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The Gazette of the Democratic Socialist Republic of Sri Lanka

අංක 2,058 - 2018 පෙබරවාරි මස 09 වැනි සිකුරාදා - 2018.02.09
No. 2,058 - FRIDAY, FEBRUARY 09, 2018

(Published by Authority)

PART I: SECTION (I) - GENERAL

(Separate paging is given to each language of every Part in order that it may be filed separately)

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Note:- Demutualization of the Colombo Stock Exchange Bill was published as a supplement to the Part II of the *Gazette of the Democratic Socialist Republic of Sri Lanka* of January 26, 2018.

IMPORTANT NOTICE REGARDING ACCEPTANCE OF NOTICES FOR PUBLICATION IN THE WEEKLY “GAZETTE”

ATTENTION is drawn to the Notification appearing in the 1st week of every month, regarding the latest dates and times of acceptance of Notices for publication in the weekly *Gazettes*, at the end of every weekly *Gazette* of Democratic Socialist Republic of Sri Lanka.

All notices to be published in the weekly *Gazettes* shall close at 12.00 noon of each Friday, two weeks before the date of publication. All Government Departments, Corporations, Boards, etc. are hereby advised that Notifications fixing closing dates and times of applications in respect of Post-Vacancies, Examinations, Tender Notices and dates and times of Auction Sales, etc. should be prepared by giving adequate time both from the date of despatch of notices to Govt. Press and from the date of publication, thereby enabling those interested in the contents of such notices to actively and positively participate please note that inquiries and complaints made in respect of corrections pertaining to notification will not be entertained after **three months** from the date of publication.

All Notices to be published in the weekly *Gazette* should reach Government Press two weeks before the date of publication *i.e.* Notices for publication in the weekly *Gazette* of 02nd March, 2018 should reach Government Press on or before 12.00 noon on 16th February, 2018.

Electronic Transactions Act, No. 19 of 2006 - Section 9

“Where any Act or Enactment provides that any proclamation, rule, regulation, order, by-law, notification or other matter shall be published in the Gazette, then such requirement shall be deemed to have been satisfied if such rule, regulation, order, by-law, notification or other matter is published in an electronic form of the Gazette.”

GANGANI LIYANAGE,
Government Printer (Acting).

Department of Govt. Printing,
Colombo 08,
01st January, 2018.



This Gazette can be downloaded from www.documents.gov.lk

Appointments, & c. by the President

No. 68 of 2018

No. 69 of 2018

SRI LANKA ARMY—REGULAR FORCE

MOD/DEF/02/01/RET/1571.

Promotions, Relinquishment of Appointments and New Appointments approved by His Excellency the President

PROMOTIONS

1. HIS EXCELLENCY THE PRESIDENT has approved the promotion of the under mentioned Senior Officers to the rank of Temporary Major General with effect from 04th December, 2017:-

- (a) Brigadier C. S. ATIPOLA USP Lsc, (O/60443).
- (b) Brigadier W. A. V. A. SUDASINGHA USP ndc IG, (O/60369).
- (c) Brigadier H. R. K. P. PEIRIS USP ndc, (O/60377).
- (d) Brigadier T. S. BANGSAJAYAH RWP RSP USP ndu, (O/60378).

Relinquishment of Appointments and New Appointments

2. HIS EXCELLENCY THE PRESIDENT has approved the relinquishment of appointments and new appointments of the under mentioned Senior Officers with effect from 04th December, 2017:-

(a) Brigadier (Temporary Major General) C. S. ATIPOLA, USP Lsc (O/60443) - To relinquish the appointment of Brigadier (Administration and Quartering), Security Forces (Mullativu) and to be appointed as Commander, Forward Maintenance Area (North).

(b) Brigadier (Temporary Major General) W. A. V. A. SUDASINGHA, USP ndc IG (O/60369) - To relinquish the appointment of Commander, 643 Brigade and to be appointed as Chief Signal Officer.

(c) Brigadier (Temporary Major General) H. R. K. P. PEIRIS, USP (O/60377) - To relinquish the appointment of Commander, 533 Brigade and to be appointed as General Officer Commanding, 24 Division.

(d) Brigadier (Temporary Major General) T. S. BANGSAJAYAH, RWPRSPURSP ndu (O/60378) - To relinquish the appointment of Deputy General Officer Commanding, 58 Division and to be appointed as Commander, Forward Maintenance Area (North Central).

By His Excellency's Command,

KAPILA WAIDYARATNE, P.C
Secretary,
Ministry of Defence.

Colombo,

02-290

SRI LANKA ARMY—REGULAR FORCE

Confirmation of rank and retirement approved by His Excellency the President

CONFIRMATION OF RANK

HIS EXCELLENCY THE PRESIDENT has approved the confirmation of the under mentioned Senior Officer in the rank of Lieutenant Colonel with effect from 29th January, 2018:-

Temporary Lieutenant Colonel Sujeewa SAMARAWEEA WIJETHILAKA, SLCMP (O/61769);

RETIREMENT

HIS EXCELLENCY THE PRESIDENT has approved the retirement of the under mentioned Senior Officer from the Regular Force of the Sri Lanka Army with effect from 29th January, 2018:-

Lieutenant Colonel SUJEEWA SAMARAWEEA WIJETHILAKA, SLCMP (O/61769);

By His Excellency's Command,

KAPILA WAIDYARATNE, P.C
Secretary,
Ministry of Defence.

Colombo,
11th January, 2018.

02-291

No. 70 of 2018

MOD/DEF/03/02/8/7.

SRI LANKA NAVY—REGULAR NAVAL FORCE

Confirmations approved by His Excellency the President

Lieutenant Commander with effect from 26th February, 2017:-

Lieutenant Temporary Lieutenant Commander KOSVINNAGE JANAKA PRASAD ROHANA, NRX 2344, SLN;

Lieutenant Commander (E) with effect from 19th March, 2017:-

Lieutenant (E) [Temporary Lieutenant Commander (E)]
JUNAIDEEN MOHAMED DUSHAK, NRE 2335, SLN;

Lieutenant Commander with effect from 26th March, 2017:-

Lieutenant [Temporary Lieutenant Commander] IRAN
CATHURANGA WICKRAMARATHNA, NRX 2339, SLN;

Lieutenant [Temporary Lieutenant Commander]
SAKALASURIYA MUDIYANSELAGE MANJULA LASANTHA BANDARA
SAKALASURIYA, NRX 2342, SLN.

By His Excellency's Command,

KAPILA WAIDYARATNE, P.C
Secretary,
Ministry of Defence.

Colombo,
11th January, 2018.

02-371

No. 71 of 2018

MOD/DEF/03/02/8/7.

SRI LANKA NAVY—REGULAR NAVAL FORCE

Promotions approved by His Excellency the President

*To the rank of Temporary Lieutenant - Commander (E) with
effect from 08th April, 2017:-*

Lieutenant (E) WALISUNDARA MUDIYANSELAGE MOHAN
LAL PESHALA BANDARA WALISUNDARA, NRE 2416, SLN;

*To the rank of Temporary Lieutenant - Commander (S)
with effect from 21st August, 2017:-*

Lieutenant (S) PETHTHAWADU LAKEESHA NISANSALA DE
SILVA, NRS 2690, SLN;

*To the rank of Temporary Lieutenant - Commander with
effect from 31st October, 2017:-*

Lieutenant PASAN BHAGYA YATAMALAGALA PATHIRANA,
NRX 2485, SLN.

