ANNUAL REPORT AND THE STATEMENT OF ACCOUNTS OF WIJAYA KUMARATHUNGA MEMORIAL HOSPITAL FOR THE YEAR 2011 01st JANUARY,2011 TO 31st DECEMBER, 2011

WIJAYA KUMARATHUNGA MEMORIAL HOSPITAL SEEDUWA

HISTORICAL BACKGROUND

The Wijaya Kumarathunga Memorial Hospital was established by an Act of Parliament referred to as " The Wijaya Kumarathunga Memorial Foundation Act No. 31 of 1998" and published in the Gazette of the Democratic Socialist Republic of Sri Lanka on 12th November 1999.

The Wijaya Kumarathunga Memorial Hospital was established in memory of late Mr. Wijaya Kumarathunga who was assassinated on 16 February 1988. Reverend Fr. Sunanda Wanasinghe, Parish Priest of Seeduwa, suggested to the then President of Sri Lanka Her Excellency Chandrika Bandaranaike Kumarathunga that the best way to perpetuate the memory of the humanist Wijaya Kumarathunga would be to build a hospital to serve the people of the area where Wijaya Kumarathunga was born, bred and lived. The suggestion was accepted.

A hospital consisting of two wards (60 beds) and an OPD was constructed by the Wijaya Kumarathunga Memorial Foundation on a three acre block of land at Seeduwa along the Colombo Negombo Highway within the limits of Katunayake/Seeduwa Urban Council. The hospital was officially opened to the public by Her Excellency then President Chandrika Bandaranaike Kumarathunga, on the 09th of October 1999, the birthday of Mr. WijayaKumarathunga.

While the Board of Directors take the policy decisions, the operational and administration of day-to-day management of Wijaya Kumarathunga Memorial Hospital has been vested in the Wijaya Kumarathunga Hospital Board by "Wijaya Kumarathunga Hospital Board Act No. 38 of 1999" and published by a Government Gazette of Democratic Socialist Republic of Sri Lanka.

As part of development, a separate building was constructed consisting of an Eye Ward with 88 beds in the year 2004 bringing the total number of beds to 148. With a view to providing a high quality service to the public, the existing standards were enhanced and a full fledged eye ward was opened during the year 2007.

At present the bed strength has been increased up to 156 by converting all the unoccupied idle space for the use of patients.

During 2011 a separate two storey building was constructed for the purpose of General stores, Medical record room, Duty rooms and a lecture hall, etc.

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VISION

Given the historical background of Wijaya Kumaratunga Memorial Hospital, the vision of the hospital is perhaps best stated in the words of the former President . Mrs. Chandrika Bandaranayake Kumaratunga herself, the Chairperson of the Wijaya Kumaratunga Trust.

“The hospital should serve the people of the area efficiently and the staff should work with dedication. Wijaya Kumaratunga Memorial Hospital should be a model hospital and set an example to the other hospitals in the country ”.

MISSION

In the short run, to utilize the facilities presently available in the hospital to serve the health needs of the people of the area with efficiency and dedication. In the long run to expand the facilities available in the Hospital to provide state of the art health-care in the areas of Ophthalmology.

To deploy to the maximum facilities presently available to serve the people of the area with efficiency and dedication. In the long run to extend these facilities to provide a state of the art Diabetic management center parallel to the health care in areas of Ophthalmology.

Corporate Objective

Objectives of the hospital is to provide efficient health care services to the general public who come for treatment irrespective of the differences, whilst providing efficient tertiary, Ophthalmic and surgical care of high caliber with a provision of a state of the art Diabetic management at regional centre.

INDEX

CORPORATE INFORMATION

Name of the organization	:	Wijaya Kumarathunga Memorial Hospital
Address	:	Wijaya Kumarathunga Memorial Hospital, Seeduwa
Management	:	By the Board of Directors
Legal Form	:	Established by an Act of Parliament
Auditors	:	1. Auditor General, Auditor General's Department, Battaramulla. 2. Internal Audit Unit, Ministry of Health, "Suwasiripaya", Colombo 10.

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விஜய குமாரதுங்க ஞாபகார்த்த வைத்தியசாலை
WIJAYA KUMARATUNGA MEMORIAL HOSPITAL
සීදූව சீதுவை SEEDUWA

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Hon.Minister of Health,
Ministry of Health,
“Suwasiripaya”,
Colombo 10.

<u>Annual Report and the Statement of Accounts of</u>
<u>Wijaya Kumarathunga Memorial Hospital Board</u>
<u>for the Year 2011</u>
<u>01st January,2011 to 31st December, 2011</u>

In terms of section 14 (2) of the Financial Act No.38 of 1971, I on behalf of Wijaya Kumaratunga Memorial Hospital Board submit the relevant Accounts and the report of Wijaya Kumaratunga Memorial Hospital Board for the year ended 31st December, 2011.

Thank you.

Yours faithfully,

Prof.Carlo Fonseka,
Chairman,
Wijaya Kumaratunga Memorial Hospital,
Seeduwa.

Copy : Secretary, Ministry of Health

Board of Directors:

- Prof. Carlo Fonseka **- Chairman**
- Dr.PalithaMahipala, Additional Secretary (MS), Ministry of Health **- Director**
- Mr. N.A. Umagiliya, A professional representative **- Director**
- Dr. (Mrs.) P.S. Jayalath, Representative of hospital **- Director**
- Dr. Vimukthi Kumaratunga, Member of the WKMH Foundation **- Director**
- Mrs. Rukmal Abeywickrama, Representative of treasury. **- Director**
- Mr. Chandra Wikramasinghe **- Director**

Senior Management:

- Medical Officer In-charge
- Administrative Officer
- Accountant
- Matron

Human Resource Development

- **Staff Strength as at 01st of January 2011**

Executive Staff	04
Medical Specialists	01
Medical Officers	17
Registered Medical Officers	02
Clerical and allied grade	07
Nursing Officers	46
Para medical staff	11
Minor staff	51
Driver	03
Cooks	02

- **Recruitments done during year 2011**

Medical Officers	-	01
Nursing Officers	-	21
Para Medical Officers	-	02
Electrician	-	01
Minor Employees	-	02

- **Resignation, terminations and transfers done during 2011**

Administrative Officer	-	01
Nursing Officers	-	20
Minor Staff	-	01

- **Training of employees**

03 candidates were selected for training as trainee pupil nurses at Nurses Training School at Kandana, and will be starting the training course in February, 2012 .

The major achievements in the year 2011

01. Construction - Construction of a stores complex was completed in year 2011. It is being used for general stores ,duty rooms, changing rooms , dining room and lecture hall .

Total cost for the construction - Rs. 12,019,334.00

02. Repair of operation theatre.

- Major repair of Central Air Conditioning system was completed which converting included to Lamina Floor system and resumed normal functioning in November 2011

  Total cost for the construction - Rs.5,520,546.00

- Cracked Terazo floor was removed and new floor was reconstructed with durable material .

  Total cost for the construction - Rs. 1,438,500.00

- Color washing of Operation Theatre was done.
- Attend to the minor repair in the operation theatre.

03. Other Constructions

- One more dispensary counter was constructed in the outdoor dispensary in order to accommodate another Dispenser, totaling to 6 dispensing counters in outdoor dispensary .

- A idle room was converted to a dressing room by partitioning.

Purchase of Equipments -

Following equipment have been purchased during year 2011.

A. Machinery and Furniture - Rs. 823,668.00

B. Medical equipment

	Equipment	Qty		Cost
a)	Slit Lamps	2	Rs.	1,400,000.00
b)	X Ray Film Processor	1	Rs.	1,740,000.00
c)	Ophthalmic instruments		Rs.	1,082,144.00
d)	Other medical equipments		Rs.	742,880.00
e)	High Pressure Sterilizer (Purchase Order was Placed in Dec., 2011 .)	1	Rs.	8,007,000.00
		Total	**Rs.**	**13,795,692.00**

Analysis of the Services delivered by the hospital

General performance

Except for the Ophthalmic Unit and the Special Clinics which are conducted by the Consultants, all the other areas of operation are generally managed by the Medical Officers. Problematic and complicated patients are referred to the Specialists who conduct clinics once a week or they are referred to the closest hospital for treatment. In most instances they are referred back to the hospital after being treated by the Specialists.

