

N. B. :- Part I-II(A) of the Gazette No. 1720 of 19.08.2011 was not Published.

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The Gazette of the Democratic Socialist Republic of Sri Lanka

අංක 1,721 – 2011 අගෝස්තු 26 වැනි සිකුරාදා – 2011.08.26
No. 1,721 – FRIDAY, AUGUST 26, 2011

(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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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 *Gazettes* should reach Government Press two weeks before the date of publication *i.e.* notices for publication in the weekly *Gazette* of 02nd September, 2011 should reach Government Press on or before 12.00 noon on 19th August, 2011.

LAKSHMAN GOONEWARDENA,
Government Printer.

Department of Govt. Printing,
Colombo 08,
January 01, 2011.

Appointments & c., by the President

No. 368 of 2011

No. 367 of 2011

NATIONAL CADET CORPS

DIRF/RECT/272/AY.

Commissions approved by His Excellency the President

HIS EXCELLENCY THE PRESIDENT has been pleased to approve the commissioning of under-mentioned ladies and Gentlemen in the National Cadet Corps in the seniority mentioned below.

a. Commissioning in the rank of Second Lieutenant with effect from 15th September, 2010.

Miss GODIGAMAGE NADEESHA PRIYADARSHANI
Mr. MAHAROOF NIHAL HUSSAIN
Mr. ABDUL GAFOOR MOHAMED RAFEE
Mrs. ULAPANAYALAGE ANUSHA THARANGANI GUNASINGHE

b. Commissioning in the rank of Temporary Captain with effect from 05th December, 2010.

Miss NANAYAKKARA WARNAKULASURIYA ILEKUTTIGE JEEVANI
MADUKA DESAMAN FERNANDO
Mr. WEERASINGHE PATHIRANAGE NILUKA DILRUK WEERASINGHE
Mr. DEWAGIRI KAPURALALAGE KAMALATHILAKA DEWAGIRI
Mr. VIPULA KULATHUNGA
Mrs. NANAYAKKARA MABOTUWANA APPUGE DULARI DEEPIKA

By His Excellency's Command,

GOTABAYA RAJAPAKSA, RWP, RSP, psc,
Secretary,
Ministry of Defence.

Colombo.

08-613

SRI LANKA ARMY—REGULAR FORCE

Commissions approved by His Excellency the President

HIS EXCELLENCY THE PRESIDENT has been pleased to approve the Commissioning of the undermentioned Gentlemen in the rank of Captain/Lieutenant in the Regular Force of the Sri Lanka Army with effect from the dates mentioned below and their posting to the Sri Lanka Army General Service Corps with effect from the same dates.

Agriculture Officers in the rank of Captain w.e.f. 30th September, 2010.

DISSANAYAKE MUDIYANSELAGE HEMALAL CHAMPIKA KUMARATHILAKE
DISSANAYAKE MUDIYANSELAGE SURANGA UDAYA BANDARA
WILLORAGE THUSHARA UPASHANTHA PERERA

Agriculture Officers in the rank of Lieutenant w.e.f. 30th September, 2010.

BRANDY GAMPOLAGE KASUN ERANDA
JAGATH PRIYANTHA WIJETUNGAE
WANASINGHA ARCHCHIGE DHON RUWAN SAMPATH ADIKARI

Agriculture Officer in the rank of Lieutenant w.e.f. 15th October, 2010

HALGAHA GAMARALALAGE JANAKA PRASAD KUMARA

By His Excellency's Command,

GOTABAYA RAJAPAKSA, RWP, RSP, psc,
Secretary,
Ministry of Defence.

29th July, 2011,
Colombo.

08-705

Government Notifications

TOURISM ACT, No. 38 OF 2005

Order under Section 53

BY virtue of the powers vested in me by Sub-section (6) of Section 53 of the Tourism Act, No. 38 of 2005, I, Basil Rohana Rajapakshe, Minister of Economic Development hereby approve the order published by the Chairman of Sri Lanka Tourism Development Authority by virtue of powers vested in him by Sub-Section (1) of

Section 53 of the Tourism Act No. 38 of 2005, in Part I Section (I) of the *Gazette of the Democratic Socialist Republic of Sri Lanka* No. 1697/24 dated 17th March 2011 regarding the Price Control Order.

BASIL ROHANA RAJAPAKSHE,
Minister of Economic Development.

Colombo,
11th April, 2011.

08 - 615

DEPARTMENT OF ANIMAL PRODUCTION AND HEALTH

The standing regulations published be in force during the period of festival.

Notice of the Veterinary Drugs Control Authority

U. UTHAYASRITHAR,
Divisional Secretary,
Porathivupattu.

ACCORDING to the powers vested in me by the Animal Diseases Act, No. 59 of 1992, the Committee of Veterinary Drugs Control Authority formed under this act, decided to grant the validity period of registration of verterinary drugs for three years and vaccine for two years. Furthermore, the concessionary period of six months from to date is granted for the renewal of the existing registrations not having any validity period.

3rd August, 2011.
08-657

Further clarification regarding this decision could be obtained from the Registrar, Veterinary Drugs Control Authority, Department of Animal Production and Health, P. O. Box 13, Getambe, Peradeniya.

Dr. W. K. DE SILVA,
Director General.

Department of Animal Production and Health,
P. O. Box 13,
Peradeniya.

08-622

CLOSING OF MEDICAL SUPPLIES DIVISION FOR ANNUAL VERIFICATION AND STOCK TAKING—2011

THE Medical Supplies Division will be closed from 01st December, 2011 to 31st December, 2011 (Both Days Inclusive) for the Purpose of Annual Verification and Stock taking. (Only stores Complex).

All Provincial Directors of Health Services, Regional Directors of Health Services, Director of Teaching Hospitals, Director of District General Hospitals, Directors of Specialized Campaigns, Medical Officers In-Charge of Security Forces (Army, Navy, Air Force and Police), Officers In-Charge of Central Dispensaries coming under the purview of Central Government and other Relevant Officers should kindly note that no requisitions will be entertained during this Period except for urgent medical items and Narcotics Drugs.

Dr. KAMAL JAYASINGHE,
Director,
Medical Supplies Division.

IT is hereby notified for general information that the above festival will commence at 8.00 p. m. on 23rd August, 2011 with ceremony of hoisting the flag. The water-culling ceremony will be held at 10.00 a.m. 12th September, 2011 and the festival terminates at 9.00 p. m. on the same day with lowring the flag.

The attention of the general public is drawn on the regulations published in the Government *Gazette* No. 5886 dated 27th of May, 1949.

Medical Supplies Division,
No. 357, Rev. Baddegama Wimalawansha Thero Mawatha,
Colombo 10.
09th August, 2011.

08-624

Revenue and Expenditure Returns

INSTITUTE OF BIOCHEMISTRY, MOLECULAR BIOLOGY AND BIOTECHNOLOGY

UNIVERSITY OF COLOMBO

**Balance Sheet as at 31st December, 2009
(Figures adjusted to the Nearest Rupee)**

Non Current Assets

Note - 02

Office Furniture and Equipments
Computers

2009	2008
Rs.	Rs.
N. B. V.	N. B. V.
2,954,031	2,840,845
1,057,093	835,100

		2009 Rs. N. B. V.	2008 Rs. N. B. V.
Lab and Teaching Equipments		10,693,129	17,352,614
Fixtures and Fittings		66,194	75,885
Lab Tools		737,547	1,125,833
Library Books and Periodicals		329,959	386,298
		<u>15,837,953</u>	<u>22,616,576</u>
Investments - Endowment Fund		1,753,160	1,442,880
		<u>17,591,113</u>	<u>24,059,456</u>
Current Assets			
Investments	Note - 03	15,771,444	14,701,408
Staff Loans	Note - 04	1,544,690	1,491,803
Advance A/C		2,042,573	2,228,722
Other Receivables	Note - 05	102,700	121,161
Investments in call deposits		8,250,000	6,750,000
Bank balances	Note - 06	2,285,736	3,440,809
		<u>29,997,143</u>	<u>28,733,903</u>
Total Assets		<u>47,588,256</u>	<u>52,793,359</u>
Financed by Capital			
Capital Grant Spent		6,052,753	4,826,865
Capital Grant Unspent		2,941,550	3,760,380
Gifts and Donations		9,056,119	17,305,958
		<u>18,050,422</u>	<u>25,893,203</u>
Reserves			
Income and Expenditure A/C		14,358,964	10,894,488
Restricted Funds			
Endowment Fund		1,818,380	1,508,100
Research Grants	Note - 07	8,009,566	9,513,088
Institute Development Fund		879,249	676,214
MSc Research Projects in 2010		655,000	1,830,000
		<u>11,362,195</u>	<u>13,527,402</u>
Current Liabilities			
Accrued Expenditure		1,897,193	981,103
Provision for Gratuity	Note - 08	1,266,873	1,167,414
Refundable Laboratory Deposits		594,000	300,000
Other Refundable Deposits		58,610	29,750
		<u>3,816,675</u>	<u>2,478,266</u>
		<u>47,588,256</u>	<u>52,793,359</u>

Prepared and Certified by Senior Assistant Bursar :

For and on behalf of the Board of Management,

Director

Senior Asst. Registrar.

**INSTITUTE OF BIOCHEMISTRY, MOLECULAR BIOLOGY AND BIOTECHNOLOGY
UNIVERSITY OF COLOMBO**

Income and Expenditure Account for the Year ended 31st December, 2009

Figures adjusted to the nearest Rupees

		2009 Rs.	2008 Rs.
Income			
Govt. Grant for Recurrent Expenditure		27,850,000	30,000,000
Govt. Grant for Rehabilitation of Capital Assets		1,000,000	1,600,000
Amortization of Donated Assets		9,952,782	9,467,795
Research Grants	Note - 09	3,364,376	3,564,025
Generated Income	Note - 10	4,796,732	3,036,179
Interest Income		1,278,271	825,232
Other Income	Note - 11	246,875	358,723
		<u>48,489,036</u>	<u>48,851,955</u>
Less: Expenditure			
Personal Emoluments	Note - 12	9,142,526	8,141,119
Travelling		239,073	431,332
Supplies	Note - 13	6,701,508	6,326,047
Maintenance Expenditure	Note - 14	5,202,322	5,099,034
Contractual Services	Note - 15	10,946,549	9,881,231
Other Recurrent Expenses	Note - 16	2,586,626	1,137,438
Institute Development Fund		160,500	407,775
Depreciation		10,089,022	9,467,795
		<u>45,068,126</u>	<u>40,891,772</u>
Excess of Income over Expenditure		<u>3,420,909</u>	<u>7,960,183</u>
Income and Expenditure Appropriation Account			
Balance B/F from Income and Expenditure A/C		3,420,909	7,960,183
Income and Expenditure Account B/F Balance		10,894,488	2,979,654
Adjustments in respect of previous Year		43,567	(45,349)
Balance C/F to Balance Sheet		<u>14,358,964</u>	<u>10,894,488</u>

**INSTITUTE OF BIOCHEMISTRY, MOLECULAR BIOLOGY AND BIOTECHNOLOGY
UNIVERSITY OF COLOMBO**

Cash Flow Statement for the year ended 31st December, 2009

	Rs.	Rs.
Excess for the year	3,420,909	
Add: Adjustments for items not involving movement of Funds		
Provision for Gratuity	99,459	
Interest from Investment	(1,278,217)	
Transfer to Institute Development Fund	160,500	
Asset write off		
Depreciation	136,240	
Prior Year Adjustments		
Operating excess before working capital changes	<u>2,538,891</u>	
Decrease in receivables	151,723	
Increase in Payables	1,238,950	
Net cash flow from operating activities		<u>3,929,564</u>

	Rs.	Rs.
Cash flows from investing activities		
Acquisition of Fixed Assets	(3,266,830)	
Increase in Investments	(1,380,316)	
Interest from Investments	1,278,217	
		(3,368,929)
Cash Flows from Financing Activities		
Government Grant for Capital Expenditure	2,110,000	
Restricted Funds	2,325,708	
		(215,708)
Net Increase in Cash Equivalents		344,927
Cash and cash equivalents at the beginning of the period		10,190,809
Cash and cash equivalents at the end of the period		10,535,736

INSTITUTE OF BIOCHEMISTRY, MOLECULAR BIOLOGY AND BIOTECHNOLOGY UNIVERSITY OF COLOMBO

1. Significant Accounting Policies for the Year ended 31st December, 2009

1.1 Basis of Accounting

The Financial Statements are prepared on the historical basis of accounting, whereby the transactions are recorded at values prevailing at the dates when the assets were acquired, the liabilities were incurred and funds obtained; in accordance with generally accepted Accounting Principles and Accounting Standards laid down by the Institute of Chartered Accountants of Sri Lanka.

