

N. B. - Part IV (A) of the Gazette No. 2410 of 08.11.2024 was not published.



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The Gazette of the Democratic Socialist Republic of Sri Lanka

අංක 2,411 – 2024 නොවැම්බර් මස 14 වැනි බ්‍රහස්පතින්දා – 2024.11.14
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(Published by Authority)

PART I: SECTION (I) – GENERAL

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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 *Gazette* should reach Government Press two weeks before the date of publication *i.e.* Notices for publication in the weekly *Gazette* of 06th December, 2024 should reach Government Press on or before 12.00 noon on 22nd November, 2024.

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

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

GANGANI LIYANAGE,
Government Printer.

Department of Govt. Printing,
Colombo 08,
01st January, 2024.



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

REVENUE AND EXPENDITURE RETURNS

University of Jaffna, Sri Lanka

FINANCIAL STATEMENTS OF THE UNIVERSITY OF JAFFNA FOR THE YEAR ENDED 31ST DECEMBER 2023

We attach herewith a complete set of financial Statements for the year ended 31st December 2023 together with Supplementary information pertaining to the same and the Trial Balance as at 31st December 2023. These have been prepared in the form and contents specified by the UGC Financial Circulars in compliance with Sri Lanka Public Sector Accounting Standards (SLPSAS) and also in terms of section 106(1) and 107(1) (b) of the Universities Act, No.16 of 1978 and the Finance Act, No. 38 of 1971.

In preparing the Financial Statement we complied with the financial regulations, rules and procedures laid down by the University Grants Commission and proper controls mechanism have been maintained to ensure propriety of transactions and efficiency in expenditure. To the best of our knowledge, the financial statements in respect of the year 2023 have been prepared satisfactorily to exhibit a true and fair view of the financial position, performance and cash flows of the University.

The Income and Expenditure of the University of Jaffna, Sri Lanka, for the year ended 31st December 2023 were Rs. 5,360,211,724/= and Rs.5,243,598 ,335/= respectively including financial assistance received for the students. The Income over Expenditure for the year was Rs.115,076,218/= compared to the (Rs.619,414,916/=) previous year.

The Income and Expenditure for the year under review compared with the previous year are summarized below:

<i>Total Income</i>	<i>Year ended 31st December 2023</i>	<i>Year ended 31st December 2022</i>
Government Grant- Recurrent	3,876,000,000	3,709,000,000
Government Grant- Capital	375,000,000	215,000,000
Special Grant - Capital	109,585,546	58,363,823
Donations	460,025,724	95,839,442
Other Capital Grant	156,225,950	51,765,940
Financial Assistance Received for the students	90,204,000	96,352,000
University Development Fund - Recurrent	108,981,000	60,000,000
University Development Fund - Capital	8,107,955	26,000,000
Net Income from other Activities (Restricted Funds)	121,405,783	9,965,715
Other Income	54,675,765	55,447,512
Total Income for the Year	5,360,211,724	4,377,734,432
Total Expenditure		
Total Operating Expenditure	4,089,041,009	3,872,013,348
Financial Assistance to the students	90,204,000	96,352,000
Depreciation	958,023,776	943,123,932
General Donation Expenses	2,299,000	-
Provision for Gratuity	102,648,570	78,967,255
Net Losses and write off	1,381,980	852,413

<i>Total Income</i>	<i>Year ended 31st December 2023</i>	<i>Year ended 31st December 2022</i>
Total Operating Expenditure	5,243,598,335	4,991,308,948
Total Non-Operating Expenditure	1,537,171	5,840,400
Income over Expenditure /(Expenditure over Income) for the year	115,076,218	(619,414,916)
Capital Expenditure Detail Summary		
Capital Grant Recommended by National Budget	375,000,000	225,000,000
Capital Grant Released by Treasury	375,000,000	215,000,000
Special Grant Received from UGC & Others		
Grant for Establishment of Faculty of Technology	58,000,000	23,000,000
Tsunami Project	2,188,369	-
Additional Student Intake -AHEAD Fund	49,397,176	33,363,823
Inter University Championship	-	2,000,000
Donation	460,025,724	95,839,443
Other Grants	156,225,950	51,765,940
University Development Fund - Capital	8,107,955	26,000,000
Total Capital Income	1,108,945,175	446,969,206

The Financial Statements for the year 2023 have been reviewed and recommended at the special Audit Committee meeting held on 21st February 2024 and approved by the Council at its special meeting held on 27th February 2024.