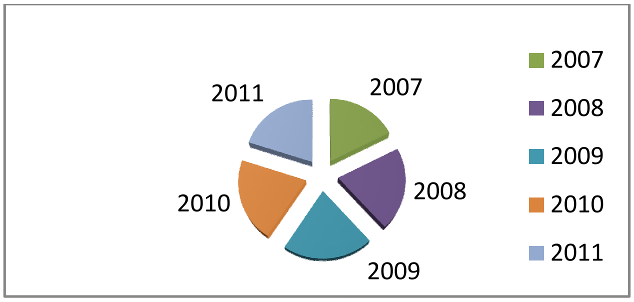
Admissions

Generally admissions are made by the Medical Officers in the OPD and ETU. Patients with any kind of disease are admitted to the general wards where they are investigated and treated. At the time of discharge the patients are referred to the clinics for follow up. Some are referred to Specialists in other hospitals if and when necessary.

Segmental Analysis:-

Out Patient's Department

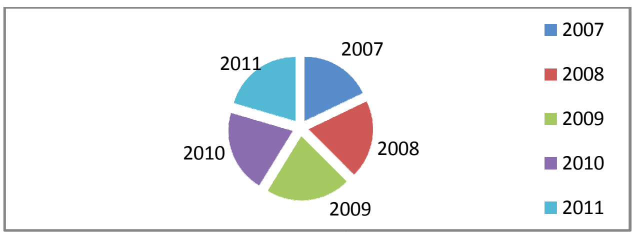
- The health requirements of the residents of Ja-Ela, Seeduwa, Katunayake and of the employees of the Katunayake free trade zone will be supplied by the OPD.



No. of patients who attended the OPD during 2011 were 130,649.

Emergency Treatment Unit

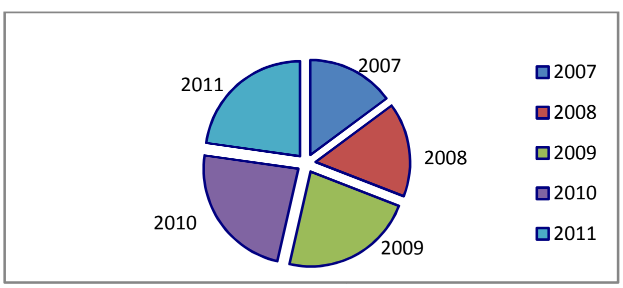
A 24-hour treatment is available or surgical, medical, pediatric including road traffic accidents and any other emergencies.



The total number of patients attended the E.T.U during 2011 were 19,887.

Clinics

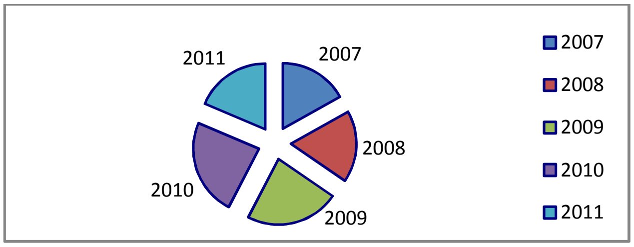
- Most of the clinics are led by specialists. Medical clinics, surgical clinics, pediatric clinics, eye clinics, high blood pressure and diabetic clinics, psychiatric clinics, family planning clinics are held weekly.
  Dental clinics are held daily.



The total number of patients were treated from clinics during 2011 were 115,328

In-ward Patients

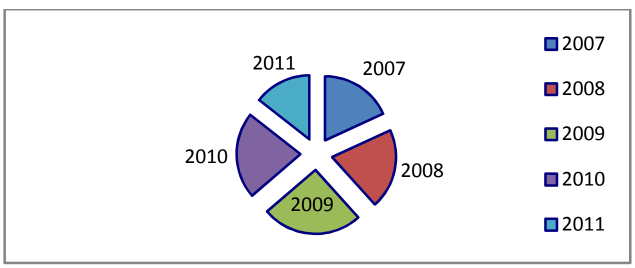
- In-ward treatments were available for medical, surgical, pediatric, eye and other disease conditions.
- There are 05 wards, consisting of 156 beds. Meanwhile, 88 beds have been separated for the eye unit.



The total number of 12,372 patients were admitted to the wards.

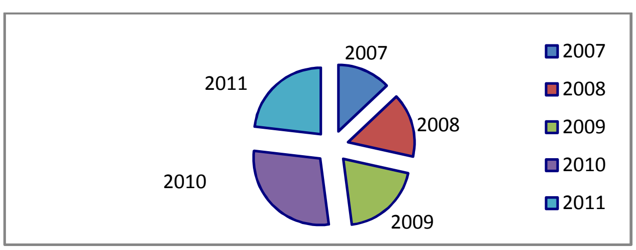
Surgeries performed

- The general surgeries (medium and small) were done with the assistance of the medical personnel of Professorial unit of the Medical Faculty of the University of Kalaniya.



The total number of surgeries performed were 11,511.

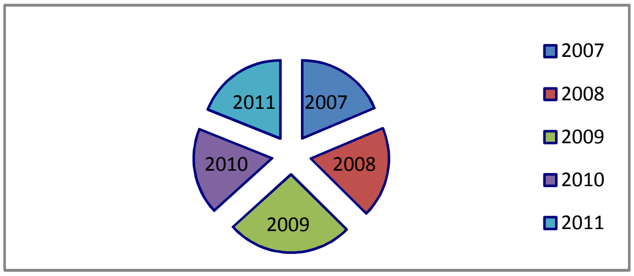
Laser Therapy



The total number of patients were treated by laser therapy were 3,328.

Laboratory Investigations

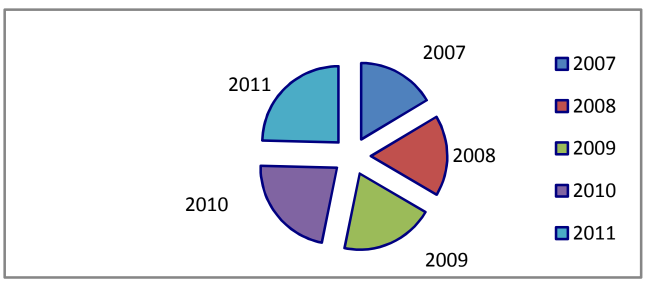
The basic laboratory services are rendered.



The total number of 43,502 lab investigations were done.

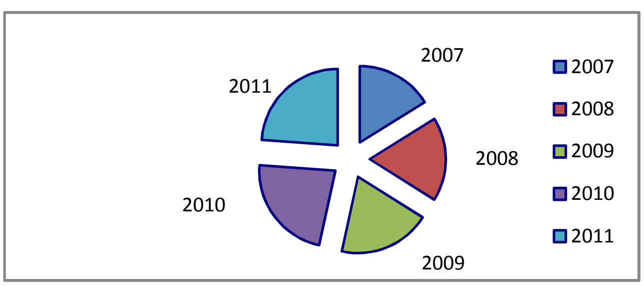
E.C.G.

These are also carried on.



Number OF E.C.Gs taken during the year 2011 were 2,738.

No. of X-rays



Number of X-rays s taken during the year 2011 were 3,543 .

Eye Unit

The services rendered in the ophthalmology unit are:

1. Clinics
2. 24 hour casualty management service
3. Eye surgeries
4. Laser treatment
5. Inward patient management
6. Refraction Services
7. Eye camps

➢ Clinics

Our clinics give community a remarkable service.

- They are functioning all week days and Saturdays
- The prior appointments are not needed and patients can walk in and have a check up
- There is no limitation of patients
- The following clinics are conducted
    1. General Eye Clinics
    2. Glaucoma Clinic
    3. Post-Operative Clinic
    4. Diabetic Clinic
    5. Pediatric Clinic

Table 1-number of patients attended clinics in 2011

Patient visit	Number of patients
1st visit	41336
2nd visit	30088
Total	71424

- **24 hour casualty management service**

Round the clock casualty service is available for ophthalmic patients.

Table 2- number of emergency patients came after 4.00 pm in 2011 (other than clinic hours)

Number of patients attended	2049

- **Eye surgeries**

The following types of eye surgeries are performed in the unit. These include

i. Anterior segment surgeries
ii. Posterior segment surgeries (vitreo-retinal)
iii. Orbital surgeries
iv. Glaucoma related surgeries
v. Cosmetic eye surgeries

Table 3 - Number of surgeries done in 2011

Type of surgery	Number of patients- 2011
Intra ocular lens implantations	7073
Glaucoma related surgeries	87
Vitreoretinal surgeries	200
Other surgeries	467
Minor surgeries done in clinic	356
Total	**8183**

- **Laser treatment**

The following types of laser treatments were done.

i. YAG capsulotomy
ii. YAG PI
iii. Pan Retinal Laser Photo coagulation(PRP)
iv. Focal Laser Treatment(FLT)

Table 4 - Total number of laser done in year 2011

Type of Laser	Number done
PRP	512
FLT	315
YAG Capsulotomy	1548
Other	953
Total	**3328**

- **Inward Patient Management**

Most of the surgeries are done as day-surgeries.