By His Excellency's Command,

KAPILA WAIDYARATNE, P.C
Secretary,
Ministry of Defence.

Colombo,
22nd December, 2017.

02-372

No. 72 of 2018

MOD/DEF/03/02/8/7.

SRI LANKA NAVY—REGULAR NAVAL FORCE

Promotions approved by His Excellency the President

*To the rank of Temporary Lieutenant - Commander (S) with
effect from 14th November, 2017:-*

Lieutenant (S) JANAKA DUSMANTHA BANDARA GALAGODA,
NRS 2508, SLN

*To the rank of Temporary Lieutenant - Commander (IT)
with effect from 17th November, 2017:-*

Lieutenant (IT) WANASOORIYA MUDIYANSELAGE CHINTHAKA
KASUN WANASOORIYA, NRT 3146, SLN;

Lieutenant (IT) DHANUKA SAMADHI DISSANAYAKE, NRT
3148, SLN.

By His Excellency's Command,

KAPILA WAIDYARATNE, P.C
Secretary,
Ministry of Defence.

Colombo,
11th January, 2018.

02-369

No. 73 of 2018

MOD/DEF/03/02/Com 1.

**SRI LANKA NAVY—VOLUNTEER NAVAL
FORCE**

**Resignation of Commission approved by His
Excellency the President**

HIS EXCELLENCY THE PRESIDENT has approved the Resignation of Commission of undermentioned Officers in the Volunteer Naval Force of the Sri Lanka Navy with effect from 25th November 2017:-

Lieutenant (VNF) GAYAN KANCHANA MANAMPERI, NVX 5722;

Lieutenant (VNF) RANATHUNGA GAMARALALAGE PUBUDU RANATHUNGA, NVX 5724;

By His Excellency's Command,

KAPILA WAIDYARATNE, P.C
Secretary,
Ministry of Defence.

Colombo,
05th December, 2017.

02-370

No. 74 of 2018

MOD/DEF/03/02/EX.

**SRI LANKA NAVY—VOLUNTEER NAVAL
FORCE**

**Transfer from the Volunteer Naval Force
To the Volunteer Naval Reserve approved By His
Excellency The President**

HIS EXCELLENCY THE PRESIDENT has approved the Transfer of the undermentioned officer from the Volunteer Naval

Force of the Volunteer Naval Reserve with effect from 07th January, 2018:-

Lieutenant (VNF) SAKALASOORIYA MUDIYANSELAGE RANASINGHE BANDARA, NVX 5514.

By His Excellency's Command,

KAPILA WAIDYARATNE, P.C
Secretary,
Ministry of Defence.

Colombo,
11th January, 2018.

02-374

No. 75 of 2018

**SRI LANKA NAVY—VOLUNTEER NAVAL
FORCE**

MOD/DEF/03/02/EX.

**Transfer from the Volunteer Naval Force
To the Volunteer Naval Reserve Approved By His
Excellency The President**

HIS EXCELLENCY THE PRESIDENT has approved the Transfer of the undermentioned officer from the Volunteer Naval Force to the Volunteer Naval Reserve with effect from 29th January, 2018:-

Lieutenant (VNF) RATMALANAGE ATHULA NIRANJAN FERNANDO, NVX 5505.

By His Excellency's Command,

KAPILA WAIDYARATNE, P.C
Secretary,
Ministry of Defence.

Colombo,
08th December, 2017.

02-373

Government Notifications

My No. : RG/NB/11/2/105/2017/පිටු/සැ.

NOTICE UNDER THE LAND REGISTERS RECONSTRUCTED FOLIO ORDINANCE (CAP. 120)

01. I hereby give notice under Section 04 of the Land Registers Reconstructed Folio Ordinance (Cap. 120) that Land Register folios, particulars of which appear in Column 1 of the Schedule hereto, affecting the Lands described in Column 2,

there of which have been found to be missing or torn, have been reconstructed in full in provincial folios and relate to the connected deeds, particulars of which are shown in column 3 of the said Schedule.

02. The provisional folio will be opened for inspection by any Person or persons interested therein at the office of the Registrar of Lands, Negombo, 09.02.2018 to 23.02.2018 between the hours of 10.00 a. m. to 3.00 p. m. on all working days.
03. Any person desirous of lodging any objection against any entry included in a provisional folio or against any of the particulars contained in any such entry and any person desiring to make a claim for the insertion of any entry or of any particulars alleged to have been improperly omitted from any entry must do so, by an objection or claim in writing addressed to the undersigned which must be sent under registered cover and must reach the office of the Registrar General not later than 02.03.2018. The matter in respect of which the objection or claim in made must be clearly and fully set out in the objection or claim, and the objection or claim must be accompanied by all documentary evidence relies upon the support of it.

RANJITH DAYANANDA,
Senior Deputy Registrar General,
for Registrar General.

Registrar General's Department,
No. 234/A3,
Denzil Kobbekaduwa Mawatha,
Battaramulla.

SCHEDULE

<i>Particulars of Damaged Folios of the Land Registers</i>	<i>Particulars of Land</i>	<i>Particulars of Deeds Registered</i>
Folio No. 105 of Volume 734 of Division C of the Land Registry Negombo in Gampaha District.	All that divided and defined allotment of the land marked "Lot C" of the land called "Uppalana <i>alias</i> Kadolkele now known as Somas Land" situated at Liyanagemulla of Dasiya Pattu, Aluth Kuru Korale in the District of Gampaha, Western Province and bounded on the, <i>North by</i> : Road and Lot B; <i>East by</i> : Land of K. S. de S Premathirathna and Dr. K. S. Premathirathna; <i>South by</i> : Water Course; <i>West by</i> : Lot B. <i>Extent</i> : 00A., 03R., 10P. (Hectare 0.32881)	01. Deed of Transfer No. 6709 written and attested by Malini Sabarathnam, Notary Public on 27.04.1992.

Revenue and Expenditure Returns

UNIVERSITY OF COLOMBO

Statement of Financial Position As at 31st December, 2016 (Figures Adjusted to the Nearest Rupee)

	Note	2016 Rs.	2015 Rs.
Assets			
Current Assets			
Cash and Cash Equivalents	1	291,720,682	316,420,640
Advances for Supplies and Services	2	119,266,200	62,898,214
Miscellaneous Advances	3	8,399,336	12,464,001
Pre Payments		3,775,845	6,212,383
Inventories and Stocks		23,867,395	22,465,478
Sundry Debtors	4	427,809,776	462,992,890
		<u>874,839,233</u>	<u>883,453,606</u>
Non Current Assets			
Loans and Advances to Staff	5	132,846,851	135,247,757
Advances for Supplies and Services	2	21,907,108	70,427,288
Miscellaneous Advances	3	1,366,962	387,349
Sundry Debtors	4	16,297,432	14,938,792
Investments	6	2,506,759,479	2,143,524,720
Property, Plant and Equipment	7	40,857,989,665	40,421,366,123
Work in Progress	8	1,263,868,022	1,050,778,104
		<u>44,801,035,520</u>	<u>43,836,670,132</u>
Total Assets		<u>45,675,874,753</u>	<u>44,720,123,738</u>
Liabilities			
Current Liabilities			
Accounts Payable	9	150,575,917	143,202,673
Accrued Expenses		148,667,033	118,516,650
Deposits Refundable	10	9,051,437	20,978,449
		<u>308,294,387</u>	<u>282,697,772</u>
Non Current Liabilities			
Deferred Income Extension Courses		827,894,984	643,263,183
Deferred Income Research Grants and Centers		138,906,982	105,248,923
Provision for Gratuity		504,982,012	431,406,440
Accounts Payable	9	92,056,587	907,532
Deposits Refundable	10	27,512,001	25,370,809
		<u>1,591,352,567</u>	<u>1,218,696,887</u>
Total Liabilities		<u>1,899,646,953</u>	<u>1,501,394,660</u>
Net Assets		<u>43,776,227,800</u>	<u>43,218,729,079</u>