1.2 Conversion of Foreign Currencies

All Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions; gains and losses resulting from the settlement of such translation and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the balance sheet date.

1.3 Revenue Recognition

(i) *Government Grants (Recurrent)*

All Government Grants pertaining to recurrent expenditure is recognized at the time of allocation.

(ii) *Government Grant (Capital)*

Grant relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the income statement on a straight line basis over the expected life of the related assets.

(iii) *Course Fee*

Course fees are recognized over the period of instruction. Where adequate information is not available to make such allocation to different financial periods, fees are recognized as income on a cash basis.

(iv) *Investment Income*

Investment income is recognized on accrual basis.

1.4 Assets and Bases of their Valuation

Property, Plant and Equipment (PPE)

Property, Plant and Equipment are recorded at cost of purchase together with any incidental expenses thereon. The assets are stated at cost less accumulated depreciation. Assets received as grant have been valued at their fair value.

Impairment

An asset's carrying amount is written down immediately to its recoverable amount, such reduction is recognized as an expense immediately.

Gain or loss on disposal

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the institute and the cost of items can be measured reliably. All other repairs and maintenance are charged to income statement during the financial period in which they are incurred.

Depreciation

Assets, for which dates of purchase are known, depreciation is provided in proportion to the number on months completed or such assets were used from the date of purchase. Assets of which exact date of purchase is not known depreciation is provided for the whole year in which they were purchased. Depreciation will be provided on the year of the sale/disposal in proportion to the number of months the assets over the estimated useful life of assets.

Depreciation is charged on all property, plant and equipment on the straight line basis to write off the cost over the estimated useful lives as follow:

Rates of Depreciation

Fixtures and Fittings	- 10% per annum
Office Furniture and Equipment	- 10% per annum
Computers	- 20% per annum
Laboratory and Teaching Equipment	- 20% per annum
Lab Tools	- 20% per annum
Library Books and Periodicals	- 20% per annum

1.5 Receivable

Receivables are stated at the amounts that they are estimated to realize.

1.6 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and bank balances and short term investments.

1.7 Cash Flow Statement

The cash flow statements have been prepared using the "Indirect Method" for the purpose of the statement of cash flow. Cash and cash equivalents are comprised cash and bank balances, short term deposits.

1.8 Employee Benefits

Defined Benefit Plans

Provision is made in the accounts for retirement gratuities at rates applicable under the payment of Gratuity Act, No. 12 of 1983. Although employees should complete a minimum period five years of continued employment to qualify for gratuity payments under the Act, provision is made from the commencement of employment on the assumption that all employees intend to continue in employment to at least five years.

Defined Contribution Plans - UPF and ETF

Employees are members of the University Provident Fund and Employees Trust Fund. Contribution to defined contribution plans, UPF, EPF and ETF are recognized as an expense in the income statement as incurred.

1.9 Comparative Information

Comparative information has been stated to comply with SLAS 3.

My No. : CE/C/IBMBB/09/F/A.

The Director,
Institute of Biochemistry, Molecular Biology and
Biotechnology Affiliated to the University of Colombo.

**Report of the Auditor General on the Financial Statements of the Institute of Biochemistry, Molecular Biology and
Biotechnology Affiliated to the University of Colombo for the year ended 31st December, 2009 in terms of Section 108(2)
Universities Act, No. 16 of 1978 and Section 13(7)(a) of the Finance Act, No. 38 of 1971**

The audit of financial statements of the Institute of Biochemistry, Molecular Biology and Biotechnology Affiliated to the University of Colombo for the year ended 31st December, 2009 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 17 of the Institute of Biochemistry, Molecular Biology and Biotechnology Affiliated to the University of Colombo Ordinance, No. 1 of 2003 enacted in terms of Section 18 of the Universities Act, No. 16 of 1978, Sections 108(i) and (iii) of the Universities Act and Sub-sections (3), (4) and (7) of Section 13 of the Finance Act, No. 38 of 1971. This report is issued in terms of Section 108(2) of the Universities Act and Section 13(7)(a) of the Finance Act, No. 38 of 1971. My comments and observations are contained in this report.

1:2 Responsibility of the Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Generally Accepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

1:3 Scope of Audit and Basis of Opinion

My responsibility is to express an opinion on these financial statement based on my audit. Audit opinion, comments and findings in this report are based on review of the financial statements presented to audit and substantive tests of samples of transactions. The scope and extent of such review and tests were such as to enable as wide an audit coverage as possible within the limitations of staff, other resources and time available to me. The audit was carried out in accordance with Sri Lanka Auditing Standards to obtain reasonable assurance as to whether the financial statements are free of material misstatements. The audit includes the examination on a test basis of evidence supporting the amounts and disclosures in financial statements and assessment of accounting policies used and significant estimates made by the management in the preparation of financial statements as well as evaluating their overall presentation. I have obtained sufficient information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit. I therefore, believe that my audit provides a reasonable basis for my opinion. Sub-sections (3) and (4) of Section 13 of the Finance Act, No. 38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the Audit.

2. Financial Statements

2:1 Opinion

So far as appears from my examination and to the best of information and according to the explanations given to me, I am of opinion that the Institute of Biochemistry, Molecular Biology and Biotechnology, Affiliated to the University of Colombo had maintained proper accounting records for the year ended 31st December, 2009 and except for the effects on the financial statements of the matters referred to in paragraph 2.2 of this report, the financial statements have been prepared in accordance with Generally Accepted Accounting Principles, give a true and fair view of the state of affairs of the Institute of Biochemistry, Molecular Biology and Biotechnology Affiliated to the University of Colombo as at 31st December 2009 and the financial results of its operations and cash flows for the year then ended.

2.2 Comments on Financial Statements

2.2.1 Transactions not supported by Adequate Authority

Following observations are made:

- (a) A sum of Rs. 8,820 had been paid to the officer in the year 2009 as allowances, for proficiency in the second and third languages in accordance with the Circular issued by the University Grants Commission contravening the Public Enterprises Circular

No. 95 of 14 June, 1994. Although the Director General of Public Enterprises and the Director General of the National Budget had informed the University Grants Commission that the payment of the said allowances are not in accordance with the Government rules and regulations the payments were being continued.

- (b) Meanwhile an overpayment of Rs. 80,386 had been made to the Universities Provident Fund and the Employees Trust Fund due to the erroneous computations made by adding the academic allowances to the salaries.

3. Financial and Operating Review

3.1 Financial Performances

3.1.1 Financial Results

According to the financial statements presented, the operations of the Institute for the year under review before taking into account the Government Grants for recurrent expenditure had resulted a deficit of Rs. 25,429,090 as compared with the deficit of Rs. 23,639,817 for the preceding year. After taking into account the Government Grant of Rs. 28,850,000 for recurrent expenditure, the deficit for the year under review had been converted to surplus of Rs. 3,420,909 and due to the Government Grant of Rs. 31,600,000 received for the recurrent expenditure of the preceding year the deficit had been converted to a surplus of Rs. 7,960,183.

3.2. Operating Performance

3.2.1 Performance

Following observations are made:-

- (a) Two Postgraduate Courses (Master of Science) had been conducted during the year under review. The total number of students registered stood at twelve. Out of the said number one student had informed he would be absent for the course and another student had got permission to follow the course in the year 2010. Ten students had completed the degree. The average cost per student amounted to Rs. 362,232 thus indicating an increment of Rs. 56,064 as compared with the preceding year.
- (b) The number of students registered for the Postgraduate Course in Master of Philosophy had been 15 and only one student had registered in the year 2009. Out of the said number, only two students had completed the degree. Duration of the courses (full time/part time) had been from 03 to 05 years.
- (c) The number of students registered for the Course in Doctor of Philosophy had been 06 and only one student had completed the degree. Duration of the course (full time/part time) had been from 03 to 05 years.
- (d) The number of students who had followed and successfully completed the postgraduate courses as at the end of the year 2009 had been 35 and comprised 03 in Master Philosophy, 18 in Master of Science and in Molecular Life and 14 in Master of Science in Cellular and Molecular Immunology.
- (e) Thirty-one research projects covering 09 fields had been conducted. Research activities of 09 projects had been completed and the reports thereon had been issued. Research activities of 22 projects are being conducted.
- (f) Services of 20 visiting lecturers had been obtained for the postgraduate courses. Those lecturers had delivered 243.15 hours of lectures and the cost incurred on visiting lecturers amounted to Rs. 176,012. Thus the cost per lecture hour amounted to Rs. 724.
- (g) Examinations for thirteen postgraduate courses had been conducted during the year under review and 55 students had sat for them. Results of those examinations had been issued during the year 2009.

4. Systems and Controls

Deficiencies observed in systems and controls during the course of audit were brought to the notice of the Director from time to time. Special attention is needed in respect of payments of allowance.

S. SWARNAJOTHI,
Auditor General.

26th April, 2010.

Report of the Auditor General on the Financial Statements of the Institute of Biochemistry, Molecular Biology and Biotechnology Affiliated to the University of Colombo for the year ended 31 December, 2009 in terms of Section 108(2) Universities Act, No. 16 of 1978 and Section 13(7)(a) of the Finance Act, No. 38 of 1971

Reference the above mentioned Report No. CE/C/IBMBB/09/F/A dated 26th April, 2010.

2. Financial Statements :

Opinion

2.2 Comments on Financial Statements

2.2.1 *Transaction not supported by adequate authority*

- (a) The relevant payment was made in terms of Circulars issued by the UGC. No Circular has been received by us from the UGC to the effect that the said payment was made in contravention of Government rules and regulations. Although instructions have been sought again from the UGC as per audit opinions expressed during the previous years, no instruction has been received so far.
- (b) The relevant payment was made in terms of Circulars issued by the UGC. No Circular has been received by us from the UGC to the effect that the said payment was made in contravention of Government rules and regulations. Although instructions have been sought again from the UGC as per audit opinions expressed during the previous years, no instruction has been received so far.

3. Financial and Operating Review :

3.1 Financial Review

3.1.1 *Financial Results*

Agreed

3.2 Operating Review

3.2.1 *Performance*

- (a) The average cost per student has increased by Rs. 56,064 in 2009 compared to that in 2008 due to the increased selling prices of materials used in the practicals and the increased number of practicals conducted in 2009.
- (b) and (c) The number of direct students following the MPhil./PhD. Courses was 14 and the No. of indirect students was 6.

The new enrolment for the same course in 2009 was one student. (Indirect students are those who are registered in other higher educational institutes and are engaged in research work at the IBMBB).

All students applying for MPhil. and PhD Degree programmes are initially registered for MPhil. Degree in terms of the Regulations applicable to these Degree programmes. Thereafter, depending on their progress and if a student makes and application, registration is upgraded to PhD. Some students complete studies at MPhil. level.

The minimum and maximum period of these Degree programmes depend on whether the students follow these programmes full time or part time. Accordingly, the course durations are as follows:

	<i>MPhil</i>	<i>PhD</i>
Full time (minimum)	2 years	2 years and 9 months
(maximum)	3 1/2 years	5 years

	<i>MPhil</i>	<i>PhD</i>
Extension	2 years	2 years
Maximum with Extension	5 1/2 years	7 years
Part time (minimum)	3 years	3 years and 9 months
(maximum)	5 years	7 years
Extension	2 years	2 years
Maximum with Extension	7 years	9 years

If a student does not complete studies within the prescribed period, he is deemed to have abandoned the study programme.