The Financial Statements for the year 2023 will be published in the Government *Gazette* in terms of Section 109 of the Universities Act, No. 16 of 1978 on receipt of the Audit report.

Prof. S.Srisatkunarah
Vice Chancellor
University of Jaffna
Accounting Officer
27.02.2024.

Copy: Secretary, Ministry of Finance
Secretary, Ministry of Education,
Chairman, University Grants Commission,
Secretary, University Grants Commission.
Director General, Department of National Budget,
Accountant, University Grants Commission,
Chief Internal Auditor, University Grants Commission,
Senior Asst. Auditor General, Office of the Senior Asst. Auditor General, Jaffna,
Asst. Internal Auditor, University of Jaffna.

UNIVERSITY OF JAFFNA
STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER 2023

Descriptions	Notes	31st December 2023		31st December 2022	
		Rs. cts.	Rs. cts.	Rs. cts.	Rs. cts.
Assets					
Current Assets					
Cash and Cash equivalents	04	27,053,582.68		28,460,476.57	
Trade & Other Receivables	05	539,425,391.06		493,051,494.86	
Inventories/Stocks	06	28,508,625.97		28,149,690.80	
Short Term Investments	07	1,078,116,348.99		1,015,062,102.90	
Total Current Assets			1,673,103,948.70		1,564,723,765.13
Non Current Assets					
Long Term Investments	08	44,626,771.07		476,042,749.17	
Property, Plant & Equipment	09	10,906,275,516.83		10,878,597,535.03	
Livestock	09A	5,207,307.50		4,351,368.00	
Work in Progress	10	1,432,171,658.64		1,209,381,473.09	
Total Non Current Assets			12,789,915,254.04		12,568,373,125.29
Total Assets			14,463,019,202.74		14,133,096,890.42
Liabilities					
Current Liabilities					
Payables	11	155,114,997.90		157,729,007.70	
Accrued Expenses	12	126,573,517.48		110,331,925.01	
Self financing courses & Projects	13	341,572,780.68		342,741,051.41	
Total Current Liabilities			623,261,296.06		610,801,984.12
Non Current Liabilities					
Payables	14	10,786,220.51		9,650,909.64	
Provisions for Gratuity	14A	150,675,610.20		1,048,027,039.77	
Restricted Fund	15	916,013,333.25		79,122,197.58	
Total Non Current Liabilities			2,077,475,163.96		1,848,903,146.99
Total Liabilities			2,700,736,460.02		2,459,705,131.11
Total Net Assets/Equity			11,762,282,742.72		11,673,391,759.31
Assets/Equity					
Accumulated Fund (Capital Grant)	16	13,549,027,771.84		13,549,021,771.84	
Accumulated Surplus/ Deficit	16A	(1,713,978,305.44)		(1,707,204,557.63)	
Total Assets/Equity			11,835,049,466.40		11,841,823,214.21

Descriptions	Notes	31st December 2023		31st December 2022	
		Rs. cts.	Rs. cts.	Rs. cts.	Rs. cts.
Reserve					
General Reserve	17	(2,587,815,066.63)		(2,576,712,838.39)	
Bond Obligation Reserve	18	350,128,030.34		288,351,974.85	
Net Revaluation Reserve	18A	2,164,862,452.61		2,119,871,548.64	
Capital Reserve		57,860.00		57,860.00	
Total Reserve			(72,766,723.68)		(168,431,454.90)
Total Net Assets/Equity			11,762,282,742.72		11,673,391,759.31

The Accounting policies and notes on page 09 to 27 form an integral part of the Financial Statements. These Financial statements have been prepared and presented in compliance with the University Act, No. 16 of 1978, applicable Sri Lanka Public Sector Accounting Standards (SLPSAS), and other rules and regulations prevailing in the University System.

