been out of order in the eye unit non of the tests had been carried out during the year under review.
- (d). As the performance details in the Physiotherapy Unit were not made available performance could not be evaluated.
- (e). Neuro Intensive Care Unit had been utilised only 50 days in the year under review, and the balance 315 days had been idle. Accordingly 86% of the Neuro Intensive Care Unit had become idle during the year under review.

4.2 **Management Inefficiencies**

The following Observations are made in this regard.

- (a). After opening the quotations relating to procurement of drugs, Procurement Committee had met after a delay of 45 to 88 days in 7 instances.
- (b). Eventhough the Technical Evaluation Committee had selected the entity which had submitted the 3rd minimum quotations for the purchase of 4500 rolls of elastic adhesive bandage (10 c.m X 4.5 cm) valued at Rs.2,221,110 stated as high quality it was subsequently revealed that such bandage had been at a low quality.
- (c). Equipment for Neuro Surgery Unit not fulfilled the requirement Rs.15,750,000

The following observations are made.

Equipment valued at Rs.12,437,668 only had been ordered and steps had not been taken to utilise the balance provision of 21% despite the equipment was further required.



- ii. After calling for quotations for Neuro in Surgical Equipment there was a long delay ordering goods and as such, the supplier had failed to supply goods during the specific period.

4.3 Operating Inefficiencies

The following observations are made.

- (a). Despite there was no increase in patients who obtained medical treatments from the hospital as compared with that of the preceding year, the drug consumption in the year under review had increased by Rs.39,846,032 or 42 per cent.
- (b). In billing drugs to patients, 10% and 30% profit margins are added. The cost of drugs consumed during the year under review amounted to Rs. 137,297,459. If only a minimum of profit margin of 10% was added thereto, an income of Rs.151,027,205 could have been earned. Nevertheless, the income from drugs amounted to Rs.132,137,313 according to the financial statements and as such a deficit in income amounting to Rs.18,889,892 was observed.
- (c). The purchase price of drugs issued to patients amounted to Rs.137,297,459 and the income from sale of those drugs amounted to Rs.132,137,313 thus incurring a loss of Rs.5,160,146 by sale of drugs.

4.4 Underutilisations of Funds

The following observations are made.

- (a) A provision of Rs.346,000,000 had been approved for capital expenditure of the Hospital for the year under review, out of which a sum of Rs.231,000,000 had been received (including a sum of Rs 2 million for relating to the previous year) out of this a sum of Rs.109,732,752 had been spent during the year under review by savings of Rs.121,267,248, which had been idle without utilising for the estimated purposes.



- (b) A seven days call deposit of Rs.10,000,000 had been opened by the Hospital in August 2005 and it had remained as 7 days call deposits even by the end of the year under review. This deposit is most probably an investment with the objective of ascertaining money back within a short period. If this money had been invested in a long term basis, the hospital had deprived of the opportunity of ascertaining a high interest

4.5 Idle and Underutilized Assets

The following observations are made.

- (a). Stock valued at Rs.12,230,497 had been idle during the whole year without being utilized in 5 stores.
- (b). A chiller machine had been purchased in August 2011 and it had been operated continuously since purchase. The old 2 chiller machines which had been repaired by incurring an expenditure of Rs.3.6 million had been operated only a period of less than one year. Two of those repaired chillers had been underutilised by now.

4.6 Identified Losses

The following observations are made.

- (a). without purchasing drugs with the decision of the Technical Evaluation Committee at lowest prices purchases had been purchased at high prices. As lesser charge had been recovered from patients on these drugs, the loss incurred by the Hospital from 3 types of drugs amounted to Rs. 4,491,800.
- (b). The assessed value of the chiller machine had been Rs. 150,000 but it had been given to the supplier at Rs.80,000 by incurring a loss of Rs. 70,000.



4.7 Weaknesses in Contract Administration

The following observations are made.

<u>Particulars of Contract</u>	<u>Amount</u> Rs.	<u>Observations</u>
(a) (i) Procurement of 2200 units of eye drapes (surgical material)	869,000	According to the tender condition No.6, a performance bond to the value of 10% of the order should be submitted but it had not been so done.
(ii) Gauze absorbent (cotton) 36 x 100 yards (bandage material)	6,837,000	
(b) Purchase of various drugs	19,055,924	
(c) Purchase and maintenance service of an electronic control system for the new vehicle parks	1,778,734	(i) An agreement had not been entered into with the supplier at the time of awarding the tender.
		(ii) Non-ascertainment of a performance bond, not less than the value 5% of the estimated contract amount in terms of Section 5.4.8 of the Procurement Guidelines.
		(iii) An appropriate attention of the Technical Evaluation Committee not paid at the time of purchasing in respect of the annual software service



Construction of a part of
the collapsed boundry
wall 241,395

charge of Rs.97,500,
representing 30% of the
value of software in the
control system amounting to
Rs.325,000 (1/3 rd of the
cost approximately) as per
price conditions presented.