A student should complete the minimum period of study prescribed in order to apply for the examination to conclude the study programme. Student should complete the study programme within the maximum period allowed which comprises of minimum study period and extensions. Whether the registration is full time or part time is decided depending on the nature of the research, availability of funds, ability of the students to obtain leave from their employment or whether they receive a stipend as a student.

All the students who are following their courses in 2009 were within their prescribed study period.

(d) Agreed.

(e) The projects mentioned as in progress were those where time taken has not exceeded the time required for completion of the project.

(f) It has been mentioned in page 4 of the particulars provided initially that out of the 755 hours of lecturers/tutorials/assignments planned to be conducted by internal lecturers, 4 were Scheduled to be conducted in 2010. (Dr. Jagath Weerasena, Cellular and Molecular Immunology Course).

(g) Agreed.

4. Systems and controls :

Deficiencies indicated to the Director were forwarded to the Audit Committee and Board of Management of the Institute and appropriate actions have been taken as per their advice. With regard to payment of allowances, advice has been sought from the University Grants Commission.

Prof. K. H. TENNEKON,
Director.

- Cc: 1. Mrs. R. S. Withanage - Audit Superintendent, Government Audit Branch, University of Colombo.
2. Secretary - Ministry of Higher Education
3. Secretary - Ministry of Finance and Planning
4. Chairman - University Grants Commission
5. Vice-Chancellor - University of Colombo

FINANCIAL REPORT 2008—UVA WELLASSA UNIVERSITY

1. Accounting Policies

1.1 General

Basis of Accounting

The Financial Statements are prepared in accordance with generally accepted accounting principles and the accounting standards laid down by the Institute of Chartered Accountants of Sri Lanka. These Financial Statements are prepared in accordance with the historical cost convention where appropriate accounting policies are disclosed in succeeding notes.

Comparative figures

Comparative figures have been adjusted to conform to the changes in presentation in the current financial year and/or described by a narration.

Property, Plant and Equipment

Properties, Plant and Equipment are stated at cost or valuation less accumulated depreciation. Depreciation is provided using the straight-line method on a consistent basis over the period appropriate to the estimated lives of different type of assets as follows:

Furniture and Office Equipment	20%
Computers	25%
Machinery and Laboratory Equipment	10%
Library Books	10%
Sports and Other Assets	10%

No depreciation is provided in the year of acquisition and full year's depreciation is provided in the year of disposal. Capital work in progress represents the cost of civil construction work not completed.

Inventories

Laboratory Consumables are indicated as Inventories and valued at lower of cost and net realizable value. The cost of inventories is valued on first-in, first out (FIFO) basis.

Receivables

Receivables are stated at the estimated realizable value.

Liabilities and Provisions

Retirement benefits

In terms of Gratuity Act, No. 12 of 1983 the liability to an employee arises only upon completion of 5 years of continued service. To meet the liability a provision is made, equivalent to half a month salary based on the last month of the financial year for all employees who have completed five years of service.

Accounts payable

Payables are stated at cost.

Income and Expenditure

Revenue recognition

Revenue is recognized on accrual basis.

Amortization of Grants

Grants that relate to capital expenditure are treated as deferred income which is then credited to income and expenditure account and loss over the related assets useful life.

Expenditure recognition

All expenditure incurred in maintaining the University has been recognized on accrual basis and charged to revenue in ascertaining the income over expenditure.

Cash flow statement

The Cash Flow Statement has been prepared using the indirect method. For the purpose of the Cash Flow Statement, Cash and Cash Equivalents consist of current accounts balances held at banks.

2. Summary of Financial Results

Recurrent Expenditure

	2005 Rs.	2006 Rs.	2007 Rs.	2008 Rs.	Change with Previous year %
Personal Emoluments	368,333	14,183,394	25,833,761	39,001,018	51%
Other Recurrent Expenses	4,360,736	24,027,290	45,427,772	73,229,933	61%
Student Financial Assistant	-	1,072,000	3,114,200	6,403,950	105%
Total	4,729,069	39,282,684	74,375,733	118,634,901	60%

Capital Expenditure

	2005 Rs.	2006 Rs.	2007 Rs.	2008 Rs.	Total Rs.
Building Construction Project	174,075,906	232,343,754	289,838,997	266,695,782	962,954,439
Acquisition of Furniture Machinery, Equipment and Books	1,235,899	24,049,511	51,678,394	46,466,380	123,430,184
Rehabilitation of Building				12,374,577	12,374,577
Total	175,311,805	256,393,265	341,517,391	325,536,739	1,098,759,200

Approved and Released Allocation

Category of Expenditure	2006		%	2007		%	2008		%
	Approved	Released		Approved	Released		Approved	Released	
Recurrent	50,250,000	35,600,000	71%	72,748,000	65,800,000	90%	118,900,000	91,300,000	77%
Capital	289,000,000	257,000,000	89%	402,600,000	313,500,000	78%	497,100,000	340,000,000	68%
Total	339,250,000	292,600,000	86%	475,348,000	379,300,000	80%	616,000,000	431,300,000	70%

3. Balance Sheet

	Note	2008 Rs.	2007 Rs.
Assets			
Non-Current Assets			
Property, Plant and Equipment	01	106,304,660	71,862,380
Work in Progress	02	963,633,109	684,562,750

	<i>Note</i>	<i>2008 Rs.</i>	<i>2007 Rs.</i>
Land Acquisition	03	11,695,907	11,695,907
		<u>1,081,633,676</u>	<u>768,121,037</u>
Current Assets			
Inventories		7,826,230.03	12,777,103
Staff Debtors	04	4,130,969	1,325,220
Debtors and Receivables	05	5,260,900	2,963,650
Pre-payments	06	1,323	1,960,500
Advances	07	736,000	736,000
Bank balances	08	1,078,778	311,647
		<u>19,034,200</u>	<u>20,074,120</u>
Total Assets		<u>1,100,667,876</u>	<u>788,195,157</u>
Funds and Liabilities			
General Reserve	09	(8,955,749)	(4,889,108)
Special Funds	10	1,814,608	1,347,103
		<u>(7,141,141)</u>	<u>(3,542,004)</u>
Non Current Liabilities			
Deferred Income	11	1,082,344,977	746,134,576
Provision for Gratuity	12	1,337,440	913,163
		<u>1,083,682,417</u>	<u>747,047,738</u>
Current Liabilities			
Sundry Creditors	13	21,551,750	43,362,618
Accrued expenses	14	2,574,850	1,326,805
		<u>24,126,600</u>	<u>44,689,423</u>
Total Funds and Liabilities		<u>1,100,667,876</u>	<u>788,195,157</u>

CHANDRA EMBULDENIYA,
Vice-Chancellor.

NILMINI DIYABEDANAGE,
Registrar.

K. GAMINI LIYANAGE,
Acting Bursar.

4. Income and Expenditure Statement

	<i>Note</i>	<i>2008 Rs.</i>	<i>2007 Rs.</i>
Income			
Recurrent Grant		91,300,000	65,800,000
Bursary and Mahapola Grants	15	6,403,950	3,114,200
Self Finance Programme Income	16	1,385,000	45,300
Other Income	17	3,455,211	1,439,455
Capital Grants Amortized		<u>12,024,099</u>	<u>4,157,345</u>
Total Income		<u>114,568,260</u>	<u>74,556,299</u>
Expenses			
Personal Emoluments	18	39,001,018	26,112,310
Travelling Expenses	19	234,817	156,491
Supplies	20	14,548,483	4,837,728
Maintenance	21	370,128	591,277
Contractual Expenditure	22	40,230,494	33,240,379
Other Recurrent Expenses	23	4,587,300	2,166,004
Self Finance Programme Expenses	24	1,234,613	
Bursary and Mahapola Payments	25	6,403,950	3,114,200

	Note	2008 Rs.	2007 Rs.
Depreciation	26	12,024,099	4,157,345
Total Expenses	27	<u>118,634,901</u>	<u>74,375,733</u>
Surplus/(Deficit)		(4,066,641)	180,566

5. Cash Flow Statement

	2008 Rs.	2007 Rs.
Cash flows from operating activities		
Deficit / Surplus from ordinary activities	(4,066,641)	180,566
Non - Cash Movements		
Capital Grants Amortized	(12,024,099)	(4,157,345)
Depreciation	12,024,099	4,157,345
Gratuity Provision	424,278	259,921
Operating Profit Before Changes in W/C	(3,642,364)	440,486
(Increase)/Decrease in Stocks	4,950,873	12,777,103
(Increase)/Decrease in Staff Debtors	(2,805,749)	1,046,960
(Increase)/Decrease in Debtors and Receivables	(2,297,250)	554,150
(Increase)/Decrease in Pre-payments	1,959,178	1,069,500
(Increase)/Decrease in Advance	-	-
Increase/(Decrease) in Sundry Creditors	(21,810,868)	43,134,118
Increase/(Decrease) in Accrued expenses	1,248,045	(1,155,132)
Net cash flows from operating activities	(18,755,772)	26,971,759
Cash flows from investing activities		
Acquisition of Fixed Assets	(325,536,738)	(341,517,391)
Net cash flows from investing activities	(325,536,738)	(341,517,391)
Cash flows from financing activities		
Capital Grant Received	348,234,500	313,500,000
Other Funds	467,505	(1,347,103)
Net cash flow from financing activities	348,702,005	314,847,103
Net increase/(decrease) in cash and cash equivalents	767,131	301,472
Cash and cash equivalents at beginning of period	311,647	10,175
Cash and cash equivalents at end of period	<u>1,078,778</u>	<u>311,647</u>

6 .Operating Income

Operating Results

Revenue for the year 2008 was increased by 53% amounting 40Mn in comparison with previous year due to increases of Recurrent Grant, SelfFinanced Programmes and other related income. Operating expenses also increased by 60% amounting 45Mn due to increase of Personnel Emolument, Supply and Contractual Expenses. The resultant deficit was only 4.06Mn for the period.



7. Capital Expenditure

The University utilized 348Mn for Capital expenditure in 2008. Out of which Rs.298Mn was spent for University Construction Project for settlement of bills and release of retention money. Rehabilitation of Garment Factory Building was commenced in October 2008 and the amount utilized Rs.12.37Mn during the year. Cost involved in purchase of furniture amounted to Rs.25Mn in providing facilities to hostels, library, and laboratories. The amount spent for purchase of multimedia projectors and other laboratory equipments for upgrading teaching resources facilities is Rs.2.35Mn. The collection of library books were increased from 6225 to 9378 during the year and cost involved Rs.9.03Mn. IT development and infrastructure facilities also increased during the year by spending Rs.8.44Mn for purchasing of 97 computers to be used in newly established computer lab under the allocation received from UGC for IT Development.

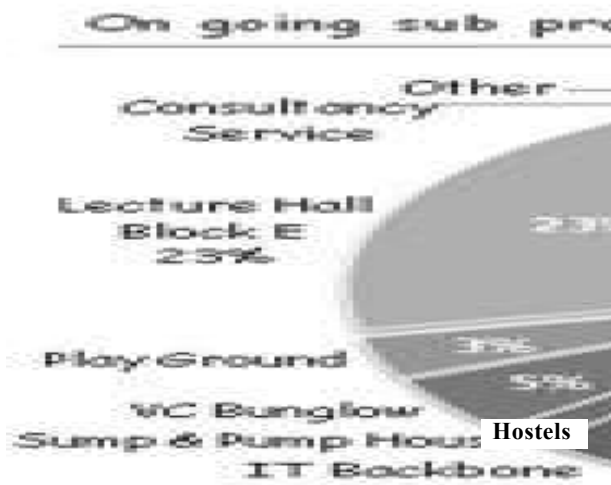


8. Financial Progress of Construction Project

Uva Wellassa University Project construction activities were commenced in 2005. This project was comprised two phases which include Rs.350Mn for phase I and Rs.3070 Mn for phase II.

The total project expenditure incurred Rs.951.25Mn up to the end of December 2008.

Under the phase II project activities, 04 Nos. of Hostel Blocks were completed up to August 2008 and 500 Students could be accommodated in these hostels and other Infrastructure facilities such as Internal Roads Playground and Landscaping were substantially completed at the end of December 2008. In addition, work on lecture hall Block 03 with an estimated cost of Rs.509 Mn was commenced toward the later part of 2008. Work on Vice Chancellor bungalow was commenced in October 2008.