Mr. K. SURESHKUMAR,
Bursar.

Mr. V. KANDEEPAN,
Registrar.

The Members of the Council is responsible for the preparation and presentation of these Financial Statements. These Financial Statements approved by the Council at its special Council meeting held on 27.02.2024.

Prof. S.Srisatkunarajah
Accounting Officer
Vice Chancellor
27.02.2024.

Council Member
Signed on behalf of
the Council

Council Member
Signed on behalf of
the Council

UNIVERSITY OF JAFFNA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31st DECEMBER 2023

Descriptions	Note	Year ended 31st Dec.2023	Year ended 31 st Dec.2022
		Rs. Cts	Rs. Cts
Revenue			
Revenue from Non Exchange Transaction - Current			
Government Grant for Recurrent Expenditures	19	3,876,000,000.00	3,709,000,000.00
UGC Grants for Student Bursaries	22	90,204,000.00	96,352,000 .00
Total Revenue from Non Exchange Transaction - Current		3,966,204,000.00	3,805,352,000.00
Revenue from Exchange Transaction - Current			
Other Income	21	54,675,765 .13	55,447,511.59
Net Income/(Expenses) from other Activities (Restricted Fund)	20	121,405,783.41	9,965,714.73
University Development Fund - Recurrent	20A	108,981,000.00	60,000,000.00
Total Revenue from Exchange Transaction - Current		285,062,548.54	125,413,226.32
Total Revenue - Current		4,251,266,548.54	3,930,765,226.32
Revenue from Non Exchange Transaction - Capital			
Government Grant for Capital Expenditures	19A	484,585,545.80	273,363,823.00
Gift & Donations	19B	460,025,724.06	95,839,442.50

<i>Descriptions</i>	<i>Note</i>	<i>Year ended 31st Dec.2023</i>	<i>Year ended 31 st Dec.2022</i>
		<i>Rs. Cts</i>	<i>Rs. Cts</i>
Other Grant	19C	156,225,949.73	51,765,940. 16
University Development Fund - Capital	20A	8,107,955.47	26,000,000.00
Total Revenue from Non Exchange Transaction - Capital		1,108,945,175.06	446,969,205.66
Total Revenue		5,360,211,723.60	4,377,734,431.98
Operating Expenses - Current			
Personnel Emoluments	23	3,374,369,854.32	3,358,226,768.99
Travelling	23	4,534,449.33	4,455,781.25
Supplies and Consumables	23	118,112,718.89	90,348, 112.52
Repair & Maintenance	23	28,948,565.26	30,807,092.73
Contractual Services	23	443, 144,353.52	299,743,014. 14
Other Operating Expenses	23	119,931,067.56	88,432,578.53
Financial Assistance to Student Bursaries	24	90,204,000.00	96,352,000.00
General Donation Expenses	23	2,299,000.00	
Net Losses and Write off	25	1,381,980.00	852,413.05
Depreciation	23	958,023,775.55	943, 123,932.22
Provision for Gratuity	23	102,648,570.43	78,967,254.63
Total Operating Expenses		5,243,598,334.86	4,991,308,948.06
Non Operating Expenses			
Research for National Development	25A	1,537, 170.60	5,840,399.78
Total Non Operating Expenses		1,537,170.60	5,840,399.78
Total Expenses		5,245,135,505.46	4,997,149,347.84
Total Surplus/(Deficit) for the year		115,076,218.14	(619,414,915.86)
Surplus / (Deficit) from Operating Activities - Current		(992,331,786.32)	(1,060,543,721.74)
Surplus / (Deficit) from Operating Activities - Capital		1,107,408,004.46	44 1,128,805.88

The Accounting policies and notes on page 09 to 27 form an integral part of the Financial Statements.