Number of admissions	**10186**

- **Refractive Services**

Number of patients Refraction Performed	**45352**

Refraction – Tests performed

H.V.F. Patients	**482**
P.M.T. Patients	**9857**
Post operative Patients	**1548**
Total	**11887**

- **Eye camps**

The eye unit conducts free eye camps in community basis Island wide.

Table 5 - Eye camps done in year 2011

Date	Eye camp	Number of patients screened in approximation
15 / 06 / 2011	Iginimitiya Project	500
14 / 07 / 2011	Ruwanwella	1000
13 / 08 / 2011	Pallama	1000

- **Other relevant facts of interest**

The reconstructive work of the operation theatre was completed in November, 2011, and resumed function as earlier. During this repair, air conditioned system was converted into a lamina flow system, and the operation theatre floor was converted into a durable, modern new flooring system. In spite of this major repair, the ophthalmic operations were not postponed or cancelled, but continued in the operation theatre of the Eye Donation Society in Colombo. However, no additional payment was made for the theatre, except for water and electricity charge. However, for the transport of patients and staff to the Eye Donation Society in Colombo, transport had to be borne by the Hospital.

Morbidity during the year 2011

The commonest conditions patients attended in order of frequency were following:

1. Cataract and the other diseases of the eye
2. Respiratory Tract Infection
3. Viral diseases including viral fevers
4. Acute gastritis
5. Hypertension

Annual Events

- Annual Blood Donation Campaign was held on 16th Feb. 2011
- Unit Head meetings were held frequently and day-to-day matters were discussed
- Staff meetings were held when deemed necessary
- Special program was organized at 'Jothi Rathana Junior School' on the World Children's Day.

Other Relevant Facts of Interest

- There has not been any major drug or consumer material shortage.
- There has not been any Trade Union action or any strike of any kind.
- Patients have not lodged any kind of major complaints against hospital or staff

Services Rendered January - December 2011

Service Rendered	January	February	March	April	May	June	July	August	Sep.	October	Nov.	Dec.	Total
OPD (No.of Patients)	11,434	10,815	11,735	8,887	10,779	12,811	11,967	10,451	9,998	10,246	10,395	11,131	**130,649**
ETU(No.of Patients)	1,883	1,636	1,655	1,533	2,017	1,858	1,795	1,514	1,357	1,393	1,551	1,695	**19,887**
CLINICS													**-**
Eye Clinics I (No.of Patients)	1,716	1,145	1,317	1,119	1,232	1,112	1,391	1,214	1,290	1,311	1,550	1,692	**16,089**
Eye Clinics II (No.of Patients)	6,498	6,379	7,241	4,830	4,776	5,449	5,317	4,981	5,065	4,155	3,757	5,254	**63,702**
Dental (No.of Patients)	669	764	772	749	177	815	1,031	902	887	719	593	713	**8,791**
Medical (No.of Patients)	1,607	1,575	1,861	1,218	1,592	1,855	1,814	1,619	1,966	1,187	1,222	2,964	**20,480**
Diabetes /													**-**
Hypertension	94	88	101	75	83	101	127	98	113	57	122	102	**1,161**
Surgical (No.of Patients)	65	72	94	46	74	73	82	111	117	62	29	70	**895**
Peadiatric (No.of Patients)	184	214	322	77	162	197	210	201	146	60	97	128	**1,998**
Psychiatric (No.of Patients)	134	113	121	75	140	132	111	137	115	80	60	100	**1,318**
Family Planing (No.of Patients)	67	58	63	68	60	51	67	50	44	49	61	58	**696**
Well Women Clinic (No.of Patients)	15	20	7	10	11	23	20	21	9	30	18	14	**198**
In patients													**-**
Ward 01 (No. of Admissions)	73	82	80	71	112	110	81	99	57	86	75	91	**1,017**
Ward 02 (No. of Admissions)	100	86	122	89	183	131	115	95	73	90	109	88	**1,281**
Ward 03 (No. of Admissions)	588	386	517	358	462	484	354	230	157	13	232	289	**4,070**
Ward 04 (No. of Admissions)	775	591	827	508	664	738	483	285	239	14	363	454	**5,941**
Ward 05 (No. of Admissions)	-	-	-	-	-	-	-	-	-	13	11	39	**63**
Operations													**-**
Eye Surgeories	1,167	786	1,112	673	808	866	642	339	242	-	467	669	**7,771**
Minor Eye Surgeories (Done in Clinic)	34	31	43	34	29	26	24	23	26	19	36	31	**356**
General Surgeory (No. of Surgeories)	-	-	-	-	-	-	-	-	1	12	10	33	**56**
Laser	498	458	545	306	129	116	240	323	126	164	235	188	**3,328**
LAB (No. of Test)	3,617	3,418	3,631	3,646	3,868	3,878	3,619	3,498	3,540	3,850	3,701	3,236	**43,502**
X-Ray (No. of X- rays)	321	255	298	225	300	287	313	292	318	300	317	317	**3,543**
E.C.G. (No.of Patients)	261	204	352	184	322	237	172	211	210	169	201	215	**2,738**

Prepared by :-

Wijaya Kumaratunga Memorial Hospital -Seeduwa.

Balance Sheet as at 31 st December 2011.

ASSETS	**Note**	**2011**	**2010**
Non Current Assets			**(Rs)**
Property,Plant & Equipment	**01**	184,632,360.47	170,387,094.24
Current Assets			
Inventories/Stocks	**02**	9,589,510.46	6,306,200.07
Trade & other receivable	**03**	4,086,165.00	4,626,712.00
Cash & Cash Equivalents	**04**	5,969,495.98	12,447,335.14
Prepayments	**05**	83,970.51	20,799.15
Total Assets		**204,361,502.42**	**193,788,140.60**
Equity Liabilities			
Capital & Reserves	**06**	75,969,185.04	75,795,240.44
Accumilated Fund/Deficit	**07**	(13,105,137.55)	(10,578,242.60)
Non Current Liabilities			
Deferred Income		115,044,572.41	109,281,600.85
Current Liabilities			
Reserves	**08**	9,844,976.65	6,988,865.63
Accrued Expenses	**09**	1,518,752.48	12,173,676.28
Payables	**10**	1,032,315.50	127,000.00
Salary Payable	**11**	1,244,698.74	
Creditors	**12**	12,812,139.15	
Total Equity and Liabilities		204,361,502.42	**193,788,140.60**
		0.00	-

Sgd/- …………………………..
Prof.Carlo Fonseka
Chairman

……………………..
Accountant

Wijaya Kumaratunga Memorial Hospital, Seeduwa.

Statement of Income & Expenditure for

The Period of 01.01.2011. To 31.12.2011.

	Note		2011		2010
Revenue					(Rs.)
Government grant (Recurrent)			109,993,000.00		91,812,000.00
Other Income	13		22,362,787.82		22,331,522.61
			132,355,787.82		**114,143,522.61**
Expenditure					
Personal Emoluments	14	68,696,737.92		59,648,842.81	
Travelling	15	629,266.00		415,624.50	
Supplies	16	26,405,145.67		26,568,951.54	
Maintenance	17	9,609,058.43		8,545,305.96	
Contractual Services	18	10,264,272.99		9,469,877.10	
		115,604,481.01		**104,648,601.91**	
Depreciation :	19				
Buildings & Fittings		3,118,593.37		2,733,351.20	
Vehicle		146,214.29		146,215.29	
Furniture & Fittings		453,587.44		370,220.63	
Machinery		323,526.82		164,663.86	
Computer		64,089.00		53,119.00	
Medical Equipment		9,374,721.46		8,450,241.19	
		13,480,732.38		**11,917,811.17**	
Others	20	4,346,608.47		2,592,319.06	
Gratuity		2,868,356.39		1,495,005.07	
			136,300,178.25		**120,653,737.21**
Surplus for the Period			**(3,944,390.43)**		**(6,510,214.60)**