(iv) Even though the service
should be carried out per
every 3 months, the service
agreement had been entered
into after the elapse of 6
months relevant to the
service period.

(v) According to the price
conditions presented, there
was no annual service
charge for software but a
maintenance agreement had
been entered into with a 20%
of that value for software as
well. The maintenance
agreement had been entered
in to for the year 2010 after
the lapse of 6 months of the
year 2010 and as such 2
service terms could not be
carried out as quarterly
service had to be done.

Payments had been made
on the basis of the estimate
presented and there was not
work done report thereon.



Constriction of the disposal store	982,918	(I). A sum of Rs.468,242 had been paid for additional works but there were no either works done report or engineers or technical officers report. (ii) Ascertainment of the procurement committee approval for additional work after the 2 months of the completion of works.
Repair of 2 chiller machines in the Air condition system	3,692,886	i. Eventhough a repair estimate had been presented in October 2008 as a repair to be carried out after 24,000 operating hours, the repair contract had been awarded in February 2010. ii. Eventhough the recommendation of the Ceylon Electricity Board had been requested in respect of whether the repair was an emergency one its recommendations had been given jointly with the service provider and as such the indipendance of recommendations were not ensured.



- iii. An agreement had not been entered in to with the contractor in terms of Section 8.9.1 of the Procurement Guide lines by the hospital.
- iv. In terms of Section 5.4.4 (1) of these Guide Lines only the maximum of 20% can be paid as mobilization advances, but the total contract value of Rs.3,692,886 had been paid as an advance.
- v. In terms of Section 5.4.6 (a) of the guidelines a specific sum of money should be withheld from every payment made to the contractor. Such retention money had not been recovered in respect of this contact.



- vi. Two defective condenseor coils had been supplied by incurring an expenditure of Rs. 2 million. While they were in existence. another 2 condensors had been fixed and an additional electricity expenses had to be incurred.
- vii. Similarly ,it was stated that 2 ½ months period was required to import and fixed those 2 condensers, but they had been fixed within a short period of one month and as such it was not established in audit whether they were actually imported and new once.
- viii. Eventhough it was stated that nearly 16 days was required for repairs as per the repair estimate ,it had taken more than 8 months for the relevant repairs.



Repair of water leakage 791,178
in the Air condition system
of the Advance Cardiac
Centre building

- ix. While the Board of Directors had decided to encash the advance bond as the repairs failed, it had been released, irrespectively.
- i. The Hospital Engineer had not prepared an estimate and the tender had been awarded in accordance with the estimate prepared by the supplier firm.
- ii. Material supplied and used for the repair and the labor charges and work charges had not been separately stated either in the estimate presented or in the bill.
- iii. Though the value of material used had been less than Rs.100,000 the repair cost had been Rs.791,178.



4.8 Personnel Administration

The following matters were observed.

- (a). The followings excesses and shortages were observed between the approved cadre and the actual cadre of the Hospital.

<u>Post</u>	<u>Actual cadre</u>	<u>Approved cadre</u>	<u>Shortage/</u> <u>Excess</u>
Nursing Staff	528	529	1
Student Nurses Staff	300	102	(198)
Permanent Laborers	25	20	(05)
Casual Laborers	-	11	11
Pharmacists	20	17	(03)
Medical Laboratory Officers	38	35	(03)

- (b). A doctor who had not fulfilled any qualification specified in the scheme of recruitment had been recruited to the post of Deputy Director of the Hospital.
- (c). Even though the Engineer who had removed equipment belonging to the Hospital out side the Hospital premises by preparing a forged register had accepted the fault, he had been re-instead with a punishment.

4.9 Vehicle Utilization

A motor car had been idle for 3 years in 2008-2009 and 2010 but the repair cost incurred during these 3 years amounted to Rs.127,667. Only 791 km had been run during the year under review by incurring total expenditure of Rs.152,148 for repairs, services and fuel. Accordingly the cost per km of this vehicle in the year under review amounted to Rs.192.

4.9.1 Motor vehicles belonging to External Parties

A Motor car and an Ambulances belonging to the Ministry of Health and used for the activities of the Hospital had not been handled over to the Ministry or acquired by the Hospital.



5. Accountability and Good Governance

5.1 Non -Presentation of Financial Statement

In terms of Section 6 of the Treasury Circular No 01/2004 dated 24 February 2004 the financial statements should be presented to the Auditor General before 60 days after the closure of year of accounts. The financial statements of the Hospital had been submitted on 04 May 2012, after a delay of 2 months.

5.2 Action Plan

The following observations are made.