	Note	2016 Rs.	2015 Rs.
Equity/Net Assets			
Capital			
Capital Grant Spent		3,743,961,701	3,009,646,941
Capital Grant Unspent		155,616,537	128,889,218
Gifts and Donations	11	<u>353,425,750</u>	<u>259,529,214</u>
		4,253,003,987	3,398,065,373
Accumulated Fund			
General Reserve		19,004,980	19,004,980
Income and Expenditure A/C		(804,906,610)	(343,213,845)
Assets Revaluation Reserve A/C		<u>38,668,804,204</u>	<u>38,756,102,103</u>
		37,882,902,573	38,431,893,238
Reserves and Restricted Funds			
Specific Reserves	12	1,533,687,169	1,285,590,461
Endowment Fund		105,003,666	97,364,698
Other Funds	13	<u>1,630,404</u>	<u>5,815,310</u>
		1,640,321,239	1,388,770,469
Total Equity/Net Asset		<u>43,776,227,800</u>	<u>43,218,729,079</u>

Prepared by
R. M. M. H. D. RAJAPAKSHE,
Senior Assistant Bursar.

Certified by
K. S. T. SWARNALATHA JAYASOORIYA,
Bursar.

Members of the Council of University of Colombo are responsible for the preparation and presentation of these financial Statements.

These financial statements were approved by the Board and signed on their behalf.

Prof. LAKSHMAN DISSANAYAKE,
Vice-Chancellor.

Mr. RAJAN ASIRWATHAM,
Council Member.

UNIVERSITY OF COLOMBO
Statement of Financial Performance
Ended 31st December, 2016
(Figures Adjusted to the Nearest Rupee)

Revenue	Note	2016 (Rs.)					2015 (Rs.)	
		Treasury	Extension Courses	Research Grants	Centers	Funds	Total	
(A) Govt. Grant for Recurrent Expenditure	2,397,000,000	-	-	-	-	-	2,397,000,000	2,238,000,000
(B) Govt. Grant for Rehabilitation and Maintenance of Capital Assets	70,803,833	-	-	-	-	-	70,803,833	55,110,699
(C) Amortization of Capital Grant	396,510,252	-	-	-	-	-	396,510,252	355,972,158
(D) Grant for Bursary	45,885,300	-	-	-	-	-	45,885,300	24,317,900
(E) Grant for Mahapola								

Revenue	Note	2016 (Rs.)					2015 (Rs.)	
		Treasury	Extension Courses	Research Grants	Centers	Funds	Total	
(i) UGC		149,202,250	-	-	-	-	149,202,550	83,621,800
(ii) Mahapola Trust Fund Component		145,205,250	-	-	-	-	145,205,250	109,911,500
(F) Intrenationalization of Universities in Sri Lanka		27,559,681	-	-	-	-	27,559,681	26,350,516
(G) Knowledge Enhancement and Institutional Development		921,900	-	-	-	-	921,900	3,843,164
(H) Strengthening Research		4,046,632	-	-	-	-	4,046,632	2,053,559
(I) Foreign Student Scholarships		7,204,000	-	-	-	-	7,204,000	-
(J) Grant From U. G. C. Arreas-ETF, UPF		1,320,919	-	-	-	-	1,320,919	6,444,829
(K) Grant From U. G. C. For S. D. C.		-	-	-	-	-	-	2,000,000
		3,245,660,317	-	-	-	-	3,245,660,317	2,907,626,125
		Generated Income	Extension Courses	Research Grants	Centers	Funds	Total	
Registration Fees- Undergraduate		8,729,420	-	-	-	-	8,729,420	5,963,910
Registration Fees- Post Graduate		734,559	-	-	-	-	734,559	1,339,000
Examination Fees- Undergraduate		763,340	-	-	-	-	763,340	82,950
Examination Fees- Post Graduate		724,100	-	-	-	-	724,100	405,500
Tuition Fees- Undergraduate		38,601,818	-	-	-	-	38,601,818	12,722,606
Tuition Fees- Post Graduate		4,087,750	-	-	-	-	4,087,750	5,916,500
Interest from Loans and Advances		5,370,626	-	-	-	-	5,370,626	5,367,093
Interest from Investments		188,164,332	-	-	-	-	188,164,332	130,318,795
Sale of Publications		-	-	-	-	-	-	18,000
Sale of Old Stocks/Sale of Discarded		2,027	-	-	-	-	2,027	3,676
Overnight Investment Income		-	-	-	-	-	-	-
Suppliers Registration Fees		1,105,000	-	-	-	-	1,105,000	1,058,500
Rent from Properties		2,456,276	-	-	-	-	2,456,276	6,099,869
Medical Fees		16,800	-	-	-	-	16,800	910,700
Library Fines		1,043,268	-	-	-	-	1,043,268	1,711,887
Ancillary Activities		4,165,350	-	-	-	-	4,165,350	3,307,455
Miscellaneous Receipts		49,786,400	-	-	-	-	49,786,400	35,403,131
Tender Fees		4,105,500	-	-	-	-	4,105,500	360,000
Exchange Gain		610,322	-	-	-	-	610,322	1,235,279
Income from Violation of Bonds		10,137,965	-	-	-	-	10,137,965	9,875,993
Income from Extension Courses		-	481,925,696	-	-	-	481,925,696	687,558,693
Income from Research Grants, Centers and Funds		-	-	75,458,813	15,398,464	186,299,318	277,156,595	223,782,658
Income Gnerated from Extension Courses		8,621,326	-	-	-	-	8,621,326	7,983,237
Receipts from Endowments		222,790	-	-	-	-	222,790	282,305
		329,448,970	481,925,696	75,458,813	15,398,464	186,299,318	1,088,531,261	1,141,707,737
Total Revenue		3,575,109,287	481,925,696	75,458,813	15,398,464	186,299,318	4,334,191,578	4,049,333,862