Wijaya Kumarathunga Memorial Hospital Seeduwa

CASH FLOW STATEMENT - YEAR 2011

			2011 (Rs)
<u>Cash Flow from Operating Activities</u>			
Surplus for the year as per Accounts			(3,944,390.43)
			(3,944,390.43)
<u>Adjustment For</u>			
Depreciation		13,480,732.38	
Provition for Gratuity		1,373,351.32	
Provition for expire items		-	
Investment Income (Interst)		7,362.92	
Profit on sale or Morter Vehicle		-	
Non Cash Transaction (Transfer)		(14,830,563.77)	30,882.85
Oparating Dificit before working Capital chages			(3,913,507.58)
<u>wrking Capital chages</u>			
Increased in Stocks		(3,283,310.39)	
Descread in Debtors		477,375.64	
Increased in Creditors		7,163,340.61	
			4,357,405.86
Net cash flows from operating activities			443,898.28
<u>CASH FLOE FROM INVESTING ACTIVITIES</u>			
Interest Income		-	
Sale of Fixed Assets	-		
Less : Expenses	-	-	-
Net cash flows from investing activities			443,898.28
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Capital Grant received		19,000,000.00	
Purchasing of Fixed Assets		(25,921,737.44)	
Inceased of Fixed Deposit		-	
Net Cash Flows from Financing activities			(6,921,737.44)
Net increase / decrease in cash and cash equivalants			(6,477,839.16)
Cash and Cash equivalants as at 01.01.2011			12,447,335.14
Cash and Cash equivalants as at 31.12.2011			**5,969,495.98**

Wijaya Kumarathunga Memorial Hospital - Seeduwa

Fixed assests Shedule as at 31st December 2011

Items	Cost as at 1/1/2011	Changes During the year		Cost as at	Rate	Accumilated Depreciation	Depreciation as at	Accumilated Depreciation	Written down value of the assets as at
	1/1/2010	Adjustment	Perchase	31/12/2011		31.12.2010	31/12/2011	As at 31/12/2011	31/12/2011
Land	18,440,500.00		0.00	18,440,500.00		-		-	18,440,500.00
Building & Fittings	136,667,559.90	(169,643.00)	19,431,751.59	155,929,688.49	2%	13,565,222.82	3,118,593.37	16,683,816.19	139,245,852.30
Vehicle	5,388,701.47			5,388,701.47	20%	5,030,740.90	146,214.29	5,176,955.19	211,746.28
Furniture Fitting & Instrument	7,375,093.32	35,000.00	723,168.05	8,133,261.37	10%	5,333,849.00	453,587.44	5,787,436.46	2,345,824.93
Machinery	4,799,637.93	167,097.60	751,300.20	5,718,035.73	15%	4,217,687.53	323,526.82	4,541,213.36	1,176,822.37
Computer	440,645.00		100,500.00	541,145.00	20%	329,562.00	64,089.00	393,651.00	147,494.00
Medical Equipment	77,501,554.76	1,830,150.00	4,915,017.60	84,246,722.36	15%	51,807,880.31	9,374,721.46	61.182.601.77	23,064,120.59
	250,613,692.38	1,862,604.60	25,921,737.44	278,398,034.42		80,284,942.56	13,480,732.38	93,765,673.95	184,632,360.47
									184,632,360.47

	Note	2011 (Rs.)	2010 (Rs.)
Stocks	02		
Stationery		187,717.20	180,591.91
Drugs		8,505,159.73	5,150,499.16
Lab Chemical		114,539.77	104,425.67
Linen Items		413,813.48	477,530.93
General Stores		295,439.42	298,266.82
Dental Consumable		-	-
X- Ray films, Chemicals		-	2,874.90
Repair & Maintenance		72,840.86	92,010.68
Fuel		-	
		9,589,510.46	**6,306,200.07**
Trade & Other Receivable	03		
Deposit account		50,000.00	50,000.00
Festival Advance		223,700.00	252,800.00
Special Advance		1,250.00	750.00
Advance		-	606,600.00
Distress loan		3,811,215.00	3,716,562.00
		4,086,165.00	**4,626,712.00**
Cash & Cash equivalence	04		
Cash at Bank		5,943,795.98	12,421,685.14
Petty Cash		25,000.00	25,000.00
Cash in Hand		700.00	650.00
7 Day call Deposit		-	-
		5,969,495.98	**12,447,335.14**
Prepayments	05		
Insurance Cash & Transit		6,244.55	8,461.49
Insurance Double Cab– GD 2714		3,290.43	3,071.68
Insurance Double Cab – PC 4087		54,238.66	
Service Agreement Of Digital Copier		6,231.56	
Service Agreement Of N/P Copier		2,203.28	2,172.49
License Fees GD 2714		7,865.92	7,093.49
License Fees PC 4087		3,896.11	
		83,970.51	20,799.15

		2011 (Rs.)	2010 (Rs.)
Capital & Reserves	06		
Wijaya kumarathunga Memorial Fund		29,632,139.32	29,632,139.32
Board of Investment		28,155,751.12	28,155,751.12
U.D.A.		18,000,000.00	18,000,000.00
Capital Gain		7,350.00	7,350.00
Donation		173,944.60	-
		75,969,185.04	75,795,240.44
Accumulated Deficit	07		
B/F Balance as at 01.01.2011		(10,578,242.60)	(4,068,028.00)
Surplus for the period		(3,944,390.43)	(6,510,214.60)
Prior Year Adjustment		1,417,495.48	-
		(13,105,137.55)	(10,578,242.60)
Reserves	08		
Provision for Gratuity		9,844,976.65	6,988,865.63
		9,844,976.65	6,988,865.63
Accrued Expenses	09		
Audit fees		380,000.00	230,000.00
Over Time – Nursing Staff		-	305,310.67
Over Time - Para Medical Staff		-	27,988.42
Over Time – Other Staff			27,840.94
Over Time -Minor Staff			253,307.89
Extra Duty payment M/O			110,178.00
Travelling & Subsistence (Other Staff)		7,930.00	171,858.00
Travelling & Subsistence (M/O)		-	-
Food Provision			309,298.62
Electricity		417,713.80	-
Cleaning Charge			800,792.96
Security Charge			227,400.30
Laundry Charge			72,621.00
Telephone Charge		30,867.84	26,654.12
Salary & Allowance		12,727.50	550,131.21
Stock - Drugs			6,649,063.46
Consumable & Medical Equipment			12,010.00
Machinery		75,000.00	
Medical Equipment			1,605,613.36
Welfare Society			2,400
Vehicle Service			
Furniture & Fittings			
Eye Patients Transport			97,500.00
Building & Fittings			4,588.00
Stock – Repair & Maintenance			
Repair & Maintenance I		594,513.34	688,919.33
E.T.F.			
E.P.F.			
Uniforms			
		1,518,752.48	12,173,676.28

		2011 (Rs.)	2010 (Rs.)
Payables	10		
Refundable Tender Deposit		337,000.00	127,000.00
Special Advance		1,000.00	
Retention Money		694,315.50	
		1,032,315.50	**127,000.00**
Salary Payables	11		
Salary Control		135,180.00	
Salary Control		6,430.00	
Salary A/C		220,310.00	
Salary A/C		4,500.00	
Salary A/C		9,000.00	
Salary A/C		6,000.00	
Salary A/C		9,000.00	
Salary A/C		36,000.00	
Salary A/C		92,402.46	
Salary A/C		44,351.40	
Overtime - Nursing Staff		225,523.50	
Overtime – Paramedical Staff		27,580.00	
Overtime - Other Staff		26,371.11	
Overtime – Minor Staff		199,908.05	
Extra Duty Payments M/O		174,230.00	
Welfare Society		12,010.00	
Overtime – Paramedical Staff		740.00	
Overtime – Paramedical Staff		1,031.99	
Extra Duty Payments M/O		9,660.00	
Salary A/C		3,395.75	
Overtime Nursing Staff		1,074.48	
		1,244,698.74	-
Creditors	12		
SPC		2,771,190.50	
MSD		6,818,030.58	
Super Willshin Ltd.		1,583,567.07	
Charming Security		221,166.40	
Wijitha Mallika		88,295.00	
Frigi Engineering		664,919.33	
Erandhi Supplier		374,645.27	
NERD		290,325.00	
		12,812,139.15	-

	Note	2011 (Rs.)	2010 (Rs.)
Other Income	13		
Private Medical Certificate Charges		221,100.00	269,600.00
Sundry Income		13,407,165.44	11,989,666.99
Tender Deposit – Non Refundable		222,000.00	77,500.00
Interest Of Distress Loan		134,659.46	159,356.54
Eye Operation Charges		8,351,000.00	9,768,500.00
General Operation		19,500.00	59,500.00
Interest - Spe. Advance & 7 Day Call Deposit		7,362.92	7,399.08
		22,362,787.82	22,331,522.61
Expenditure	14		
Personal Emoluments			
Salary Control A/C		379.70	
Salary & Allowance		56,107,851.91	47,233,085.49
E.P.F. 12%		3,994,586.68	3,793,082.86
E.T.F. 3%		998,646.65	951,392.51
W. & O.P. Expenses		-	-
Overtime - Others		327,905.21	347,365.30
Overtime – Para Medical		398,345.34	381,020.60
Overtime - Nurses		2,886,827.70	3,103,346.57
Overtime – Minor Staff		2,534,539.73	2,678,716.48
Locum Duty (MO)		-	-
Extra Duty Payments (M/O)		1,447,655.00	1,160,833.00
		68,696,737.92	59,648,842.81
Travelling	15		
Travelling & Subsistence Allowances (Other Officers)		629,266.00	415,624.50
Travelling & Subsistence Allowances (Medical Oficers)		-	-
		629,266.00	415,624.50