UNIVERSITY OF JAFFNA
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st DECEMBER 2023

<i>Descriptions</i>	<i>Notes</i>	<i>2023</i>	<i>2022</i>
		<i>Rs. Cts.</i>	<i>Rs. Cts.</i>
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus/(Deficit) for the Period		115,076.218	(619,414.916)
Adjustment for the Non Cash Items			
Depreciation	9	958,023.776	943,123,932
Prior period Adjustments	17	(18,480,303)	-
Gift & Donation	19 B	(460,025 724)	(95 839,443)

<i>Descriptions</i>	<i>Notes</i>	<i>2023</i>	<i>2022</i>
		<i>Rs. Cts.</i>	<i>Rs. Cts.</i>
General Donation Expenses	23	2,299,000.00	-
Provision for Gratuity	23	102,648,570	78,967,255
Fair Value Change Livestock	09A	1,022,364	(2,446,152)
Donation Votes	23	498,845	-
Sale of Livestock Profit	21	(28,781)	(22,325,895)
Sale of Assets Profit	21	(428,703)	-
Net Losses and Write off	25	1,381,980	852,413
Transfer to Restricted Fund - Income	20	(121,405,783)	(9,965,715)
(Increase)/Decrease in Stock	06	(358,935),	7,224,849
(Increase)/Decrease in Receivables	05	(46,373,896)	8,413,315
Increase/(Decrease) in Payables	11,12	13,627,583	(3,556,031)
Increase / (Decrease) in Refundable Deposit	14	1,135,311	(687,349)
Net Cash Flows from Operating Activities		548,611,521	284,346,264
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition of Plant and Equipment	09	(265,181,081)	(182,888,249)
Addition of Livestock	09A	(87,400)	(19,500)
(Increase)/Decrease in work in progress	10	(438,488,295)	(699,259,258)
Sale of Livestock	21	1,051,145	-
Sale of Assets	21	563,563	-
Investments	07, 08	(33,272,268)	(107,513,530)
Net Cash Flows from Investing Activities		(735,414,336)	(989,680,537)
CASH FLOWS FROM FINANCING ACTIVITIES			
Government Grant for Capital Expenditures		-	1,019,487,828
Restricted Funds	15	124,788,136	(437,722,859)
Self Financing Courses & Projects	13	(1 168,271)	39,036,057
Bond Obligation Fund	18	61,776,055	63,278,921
Net Cash Flows from Financing Activities		185,395,920	684,079,947
Increase/(Decrease) in Cash and Cash Equivalent		(1,406,895)	(21,254,326)
Cash and Cash Equivalents at the beginning of the year	4	28,460,477	49,714,803
Cash and Cash Equivalents at the end of the Period	4	27,053,583	28,460,477

The Accounting policies and notes on page 09 to 27 form an integral part of the Financial Statements.

UNIVERSITY OF JAFFNA

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31st DECEMBER 2023

Amount in Sri Lankan Rupees

<i>Descriptions</i>	<i>Capital Grant</i>	<i>Accumulated Surplus/ Deficit</i>	<i>General Reserve</i>	<i>Revaluation Reserve</i>	<i>Bond Obligation Reserve</i>	<i>Capital Reserve</i>	<i>Total</i>
Balance as at 31 st December 2021	13,198,553,047	(1,077,823,927)	(1,283,056,706)	2,001,571,160	225,073,053	57,860	13,064,374,490
Surplus / (Deficit) (Note 26)		(619,414,916)					- 619,414,916
Transfer from Restricted Fund		(9,965,715)					-9,965,715
Prior Year Adjustments			(22,325,895)				- 22,325,895
Bond Obligation/ Increase in Other Reserve					63,278,921		63,278,921
Revaluation Adjustment During the Period				2,946,151			2,946,151
Transfer to University of Vavuniya			(1,271,330,238)	115,354,237			-1,155,976,001
Prior Year Provision for Depreciation adjustment							0
Bond Obligation/ Increase in Other Reserve							0
Capital Grant Received	350,474,725						350,474,725
Balance as at 31 st December 2022	13,549,027,772	(1,707,204,558)	(2,576,712,839)	2,119,871,547	288,351,974	57,860	11,673,391,759
Surplus / (Deficit) (Note 16 A)		115,076,218					115,076,218
Transfer from Restricted Fund		(121,405,783)					(121,405,783)
Prior Year Adjustments		(444,183)	(16,075,958)				(16,520,141)
Bond Obligation/ Increase in Other Researve					61,776,055		61,776,055
Revaluation Adjustment During the Period				44,990,905			44,990,905
Transfer to University of Vavuniya			4,973,730				4,973,730
Capital Grant Received							0
Balance as at 31 st December 2023	13,549,027,772	(1,713,978,306)	(2,587,815,067)	2,164,862,452	350,128,029	57,860	11,762,282,743

The Accounting policies and notes on page 09 to 27 form an integral part of the Financial Statements.