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The Vice Chancellor,
 Uva Wellassa University

Report of the Auditor
 University for the year
 the Universities Act No. 38 of 1971.

The audit of financial
 31 December 2008 was
 Article 154 (1) of the
 read in conjunction with
 1978 and the Finance Act, No. 38 of
 1971. This report is in
 Section 13 (7) (a) of the

1.2 Responsibility of

Management is
 financial statement
 Generally Accepted
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13 Scope of Audit and

My responsibility in my audit. Audit review of the financial samples of transactions as to enable as well as other resources with Sri Lanka. The financial statement examination on financial statements as well as significant estimates as well as sufficient information belief were needed. audit provides a Section 13 of the Auditor General's

2 Financial Statement

2.1 Opinion

So far as appears according the exp University had a December 2008 matters referred to been prepared in Accepted Account of the Uva Wella of its operations.

SLAS

d

2.2.4 Lack of Evidence for

The following items
in audit in the absence of

Item:

Inventories

Advances

Non current assets

Bursary Payments

Hostel fees

Registration Fees

Library Fees

Miscellaneous

Mahapola Payments

2.2.5 Non - Compliance with

(c) Employees Trust
 No. 46 of 1980

ETF

(d) National Procurement
 Circular No.08 of
 2006

(e) Financial Regulation
 Democratic Socialist
 of Sri Lanka

i. Financial Regulation
 No.371

ii. Financial Regulation
 No. 756

(f) Treasury circular
 of 19 December 1979
 University Grants
 circular No. 48 of
 1979.

(g) Section 5.72 of Treasury
 Circular No.30/94
 20 April 1994

(h) Section 4 of chapter 1
 the Establishment
 University Grants
 and the Higher Education
 Institutes

(i) Section 8 of Chapter 1
 Establishments of
 University Grants
 and the Higher Education

(j) Section 6.3 of the Grants Commission No. 63 of 13 Feb

(k) University Grants Circular No.88 of

3. Financial and Operational

3.1 Financial Review

Financial Result

According to the financial statement for the year ended 31 Dec 2008, after taking into account recurrent expenditure and after taking into account recurrent expenditure in the financial result.

3.2 Cost per student

A summary of the average number of students under review as compared

Year	No. of students registered
------	----------------------------

2005	-
2006	163
2007	370
2008	741

3.3 Under - Utilization of

The following deficient research grants by the

(a) Quarterly and half to Certain research

(b) (i) According approved

(ii) Some of the there res according

(iii) A Sum of years 200

Year

2007

2008

2008 - New

3.4 Uneconomic Transaction

The University had entered a computer system. Although the University furnished sufficient system from that company.

3.5 Human Resource Management

Following observations were made:

- (a) According to the academic staff and 7
- (b) An acting course Programme for work an allowance of Rs year under review at
- (c) A Grade II lecturer excess salary of R Rs. 110,200.

3.6 Audit and management

Although four audit year under review observations made i

4. Systems and Control

Special attention

Answers to the Report of the Auditor General

The Report of Audit General on the Financial Statement of Uva Wellassa University for the year ended 31st December, 2008 in terms of Section 108 (2) of the Universities Act, No. 16 of 1978 and Section 13 (7) (C) of the Finance Act, No.38 of 1971.

*Observations**Comments***2.2 Comments on the Accounts****2.2.1 Accounting Standards**

- | | |
|---|---|
| (i) Accounting Policies with regard to the hiring of computers amounting to Rs.3,256,000/- had not been disclosed as required SLAS 03. | As this is a contractual payment. It is considered that disclosure is not necessary under SLAS 03. Computers were hired only for one year. |
| (ii) Accounting Policies with regard to the purchased of library books from foreign suppliers amounting to Rs.3,947,299/- had not been disclosed as required SLAS 21. | Noted for compliance when books are to be purchase from aboard. |
| (iii) Policies and methods with regard to the external courses income amounting to Rs.2,416,000/- had not been disclosed as required SLAS 29. | External Courses income was Rs.1,385,000/- (Financial Report Page No.13- Note 16). Please also note that the policies of income have been disclosed under the accounting policies 4.1 & 4.3 (Financial Report Page No.11) |

2.2.2 Accounting Polices

According to the accounting polices submitted with the accounts depreciations on Furniture and Equipment and Computers had been provided 20% and 25% percent respectively. But depreciations should be provided 10% on Furniture and Office Equipment and 20% on Computers according to the University Grants Commission Circular No. 649 of 05th October, 1955. Thus sum of Rs.5,014,224 on furniture and office equipment and sum of Rs.228,494 on computer had been over depreciation and charged to the accounts.

Action will be taken to comply

2.2.3 Accounting Deficiencies

- | | |
|--|--|
| (i) An accrual construction payment of Rs.40,121,787/- of had not been provided in the financial statements. | According to the bills received form the contractor all identifiable construction expenditure of the year under review have been estimated and accrued in the final accounts. |
| (ii) A sum of Rs.26,431,202.57 being capital payment in respect of prior period had been the brought to the financial statements of the year under review. | Establishment of Uva Wellassa University is a continuation project. Construction payment for the year under review and the C/F Balance for the previous year are reflected separately in the financial statements. (Final Account Page No.12) |
| (iii) Rs. 2,580/- books donated by certain organizations had not been valued and shown in the financial statements. | Action will be taken to comply |

2.2.4 Lack of Evidence for Audit

<i>Item</i>	<i>Value (Rs.)</i>	<i>Evidence not made available</i>	
Inventories	7,826,230.00	i. Schedules	The schedules were attached to the final accounts. (Final Account Journal Voucher No.F30) Action will be taken to comply.
		ii. Board of Survey reports	

<i>Item</i>	<i>Value (Rs.)</i>	<i>Evidence not made available</i>	<i>Comments</i>
Advance	736,000.00	i. Register	The amount indicated only one advance payment for Gateway information Co.ltd for development MIS Project. Advance Registers are being maintained properly.
Non Current Assets	1,081,633,676.00	i. Assets register ii. Board of Survey reports	Action will be taken to prepare the Assets register
Bursary payment	4,337,800.00	i. Schedules ii. Registers	i. Action will be taken to prepare schedules ii. Bursary & Mahapola Payment registers are being maintained properly.
Mahapola	2,399,000.00	Schedules	
Hostel fees	729,750.00	Schedules	
Register fees	643,930.00	Schedules	Action will be taken to prepare schedules
Library fees	21,579.00	Schedules	
Miscellaneous	1,948,518.50	Schedules	

2.2.5 Non – Compliance with laws, rules, regulation and Management Decision.

<i>Reference to laws, rules, regulation etc.</i>	<i>Particulars</i>	
(a) Finance Act, No.38 of 1971 Section - 8(1)	Annual budget of the University had not been approved and rendered for Audit.	The University Council which was held on 17th December, 2007 granted approval for Memo No.22/01 of Annual Budget 2008. The Council minutes and Annual Budget 2008 could be forwarded for your perusal.
(b) Section 10 of Employees Provident Fund Act, 1958 No. 15 and Section 02 Amendment Act, 1981 No.26	EPF contribution of Rs.467,675 had not been paid for 26 Operation Assistants	These appointments has been made on assignment basis. Therefore it is not necessary to pay of ETF and EPF contributions. However, we have already taken an action to filling cadre positions.
(c) Employees Trust Fund Act, 1980 No.46	ETF contribution of Rs.74,651 had not been paid for 26 Operation Assistants.	
(d) National Procurement Agency Circular No.08 of 25th January, 2006	Procurement Procedure had not been followed for purchasing of library books amounting to Rs.3,974,299/-	According to the normal practice of the Universities, quotations have being called from authors, publishers and agents in purchasing library books. We also used that method for purchasing the library books from Blackwell Company.
(e) Financial regulation of the Democratic Socialist Republic of Sri Lanka		
(i) No. 371	Advance amounting to Rs.779,594/- had been paid exceeding the limit of Rs.20,000/-	These amounts paid as special advance for specific programs and these can not be considered as sub imprests.

<i>Reference to laws, rules, regulation etc.</i>	<i>Particulars</i>	
(ii) No. 756	A board of survey had not been carried out for Inventories & fixed assets.	A board of survey has been carried out and report of board of survey could be forwarded for your perusal.
(f) Treasury circular No. 842 19A December 1978 & University Grant commission circular No.48 of 13th November 1979	fixed assets register had not been maintained	This is being maintained now.
(g) Section 5.72 of Treasury circular No. 30/94 of 20 April 1994.	Abroad scholarship holder three monthly report had not been sent to Auditor General and director of foreign recourses.	Action will be taken to send the copy of 06 month progress report to Auditor General and Director of foreign Resources.
(h) Section 1 of chapter XXIV of Establishment code for the University Grant Commission and the higher Education Institution.	The verification of stores of regular intervals had not been carried out during the year under review	Action will be taken to comply.
(i) Section 8 of chapter XXVII of Establishment code for the University Grant Commission and the higher Education Institution	Fuel consumption of five rented vehicles of the University had not been tested periodically.	Action will be taken to comply.
(j) Section 6.3 of University Grant Commission Circular No.63 of 13 February 1980	A report of difference between actual & estimated expenditure & incomes had not been shown with in the financial statements.	Action will be taken to comply.
(k) University Grant Commission Circular No.88 of 10th July, 1980	09 lectures who had gone on foreign scholarships had not furnished 06 month progress report to the University.	According to UGC Circular No.88 Section 5–(d) progress report should be furnished every 06 months for those who are granted foreign scholarships. We have already taken action to suspend the monthly salary those who have not complied this requirement.

3. Financial and Operating review

3.2 Cost per student

<i>Year</i>	<i>Average expenditure per student</i>
2006	1,572,965/-
2007	923,020/-
2008	439,321/-

Capital expenditure comparatively is high at the initial stage of the establishment of any University. It is not reasonable to evaluate cost per student using capital expenditure.

3.2.2 Under Utilization of Funds

- | | |
|--|---|
| <p>(a) Files relating to each research grants project had not been properly maintained.</p> | <p>Most research project files had been maintained properly.</p> |
| <p>(b) Certain researches had not furnished their quarterly and half yearly progress reports.</p> | <p>Necessary instructions already given to staff members to furnish their quarterly and half yearly progress reports for each research project.</p> |
| <p>(c) (i) According to the related documents some researchers had been approved by the committees but it has not been commenced.</p> | <p>Some lecturers have gone abroad on their scholarships. Therefore some research projects under taken by them could not commence.</p> |
| <p>(ii) Some members of the academic staff who had commenced there researches were not completed or extended their period according to the agreements, action plane.</p> | <p>We have already given necessary instruction to complete their project according to given time frame.</p> |
| <p>(iii) Sum of Rs.762,236.38 had been budgeted for research projects in 2007 & 2008. But no progress report was submitted.</p> | <p>We have made necessary arrangements to monitor the research project & conduct the monthly progress review meetings with team members of the research project for completion according to the plan.</p> |

3.2.3 Uneconomic Transaction

The University entered in to an agreement with a private company to develop a computer system to use for General Administration of the University in 2006. The company had not furnished sufficient system which had been paid amounting Rs.736,000/- & the University had sustained a loss of Rs.736,000/- .An action had not been taken to recover the money from the company.

The University Council has taken a decision to terminate this contract after settlement of advance against completed modules.

3.2.4 Human Resource Management

- (i) According to the approved carder of the University, 76 Vacancies in the Academic staff & 79 Vacancies in Non-academic staff had not been filled.

Academic Vacancies

In year 2008, academic vacancies were advertised thrice is in March, June & November. Respectively, we are in the process of filling the academic vacancies by end of year 2009, most of the vacancies will be filled.

Non Academic Vacancies

Technical officer's vacancies have been internally advertised twice, and awaiting to fill the vacancies as soon as possible. Similarly we have already filled the vacancy for shroff.

Clerical and allied

- (ii) An acting course director had been appointed for Management Degree programme for 08 day per month without UGC approval and paid an allowance of Rs.787,500/- plus transport allowance of Rs.643,442/- totaling sum of Rs. 1,430,942.