	Note	2011 (Rs.)	2010 (Rs.)
Supplies	16		
Lab Chemicals		414,046.95	749,582.18
X – Ray Films & Chemicals		33,086.90	29,739.70
Dental Consumable		128,911.31	137,664.32
Consumable & Medical Equipment		870,821.00	3,499,211.63
Uniforms		441,020.00	453,612.00
Gas		306,500.00	282,824.00
Drugs		23,537,794.65	20,643,563.45
Linen Items		212,731.70	172,210.51
Consumable & General stores		460,233.16	600,543.75
		26,405,145.67	26,568,951.54
Maintenance	17		
Stationary		318,625.51	295,356.84
Repair & Maintenance (I)		1,915,723.12	1,834,488.51
Repair & Maintenance (II)		149,316.82	50,058.24
Electricity		6,006,085.24	5,068,319.67
Water		880,730.20	984,328.70
Telephone		315,092.54	293,176.00
Postage		12,385.00	19,578.00
Generator Service		11,100.00	-
		9,609,058.43	8,545,305.96
Contractual Service	18		
Cleaning		3,038,016.59	2,387,739.42
Laundry		375,379.00	357,514.80
Security		2,567,600.00	2,384,474.40
Food Provision		4,283,277.40	4,340,148.48
		10,264,272.99	9,469,877.10

		2011 (Rs.)	2010 (Rs.)
Depreciation	19		
Building & Fittings		3,118,593.37	2,733,351.20
Vehicle		146,214.29	146,215.29
Furniture, Fitting & Instruments		453,587.44	370,220.63
Machinery		323,526.82	164,663.86
Computer		64,089.00	53,119.00
Medical Equipment		9,374,721.46	8,450,241.19
		13,480,732.38	11,917,811.17
Others	20		
Administrative		67,858.00	68,506.66
Sundry expenses		82,909.00	77,606.72
Lawyer Fees		99,000.00	-
Advertisement		343,359.20	109,088.00
Insurance Cash & Transits'		14,213.05	7,879.48
Other Bank Charges		42,504.00	40,224.00
Audit Fees		150,000.00	261,625.00
Computer Expenses		56,800.00	12,190.00
Eye Patient Transport		2,615,600.00	1,268,700.00
Surcharge		4,677.27	-
Vehicle Expenses			
Fuel		522,030.00	525,680.00
Insurance		66,325.74	28,968.52
Service		-	152,116.00
Reg. / Licenses Fees		30,621.46	8,212.51
Spare Parts		-	31,522.17
Repair & Maintenance		250,710.75	-
		4,346,608.47	2,592,319.06

FINANCIAL PERFORMANCE TREND IN THE PREOCEEDING FIVE YEARS

Sr.No	Naration	2007 (000)	2008 (000)	2009 (000)	2010 (000)	2011(000)
01	Total Non-current Assets (WDV) as at end of year	174,839	168,776	167,390	170,387	184,632
02	Total current Assets as at end of year	17,826	19,933	13,170	23,401	19,729
03	Accumulated Fund as at end of year	192,665	188,710	180,560	193,788	204,361
04	Total Non-current Liabilities as at end of year	-	-	-		115,044
05	Total Current Liabilities as at end of year	6,556	4,435	6,022	12,300	26450
06	Total Revenue for the year	79,717	90,693	98,243	114,143	132,355
	Government Grant - Recurrent	64,169	71,400	77,700	91,812	109,993
	Capital Donation	11,400	4,800	3,000	24,000	19,000
	Own Revenue	15,548	19,293	20,543	22,331	22,362
07	Surplus/Defect for the year	(1,454)	2,987	(3,546)	(6,510)	(3,944)
08	Total Capital Expenditure for the year	22,473	3,169	8,628	14,827	25,921
09	Total Cost f Employment for the year	44,143	44,736	51,812	59,648	68,696
10	Total number of employees as at end of year	112	114	129	144	144
	RATIONS					
(A)	Own revenue to Total Revenue	19%	21%	21%	19%	17%
(B)	Total cost of Employment per employee	394.00	392.00	401.00	414.00	477.00

Performance Indicator

	2007	2008	2009	2010	2011
Number of Patients - Services					
Out doors	131,998	247,436	264,447	274,848	265,864
Indoor	11,195	13,213	15,774	15,774	12,372
Cost Patient Per day	1,715	1,327	1,505	1,676	2,032

UNIT COST PER PATIENT PER DAY

This has been arrived by divide the total expenditure for the year 2011 by the total number of patients days and the number of out patients visit divided by six.

Total expenditure for the year	=	**136,300,178**
Total Number of patient days	=	22750
Tatal Number of Out patients Visit	=	265864
Six Out patients = One in patient visit	=	265864 / 6
	=	44310
Total Number of patients days		22750 + 44310
	=	67060
Cost for patient per day		136,300,178 **/** 67060
	=	**2,032**

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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT

මගේ අංකය / எனது இல / My No: HW/B/WKMH/FA/2011

ඔබේ අංකය / உமது இல / No.

දිනය / திகதி / Date: 24 May 2012

The Chairman,
Wijaya kumarathunga Memorial Hospital Board.

Report of the Auditor General on the Financial Statements of the Wijaya Kumarathunga Memorial 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 Wijaya Kumarathunga Memorial 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 Section 13(3) of the Wijaya Kumarathunga Memorial Hospital Board Act, No.38 of 1999. My comments and observations, which I consider should be published with 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 10 April 2012.

1:2 Management's responsibility for the Financial Statements

The management is responsible for the preparation and fair presentation of these financial statements in accordance with Generally Accepted Accounting Principles 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
இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை இலங்கை
No.306/72, Polduwa Road, Battaramulla , Sri Lanka

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ඉලෙක්ට්‍රොනික් තැපැල් / ஈ- மெயில் / E-mail. oaggov@sltnet.lk

: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 risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 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.

.4 Basis for qualified opinion

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

. Financial Statements

: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 Wijaya kumarathunga Memorial Hospital Board as at 31 December 2011 and its financial performance and its cash flows for the year then ended in accordance with the Generally Accepted Accounting Principles.

2:2 Comments on Financial Statements

2:2:1 Sri Lanka Accounting Standards

In term of Sri Lanka Accounting Standard No.18, when the fair value of an asset can be satisfactorily measured, it should be stated at the revalued value. Nevertheless, vehicles and medical equipment, costing Rs.4,816,602 and Rs.22,624,870 respectively which had been fully depreciated but still utilized by the Hospital had not been revalued and brought to account.

2:2:2 Accounting Deficiencies

The following observations are made.

(a) Even though a double cab vehicle valued at Rs.5,600,000 had been given to the Hospital on Treasury provisions, during the year under review had not been brought to account.

(b) As the annual depreciation on the above vehicle which had been omitted from accounts amounting to Rs.1,120,000 had also not been brought to account the deficit for the year had also been understated by that amount.

(c) Even though the provision for gratuity for an employee should be made since the 1 year of completion of his service, 28 employees had been included in the new gratuity provision out of which a sum of Rs.1,493,140 had been in respect of the previous years provision and as such the deficit for the year under review had also been overstated by that amount.

2:2:3 Non-compliance with Laws, Rules, Regulations etc.

Instances of non-compliances with the following Laws, Rules, Regulations, etc. were observed in audit.

	Reference to Laws, Rules, Regulations, etc.	Non-compliance
(a)	Public Administration Circular No.09/2007of 11 May 2007	The Administrative Officer of the Hospital who had been re-employed after retirement can be paid 50% of his last drawn salary or Rs.10,000 whichever is higher.

		Nevertheless he had been paid allowance at 50% of the last drawn salary of officers in Grade 11/111 or similar grades in all Island Services or Rs.17,500 whichever is higher and as such an overpayment of Rs.106,132 had been made.
(b)	Letter No.MH/AD/01/A/GE041 dated 29 September 2011 of the Secretary to the Ministry of Health	Employees over 60 years of age should not be re-employed after August of the year under review and if re-employment is required under special circumstances, the approval of the Cabinet of Ministers should be obtained. Contrary to that 4 nurses including the Administrative officer had been re-employed on the basis of the Board decision.