- (a) Persons responsible for related function had not been indicated in the action plan presented.
- (b) According to the Action Plan for the year 2011, the purchase of equipment for the Neuro Surgical Unit should have been completed within one month. Nevertheless, It was observed that one year period had been taken to complete the supply since the date of opening the tender.

5.3 Internal Audit

The first half year internal audit report to be submitted in terms of Section 13 (5) (d) of the finance Act No. 38 of 1971 had not been presented and the second half year report had been submitted after a delay of 4 months.

5.4 Audit and Management committee

Atleast once in every 3 month, the Audit and Management Committee should meet in terms of Public Enterprises Circular No PED 55 dated 14 December 2010. Nevertheless no meetings were held during the year 2011.



5.5 Budgetary Control

The following observations are made.

- (a) Significant variations between the budget and the actual income and expenditure ranging from 26% to 525% were observed relating to 15 items and as such the budget had not been made use of as an effective instrument of management control.
- (b) Even though the savings of the capital receipts as at the end of the year amounted to Rs.121,267,248, the bank balance as per the corresponding cash book amounted to Rs.103,658,056 spending a sum of Rs.17,609,192 received as capital grants for recurrent expenditure had been the reason for this difference.

5. Systems and Control

Weaknesses in systems and controls observed in audit were brought to the attention of the Chairman of the Hospital Board from time to time, Special attention is needed in respect of the following areas of control.

- (a) Stores control
- (b) Supply of surgical instruments and dressings
- (c) Ordering drugs
- (d) Procurement procedure
- (e) Granting advances and documentation
- (f) Vehicles administration and maintenance of files
- (g) Accounting

H.A.S. Samaraweera
Auditor General



Ten Year Summary

Year Ended 31st December

Rs."000"

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Turnover (Hospital charges)	828,236	812,121	721,761	588,214	521,147	480,290	411,959	395,886	366,516	326,456
Government Grant Recurrant	837,000	775,000	775,000	736,400	672,277	588,000	510,000	350,000	266,000	307,700
Interest Income	4,443	3,334	4,823	4,933	4,995	4,866	5,399	6,916	7,960	14,033
Other Income	24,032	32,909	27,099	17,399	14,742	15,483	12,116	9,465	8,470	10,583
Total Revenue	1,693,711	1,623,364	1,528,683	1,346,886	1,213,161	1,088,640	939,474	762,267	730,935	733,468
Total Expenditure	1,721,606	1,571,299	1,555,528	1,438,597	1,398,270	1,167,885	1,129,901	935,184	857,524	847,019
Surplus / (Deficit)	(27,895)	(52,065)	(26,845)	(91,711)	(78,210)	(79,245)	(190,427)	(172,917)	(126,589)	(113,551)
Government Grant Capital	236,785	115,000	102,925	106,100	130,591	105,000	46,141	145,863	98,614	118,230

Assets (Rs 000)

Non Current Assets	804,318	803,638	853,896	807,591	803,619	786,394	792,681	758,906	738,227	677,396
Current Assets	415,107	326,853	273,371	256,401	250,713	254,052	291,259	316,434	257,147	357,914

Equity Liabilities (Rs 000)

Capital & Reserves	132,133	358,034	304,385	333,553	416,122	474,087	557,656	725,122	756,692	897,824
Current Liabilities	787,293	772,459	806,883	730,439	638,210	566,359	526,284	350,237	238,682	137,839

Statistic

Beds Commissioned (No)	1,047	1,046	1,043	1,013	1,011	1,006	1,000	1,012	984	984
Patients Admitted (No)	52,554	53,962	55,142	53,952	52,203	56,996	53,420	56,803	51,577	58,867
Patients Discharges (No)	52,761	53,931	55,319	53,967	52,331	56,380	51,448	56,822	51,618	58,886
Daily Average Admission (No)	144	148	151	148	143	167	141	155	141	161
Daily Average Discharges (No)	145	146	152	148	143	163	141	155	141	153
Average Daily Sick (NO)	693	670	780	741	704	726	605	630	578	639
Average Length of Stay (days)	4	4	5	5	4	5	5	5	5	5
Bed Occupancy (%)	67%	66%	75%	73%	70%	72%	74%	63%	59%	65%
Clinics Held (No)	2,851	2,822	2,782	2,515	2,478	2,170	2,117	2,183	2,202	2,144
First Time Visit (No)	25,722	26,312	26,961	24,825	26,604	27,113	27,066	27,251	27,673	29,447
Subsequent Visits (No)	121,567	123,611	126,630	123,165	124,810	136,138	133,178	128,133	129,312	135,708
Emergency Treatment Unit Visits	36,898	38,012	40,452	38,005	34,695	30,026	37,709	38,672	32,664	59,106
Total Out Patients Visit (No)	16,433	15,536	16,222	16,895	18,722	17,554	15,827	211,694	206,502	224,216
Average Patients Per Clinic (No)	52	53	55	59	62	76	76	76	71	77