At present the clerical duties are performed by Operations Assistants on assignment basis. Action has already been initiated to fill the positions on permanent Capacity.

- (iii) A Grade II lecturer who had been appointed as a Grade I lecturer and paid excess of salary Rs.5,800 per month for period of 19 months amounting to Rs.110,200.

Due to non availability of qualified Senior lecturers the University has made this appointment on temporary basis. As such we feel that UGC concurrence unnecessary to make this type of appointments.

3.2.5 Audit and Management Committee

Although four audit and management committees had been held in the year under review, no action had not taken decisions regarding observations in the audit reports.

Action already been taken to
The Audit report will be forwarded to audit committee for their comments in future.

08-570/1

FINANCIAL REPORT 2009—UVA WELLASSA UNIVERSITY

1. Accounting Policies

1.1 General

Basis of Accounting

The Financial Statements are prepared in accordance with generally accepted accounting principles and the accounting standards laid down by the Institute of Chartered Accountants of Sri Lanka. These Financial Statements are prepared in accordance with the historical cost convention where appropriate accounting policies are disclosed in succeeding notes.

Comparative figures

Comparative figures have been adjusted to conform to the changes in presentation in the current financial year.

1.2 Property, Plant and Equipment

Properties, Plant & Equipment are stated at cost or valuation less accumulated depreciation. According to the UGC circular No.649, depreciation rates are changes and previous years depreciation were adjusted. Fixed assets received as grants, were accounted at cost and depreciation thereof is charged against the respective reserve account. The depreciation is provided on the straight-line basis applying following rates:

Buildings	5%
Furniture & Fittings	10%
Office Equipment	20%
Laboratory & Teaching Equipment	20%
Library Books	20%
Cloaks	20%

No depreciation is provided in the year of acquisition and full year's depreciation is provided in the year of disposal. Capital work in progress represents the cost of civil construction work not completed.

Inventories

Consumables are indicated as Inventories and valued at lower of cost and net realizable value. The cost of inventories is valued on first-in, first out (FIFO) basis.

Receivables

Receivables are stated at the estimated realizable value

1.3 Liabilities and Provisions

Retirement Benefits

In terms of Gratuity Act No. 12 of 1983 the liability to an employee arises only upon completion of 5 years of continued service. To meet the liability a provision is made, equivalent to half a month salary based on the last month of the financial year for all employees who have completed five year of service.

Accounts payable

Payables are stated at cost.

1.4 Income and Expenditure

Revenue Recognition

Revenue is recognized on accrual basis.

Amortization of Grants

Grants that relate to capital expenditure are treated as deferred income which is then credited to income and expenditure account and loss over the related assets useful life.

Expenditure Recognition

All expenditure incurred in maintaining the University has been recognized on accrual basis and charged to revenue in ascertaining the income over expenditure.

Cash Flow Statement

The Cash Flow Statement has been prepared using the indirect method. For the purpose of the Cash Flow Statement, Cash and Cash Equivalents consist of current accounts balances held at banks.

1.5 Foreign Currency Transactions

Foreign exchange transactions are converted to Sri Lankan Rupees at the rate of exchange prevailing at the time of the transaction. The University has purchased GBP 27,648.96 and US\$ 659.55 worth library books from foreign suppliers.

1.6 HIRE OF COMPUTERS

All non core services are outsourced by the University. Accordingly computer services for labs are obtained by the University on monthly hiring basis.

2. Summary of Financial Results

Recurrent Expenditure

	2005 Rs.	2006 Rs.	2007 Rs.	2008 Rs.	2009 Rs.
Personal Emoluments	368,333	14,183,394	25,833,761	39,001,018	53,030,112
Other Recurrent Expenses	4,360,736	24,027,290	45,427,772	73,229,933	90,817,947
Student Financial Assistant	-	1,072,000	3,114,200	6,403,950	9,134,100
Total	4,729,069	39,282,684	74,375,733	118,634,901	152,982,159

Capital Expenditure i

	2005 Rs.	2006 Rs.	2007 Rs.	2008 Rs.	2009 Rs.
Building Construction Project	174,075,906	232,343,754	289,838,997	266,695,782	208,244,096
Acquisition of Furniture Machinery, Equipment and Books	1,235,899	24,049,511	51,678,394	46,466,380	37,714,822
Rehabilitation of Building				12,374,577	27,538,281
Total	175,311,805	256,393,265	341,517,391	325,536,739	273,497,199

Approved and Released Allocation ii

Category of Expenditure	2007		%	2008		%	2009		%
	Approved	Released		Approved	Released		Approved	Released	
Recurrent	72,748,000	65,800,000	90%	118,900,000	91,300,000	77%	122,000,000	108,870,000	89%
Capital	402,600,00	313,500,000	78%	497,100,000	340,000,000	68%	426,750,000	254,000,000	60%
Total	475,348,000	379,300,000	80%	616,000,000	431,300,000	70%	548,750,000	362,870,000	66%

i Accrued basis is liabilities included.

ii Cash basis only shown funds released.

3. BALANCE SHEET

	Note	2009 Rs.	2008 Rs.
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	01	125,774,534	106,304,660
Work in Progress	02	1,199,415,486	963,633,109
Land Acquisition	03	11,695,907	11,695,907
		1,336,885,926	1,081,633,676
Current Assets			
Inventories	04	7,849,119	7,826,230.03
Staff Debtors	05	4,826,052	4,130,969
Debtors and Receivables	06	2,920,000	5,260,900
Pre - payments	07	227,879	1,323
Advances	08	888,398	736,000
Bank balances	09	3,129,791	1,078,778
		19,841,240	19,034,200
Total Assets		1,356,727,166	1,100,667,876

FUNDS AND LIABILITIES

General Reserve	10	(17,406,436)	(8,955,749)
Special Reserve	11	946,013	
Special Funds	12	1,922,043	1,814,608
		(14,538,380)	(7,141,141)
Non Current Liabilities			
Deferred Income	13	1,317,576,156	1,082,344,977
Provision for Gratuity	14	1,518,748	1,337,440
		1,319,094,903	1,083,682,417

	<i>Note</i>	<i>2009 Rs.</i>	<i>2008 Rs.</i>
Current Liabilities			
Sundry Creditors	15	42,744,034	21,551,750
Accrued expenses	16	9,426,609	2,574,850
		52,170,643	24,126,600
Total Funds and Liabilities		<u>1,356,727,166</u>	<u>1,100,667,876</u>

CHANDRA EMBULDENIYA
Vice Chancellor

RVSP RAJAPAKSHA
Registrar (Actg.)

K GAMINI LIYANAGE
Bursar (Actg.)

4. INCOME & EXPENDITURE STATEMENT

	<i>Note</i>	<i>2009 Rs.</i>	<i>2008 Rs.</i>
Income			
Recurrent Grant		108,870,000	91,300,000
Bursary and Mahapola Grants	17	9,134,100	6,403,950
Self Finance Programme Income	18	1,439,140	1,385,000
Other Income	19	4,388,986	3,455,211
Capital Grants Amortized		18,708,213	12,024,099
Total Income		<u>142,540,439</u>	<u>114,568,260</u>
Expenses			
Personnal emoluments	20	53,030,112	39,001,018
Travelling Expenses	21	241,210	234,817
Supplies	22	9,162,777	14,548,483
Maintenance	23	751,949	370,128
Contractual Expenditure	24	55,397,904	40,230,494
Other Recurrent Expenses	25	5,484,077	4,587,300
Self Finance Programme Expenses	26	1,071,815	1,234,613
Bursary and Mahapola Payments	27	9,134,100	6,403,950
Depreciation	28	18,708,213	12,024,099
Total Expenses	29	<u>152,982,159</u>	<u>118,634,901</u>
Surplus / (Deficit)		(10,441,719)	(4,066,641)

5. CASH FLOW STATEMENT

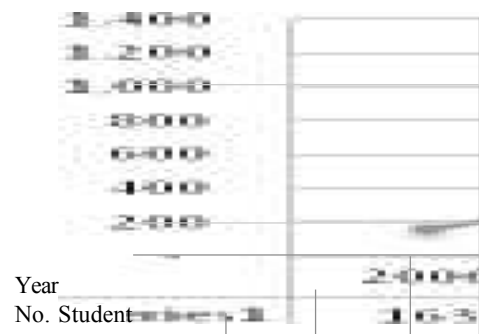
	<i>2009 Rs.</i>	<i>2008 Rs.</i>
Cash flows from operating activities		
Deficit / Surplus from ordinary activities	(10,441,719)	(4,066,641)
Non - Cash Movements		
Capital Grants Amortized	(18,534,321)	(12,024,099)
Depreciation	18,708,213	12,024,099
Gratuity Provision	181,308	424,278
Operating Profit Before Changes in W/C	(10,086,519)	(3,642,364)
(Increase)/Decrease in Stocks	(22,889)	4,950,873

	2009 Rs.	2008 Rs.
(Increase)/Decrease in Staff Debtors	(695,082)	(2,805,749)
(Increase)/Decrease in Debtors and Receivables	2,340,900	(2,297,250)
(Increase)/Decrease in Pre-payments	(226,557)	1,959,178
(Increase)/Decrease in Advance	(152,398)	-
Increase/(Decrease) in Sundry Creditors	21,192,284	(21,810,868)
Increase/(Decrease) in Accrued expenses	6,851,759	1,248,045
Net cash flows from operating activities	29,288,015	(18,755,772)
Cash flows from investing activities		
Acquisition of Fixed Assets	(273,960,464)	(325,536,738)
Net cash flows from investing activities	(273,960,464)	(325,536,738)
Cash flows from financing activities		
Differed Income	253,765,500	348,234,500
Other Funds	107,435	467,505
General Reserve	1,991,032	
Special Reserve	946,013	
Net cash flow from financing activities	256,809,981	348,702,005
Net increase/(decrease) in cash and cash equivalents	2,051,013	767,131
Cash and cash equivalents at beginning of period	1,078,778	311,647
Cash and cash equivalents at end of period	3,129,791	1,078,778

6. KEY FINANCIAL INDICATORS

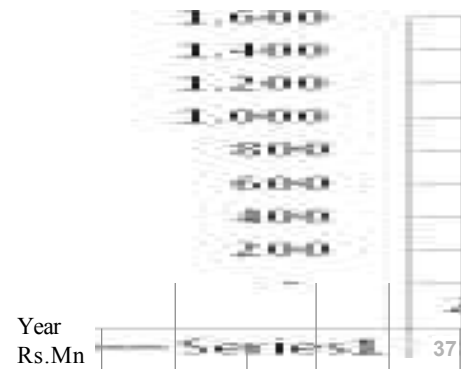
Student Enrolment Levels

- * 70% growth in undergraduate enrolment over the last year
- * Eleven Undergraduate Degree Programs based on Value Addition to the National Resources Base
- * Postgraduate Degree on Actuarial Science for Insurance Industry



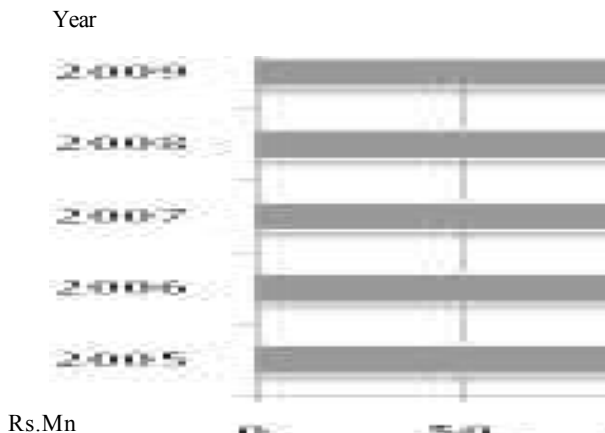
Strengthen Financial Position

- * Total net assets amounted to Rs.1,337 Mn compared to Rs.1,081 Mn in 2008, a growth of 24%
- * Building and Space
- * Furniture
- * Office Equipment
- * Lab Equipment
- * Library Books