Expenditure

		<i>Treasury</i>	<i>Extension Courses</i>	<i>Research Grants</i>	<i>Centers</i>	<i>Funds</i>	<i>Total</i>	
1 - Personal Emoluments								
Salaries and Wages	14	622,233,843	10,617,514	35,040,159	8,329,485	53,973,387	730,194,388	590,696,208
U. P. F.	14	133,563,373	651,022	-	-	1,737,366	135,951,760	116,965,373
Pension	14	55,372,870	-	-	-	-	55,372,870	44,392,148
E. T. F.	14	39,562,435	100,311	-	-	263,165	39,925,910	32,380,173
Acting Pay	14	607,920	-	-	-	-	607,920	190,021
Overtime	14	35,218,014	843,376	31,077	26,136	3,754,091	39,872,693	29,872,826
Holiday Payments	14	210,391	-	-	-	-	210,391	290,787
Visiting Lecture Fees	14	31,628,890	82,943,234	-	-	-	114,572,123	26,097,382
Other Allowances	14	1,043,575,190	59,803,653	-	-	-	1,103,378,843	938,353,349
Research Allowance	14	104,757,667	-	-	-	-	104,757,667	100,647,998
		2,066,730,591	154,959,110	35,071,236	8,355,621	59,728,009	2,324,844,566	
2 -Other Recurrent Expenditure								
Travelling	14	9,035,331	68,263	5,816,027	1,276,936	12,839,279	29,035,837	8,732,193
	14	109,600,300	13,451,075	22,459,452	1,335,799	51,108,241	197,954,867	94,977,189
Intence of Assets	14	51,597,550	4,765,851	-	-	-	56,363,401	41,798,595
Intractual Services	14	283,197,050	299,873	292,016	151,572	6,245,979	290,186,490	264,316,438
	14	123,394,762	82,450,711	11,820,082	4,278,536	56,377,811	278,321,902	98,270,334
		576,824,993	101,035,773	40,387,578	7,042,843	126,571,310	851,862,497	2,387,981,014
(i) Mahapola Scholarship- UGC	14	149,202,550	-	-	-	-	149,202,550	83,621,800
(ii) Mahapola Trust Fund Component (Exp).	14	145,205,250	-	-	-	-	145,205,250	109,911,500
Treasury	14	45,885,300	-	-	-	-	45,885,300	24,317,900
Depreciation		462,060,394	-	-	-	-	462,060,394	412,544,588
Gratuity		103,644,270	-	-	-	-	103,644,270	38,411,238
Expenditure on Extension Courses	-	-	-	-	-	-	-	379,673,565
Expenditure on Research Grants, Centers and Funds		-	-	-	-	-	-	223,782,658
Endowments and Scholarships		222,790	-	-	-	-	222,790	282,305
Recurrent Exp- (Rehabilitation)	14	70,803,833	-	-	-	-	70,803,833	55,110,699
Less on Revaluation of Fixed Asset		-	-	-	-	-	-	4,855,995
Less on Disposal of Fixed Asset		4,303,038	-	-	-	-	4,303,038	2,802,449
		981,327,424	-	-	-	-	981,327,424	
Total Expenditure		3,624,883,009	255,994,883	75,458,813	15,398,464	186,299,318	4,158,034,487	
Excess of Income over Expenditure		(49,773,721)	225,930,813	-	-	-	176,157,091	326,038,151

UNIVERSITY OF COLOMBO

Cash Flow Statement for the Year Ended 31st December, 2016

	<i>2016</i>	<i>2015</i>
	<i>Rs.</i>	<i>Rs.</i>
Cash Flows Generated from/(used in) Operating Activities		
Surplus from Ordinary Activities	176,157,091	326,038,151

	2016		2015	
	Rs.	Rs.	Rs.	Rs.
Adjustments				
Depreciation	462,060,394		412,544,588	
Amortization of Fixed Assets	(396,510,252)		(355,972,158)	
Provision for Gratuity	103,644,270		38,411,238	
Interest Income	(193,534,958)		(135,685,888)	
Unrealized Foreign Currency Gain	(610,322)		(1,235,279)	
Payment-Lease Interest	3,011,526			
Loss on revaluation of Assets	-		4,855,995	
Loss on Disposal of Assets	4,303,038	(17,636,305)	2,802,449	(34,279,055)
Operating surplus before working capital changes		158,520,787		291,759,096
Working Capital Changes				
Increase in Stores and Inventories	(1,401,917)		(7,584,503)	
Decrease in Other Receivables	33,824,475		(131,935,717)	
Decrease in Prepayment	2,436,538			
Increase in Advances	(2,361,848)			
Increase in Accrued	30,150,383			
Decrease in Refundable Deposit	(9,785,821)			
Increase in Payable	86,522,299	139,384,111	222,184,289	82,664,069
Cash Flows used in Operating Activities		297,904,897		374,423,165
Payment of Gratuity	(30,068,698)	(30,068,898)	(21,424,242)	(21,424,242)
Net Cash Flows used in Operating Activities		267,836,200		352,998,923
Cash Flows from/(Used in) Investing Activities				
Acquisition of Fixed Assets	(805,390,685)		(240,344,126)	
Work in Progress	(213,089,918)		(516,415,940)	
Increase in Investments	(363,234,760)		(406,738,878)	
Proceed from Disposal of Fixed Assets	1,854,692		733,720	
Interest from Investments	67,047,075	(1,312,813,596)	39,874,533	(1,122,890,691)
Net Cash Flow used in Investing Activities		(1,044,977,397)		(769,891,768)
Cash Flows from (Used in) Financing Activities				
Government Grant for Capital Expenditure	632,000,000		615,000,000	
Net Increase of Internal Fund	404,987,592		131,718,530	
Lease Payment	(16,710,153)	1,020,277,439	-	746,718,530
Net Changes in Cash and Cash Equivalents during the year		(24,699,958)		(23,173,238)
Cash and Cash Equivalents at the Beginning of the Period		316,420,640		134,818,816
Cash and Cash Equivalents at the End of the Period		291,720,682		111,645,578
Net Increase/Decrease in Cash and Cash Equivalents		(24,699,958)		(23,173,238)

UNIVERSITY OF COLOMBO

Statement of Change in Equity/Net Assets for the Year Ended 31st December, 2016

Description	Capital Grant spent	Capital Grant Unspent	Reserves and Restricted Fund	Gifts and Donations	Asset Revaluation reserve	Income & Expenditure	Total
Balance as at 01st January, 2016	3,009,646,941	128,889,218	1,388,770,469	259,529,214	38,756,102,103	(324,208,865)	43,218,729,079
Capital Grant spent and unspent during the year	734,314,760	26,727,319					761,042,078
Net Movement of Donations				93,896,536			93,896,536
Net Movement of Assets							
Revaluation Reserve					(87,297,899)		(87,297,899)
Surplus/(Deficit) for the period						176,157,091	176,157,091
Funds Transfers						(516,350,402)	(516,350,402)
Net Movement of Funds			130,051,316				130,051,316
Transfer to the Cloak Hiring Charges A/C			2,109,600			(2,109,600)	-
Transfer to the Interest Income-VC Fund			4,721,775			(4,721,775)	-
Transfer to the Interest Income-UCDF Fund			50,689,358			(50,689,358)	-
Transfer to the Interest Income-Restricted Funds			63,978,721			(63,978,721)	-
Balance as at 31st December, 2016	3,743,961,701	155,616,537	1,640,321,239	353,425,750	38,668,804,204	(785,901,630)	43,776,227,800

The Vice Chancellor,
University of Colombo.

Report of the Auditor General on the Financial Statements of the University of Colombo for the year ended 31st December, 2016 in terms of Sub-section 108 (1) of the Universities Act, No. 16 of 1978

The audit of financial statements of the University of Colombo for the year ended 31st December, 2016 comprising the statement of financial position as at 31st December, 2016 and the statement of financial performance, 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 107 (5) of the Universities Act, No. 16 of 1978. My comments and observations which I consider should be published with the Annual Report of the University in terms of Sub-section 108 (1) of the Universities Act appear in this report.

1.2 Management's Responsibility for the Financial Statements

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

1.3 Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgments, 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 University'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 University'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. Section 111 of the Universities Act, No. 16 of 1978 gives 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 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 University of Colombo as at 31st December, 2016 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

2.2 Comments on Financial Statements

2.2.1 Consolidated Financial Statements

A limited by Guarantee Company named Colombo Science and Technology Cell had been registered under the Companies Act, No. 7 of 2007 in the year 2013 on the recommendation of the University Grants Commission and the Minister of Higher Education without the approval of the Cabinet of Ministers contrary to the Universities Act, No. 16 of 1978.