3. Financial Review

3:1 Financial Results

According to the Financial Statements presented the operation of the Hospital Board for the year under review had resulted in a deficit of Rs.3,944,390 as compared with the deficit of Rs.6,510,215 for the preceding year. Increase in expenditure by Rs.10,955,879, increase in other expenditure and increase in gratuity expenditure by Rs.1,754,289 and Rs.1,373,351 respectively paralled to increase in the Government Grant by Rs.18,181,000 had been the main reason for the improvement of financial results for the year under review as compared with the preceding year.

4 Operating Review

4.1 Performance

Performance of the year under review as compared with that of the preceding year is given below.

	2011	2010	Increase/(Decrease)	
No. of outdoor patients obtained treatments	130,649	134,775	(4,126)	(3.06)
Emergency Treatment unit	19,887	20,176	(289)	(1.43)
No. of patients came for clinics	115,328	119,897	(4,569)	(3.81)
No. of resident patients	12,372	15,272	(2,900)	(18.98)
	278,236	290,120	(11,884)	

No. of Eye Surgeries carried out	7,771	11,737	(3,966)	(33.79)
No. of Laser's carried out	3,444	4,141	(697)	(16.83)
No. of ordinary surgeries carried out	55	100	(45)	(45)
No. of Laboratory tests	43,502	40,756	2,746	6.73
No. of X-ray tests	3,543	3,367	176	5.22
No. of ECG tests	2,738	2,331	407	17.46
Expenditure on Laboratory materials Rs.	414,047	749,582	(335,535)	(44.76)
Consumables and medical equipments Rs.	870,821	3,499,212	(2,628,391)	(75.11)
X-ray and chemical material Rs.	33,087	29,740	3,347	11.25
Expenditure on drugs Rs.	23,537,795	20,643,563	2,894,232	14.02
No. of average patients	54,034	57,911	(3,877)	(6.69)
Day's expenditure of a patient (Including depreciation) Rs.	2,522	2,083	439	21.07
Day's expenditure of a patient (without depreciation and provision for gratuity Rs.	2,220	1,851	369	19.93

The following observations are made in this connection.

(a) No. of patients came for clinics and the no. of resident patients had decreased by Rs.3.81% and 18.98% respectively as compared with that of the preceding year.

(b) Eye surgeries and laser tests had decreased by 33.79% and 16.83% respectively as compared with that of the preceding year.

(c) Expenditure on drugs had increased by 14.02% as compared with that of the preceding year and the normal patients had decreased by 6.69%.

(d) No. of ordinary surgeries carried out in the year 2010 amounted to 100 whereas only 55 surgeries had been carried out in the year under review thus shown a decrease of 45% as compared with the preceding year.

(e) As a result of using an external operation theatre, an additional cost of Rs.4,532,266 had to be spent and the surgeries carried out amounted to 6635. Accordingly, the additional cost to be incurred per surgery amounted to Rs.683. It had increased by 33% as compared with the year 2010.

4.2 Management Inefficiencies

The following observations are made.

(a) In using the operation theatre belonging to the Akshidana Sangamaya in place of the Hospital Theatre there was no agreement with its charges. Subsequently a bill costing Rs.2,916,551 had been submitted by the Akshidana Sangamaya and only a sum of Rs.1,115,037 of that had been paid by the Hospital.

(b) The balance stock of Stationery and General Consumables had represented 59% and 64% respectively as compared with the year's consumption and the closing stock of linen items had been at a 194% level as compared with the years consumption.

(c) The laparas copier purchased in the year 2010 at a cost of Rs.11,532,317 had not been utilized. Further, as the guarantee period of the machine is 24 months, any benefit which can be ascertained during the guarantee period due to some fault could not be claimed as the machine had not been used.

(d) The food supply contract had been awarded on the basis of quotations called at the time during which prices of consumable goods were being highly increased.

(e) It was observed in audit that the stock verification reports presented along with the financial statements had not been based on a physical verification actually carried out.

4.3 Weaknesses in Contract Administration

The repair expenditure of the Air Condition System in the Hospital amounted to Rs.3,340,960 and the following matters were observed in this regard.

(a) An agreement had not been entered into with the construction firm.

(b) While repair works were being carried out an additional and extra works valued at Rs.3,213,280 had been shown , thus representing 96 percent of the total contract value. The relevant approval therefore had not been obtained.

(c) An estimate for additional and extra works had not been obtained from the Technical Engineer of the Ministry.

(d) A fee of Rs.1,611,120 had been paid for the land scapping of the Theatre ground for an extent of 2055 sq. feet. According to the physical measurement taken by the audit the work completed was only 1619 sq.feet and as such the over payment made for 436 sq. feet amounted to Rs.341,824.

(e) While only the part of work valued at Rs.798,000 of the Land scapping had been certified, a sum of Rs.1,611,120 had been paid by the Hospital.

5. Accountability and Good Governance

5.1 Action Plan

The following observations are made.

(a) According to the Action Plan of the year under review the GDX machine should have been purchased by the end of the 3rd quarter but action had not been taken accordingly.

(b) Even though it was planned to complete 75 percent of the repair of the old building roof at the 3rd quarter after being started, it had not been so started.

(c) Even though it was stated that the purchase of 2 equipment namely the High Presser Sterilizer and the SlIT Lamp with camera should be completed in the 2nd and 3rd quarters respectively, such equipment had not been purchased.

5.2 Budgetary Control

It was observed that the budget had not been used of as an effective instrument of management control due to significant variances ranging from 8% to 1616% between the budgeted and actual income and expenditure.

6. Systems and Controls

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

(a) Supply of Sanitary Facilities
(b) Issue of drugs
(c) Contract Administration
(d) Stock Control

H.A.S. Samaraweera
Auditor General

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விஜய குமாரதுங்க ஞாபகார்த்த வைத்தியசாலை
WIJAYA KUMARATUNGA MEMORIAL HOSPITAL
සීදුව சீதுவை SEEDUWA

Your No : HW/B/WKMH/FA/201
My No : WKMH/C3/02/11
Date : 22.05.2012

Mr.A.H.M.L.Abanwala,
Assistant Auditor –General,
No.306/72,Polduwa Road,
Battaramulla.

<u>Auditor – General s Report in terms of Clause 14(2) (C) of the Finance Act No.38 of 1971 regarding the Financial Statement of the Board of Wijaya Kumarathunga Memorial Hospital for the year ended by 31 December 2011.</u>

Reference your letter of even number dated 13.05.2011 on the above subject.

<u>2.2.1. Sri Lankan Accounting Standards .</u>

Actions will be taken to identify the assets such as Medical equipments ,vehicles, that can be granted a financial value which are being used for the benefit of hospital after re-calculation and will be entered in to the books in year 2012.

<u>2.2.2.Accounting Deficiencies .</u>

a) Action will be taken to rectify this in the Account of the year of 2012.
b) Action will be taken to rectify this in the Account of the year of 2012.
c) Action will be taken to rectify this in the Account of the year 2012 with regard to provision of gratuity for the employees.

සභාපති : මහාචාර්ය කාලෝ ෆොන්සේකා தலைவர் : பேராசிரியர் கார்லோ பொன்சேகா Chairman : Prof. Carlo Fonseka
Tel : 258861-5, 688337, 695301, (Res) 867767 Fax : 258865

a) It has been proved according to the records that the Ventilation Fan that worth Rs.27,692/= had been remained by the 31st December 2011 in accordance with the books and stock verification board had certified that it had been remained relevant tangible / physically In the relevant stock and thereafter this had been issued to ward no.02 through the application no. F 956814 of Health 500 on 17.01.2012

2.2.3. Due Account

Have in formed to pay the arrears related to the festival advances. Action will be taken to send reminders again. At present action has been taken to pay the Festival advances on personal security.

2.2.4.Not obeying to the Laws , Regulations and Management Decisions.

a) Action will be taken to rectify the over paid amount of money paid to Mr.C.G.Wickramasinghe, Member of the Director Board , as an allowance for members of the Director Board .

b) It has been mentioned that the Administrative Officer's could be granted maximum Rs.4000/= per month as maximum consolidated expense limit in accordance with the segment – V of the Circular letter no. Bs/TEP/S/04/2010 dated 30.04.2011 of the Health Secretary with regard to settlement of the bills and provisions of Telecommunication facility for the government Institutions and the officers. A copy of this is annexed here with (Annexure 01)

c) It has been mentioned that the an amount of Rs.106,132.16 has been paid to the Administrative Officers as an additional amount for the period of 2007 September to 2008 December on payment of the due amount mentioned in the query by mentioning Rs.173,867.84 to be paid as Rs.10,866.74 per month.