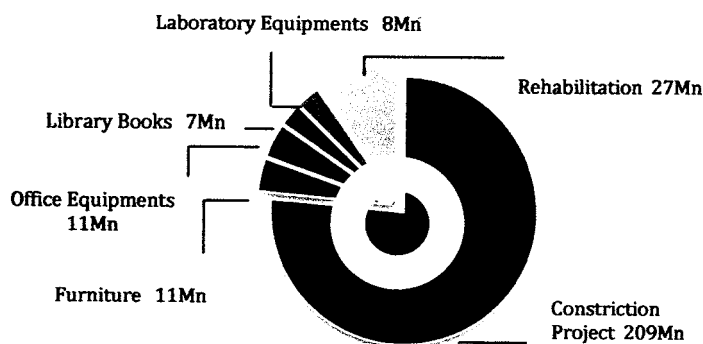
Progress of Construction Project

- * Spent Rs.1,199Mn from total project estimate Rs.3,420 Mn
- * Total constructed buildings cover 216,636 sq ft.
- * Eleven Buildings comprising lecture halls, labs, canteen, administraiton, hostels and academic staff spaces are among the completed spaces.
- * An advance labrotory complex is under construction and the area is 93,910sq ft.
- * Over the last three years 80Mn reduction in capital expenditure due to difficulties in financial constrain



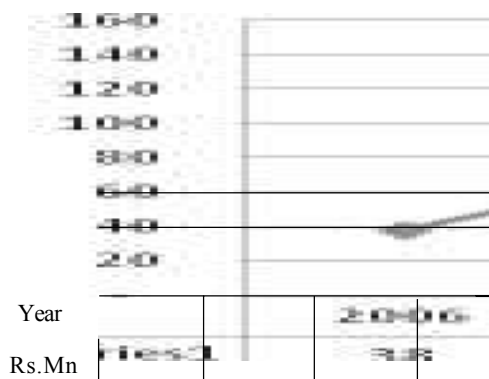
Capital Expenditure

- * Capital expenses totaled 275 Mn, during the year
- * of this 85% was spent on construction project phase II
- * Acquisition of fixed assets represented 15%



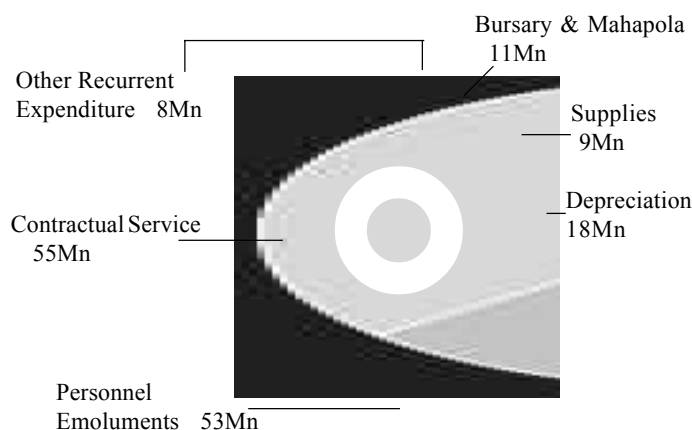
Increase in Revenue Base

- * 29 Mn increase in total revenue reflects the growth in Government grants
- * Internal revenue has grown by 53% over the last year to Rs.2.5 Mn.



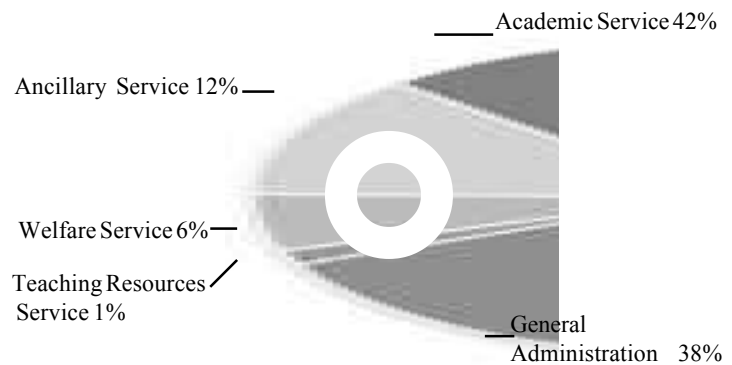
Operating Expenses

- * Rs.34 Mn increase of total operating expenses over the last year
- * Personal emoluments, Contractual services, Depreciation, Bursary and Mahapola payments are significantly increased

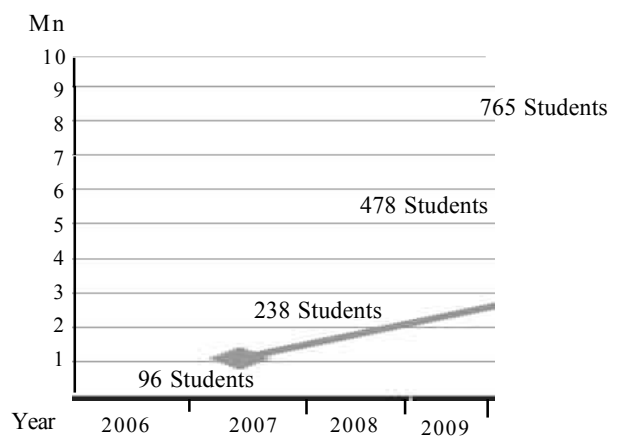


Utilization of Recurrent Allocation

- * 38% of operating expenses utilized for General Administration
- * 42% proportion of operating expenditure made in academic service and ancillary services

**Financial Assistance to students**

- * Spent Rs.9.1 million for Mahapola scholarships and Bursaries. Rs.2.7 Mn, 42% increase over the last year.
- * Increased the beneficiary student number by 292 in 2009





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கணக்காய்வாளர் தலைமை அபிவிதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல
My No } UV/BD/D/2010/17

ඔබේ අංකය
உமது இல
Your No. }

දිනය
திகதி
Date } 27 September 2010

The Vice Chancellor,
Uva Wellassa University.

Report of the Auditor General on the financial statements of the Uva Wellassa University for the year ended 31 December, 2009 in terms of Section 108 (2) of the Universities Act, No. 16 of 1978

The audit of financial statements of the Uva Wellassa University for the year ended 31 December, 2009 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 Sections 108 (1) and 111 of the Universities Act, No. 16 of 1978. My observations which I consider should be published with the annual report of the University in terms of 108 (2) of the University Act appear in this report.

1.2 Responsibility of the Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards and Generally Accepted Accounting principles. This responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances

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தொலைபேசி
Telephone } 2691151

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பக்ஸ் இல
Fax No. } 2697451

INDEPENDENCE SQUARE,
COLOMBO 07, SRI LANKA 9

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ஈ-மெயில்
E-mail. } oaggov@sltnet.lk

1.3 Scope of Audit and

My responsibility on my audit. Audi review of the fina samples of transac as to enable as wi other resources accordance with S as to whether the audit includes exa and disclosures in used and significa financial statement obtained sufficien knowledge and be believe that my au (3) and (4) of Sec powers to the Aud

2 Financial Statement

2.1 Opinion

So far as appears according the expl University had m December 2009 a matters referred to have been prepar true and fair view December 2009 at the year then ende

2.2 Comments on Final

2.2.1 Sri Lanka Accounti

Details with rega
statements as require

2.2.2 Accounting Deficien

The following accoun

- (a) A sum of Rs.3,904,0
review had not been
- (b) A sum of Rs.945,689
current year financial
- (c) Lands valued at Rs.1
University had not be
- (d) An advance of Rs.5,
work in progress acc
advance.
- (e) A sum of Rs.632,25
not been brought to th

2.2.4 Lack of Evidence 1

The following item
 audit in the absence

Item

Inventories

Hostel fees

Student Registration

Miscellaneous income

Sundry creditors - b

2.2.5 Non - Compliance

The following Insta

Reference to laws, r
 regulation etc.

(a) Universities Act No

(i) Section 15(v)

3. Financial and Operating review

3.1 Financial Review

Financial Result

According to the financial statements presented, the working of the University for the year ended 31 December 2009 had resulted in a deficit of Rs.10,441,719 after taking into account the Government Grants of Rs.108,870,000 received for recurrent expenditure as compared with the corresponding deficit of Rs.4,066,641 for the preceding year after taking into account the Government Grant of Rs.91,300,000 received for recurrent expenditure for that year, thus indicating a further deterioration of Rs.6,375,078 in the financial result.

3.2 Budgetary Control

Significant variances were observed between the revised budget and the actuals thus indicating that the budget had not been made use of as an effective instrument of management control.

3.3 Cost per student

A summary of the average expenditure per student calculated on the basis of number of students registered and the total expenditure incurred for the year under review as compared with the preceding year is given below:

Year	No. of students registered	Total expenditure (Capital and recurrent)	Average expenditure per student
-----	-----	-----	-----
		Rs.	Rs.
2005	-	168,344,968	-
2006	163	256,393,265	1,572,965
2007	370	341,517,391	923,020
2008	741	325,536,739	439,321
2009	1,259	426,479,358	339,284

3.4 Uneconomic Transactions

The University had entered computer system to use for paid a sum of Rs.736,000. required Action had not been

3.5 Human Resource Manage

According to the approved staff and 70 vacancies in under review.

3.6 Audit and management C

Although two audit and n under review, no action had in the audit reports.

4. Systems and Controls

Special attention is needed

- | | |
|-------|--------------------|
| (i) | Fixed Assets |
| (ii) | Budget |
| (iii) | Procurement proce |
| (iv) | Stores |
| (v) | Contract Administr |


H.A.S. Samaraweera
Acting Auditor General

Answers to the Report of the Auditor General

Report of the Auditor General on the Financial Statements of the Uva Wellassa University for the year ended 31 December 2009 in terms of section 108(2) of the Universities Act, No.16 of 1978.

Auditor General's Comments

University Replies

2.2 Comments on the Accounts

2.2.1 Sri Lanka Accounting Standards(SLAS)

Details with regard to two court cases had not been disclosed in the financial statement as required by SLAS 36.

These court cases were filed by Industrialist against the Ministry of Higher Education. Uva Wellassa University is one of the co-respondent and there is no estimated loss or gain up to now.

2.2.2 Accounting Deficiencies

(a) A sum of Rs.3,904,663.88 being recurrent Expenditure in respect of year under review had not been brought to the financial statements.

These amounts are included in the accrued expenses of the Financial Statements (Ref.Note No.16)

(b) A sum of Rs.945,689 in respect of prior year expenditure had been brought to the current year financial statements.

When preparing the final accounts all identified unpaid expenditure accounted as accrued expenses. However unforeseen expenditure in respect of previous year, accounted as current year expenditure.

(c) Lands which are used by the University had not properly been acquired, value at Rs.1,169,590/- are shown in the financial statements.

We have informed relevant authorities for relocation of industrialists still occupying university premises and to expedite the acquisition process. The University has already informed Divisional secretary, Badulla to expedite the acquisition process.

(d) An advance of Rs.5,600,000/- paid to acquire a garment factory had been taken in to working progress and shown in the financial statements.

Action will be taken to indicate as a separate item.

(e) A sum of Rs.632,253 being capital payments in respect of year under review had not been brought to the financial statements.

We accept this and rectify it.