As 09 Lecturers including the Dean of the Faculty of Science of the University of Colombo holds the membership of the Board of Directors of this Company Limited, it was evident that the Subsidy Company is under complete control of the University. Accordingly, the financial statements of the Colombo Science and Technology Cell Company should be consolidated with the financial statements of the University of Colombo and presented to the Auditor General. Nevertheless, the Consolidated Financial Statements for the year ended 31st December, 2016 had not been presented.

The Head Office of this Company had been housed in a building belonging to the Faculty of Science of the University of Colombo and the other physical and human resources including computer and accessories of the University had been utilized, whereas an agreement had not been entered into on the utilization of the property of the University. A sum of Rs. 191,839 only had been paid to the University in lieu of the utilization of the resources of the University during the year under review.

2.2.2 Lack of Evidence for Audit

The Title Deeds for the confirmation of legal ownership of lands valued at Rs. 35,296,230,000 shown in the statement of financial position had not been obtained even by the end of the year under review and the Vice Chancellor had informed me on 17th August, 2017 that the process of transfers was in progress.

2.3 Accounts Receivable

The following observations are made.

- (a) Action had not been taken to recover 12 loan balances amounting to Rs. 782,831 shown in the financial statements, despite a lapse of period ranging from 3 to 18 years.
- (b) Four employees in the Faculty of Medicine had resigned without settling the loans obtained and a loan balance amounting to Rs. 288,399 was recoverable from them as at 31st December, 2016. Even though a period ranging from 5 to 9 years had elapsed since the granting of loans to the relevant persons, no action had been taken to recover those money.
- (c) A sum of Rs. 40,086,005 was recoverable as at 31st December, 2016 due to the breach of agreements by 30 Lecturers. Even though it was observed that a sum of Rs. 8,121,094 out of the said amount was recoverable from 08 Lecturers, no action whatsoever had been taken to recover it despite an elapse of period ranging from 11th to 38 years.

2.4 Non-compliance with Laws, Rules, Regulations and Management Decisions

The following non-compliances with Laws, Rules, Regulations and Management Decisions were observed.

Reference to Laws, Rules, Regulations, etc.

Non compliance

- | | |
|---|--|
| <p>(a) Universities Act, No. 16 of 1978
Part II Section 15 (V)</p> | <p>Even though the approval of the University Grants Commission should be obtained for the courses to be conducted by any Higher Education Institution, 53 courses had been conducted by 04 Faculties of the University without obtaining such approval.</p> |
| <p>(b) Establishments Code of the University
Grants Commission and Higher
Education Institutions</p> | |
| <p>(i) Sections 3.1 and 3.2 of Chapter XX</p> | <p>Although the arrival and departure of all the academic and non-academic staff of the University should be recorded, salaries and allowances totalling Rs. 1,375,562,712 had been paid without verifying the arrival and leave of 743 academic officers.</p> |
| <p>(ii) Section 18-3 of Chapter XXII</p> | <p>In case of a person interdicted, the disciplinary inquiry against him should be concluded without delay. A person employed in the Labour Service in the University of Colombo had been interdicted with half pay from 09th December, 2005 and a sum of Rs. 1,885,809 had been paid as half pay for a period of 11 years and 06 months up to 30th June, 2017. However, the relevant disciplinary inquiry had not been concluded.</p> |
| <p>(c) Financial Regulations of the Democratic
Socialist Republic of Sri Lanka</p> | |
| <p>Financial Regulation 371 and the Public Finance Circular No. 03/2015 dated 14th July, 2015</p> | <p>(i) Although the advances should be settled immediately after the completion of the purpose for which it is granted, the advances aggregating Rs. 2,772,704 granted in 28 instances had been settled after a lapse of periods ranging from 47 days to 326 days.</p> |

- (ii) Although the maximum limit of advances can be granted at a time is Rs. 100,000, the University had granted advances ranging from Rs. 149,940 to Rs. 658,103 in 07 instances during the year under review.
- (d) National Library and Documentary Services Board Circular No. PS/01 of 2004 dated 26th January, 2004
- Even though an Annual Board of Survey on library books should be conducted, an Annual Board of Survey on books for the year 2016 had not been conducted in respect of library books and periodicals valued at Rs. 380,885,509 according to the financial statements.
- (e) University Grants Commission Circular No. 13/2015 of 18th September, 2015
- A motor vehicle was assigned and monthly fuel had been provided since the year 2015 to a Senior Lecturer (Senior Student Counselor) who was not entitled for transport facilities. The cost of fuel supplied in the year under review amounted to Rs. 337,720.

2.5 Transactions not Supported by Adequate Authority

According to a decision taken at the 499th Council Meeting held on 09th September, 2015, an officer had been recruited on contract basis to the post of Senior Legal Consultant which was not included in the approved cadre and a sum of Rs. 1,050,000 had been paid from the Administrative Fund during the year under review.

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the financial result for the year under review had resulted in a surplus of Rs. 176,157,091 as compared with the corresponding surplus of Rs. 326,038,151 for the preceding year, thus indicating a deterioration of Rs. 149,881,060 in the financial results during the year under review as compared with the preceding year. Although the Government Grants had increased by Rs. 338,034,192, the increase in the expenditure on employees remuneration by Rs. 444,958,302 and other overhead expenditure by Rs. 343,767,748 had been the main reason for the above deterioration.

According to an analysis of the financial results for the year under review and the 4 preceding years, the surplus had increased from the year 2012 up to the year 2016 with fluctuations. However, when taking into consideration the employees' remuneration, tax paid to the Government and the depreciation for the non-current assets adjusted again, the contribution of the University had continuously increased from the year 2012 up to Rs. 2,968,791,856 by the year 2016.

4. Operating Review

4.1 Performance

According to the information made available by the University, the objectives of the University are the use of latest technology for teaching, upgrade the quality of educational courses to international standards, improve the facilities up to a high research level, uplift the social environment of the University, strengthen the skills of the academic and non-academic staff, upgrade the management systems and using knowledge and experience for the benefit of society.

The following observations are made with regard to the achievement of those objectives:

- (a) Attention had been paid in audit to 06 main performance criteria shown in the Corporate Plan prepared for the period from the year 2016 up to the year 2020 and the progress of those criteria that is, entering into Memorandum of Understanding between the industrial sector and the University for industrial corporation, conduct of public workshops, publication of books by the academic staff, proceeding abroad by the academic staff of the University under Exchange Programmes, presentation of Research Papers by the Post Graduates students and representation in international competitions by students had been at a weak level representing a range between 8 per cent and 50 per cent. Attention was needed further in respect of the steady progress of performance under the said criteria.
- (b) The Univeristy of Colombo which had secured the 2,034th place in the World Ranking during the year 2015 had dropped to 2,171st place by the year 2016.
- (c) Even though the number of students approved to be enrolled for the Faculties of Science and Medicine in the years 2014, 2015 and 2016 stood at 2,015, only 1,793 students had been enrolled. Thus, it was observed that 222 students had been deprived of the opportunity of entering the University.
- (d) Even though the number of students approved to be enrolled for the Faculty of Arts in the years 2014, 2015 and 2016 had been 550, the number of students enrolled in those three years stood at 596,739 and 692 respectively. Thus, the number of students enrolled in excess during the 03 years had been 377. The number of students to be enrolled for the University had been decided several years ago and failure to pay attention to revise that number in timely manner by the Management had been the main reason for this situation.