UNIVERSITY OF JAFFNA

**STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS FOR THE YEAR ENDED
31ST DECEMBER 2023**

<i>Descriptions</i>	<i>Budget Rs.</i>	<i>Actual Rs.</i>
Revenue		
Government Grant for Recurrent Expenditure	3,957,000,000	3,876,000,000
Internal Income	63,008,000	54,675,765
University Development Fund	-	108,981,000
Total Revenue	4,020,008,000	4,039,656,765
Operating Expenses		
Personal Emoluments	3,374,370,000	3,374,369,854
Travelling	4,535,000	4,534,449
Suppliers &. Consumables	118, 113,000	118,112,719
Maintenance	28,950,000	28,948,565
Contractual Service	443,144,000	443,144,354
Other Recurrent Expenses	119,931,000	119,931,068
Total Operating Expenses before Depreciation	4,089,043,000	4,089,041,009

UNIVERSITY OF JAFFNA

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31st DECEMBER 2023**

1. General Information

1.1 Legal and Domicile Form

University of Jaffna is a State University which was established under the Universities Act, No 16 of 1978 and located at Thirunelvely , Jaffna, Sri Lanka. Currently University has 11 Faculties. Three of which namely Faculty of Engineering, Faculty of Agriculture and Faculty of Technology are located in Ariviyal Nagar, Kilinochchi premises.

1.2 Principal Activities and Nature of Operations

The principal activities of the University of Jaffna are promote and develop higher education teaching, learning and research activities in keeping with the National Policy by providing higher learning facilities for students.

1.3 University of Vavuniya

The Northern Province Affiliated University College operating in Vavuniya was amalgamated with University of Jaffna with effect from 01.04.1997 by *Gazette* notification number 968/6 of 26.03.1997 as a Campus of this University . The Financial Management of the Vavuniya Campus was under the purview of the University of Jaffna. Monthly Imprest was released for Recurrent and Capital Expenditure by the University of Jaffna. Reasonable extent of Financial Powers had been delegated to the Vavuniya Campus which was managed by the Campus Board headed by the Rector. The financial transactions of the Vavuniya Campus was incorporated in the accounts of the University of Jaffna.

As per the Government *Gazettes* number 2231/5-2021 dated 08.06.2021 Vavuniya Campus was announced as a separate University with effect from 01.08.2021 under the Name of University of Vavuniya. Accordingly Vavuniya Campus became a separate entity. Further University of Jaffna has prepared Annual Financial Statement as at 31st December 2021 for the University of Jaffna including the financial operation of the University of Vavuniya and taken necessary action to transfer assets and liability with effect from 1st January 2022 to the University of Vavuniya.

Assets, Liabilities and other balances related to the University of Vavuniya as at 31st December 2021 were transferred to University of Vavuniya as per the approval given by the 468th Council of the University of Jaffna.

1.4 Basis of Preparations

The Financial Statements of the University of Jaffna, Sri Lanka are prepared in conformity with the Sri Lanka Public Sector Accounting Standards (SLPSAS) and are applied consistently on a historical cost basis, subject to fixed assets being bought into books on revaluation with computerizing fixed assets register. The Financial Statements for the year ended 31st December 2023 are presented in the formats that were specified by University Grants Commission in accordance with complying Sri Lankan Public Sector Accounting Standard (SLPSAS).

1.5 Financial Year

The Financial year of the University of Jaffna represent twelve months from 1st January 2023 to 31st December 2023.

1.6 Date of Authorization for Issue

The Financial statement for the year ended 31st December 2023 of the University of Jaffna was approved and authorized to issue by the special meeting of the University Council held on 27th February 2024.