2.2.4 Lack of Evidence for Audit

<i>Item</i>	<i>Value (Rs.)</i>	<i>Evidence not made available</i>	
Inventories	7,849,119.00	i. Board of Survey reports	Board of survey reports could be forwarded for your perusal.
		ii. Inventories book	Inventory books could be forwarded for your perusal.
Hostel fees	1,154,000.00	Schedules	Action will be taken to comply
Register fees	1033,300.00	Schedules	Action will be taken to comply
Miscellaneous	1,948,518.50	Schedules	Action will be taken to comply
Sundry Creditors - Hostel Fees	119,200.00	Schedules	Action will be taken to comply

2.2.5 Non – Compliance with laws, rules, regulation etc.

*Reference to laws, rules,
regulation etc.*

Particulars

(a) University Act, No.16 of 1978

(i) Section 15(v)	A higher education degree Course for Actuarial Science had been conducted with out permission from the University Grant Commission	PG Diploma in Actuarial Science was designed to meet the needs of the country. The professionals of the industry & Board of Insurance of Sri Lanka requested Uva Wellassa University to commence a program in Actuarial Science. We have commenced this program with the approval of the Senate & the Council and expecting the approval of the UGC. University officials met the Hon. Minister of Higher Education regarding the university activities. Hon. Minister expressed his favorable comments of this degree program and agreed to grant approval discussing this matter with the UGC.
(ii) Section 109	2008 Annual Report of the University had not been Published on Government Gazette.	Delayed due to receiving of Auditor General's Report and took more time to translate the report. We will take the action to publish the Annual Account and Audit Report on Government gazette.
(iii) Section 110	Annual reports of the University had not been tabled in the parliament before end of the relevant years.	Late receipt of Auditor General's Report and took more time to translate the report. Relevant copies already submitted to Ministry of Higher Education for approval.
(b) Section of the Employees Fund Act, No 15 of 1958 & Section 02 of Amended Act, No. 26 of 1981	EPF Contribution in Year 2008 Rs.467,675 for 26 and year 2009 Rs.365,105 for operation assistants hand not been paid.	These appointments have been made on assignment basis. We have already taken action to fill the cadre positions from Operation Assistants. On completion of the above process action will be taken to pay University Provident Fund and ETF contributions according to University Act, No.16 of 1978.
(c) Employees Trust Fund Act, No. of 1980	ETF contribution in year 2008 Rs.74,651 for 26 and year 2009 Rs.91,277 for 40 operation assistants had not been paid.	
(d) Section 1 of chapter XXIV of Establishment code for the University Grant Commission & the higher Education Institution	The verification of stores of regular intervals had not been carried out during the year under review.	Action will be taken to comply with year 2010.
(e) Section 6.3 of University Grant Commission Circular No.63 13 February 1980	A report of difference between estimated expenditure & incomes and actual had not been shown with in the financial statements.	Action will be taken to comply with annual accounts 2010.
(f) Section 5.72 of Treasury circular No. 30/94 of 20th April, 1994	Copies of quarterly progress reports had not been submitted to Director General of foreign recourses by the Foreign scholarship holders.	The University has submitted the copies of quarterly progress reports to Auditor General. Action will be taken to submit the copies to Director of foreign resources.

3. Financial and Operating review

3.1 Financial Review

Financial Result

According to the financial statement presented the working of the year ended 31 December 2008 had resulted in a deficit of Rs. 10,441,719 after taking into account the Government Grant of Rs.108,870,000 received for recurrent expenditure as against the surplus of Rs.4,066,641 for the preceding year after taking into account the Government Grant of Rs.91,300,000 received for recurrent expenditure for the year, thus indicating an deterioration of Rs.14,508,360 in the financial result.

Approved Recurrent Budget Allocation was Rs.122,000,000 for the year 2009. The Treasury released only Rs.108,870,000 for the period. That is the major reason for the deficit of Rs.10, 441,719 for the period. The deficit amount was accumulated due to non receipt of total allocation every year.

3.2 Budgetary Control

Significant variances were observed between the revised budget and the actual thus indicating that the budget had not been made use of as an effective instrument of management control

As we have exercised effective control over expenditure, it has resulted in favorable variation. We monitored outsourced services and contractual expenditure effectively. However it is difficult to forecast accurate income and expenditure due to development stage of the University.

3.3 Cost per Student

<i>Year</i>	<i>Average per student</i>
2006	1,572,965
2007	923,020
2008	439,321
2009	339,284

Capital expenditure is comparatively high at the initial stage of the establishment of any University. It is not reasonable to evaluate cost per student using capital expenditure. However action is being taken to reduce the cost per student gradually.

3.4 Uneconomic Transaction

The University entered in to a agreement with a private Company to develop a Computer systems to use for General Administration of the University in 2006. The company had not furnished sufficient systems which had been paid Rs.736,000 and the University had sustained a loss of Rs.736,000 an action had not been taken to recover the money from the company.

The University Council has taken a decision to terminate this contract after settlement of advance.

3.5 Human Resource Management

According to the approved carder of the University, 36 Vacancies in the Academic staff & 70 Vacancies in Non-academic staff had not been filled.

Academic Vacancies

Academic vacancies were advertised and we are in the process of filling the academic vacancies by end of October 2010.

Non Academic Vacancies

We have already filled the vacancies of Two Technical Officers, store keeper and shroff. At present the clerical duties are performed by Operations Assistants on assignment basis. Action has already been initiated to fill the positions according to the approved cadre on permanent capacity.

3.6 Audit and management Committee

Although two audit and management committee meetings had been held in the year under review, no action had taken on the decisions taken regarding observations made in the audit reports.

Four audit committee meetings were held during the year under review and necessary action had been taken according to decisions of the committee.

08-570/2

Miscellaneous Departmental Notices

SAMPATH BANK PLC **(Formerly known as Sampath Bank Ltd.)**

Resolution adopted by the Board of Directors of Sampath Bank PLC under Section 04 of the Recovery of Loans by Banks (Special Provisions) Act, No. 04 of 1990

M. Jayasiri and A. Y. Deepani.
A/C No. : 0031 5001 2022.

AT a meeting held on 29th November, 2010 by the Board of Directors of Sampath Bank Limited it was resolved specially and unanimously:

Whereas Madivilage Jayasiri and Algawattage Yureka Deepani in the Democratic Socialist Republic of Sri Lanka as the Obligors and the said Madivilage Jayasiri aforesaid as the Mortgagor have made default in the repayment of the facility granted against the security of the property and premises morefully described in the Schedule hereto mortgaged and hypothecated by the Mortgage Bond No. 817 dated 30th November, 2007 attested by C. G. Bandara of Colombo, Notary Public in favour of Sampath Bank PLC holding Company No. PQ 144 and there is now due and owing on the said Bond No. 817 to Sampath Bank PLC aforesaid as at 21st September, 2010 a sum of Rupees Two Million Seventy-four Thousand Four Hundred and Sixty-two and cents Thirty-one only (Rs. 2,074,462.31) of lawful money of Sri Lanka being the total amount outstanding on the said Bond and the Board of Directors of Sampath Bank PLC aforesaid under the powers vested by the Recovery of Loans by Bank (Special Provisions) Act, No. 04 of 1990 do hereby resolve that the property and premises morefully described in the Schedule hereto mortgaged to Sampath Bank PLC aforesaid as security for the said facility by the said Bond bearing No. 817 to be sold in public auction by P. K. E. Senapathi, Licensed Auctioneer of Colombo for the recovery of the said sum of Rupees Two Million Seventy-four Thousand Four Hundred and Sixty-two and cents Thirty-one only (Rs. 2,074,462.31) together with further interest on a sum of Rupees One Million Eight Hundred and Ninety-three Thousand Forty-two and cents Thirty-one only (Rs. 1,893,042.31) at the rate of Twenty per centum (20%) per annum from 22nd September, 2010 to date of satisfaction of the total debt due upon

the said Bond bearing No. 817 together with costs of advertising and other charges incurred less payments (if any) since received.

SCHEDULE

All that divided and defined allotment of land marked Lot A depicted in Plan No. 1533 dated 24th August, 2007 made by L. Wickramarathne, Licensed Surveyor of the land called “Gaboralalage Kanatta” together with soil, trees, plantations, buildings and everything else standing thereon and together with all rights, ways, privileges, easements, servitudes and appurtenances thereto situated at Kirigampamunuwa Village within the Urban Council Limits of Homagama in Udugaha Pattu of Salpiti Korale in the District of Colombo, Western Province and which said Lot A is bounded on the North by Lot 1A in Plan No. 3228, on the East by Lot 1D and 1N (Road 20ft. wide) in Plan No. 3228, on the South by Lot 2 in Plan No. 6718, on the West by Property of M. P. Perera and containing in extent Eleven Perches (0A., 0R., 11P.) according to the said Plan No. 1533.

Which said Lot A is a re-survey of the Land described below:

All that divided and defined allotment of land marked Lot 1B depicted in Plan No. 3228 dated 09th August, 1990 made by A. E. Wijesuriya, Licensed Surveyor of the land called “Gaboralalage Kanatta” together with soil, trees, plantations, buildings and everything else standing thereon and together with all rights, ways, privileges, easements, servitudes and appurtenances thereto situated at Kirigampamunuwa Village aforesaid and which said Lot A is bounded on the North by Lot 1A, on the East by Lot 1D and 1N (Road 20ft wide), on the South by Lot 2 in Plan No. 6718, on the West by Property of M. P. Perera and containing in extent Eleven Perches (0A., 0R., 11P.) according to the said Plan No. 3228 registered in N 190/207 at the Land Registry, Homagama.

By order of the Board,

Company Secretary.

08-694/3

Cpm 11

Pv 8536. Register of Companies kept in this office and the Company will be dissolved.

COMPANIES ACT, No. 07 OF 2007

Notice under Section 394 (3) to Strike off the Name of Frontline Telecom Consultants (Privated) Limited

Whereas there is reasonable cause to believe that “Frontline Telecom Consultants (Private) Limited” a Company incorporated on “14.08.2006” under the Provisions of the Companies Act, No. 17 of 1982 is not carrying on business or in Operation.

Now know you that, I Dias Karunaratne Hettiarachchi, Registrar General of Companies, acting under section 394 (3) of the Companies Act, No. 07 of 2007, do hereby give notice that at the expiration of three months from this date the name of “Frontline Telecom Consultants (Private) Limited” will unless cause is shown to the contrary, be struck off the Register of Companies kept in this office and the Company will be dissolved.

D. K. HETTIARACHCHI,
Registrar General of Companies.

Department of Registrar of Companies,
No. 400, D. R. Wijewardena Mawatha,
Colombo 10.
19th July, 2011.

08-569

Comp 11

N(PVS) 46307.

COMPANIES ACT, No. 07 OF 2007

Notice under Section 394 (3) to Strike off the Name of S and S Agencies (Private) Limited

Whereas there is reasonable cause to believe that “S and S Agencies (Private) Limited” a Company incorporated on “31.05.2006” under the Provisions of the Companies Act, No. 17 of 1982 is not carrying on business or in Operation.

Now know you that, I Dias Karunaratne Hettiarachchi, Registrar General of Companies, acting under section 394 (3) of the Companies Act, No. 07 of 2007, do hereby give notice that at the expiration of three months from this date the name of “S and S Agencies (Private) Limited” will unless cause is shown to the contrary, be struck off the

D. K. HETTIARACHCHI,
Registrar General of Companies.

Department of Registrar of Companies,
No. 400, D. R. Wijewardena Mawatha,
Colombo 10.
05th August, 2011.

08-689

HATTON NATIONAL BANK PLC— DEMATAGODA BRANCH

Resolution adopted by the Board of Directors of Hatton National Bank PLC under Section 4 of the Recovery of Loans by Banks (Special Provisions) Act, No. 04 of 1990

Wijewardena Samarasinghe Lekam Arachchige Dhanuka Ranjith Samarasinghe.

AT a meeting of the Board of Directors of Hatton National Bank PLC held on 28th October, 2010 it was resolved specially and unanimously:

“Whereas Wijewardena Samarasinghe Lekam Arachchige Dhanuka Ranjith Samarasinghe as the Obligor has made default in payment due on Bond No. 1485 dated 03rd January, 2006 attested by M. L. A. D. Gunathillake, Notary Public of Colombo in favour of Hatton National Bank PLC and there is now due and owing to the Hatton National Bank PLC as at 06th September, 2010 a sum of Rupees Three Million Seven Hundred and Fifty Thousand One Hundred and Ten and cents Seventy-nine only (Rs. 3,750,110.79) on the said Bond and the Board of Directors of Hatton National Bank PLC under the power vested by the Recovery of Loans by Banks (Special Provisions) Act, No. 4 of 1990, do hereby resolve that the property and premises morefully described in the Schedule, hereto and mortgaged to Hatton National Bank PLC by the said Bond No. 1485 be sold by Public Auction by Dallas Kelaart, Licensed Auctioneer of Colombo for recovery of the said sum of Rs. 3,750,110.79 together with further interest from 07th September, 2010 to date of sale together with costs of advertising and other charges incurred less payments (if any) since received.