The allowances of the Audit Query No. HW/BK/WKMH/2011/01 have been calculated on the basis of Rs.10,866.74 as to either 50% the latest salary being paid at the pension ability is granted or Rs.10,000/= or the larger amount there of relevant to the post in Grade II under Paragraph 2,VI of the P.A. Circular letter no.09/2007

The Ministry of Health has in formed that the post of Administrative officer at the Wijaya Kumarathunga Memorial Hospital belonged to the staff Grade posts (Annexure -2)

Further the monthly allowance, when the retired officers are reemployed on the contract basis should be either 50% of the salary that was being paid at the retirement or Rs.17,500/= or bigger amount of these two has been proved by the letter (Annexure 03) issued by the Labor Commissioner .Also the appointments, promotions and transfers of the post of Administrative Officers and other Government staff grade posts are being carried out by the Public Service Commission.

You are kindly informed that the monthly allowances of Rs.17,500/= has been paid to the Administrative Officer on contract basis, considering the all facts mentioned above relevant to the period stated in the quarry.

(d) The letter of Health Secretary no. MH/AD/01/A/GE 041 dated 29.09.2011 has instructed with regard to the re-employability of the officers beyond age 60 years in the government enterprises. When the officers who have passed the 60 years of age are re-employed cabinet approval should be sought on assessment for short period on special circumstances and this has been taken as a policy decision by the cabinet decision dated 17.08.2011.

You are kindly informed that the necessary action were taken to seek the cabinet approval, after receiving this letter on re-employment of the officer beyond 60 years of age.

It is also here by informed that the services of 04 Nurse Officers including the Administrative Officer were extended under the delegations vested on Board of Control in accordance with the Wijaya Kumarathunga Memorial Hospital Board of Act.No.38 of year

1999. When the officers who have passed 60 years of age are re-employed before receiving this letter.

4.1 Affectivity

Having increased the expenditure on drugs in comparison to the previous year.

The following circumstance have been caused for this happened to purchase the drugs for higher prices than the estimated prices by the SPC when the stocks are not available in the MSD, even though the estimate are prepared on minimum prices. When the stocks are finished in the MSD the stocks there of are purchased by the Regional stores and supplies to this hospital and in such occasions these drugs are supplied at higher prices.

The market prices of drugs are not maintained on fixed prices throughout the year and prices of some kinds of drugs are being increased.

Increasing some of the high priced drug consumption in to the improvement of the treatment methods of clinical patients.

It is kindly informed that the expenditure on drugs has hiked (increased) in comparison to the previous year due to the above mentioned reasons.

(b).Showing a reduction in General Surgeries in comparison to the previous year.

Not functioning the general Surgeries from 2010 August to 2011 November due to unexpected interruption to the Air condition system of the operation theatre.

An increasing of the general surgery charges from Rs.500/= to Rs.750/= with effect from 2011 January can be mentioned as an additional circumstance in this regard.

4.2 Management Deficiencies.

a) Payments of Rs. 1,115.037 by the voucherNo.636 dated 02.12.2011 to the Eye Donation Campaign for water and electricity . Action had to be taken to obtain the service from other institutes instead of termination of patient care services due to unexpected failure of Air Condition System in the operation theatre during a period of time in which more than thousands of eye surgeries were being carried out per month. Even though Several attempts. were made to obtain surgery services from the hospitals such as Kadana, Negambo , Colomb – North and those efforts were not successful due to prevailing inability there. However The Eye donation campaign, Borella had given the opportunity to use their operation theater without any Contract agreement for a short period of time. Any how the contractors of the tender procedure were not able to conclude the activities in the operation theater and an additional period of time was spent unexpectedly. Subsequently The Eye Donation Campaign had requested to pay the expenditures on water and electricity due to above mentioned delay. Never the less this amount of money could not be paid as the early preparations had not been made in this regard to be paid on monthly basis. However the expenditures on water and electricity had been reduced significantly because the Operation Theatre of Wijaya Kumarathunga Hospital was not in use during this period.

\ In the previous Year (From 2009 September to 2010 August)

- General Electricity Bill – Monthly / per month Rs. 457,468.21

For the period in which operation theatre was not in use (From 2010 September to 2011 August)

- General Electricity Bill - Per Month - Rs.364,352.52

Deductions

- Reduced Monthly Cost due to non Functioning of the operation theatre Rs. 93,115.90
- Reduced Annual Cost due to not Functioning of the operation theatre RS.1,117,388.20
- The paid amount made to the Eye Donation Campaign by the Voucher no.636 for water & Electricity Rs. 1,115,037.00

It is also informed that only Rs.1,115037/= has been paid to the Eye Donation Campaign by the voucher No.636 for water & Electricity even though the saved expenditure on Electricity was Rs.1,117,388.28 due to not Functioning the operation theater in this hospital during a year. Further it is kindly informed that the Board of control has decided not to pay the saved remaining balance Rs. 1,801,514.00

b) Keeping the higher stocks while maintaining the stocks at the Hospital without paying the attention on general stock consumption

Type of stock

Annual Consumption	Rs. 318,625.00
Balanced stock at the year end	Rs. 187,717.00
Number of item in the last stock	79
Stock percentage in comparison to the consumption of the year	59%

It is also kindly informed that the following circumstances have been caused to create a higher value for the last stock as at 31.12.2011

The Letter of Health Secretary No. MH/AD/01/D/01/2011 dated 25.08.2011 had informed us to prepare 381 copies of the Annual report which should be presented In all 03 languages relevant to the year 2010 of this hospital in order to submit to the Sri Lanka Parliament .There fore the below mentioned stationeries were purchased for this and they had been retained at the stores as at 31.12.2011(without consuming)

46 Bundles of A4 sheets	:-	Rs. 20,930.00
Ink for printing	:-	Rs. 30,693.00
Total		Rs 51,623.00

Value of the above two items which equal to 28% of the whole stock has been added to the last stock.

Consumables and General

Annual Consumption	Rs. 460,233.00
Remained stock at the year End	Rs. 295,439.00

Number of items in the last stock	96
Percentage of the stock in comparison to the consumption of the year	64%

This stock has been consisted as follows .

10,000 of black polythene covers had been purchased for disposing the disposal items on 15.12.2011and 9,860 such bags worth of Rs.96,628 has been remained.

This amount is equal to 33% percent of the last stock.(Minimum Number of 10,000 polythene covers had to be purchased as not issuing such covers less than 10,000 by the Manu factoring institute when disposal items are produced)

Linen

Annual Consumption	Rs.212,732.00
Remained stock at the year End	Rs.413,813.00

The Following materials were also remained in the last stock.

500 – GS Towels (Green) :-	Rs. 122,000.00
499 – GS Towels (White) :-	Rs. 44,710.00
141- GS Surgeon over role :-	Rs. 49,350.00
Total	Rs. 216,060.00

Percentage to the last stock - 52 %

The above mentioned items have been included to the remained stock as surgeries were not carried out due to an interruption of the performing activate of the hospital operation theatre during last days.

It is Kindly informed that these items will be consumed when the surgeries are carried out in the near future.

c) It is Kindly informed that even though a Lapiras corpy machine was purchased to this Hospital in year 2009 as agreed with the Professor unit in Colombo- North General Hospital it had not been utilized due to the following reasons.

Surgeries were not carried out during 2010 August to 2011 November due to the unexpected Failure of the Air condition system in the hospital operation Theatre.

Also the Anesthetic surgeries were also not carried out as no-anesthetic doctor is available. How ever an Anesthetic doctor has been attached to this hospital on 01.12.2011 and it is Further informed that this doctor has been sent to the Colombo – North Teaching Hospital at present for the training.

d) Only 02 suppliers have submitted the tender documents during last several years for the Food Supplying Contract and Erandi Suppliers Institute has forwarded the lowest bid among others .It is Kindly informed that 02 suppliers had forwarded the tender document in year 2011 and the tender was awarded to the Erandi Suppliers Institute as they had submitted the lowest rate/bid.

e) Not showing a difference of the overtime hours during the first 06 months of the reviewed year even though the number of Eye Surgeries are deteriorated.The Staff of the operation theatre is bound to prepare and facilitate the operation theatre on the specific by standard required to carry out the surgeries following the sterilization methods on regular basis and authentic manner. It is not affected by the number of patients either more or less who undergoes surgeries. Because the spent time for preparing the operation theatre does not depend on the number of patients . If not ,the eyes of the patients who undergoes are for surgeries will be infected and it will be followed by a severe illnesses as well. Therefore it is a must that the staff of the operation theatre should be reedy to the operations before patients are admitted into it.