4.2 Management Activities

The following observations are made:

- (a) The physical verification of books carried out as at 31st December, 2015 revealed that, 27,367 books valued at Rs. 3,292,524 had been misplaced. Except for writing off the cost of 3,298 books amounting to Rs. 499,628 from the accounts in the year under review, no action whatsoever had been taken in this connection.
- (b) Out of the Government capital grants received by the University, a sum of Rs. 140,910,000 had been saved by the end of the year under review and Rs. 107,590,000 included therein had been saved without being utilized for relevant purposes over several preceding years.

4.3 Operating Activities

Advances totalling Rs. 761,350 had been granted in respect of expenditure amounting to Rs. 297,750 in 41 instances during the year under review due to the advances granted without an expenditure estimate properly forecasted.

4.4 Idle and Underutilized Assets

The following observations are made :

- (a) A sum of Rs. 23,863,768 pertaining to 29 Fund Accounts maintained by the University as at 31st December, 2016, had not been utilized for the relevant purposes.
- (b) According to the Stock Survey Report of the year under review, the immovable stock and the slow moving stock in the stores amounted to Rs. 165,518 and Rs. 259,760 respectively.
- (c) Even though the security electric gate erected at the entrance of the Library for the prevention of stealing books from the library was inoperative more than one year from 08th February, 2016 up to 09th May, 2017, the date of audit, it had not been repaired.

4.5 Procurement and Contract Process

The following observations are made :

- (a) In leasing out the book shop maintained in the University premises, a lessee had been selected deviating from the procurement process. The assessed rent of the building with 685 square feet where the book shop was maintained had not been considered and rented out to a same institution during the period from September, 2008 up to December, 2016. Thus, an income of Rs. 966,668 had been deprived of. Further, no lease rental had been recovered from a bank and two milk bars located in the said premises.
- (b) As the Condition included in the specifications formulated for inviting bids in respect of providing security for universities during the period from 15th March, 2016 up to 14th March, 2018, required that 03 year experience of providing security for universities should be completed, 03 bids out of the bids received had been rejected. The second lowest bid of Rs. 41,288,400 included therein was rejected and thus, the contract for procurement had to be awarded to the institution which submitted the fifth lowest bid of Rs. 44,454,896. As such, a sum of Rs. 7,332,992 had to be overpaid for the period from March, 2016 up to March, 2018 at Rs. 3,666,496 per year.
- (c) An agreement for a sum of Rs. 25,359,367 (including VAT) had been entered in to with a private company on 24th December, 2013 in respect of the renovation of 50 toilets and 30 bath rooms of the Sujatha Jayawardhana Womens's Hostel with 05 storeys belongin to the University. However, the University had informed the contractor on 16th June, 2015 that the relevant contract agreement had been cancelled due to the delay of work. Even though the Performance Bond valued at Rs. 1,132,114 obtained in terms of Section 5.4.8 of the Procurement Guidelines should be recovered by the University before the expiry, action had not been taken to recover it.

After the cancellation of said contract agreement, instead of selecting a contractor for the completion of remaining work valued at Rs. 11,197,072 by following the procurement process, the remaining construction work of 5 storeys had been assigned separately to 5 contractors registered in the institution during the year 2015.

- (d) Due attention of the Management had not been paid to the repairing of the old building of Sujatha Jayawardhana Hostel, old buildings of Havelock Hostel and the ground floor of the front building and reverse buildings of Blot Formain Hostel. Nevertheless, it was observed that the students were occupying those hostels despite the dilapidated conditions.

4.6 Staff Administration

The following observations are made.

- (a) Three Hundred and Twenty-five vacancies existed in the approved cadre as at 31st December, of the year under review. Due to the 111 vacancies of Lecturers, Visiting Lecturers had been recruited and a sum of Rs. 29,406,870 had been paid for obtaining the service of 379 visiting Lecturers during the year under review.
- (b) There were vacancies in 05 posts of typist and 17 posts of stenographer which were not timely important and instead, attention had not been paid to the creation of posts with timely importance.

5. Accountability and Good Governance

5.1 Budgetary Control

Variances ranging between 10 percent and 100 per cent were observed between the budgeted expenditure and actual expenditure of 20 Objects in the Budget of the year under review, thus observing that the budget had not been made use of as an effective instrument of management control.

6. Systems and Controls

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

Areas of Systems and Controls

Observations

(a) Management of Fixed Assets	Failure to establish the ownership of the property, poor level of maintenance and disposal of assets.
(b) Accounts receivable and payable	Failure to take necessary action for the settlement of balances.
(c) Maintenance of Funds	Non-utilization of funds in respect of the specific purposes for which the Funds were established.
(d) Contract Administration	Failure to maintain the relevant files properly and weak level of supervision.
(e) Staff Administration	Failure to record the arrival and the departure of the academic staff.
(f) Library Administration	Failure to conduct the Board of Surveys on library books properly. Failure to maintain comparative registers properly.
(g) Operating Control	Non-maintenance of hostels in a manner to carry out the academic purposes of students in a suitable environment.

H. M. GAMINI WIJESINGHE,
Auditor General.

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SWAMI VIPULANANDA INSTITUTE OF AESTHETIC STUDIES

Statement of Financial Position

As at 31st December, 2016

	<i>Note</i>	<i>31.12.2016</i>	<i>31.12.2015</i>
<i>Assets</i>		<i>Rs.</i>	<i>Restated Rs.</i>
Non-Current Assets			
Property, Plant and Equipment	08	347,433,707.27	359,721,525.27
Intangible Asset	09	1,291,544.40	-
Capital Work in Progress	10	11,111,047.11	-
Total non-current asset		<u>359,836,298.78</u>	<u>359,721,525.27</u>
Current Assets			
Inventories	11	1,308,962.09	1,402,827.42
Deposit, Loan and Advances	12	12,131,277.62	8,335,430.66
Cash and cash equivalents	13	<u>98,888,523.53</u>	<u>61,510,157.32</u>
Total Current assets		<u>112,328,763.24</u>	<u>71,248,415.40</u>
Total Assets		<u>472,165,062.02</u>	<u>430,969,940.67</u>

	Note	31.12.2016 Rs.	31.12.2015 Restated Rs.
Equity and Liabilities			
Equity			
Accumulated Fund (Capital Grant)/Reserve			
Accumulated Capital Grant	14	263,050,112.78	209,550,112.78
Other Grant		2,500,000.00	2,500,000.00
Donation	15	231,570,151.84	231,450,151.84
General Reserve		(52,070,952.05)	(30,803,268.21)
Total Equity		<u>445,049,312.57</u>	<u>412,696,996.41</u>
Liabilities			
Non Current Liabilities			
Retirement Benefit Obligation	16	<u>5,693,527.50</u>	<u>5,031,837.50</u>
Total non-current liabilities		<u>5,693,527.50</u>	<u>5,031,837.50</u>
Current Liabilities			
Accounts Payable	17	3,775,909.80	7,688,028.80
Deposits and Refundable	18	2,937,227.74	3,589,603.33
Mahapola/Bursary Payable	19	2,866,890.00	890.00
Accrued Expenses	20	<u>11,842,194.41</u>	<u>1,962,584.63</u>
Total current liabilities		<u>21,422,221.95</u>	<u>13,241,106.76</u>
Total liabilities		<u>27,115,749.45</u>	<u>18,272,944.26</u>
Total Equity and Liabilities		<u>472,165,062.02</u>	<u>430,969,940.67</u>

The accounting policies and notes on pages 06 to 16 from an integral part of these Financial Statements. These Financial Statements have been prepared and presented in compliance with Sri Lanka Public Sector Accounting Standards (SLPSAS) issued by the Institute of Chartered Accountants of Sri Lanka and in terms of Sections 106 (1) and 107 (1) (b) of the Universities Act, No. 16 of 1978 and Section 13 (6) of the Finance Act, No. 38 of 1971.