THE SCHEDULE

All that divided and defined allotment of land depicted as Lot 4 in Plan No. 1137 dated 12.05.1964 made by K. M. Samarasinghe, Licensed Surveyor from and out of the land called “Pelengahawatta and Beligahakumbura, Kebellagahakumbura and Diganeheenela

together with the buildings and everything standing thereon bearing Assessment No. 411/15B Sri Jayawardhenapura Mawatha situated at Welikada within the Urban Council Limits of Sri Jayawardhenapura Kotte in the Palle Pattu of Salpiti Korale in the District of Colombo Western Province and which said Lot 4 is bounded on the North by Reservation for Road 30 feet wide depicted in Plan No. 800 dated 23.08.1961 made by K. M. Samarasinghe, Licensed Surveyor, on the East by Lot 5, on the South by Lot D of the same land of Leelawathie Attyagalle and on the West by Lot 3 and containing in extent Twenty Perches (0A., 0R., 20P.) according to the said Plan No. 1137 together with the right of way morefully described in the Second Schedule in the said Bond No. 1485 and registered under title M 2868/142 at the Mt. Lavinia Land Registry.

Together with right of way morefully described in the Second Schedule in the aforesaid Bond No. 1485.

By order of the Board,

INDRANI GOONESEKERA,
DGM (Legal)/Board Secretary.

08-699/2

**HATTON NATIONAL BANK PLC—KULIYAPITIYA
BRANCH
(Formerly known as Hatton National Bank Ltd.)**

**Resolution adopted by the Board of Directors of Hatton
National Bank PLC under section 4 of the Recovery of
Loans by Banks (Special Provisions) Act, No. 04 of 1990**

Asiri Shiawase Lanka (Pvt) Ltd.

At a meeting of the Board of Directors of Hatton National Bank PLC held on 28th July, 2011 it was resolved specially and unanimously:

“Whereas Asiri Shiawase Lanka (Pvt) Ltd as the Obligors have made default in payment due on Bond Nos. 11749 dated 08th June, 2006 attested by E. S. Rekawa, Notary Public of Kurunegala (property morefully described in the 1st Schedule hereto) and 2375 dated 31st March, 2010 attested by S. S. Hewapathirana, Notary Public of Kurunegala (Property morefully described in the 2nd Schedule hereto) in favour of Hatton National Bank PLC and there is now due and owing to the Hatton National Bank PLC as at 31st May, 2011 a sum of Rupees Five Million Two Hundred and Eighty-five Thousand Five Hundred and Fifty-six and cents Sixty only (Rs. 5,285,556.60) on the said Bond and the Board of Directors of Hatton National Bank PLC under the power vested by the Recovery of Loans by Banks (Special Provisions) Act, No. 4 of 1990, do hereby resolve that the property and premises morefully described in the Schedule, hereto and mortgaged to Hatton National Bank PLC by the said Bond No. 11749 and 2375 be sold by Public Auction by I. W. Jayasuriya, Licensed Auctioneer of Colombo for recovery of the said sum of Rs. 5,285,556.60 together with further interest from

01st June, 2011 to date of sale together with costs of advertising and other charges incurred less payments (if any) since received.

THE FIRST SCHEDULE

All that defined allotment of land depicted in Plan No. 3084 dated 30.08.1967 made by V. Perera, Licensed Surveyor of the land called Kottandi Santhi Kani situated at Fort Road bearing Assessment No. 31 (2304) within the Urban Council Limits of Chilaw Town in Anaivulundan Pattu of Pitigal Korale North within the Land Registration Division of Chilaw in the District of Puttalam, North Western Province and which said land is bounded on the North by land depicted in Plan No. 1835, Land belonging to R. H. A. Fernando bearing Assessment No. 33 (2305), East by fort Road, South by land belonging to M. Marikkar bearing Assessment No. 29 (2303) and on the West by land belonging to Basil E. Pinto and containing in extent Two decimal Five Nought Perches (0A., 0R., 2.50P.) together with the buildings and everything else standing thereon, and registered in D 141/160 at the Land Registry of Chilaw. Held and possessed by the Mortgagor upon Deed No. 1366 dated 11.06.1980 attested by W. T. T. Fernando, Notary Public.

SECOND SCHEDULE

All those contiguous allotments of land marked Lots 3 and 4 depicted in Plan No. 4586 dated 07.08.2004 made by M. M. P. D. Perera, Licensed Surveyor of the land called “Inigodawela Estate” situated at Inigodawela village within the Pradeshiya Sabha Limits of Madampe in Munnessaram Pattu in Pitigal Korale North within the Land Registration Division of Chilaw in the District of Puttalam North Western Province and which said Lots 3 and 4 are together bounded on the North by Lot 2 in the said plan, East by highway proceeds from Colombo to Chilaw, South by Lot 11 in the said Plan (15ft. wide road), West by Lots 5 and 6 in the said Plan and containing in extent Thirty Perches (0A., 0R., 30P.) and together with the right of way in over and along the land marked Lot 11 depicted in the said Plan.

By order of the Board,

INDRANI GOONESEKERA,
DGM (Legal)/Board Secretary.

08-699/1

SAMPATH BANK LIMITED

**Resolution adopted by the Board of Directors of Sampath
Bank Limited under section 04 of the Recovery of Loans
by Banks (Special Provisions) Act, No. 04 of 1990**

J. S. Daniel and S. K. Daniel,
A/C No. 0036 5000 2988.

At a meeting held on 23th June, 2004 by the Board of Directors of Sampath Bank Limited it was resolved specially and unanimously:

Whereas Joe Sydney Daniel and Wattuthantrige Sayana Kushilanie Daniel both of No. 15, Nihal Silva Mawatha, Colombo 06 in the Democratic Socialist Republic of Sri Lanka as the Obligors have made default in payment due on the Mortgage Bond No. 1493 dated 11th May, 2001 attested by K. S. P. W. Jayaweera of Colombo Notary Public in favour of Sampath Bank Limited and there is now due and owing to Sampath Bank Limited as at 04th March, 2004 a sum of Rupees Two Million Three Hundred and Eighty Nine Thousand One Hundred and Four and Cents Seventy Three (Rs. 2,389,104.73) on the said Bond and the Board of Directors of Sampath Bank Limited under the powers vested by the Recovery of Loans by Banks (Special Provisions) Act, No.04 of 1990 do hereby resolve that the property and premises morefully described in the Schedule hereto mortgaged to the Sampath Bank Limited by the said Bond bearing No. 1493 to be sold in Public Auction by Dunstan Kelaat Licensed Aucitoner of Colombo for the recovery of the said sum of Rupees Two Million Three Hundred and Eighty Nine Thousand One Hundred and Four and Cents Seventy-three (Rs. 2,389,104.73) with further interest on a sum of Rupees Two Million Two Hundred and four thousand Two Hundred and Eighty Seven and Cents Fifty Eight (Rs. 2,204,287.58) at the rate of Sixteen decimal Five percentum (16.5%) per annum from 05th March, 2004 to date of Sale together with costs of advertising and other charges incurred less payments (if any) since received.

SCHEDULE

All that the divided and defined allotment of Lot L 77 depicted in Plan No. 1390 dated 14th September, 1988 made by T. S. E. Wijesuriya, Licensed Surveyor of the land called “Attidiya Welyaya and Wetakeiyawa Kumbura” together with trees, plantations, and everything else standing thereon presently bearing Assessment No. 127/21, 1st Cross Road, Kawdana situated at Attidiya in Ward No. 15 (Kawdana East) within the Municipal Council Limits of Dehiwala-Mount Lavinia in Ward No. 15 (Kawdana East) within the Municipal council Limits of Dehiwela - Mount Lavinia in the Palle Pattu of Salpiti Korale in the District of Colombo Western Province and which said Lot L 77 is bounded on the North by Lot L 65 and Lot L 66 on the East by Lot L 111 (Reservation for road) on the South by Lot L 84 and on the West by Lot L 78 and containing in extent Eight Perches (0A., 0R., 8P.) according to the said Plan No. 1390 and Registered in Volume/Folio M2532/86 at the Land Registry, Mt. Lavinia.

Together with the right of way in over and along Lot 11 depicted in Plan No. 1334 dated 26 February, 1988 made by T. S. E. Wijesuriya, Licensed Surveyor registered in M. 1936/181, Lot 12 (Reservation for road) depicted in the said Plan No. 1334 registered in M 1936/17, Lot 1 depicted in the said Plan No. 1334 registered in M. 1825/266, Lot 14 (Reservation for road) depicted in the said Plan No. 1334 registered in M 1918/208, Lot M (Reservation for road) depicted in Plan No. 1388 registered in M. 1918/209, Lot L 11 (Reservation for Road) depicted in the said Plan No. 1390 registered in M 1704/248 and Lot L 113 (Reservation for road) depicted in the

said Plan No. 1390 registered in M 1936/18 at the Mt. Lavinia, Land Registry.

By order of the Board,

Company Secretary.

08-694/2

SAMPATH BANK PLC (Formerly known as Sampath Bank Ltd.)

Resolution adopted by the Board of Directors of Sampath Bank PLC under section 04 of the Recovery of Loans by Banks (Special Provisions) Act, No. 04 of 1990

Sarath Motors.

A/C No. : 0060 1000 2239.

AT a meeting held on 26th August, 2010 by the Board of Directors of Sampath Bank Limited it was resolved specially and unanimously:

Whereas Rupasinghe Arachchige Chandrasiri being the Sole Proprietor of the business carried on in the Democratic Socialist Republic of Sri Lanka under the name and style of “Sarath Motors” as the Obligor has made default in the repayment of the credit facility granted against the security of the property and premises morefully described in the Schedule hereto mortgaged and hypothecated by the Mortgage Bond No. 1015 dated 31st December, 2007 attested by I. I. R. Weragoda of Gampaha, Notary Public in favour of Sampath Bank PLC holding Company No. PQ 144 and there is now due and owing on the said Bond No. 1015 to Sampath Bank PLC aforesaid as at 01st July, 2010 a sum of Rupees Nine Hundred and Twelve Thousand and Two Hundred and Six and cents Fourteen only (Rs. 912,206.14) of lawful money of Sri Lanka being the total amount outstanding on the said Bond and the Board of Directors of Sampath Bank PLC aforesaid under the powers vested by the Recovery of Loans by Banks (Special Provisions) Act, No. 04 of 1990 do hereby resolve that the property and premises morefully described in the Schedule hereto mortgaged to Sampath Bank PLC aforesaid as security for the said credit facility by the said Bond bearing No. 1015 to be sold in public auction by I. W. Jayasuriya, Licensed Auctioneer of Kandy for the recovery of the said sum of Rupees Nine Hundred and Twelve Thousand and Two Hundred and Six and cents Fourteen only (Rs. 912,206.14) together with further interest on a sum of Rupees Seven Hundred and Eighty Thousand only (Rs. 780,000) at the rate of Twenty-five per centum (25%) per annum from 02nd July, 2010 to date of satisfaction of the total debt due upon the said Bond bearing No. 1015 together with costs of advertising and other charges incurred less payments (if any) since received.

SCHEDULE

All that divided and defined allotment of land marked Lot X depicted in Plan No. 8020 dated 22.03.2007 made by W. B. L. Fernando, Licensed Surveyor of the land called “Thalagahapillewa” together with soil, trees, plantations, buildings and everything else standing thereon situated at Ranmuthugala Village within the Pradeshiya Sabha Limits of Mahara (sub Office Naranwala) in Adikari Pattu of Siyane Korale in the District of Gampaha Western Province and which said Lot X is bounded on the North by Land of D. S. Mayadunna and Road, on the East by Lands of D. S.

Mayadunna and D. Y. Dahanayake, on the South by Land of D. Y. Dahanayake and Balance portion of Lot 1 in Plan No. 4438 and on the West by Balance portion of Lot 1 in Plan No. 4438 and Road and containing in extent Fourteen decimal Eight Naught Perches (0A., 0R., 14.80P.) according to the said Plan No. 8020 registered in C 849/14 at Land Registry, Gampaha.

By order of the Board,

Company Secretary.

08-694/1