   Also actions should be taken to clean the operation theatre of the Eye donation campaign and the relevant machines and equipments should be placed correctly before leaving the operation theatre. Further operation theatre staff is responsible for marking the number of precision instrument and those equipments should be covered correctly and actions should taken to submit those instruments for the surgeries due to be carried out on next day. It should be noted that the staff who had been attached to the operation theatre Eye Donation Campaign had successful followed above mentioned guidelines throughout the relevant period of time.

   Also it should be here by informed that the all member of the staff had been on and off the duties on the same occasion as only one vehicle was provided for transporting them from Seeduwa hospital to Eye donation campaign .Therefore it is kindly informed that the above mentioned reasons were caused to not changing the number of overtime hours for the staff even though the number of surgeries were decreased as mentioned in the quarry.

f) Having done the surgeries more than the number of patients admitted for the surgeries.
The patients who are undergone on Eye surgeries are supposed to be sent Eye Donation Campaign, Boralla for surgeries after completion of the relevant procedure
The details of all the patients have been recorded as follows by the register on admission and discharge of the patients.

Office information

Date :-
Name of the Surgeon :-
Name of the Assistant staff :-

Patient Information

Sequential Number :-
Name :-
Age :-
Gender :-
Ward No :-
Bed Head Ticket No. :-

The Eye in which surgery is done :-

Except the 02 days 02.08.2011 and 07.06.2011 the number surgeries done according to the Efficiency information has been similar with the Register on Admission and discharge of the patients .On the above mentioned 02 days the number of surgeries done have been an increased by 01figer each more than the Register on Admission and Discharge of the patients.

Several occasions have been reported that some patients who came from distance places to the Seeduwa hospital by personal vehicles had been transported to the Eye donation Campaign – Boralla by their own vehicles. Therefore it is kindly informed that number of surgeries have been increased more than the number of patients transported by the buses supplied from the hospital due to above mentioned reason.

g) Showing the variations between the figures recorded in the books and physical Authentication figures at the sample stock Verification held on 17.03.2012

The major reason for the variations between the figures recorded in the books and physical Authentication figures is not entering the supplies and issuances in the relevant stock books due to a failure at present this short coming has been well control and it is kindly informed that the all recordings in the stock books have already been updated.

7.3. Defects in construction Administration renovation of the Air Condition system of the Hospital.

a) Lamina flow system is a very specific method. A document which was included with basic conditions for this tender procedure, after designing the required plan with relevant technical specifications had been handed over to the C.E.C.B. By the chairman of the Technical Evaluation committee Mr. C.Koelmeyer, Consultant Electric Engineer , who had been engaged in this process. The engineer of the ministry had also certified that the renovation work had been done satisfactorily as per that consultancies.
There was a need of permanent decision in related to the construction period ,apart from the above facts, to come in to an agreement in this regard It could not be decided. The reasons for it is given in part (b) below. Hence proper agreement could not be prepared.

b) The Tender was awarded by the Letter no WKMH/C1/17/10 dated 09/11/2010 at the end of the tender procedure and your attention is drawn to the letter no CB/BS/C/HW/EM/WMS/04dated 09/11/2010 sent by the CELB as a answer to it.(Annex 1)According to the facts under No.(4) of that letter it had been mentioned that specific time period could not be mentioned for the installation of Hepa Filters.

   Discussion with them in this regard showed that complex process like changing the size of the Hepa Filters as per the Duct system it is and ability to fabricate the filters in required measurements in the foreign country it produced , as it is produced in Sri Lanka should be fulfilled. They told that a specific time period could not be given under this situation and the work could be finished rapidly by about 6 months.

I further informed that we had constant discussions with them to finish this process as soon as possible during renovation problem of ground preparation arose and the chemical for ground preparation had to be imported from Germany. Another 2/3 months had to be spent for that. So target date for the completion of the contract could not be decided. Though the demurrage for the contract was mentioned as Rs 25,000/= there was no agreement. This shows that without a target date for completion a demurrage could not be paid.

c) At First quotations for the proposed additional works were received from the CECB. These quotations were submitted to the Director Board meeting held on 26/01/2011 Mr.Maheepala/ Additional Secretary, Ministry of Health also participated to this meeting. The approval was granted to get done these additional works by the CECB it self, in this Director Board Meeting Approval of the procurement committee has been received after that.

d) It is clearly observed by looking at the recommendation of the Chief Engineer of the Ministry as mentioned in the files , that is not practical to get done an additional work by any other institution rather than CECB it self. This is also approved at the Director Board Meeting held on 26/01/2011. According to the above facts the necessity of doing the above work at that moment is seems to be more important and calling for tenders is seems to be time consuming , it was done as this. The preapproval of the regional procurement committee of the Hospital had been taken for additional and extra work.

e) Observations were carried out by a Board of officers to identify the additional works. The Engineer of the Ministry also participated with them. (Annex 5) The Additional works were decided followed by the discussions held. The recommendation of the chief Engineer the Ministry was sent after studying in this regard by the Technical Engineer of the Ministry. In addition to that works such as preparation of estimates could not be done by the Chief Engineer of the Ministry . when payments were done for the additional works certificate had been taken from the Technical Engineer of the Ministry.

f) The amount of Rs.341,824.00 was paid in excess to be covered by the with holding amount and debt details will be recorded accordingly.

g) Kindly Informed that the payment of Rs.1,611,120.00 had been approved (Annex 7) by the mechanical Engineer of the Ministry at the moment the last bill has been produced though the amount for ground preparation was mentioned as Rs. 798,000 .00 in the Engineering Report of the ministry dated 29.08.2011 (Annex 06)

5.1 Plan of Action

a) We have informed the ministry by letters, a Technical Evaluation Committee to purchase a GDX Machine. It was informed that they could not get the work done as the Bio Medical Engineer appointed for that purpose has no knowledge about that machine and specification required. Further informed that this machine has not been imported to any government Hospital so far. Hence purchasing of the machine could not be initiated . GDX machine is a electronic machine used to treat Glaucoma Decease. Kindly note that purchasing of GDX machine was suspended while deciding to buy another machine which has more than GDX machine and it could be used for several examinations relevant to eyes as stated by the eye surgeon at that time.

b) It was difficult to find contractors for this. Arrangements have been taken to do the work in the last quarter by the constructor who constructed the new building of the Hospital.

c) 2/3 months were spent to receive technical evaluation committee reports for the purchasing of high pressure sterilizer and slit lamp.

Reason to Ex:-

- Committee Meetings could not be held as the responsible Bio Medical Engineer was busy. He informed that he would work on this at first instant when he could attend
- Long Period of time was spent for the preparation of reports and corrections of these by the clerks of our office as there is no officers to type letters at the substitute of Bio Medical Engineering.

Actions have been taken to send orders for buying of high pressure sterilizer and slit lamp in the 3rd quarter 2011.

5.2 Budget Document Management

When considering the deviations of true expenditure and budget estimates ,2011 it was stated that the Heads of travelling expenses Local paper notices , and cleaning service incurred over expenditure under the recurrent expenditure. Reasons were as follows .

Travelling expenses during this year , Eye surgeries have to be done at the operating theaters at the eye donations society in Borella as the Air condition system of the operating theatre of this hospital was under renovation . There incurred excess expenditure than the estimated expenditure under 2011 budget estimates due to the payment for the staff for travelling to Eye Donation Society at Borella.

Paper Notices

Paper notices had to be published for recruitments during this period (pharmacist 01, Administrative Officer 01, Ophthalmic Doctors 01) and supply and services and calling for tenders, etc. At the moment of preparing estimates publishing of paper notice in one language was enough and estimates were prepared accordingly. But in practical condition paper notice should be published in all 03 languages. As a result, the expenditure incurred was more than the estimated value.

Cleaning Service

Please note that the correct estimate amount for the cleaning service was Rs.3,200,000.00 and it was mentioned as Rs.320,000.00 by mistake. Kindly informed that the responsible divisions will be advised to be more careful in preparing estimate, in the future.

6. Systems and Administrative defects necessary steps are being taken to minimize the defects mentioned under this chapter as far as possible, in the future.

Dr.(Mrs.)P.S.Jayalath
Medical Officer In-charge,
Wijaya Kumaratunga Memorial Hospital,
Seeduwa.