Signed for and on behalf of the Board of Management.

Dr. S. JEYASANKAR,
Director/Accounting Officer.

T. VIJAYAKUMAR,
Deputy Registrar.

M. K. D. LAKMALI,
Senior Assistant Bursar.

SWAMI VIPULANANDA INSTITUTE OF AESTHETIC STUDIES

Statement of Financial Performance For the Year Ended 31st December, 2016

	Note	2016 Rs.	2015 Restated Rs.
Operation Income			
Recurrent Grant		146,175,000.00	136,900,000.00
Registration Fees (Undergraduates)		848,200.00	718,900.00
Examination Fee (Undergraduates)		467,600.00	49,000.00
Interest from Loans and Advance		197,283.26	160,756.41
Hostel fees		429,600.00	243,700.00
Fines		791,288.00	22,733.00
Rent from Properties		65,000.00	46,000.00

	<i>Note</i>	<i>2016</i> <i>Rs.</i>	<i>2015</i> <i>Restated</i> <i>Rs.</i>
Medical Fees		166,000.00	101,700.00
Sales of Old Stock		28,850.00	60,135.00
Guest House Collection		4,850.00	-
Library Fine		132,243.75	-
Cost of Living Arrears (COLA)		-	35,208.12
Non Refundable Deposits		178,100.00	80,700.00
Miscellaneous Receipts		3,750.00	9,000.00
Written back of prior year overprovided expenses		172,346.90	
		<u>149,660,111.91</u>	<u>138,427,832.53</u>
Operating Expenses			
Personal Emoluments			
Salaries and Wages		28,830,591.65	25,903,458.98
U. P. F.		4,644,501.69	3,833,419.25
Pension		3,286,674.02	2,866,736.29
E. T. F.		1,871,446.84	1,347,150.74
Acting Pay		199,126.25	500,239.22
Cost of Living Allowance		8,792,692.76	8,580,926.18
Academic Allowance		12,480,173.64	8,072,207.01
Special Allowance		5,320,965.95	5,170,172.14
Research Allowance		4,028,272.50	8,185,794.66
Overtime		2,503,011.82	1,054,838.45
Holiday Pay		65,446.50	36,372.00
Other Allowance		28,800.00	14,400.00
Visiting Lecture Fees		1,894,030.00	1,601,050.00
Additional Monthly Allowance		4,610,340.03	5,160,052.89
Interim Allowance		11,272,682.92	9,320,820.90
Monthly Compensatory Allowance		1,973,629.77	1,799,269.13
Photocopy Allowance		25,200.00	17,850.00
Gratuity		2,043,917.50	5,066,063.90
Travelling	03	818,515.74	146,776.36
Supplies and Consumable used	04	3,647,753.88	3,657,008.85
Maintenance Expenditure	05	2,453,719.36	2,070,515.72
Contractual Services	06	30,165,217.37	24,412,581.21
Depreciation and Amortization Expenses		27,754,549.57	13,910,034.52
Other Operating Expenses	07	12,216,535.99	8,615,336.29
Total Operating Expenses		<u>170,927,795.75</u>	<u>141,343,074.69</u>
Surplus/(Deficit) from Operating Activities		(21,267,683.84)	(2,915,242.16)
Balance B/F		<u>(23,872,088.21)</u>	<u>(27,888,026.05)</u>
		<u>(45,139,772.05)</u>	<u>(30,803,268.21)</u>

SWAMI VIPULANANDA INSTITUTE OF AESTHETIC STUDIES

Statement of Cash Flow

For the Year Ended 31st December, 2016

	<i>2016</i> <i>Rs.</i>	<i>2015</i> <i>Restated</i> <i>Rs.</i>
Cash Flow from Operating Activities		
Surplus/(Deficit) from ordinary activities	(21,267,683.84)	(1,269,825.74)
Adjustment		
Depreciation and amortization	27,754,549.57	13,910,034.52

	2016 Rs.	2015 Restated Rs.
Provision for Gratuity	2,043,917.50	5,031,837.50
Net cash flow from operating activities before working capital changes	8,530,783.23	17,672,046.28
Changes in Items of Working Capital		
(Increase)/decrease in inventories	93,865.33	(300,245.83)
(Increase)/decrease in deposit, loan and advances	(3,795,846.96)	5,124,410.39
Increase/(decrease) accounts payable	(3,912,119.00)	(248,351.75)
Increase/(decrease) in deposits and refundable	(652,375.59)	3,589,603.33
Increase/(decrease) in Mahapola/Bursary Payable	2,866,000.00	(2,238,050.00)
Increase/(decrease) in accrued expenses	9,879,609.78	1,962,584.63
	<u>4,479,133.56</u>	<u>7,889,950.77</u>
Net cash flow from operating activities after working capital changes	13,009,916.79	25,561,997.05
Gratuity paid	(1,382,227.50)	-
Net Cash Flow from Operating Activities	11,627,689.29	25,561,997.05
Cash flow from Investing Activities		
Purchase of Property Plant and Equipment	(14,916,216.77)	(66,190,826.51)
Capital Work in Progress	(11,111,047.11)	-
Intangible Assets	(1,722,059.20)	-
Net Cash Flow Used in Investing Activities	(27,749,323.08)	(66,190,826.51)
Cash Flow from Financing Activities		
Government Grant-Capital	53,500,000.00	50,000,000.00
Net Cash Flow from Financing Activities	53,500,000.00	50,000,000.00
Net increase/(decrease) in Cash and Cash Equivalents	37,378,366.21	9,371,170.54
Cash and Cash Equivalents at the beginning of the year	61,510,157.32	52,138,986.78
Cash and Cash Equivalents at the end of the year	98,888,523.53	61,510,157.32

SWAMI VIPULANANDA INSTIUTE OF AESTHETIC STUDIES

Statement of Changes in Equity

For the Year Ended 31st December, 2016

	Accumulated Fund Rs.	General Reserve Restated Rs.	Total Rs.
Balance at 31st December, 2014	151,708,799.72	(29,533,442.47)	122,175,357.25
Capital Grant	50,000,000.00		50,000,000
EUSL - Prior Year adjustment		1,645,416.42	
Surplus/(deficit) for the period	-	4,015,937.84	4,015,937.84
Retrospective restatement of errors (Note 21)		6,931,180.00)	
Balance at 31st December, 2015	201,708,799.72	(30,803,268.21)	170,905,531.51
Capital Grant	53,500,000.00	-	53,500,000.00
EUSL-Prior Year adjustment		-	
Surplus/(deficit) for the period	-	(21,267,683.84)	(21,267,683.84)
Balance at 31st December, 2016	255,208,799.72	(52,070,952.05)	203,137,847.67

Miscellaneous Departmental Notices

REGIONAL DEVELOPMENT BANK

In Pursuant to a Resolution of Regional Development Bank proposed approval by the Board of Directors under clause 04 of recovery of Loan (Special Provisions) Act, No. 04 of 1990 by the bank and as amended by clause No. 40 of Regional Development Bank Act, No. 41 of 2008

Dissanayaka Mudiyanseelage Buddhika Dissanayaka/
Kaluarachchige Tilak Chandana Kumara.
Savings Account No. : 731010102519.
Loan Account No. : 731059600109.

THE proposed special resolution was unanimously passed as given below in the meeting bearing No. 2017/13 held on 28.11.2017 by the Board of Directors of Regional Development Bank.

The Dissanayaka Mudiyanseelage Buddhika Dissanayaka Abanpola, Anuradhapura Road, "Hiranya" book shop and Kaluarachchige Tilak Chandana Kumara, Abanpola, Anuradhapura Road, No. 13 have evade in settlement of outstanding recoverable as per mortgage Deed bearing No. 7214 dated 22.11.2016 Certified by Sandaya L. Edirimuni, Attorney-at-Law and Notary Public Galgamuwa for the recovery of loan due to the Regional Development Bank the sum of Rupees Four Million Six Hundred Thirty-eight Hundred Thousand and Six Hundred Thirty cents Thirty-seven (Rs. 4,638,630.37) together with the interest in a sum of Rupees Ninety-six Thousand and Nine Hundred Twelve cent Fourteen (Rs. 96,912.14) due as at 29.08.2017 and charges rupees twenty three thousand (Rs. 23,000) with the interest of 18% annually 29.08.2017 up to the date of Auction, Tax, Auction Expenses including advertising chargers and for recovering of balance loan and legitimate expenses to be recovered if any, to sell by public Auction of the properties detailed in the schedule as given below which mortgage to the Regional Development Bank by mortgaged bearing No. 7214 and by Schockman and Samerawickreme, Licensed Auctioneer of No. 24, Torrington Road, Kandy.

THE SCHEDULE

All that divided and defined allotment of land depicted a Block No. 105 of F. V. P. 3178 Kurunegala survey superintendent plan's dated 28.04.2016 F. V. P. 3178's Block No. 02 containing extent Hectare Zero Point Two Zero (Hectare 0.2000) Government Land and survey Hectare Zero point one (0.1000) Kitulegama Village, No. 191, Udangawa Gramaniladari Division, Abanpola Divisional Secretary's Division, Mahawa Pradeshiya Sabha Limits,

Ganthihe Korale, Wannihathpattuwe, Kurunegala District, North Western Province.

North F. V. P. 3178's additional No. 06, Sheet No. 6 Block No. 104 East Kurunegala Anuradhapura Main Road, South F. V. P. 3178's Black No. 107, West Same Plan Block No. 106. Property determined above together with building and everything thereon.

By orders Board of Director's,

Board Secretary.

Regional Development Bank,
Head Office,
No. 933, Kandy Road,
Wedamulla, Kelaniya.

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NATIONAL DEVELOPMENT BANK PLC

Resolution adopted by the Board of Directors under Section 4 of the Recovery of Loans by Banks (Special Provisions) Act, No. 4 of 1990 as amended

AT a meeting of the Board of Directors of the National Development Bank PLC held on 19th December, 2017 the following resolution was specially and unanimously adopted:

"Whereas Gangabada Kankanamge Shantha Kumara Gunarathne of Unawatuna carrying on Business as a sole Proprietor under the name style and firm of "Samaya Beach Hotel" at Unawatuna (Borrower) has made default in the payment on the Loans/Facilities granted against the security of the property and premises morefully described in the Schedule hereto mortgaged and hypothecated by Bond No. 1383 dated 23.11.2015 and Bond No. 1476 dated 16.06.2016 and both attested by Bimali Sooriyaarachchi of Galle, Notary Public executed in favour of National Development Bank PLC (Bank).

And whereas a sum of Ten Million Six Hundred and Sixty-one Thousand Eight Hundred and Forty-four Rupees and Thirty-three Cents (Rs. 10,661,844.33) has become due and owing on the said Bonds to the Bank as at 30th November, 2017.

The Board of Directors of the Bank acting under the powers vested in them under the Recovery of Loans by Banks (Special Provisions) Act, No. 4 of 1990 (Principal Act) as amended do hereby resolve that the property and

premises including the freehold and other right title and interest to the property and premises described in below mortgaged to the Bank as security for the said Loans/ Facilities by the said Bonds be sold by public auction by Mr. P. K. E. Senapathi, Licensed Auctioneer for the recovery of the said sum of Ten Million Six Hundred and Sixty-one Thousand Eight Hundred and Forty-four Rupees and Thirty-three cents (Rs. 10,661,844.33) or any portion thereof remaining unpaid at the time of sale and interest on a Principal sum of Five Million Seven Hundred and Forty-one Thousand Six Hundred and Sixty-nine Rupees (Rs. 5,741,669.00) due on the said Bond No. 1476 at the rate of Thirteen decimal Zero One Percent (13.01%) per annum and on a Principal sum of Three Million Eight Hundred and Thirty-three Thousand Three Hundred and Thirty-eight Rupees (Rs. 3,833,338.00) due on the said Bond No. 1383 at the rate of Fourteen decimal Two Five Percent (14.25%) per annum all from 01st December, 2017 to the date of sale together with the cost of advertising selling and other charges incurred in terms of Section 4 of the Principal Act less any payments (if any) since received.”

THE SCHEDULE

All that divided and defined allotment of land marked Lot 1A depicted in Plan No. 4938 Surveyed on 08.09.2012 made by S. W. Peiris, Licensed Surveyor being a resurvey of Lot 1A of Lot 1 of the land called Kudamalagewatta together with soil, trees, permanent buildings and everything standing thereon, situated at Yaddahimulla, Unawatuna within the Yaddahimulla-137V, Grama Niladhari Division, Habaraduwa Divisional Secretariat Division, Pradeshiya Sabha Limits of Habaraduwa, Talpe Pattu, Galle District Southern Province and bounded on the North by Malagewatta, East by Usmaddumagewatta, South by Welle Devala Road and on the West by Lot 1B of the same Land and containing in extent within these boundaries Fourteen decimal Six Perches (0A., 0R., 14.6P.).

The above described Lot 1A is a resurvey of the following land:

All that divided and defined allotment of land marked Lot 1A depicted in Plan No. 1005 dated 03.07.1977 made by H. Wisumpaeruma, Licensed Surveyor and Subdivided on 06.01.1985 by the same surveyor of Lot 1 depicted in Plan No. 1005 dated 03.07.1977 made by H. Wisumpaeruma, Licensed Surveyor aforesaid of the land called Kudamalagewatta together with soil, trees, permanent buildings and everything standing thereon situated at Yaddahimulla, Unawatuna within the Yaddahimulla, 137V, Grama Niladhari Division, Habaraduwa Divisional Secretariat Division, Pradeshiya Sabha limits of Habaraduwa, Talpe Pattu, Galle District Southern Province and bounded on the North by Malagewatta, East by Usmaddumagewatta, South by Road from Yaddahimulla to Matara Road and on the West by Lot 1B of the same land and containing in extent within these boundaries Fifteen Perches (0A., 0R., 15P.) and registered in volume/Folio S 34/55 at the Galle Land Registry.

Together with all and singular the immovable plant and machinery equipment fixtures fittings and services which are now or which may hereafter from time to time be affixed or permanently fastened to the said allotment of land more fully referred on above including Electricity supply system together with the equipment, Water supply system equipment, Telecommunication equipment and Air conditioning equipment.

By order of the Board,

Company Secretary.

National Development Bank PLC.

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