2 Summary of Significant Accounting Policies

2.1 Accounting for Student Fees

The Student Registration Fees, Tuition Fees and Medical Fees are accounted on cash basis and all other incomes are on accrual basis and this practice was adopted by the University since inception.

2.2 Grant for Bursary

The Grant for Bursary has shown as an income under the Recurrent Grant and the payment of Bursary has shown as Expenditure of the Welfare Services as directed by the University Grants Commission by its letter No. UGC/F/BUR/87 dated 14/10/1987 and classified as a separate item as Financial Assistance to students in the statement of Financial Performance. The Mahapola is fully handled by University Grants Commission and Mahapola Scholarship Trust Board.

2.3 Provision for Gratuity

Provision for Gratuity is made in terms of payment of the Gratuity Act, No 12 of 1983. The Provision for Gratuity is not represented by the investment since the Treasury does not provide financial allocation to make investment externally. As per the University Grants Commission Circular number 05/2019 dated 4th June 2019, Academic allowance and MCA (Monthly Compensatory Allowance) paid for the staff are considered for the Gratuity calculation in terms of the Gratuity Act Number 12 of 1983 with effect from 01st June 2019.

2.4 Inventories

Inventories are stated at the lower of cost and net realisable value after making due adjustment based on First in First out (FIFO) method. The cost includes expenditure incurred in acquiring the inventories and bring them to the existing location and condition. The Inventories of the University includes stationeries, consumables, chemicals, maintenance and medical items.

2.5 Live Stock

Livestock consist of living animals held for the agriculture activity managed by the Farm of the Agriculture Faculty . Livestock are measured on initial recognition and each reporting date at its fair value less cost to sell. The fair value of the livestock was determined based on the published rates of the National Livestock Department Board (NLBD) and prevailing market prices of the similar Assets.

2.6 Expenditure of Capital Nature

Expenditure incurred for the purpose of extending or improving assets of the permanent nature of this University is treated as Capital Expenditure.

2.7 Revenue Recognition

Revenue comprise gross inflows of economic benefits or services potential received and receivable by University during the year and represent an increase in net assets/equity. University recognition revenue following the establish criteria of SLPSAS 10 (Revenue for exchange transactions) and SLPSAS 11 (Revenue for non-exchange transitions). The Income and Expenditure of Self Financing courses have been shown on cash basis. The net Income from other activities has been shown in the statement of Financial Performance and the balances have been added to the opening balance of the respective activities and shown under current liabilities as self-financing courses.

2.8 Expenditure Recognition

The expenditure has been analysed by a Programme/Project/Object wise and analysis was classified under different expenditure heading based on UGC guide line to comply with the Common reporting format during the period of which they are incurred. All expenses incurred in respect of under graduate education have been recognized on accrual basis and charged to the Statement of Financial Performance.

2.9 Statement of Cash Flows

The statement of Cash flows has been prepared in accordance with SLPSAS 02 Cash Flow Statement under the indirect method.

2.10 Receivables

Receivables of Hostel rental from students has been stated at the amount estimated to realise as income for the financial year 2023.

2.11 Depreciation

The depreciation recognised in the financial statement for Property, Plant and Equipment is calculated using the straight-line method in compliance with SLPSAS 07. Under this method, the cost of each PPE component, less its estimated residual value, is evenly spread over its estimated useful life. Lands are excluded from the depreciation calculation. Depreciation is provided at the following rates as per the University Grants Commission Circular No. 649 dated 05th October 1995 and subsequent circular No. 09/2022 dated 05th May 2022.

Buildings	5%
Office Furniture	10%
Office Equipment	20%
Sports Goods	25%
Lab & Teaching Equipment	20%
Books and Periodicals	20%

Vehicles	20%
Cloaks	20%
Telephone	20%
Plant and Machinery	10%

The University has diligently reviewed and implemented the changes in the depreciation percentage and other aspects of the Circular No 09/2022 dated 5th May 2022 issued by University Grants Commission. However, it has chosen to maintain the current classification of assets, diverging from the recommendations of the Circular. The decision to maintain the current asset categorization is driven complexity associated with an immediate

reclassification. The existing asset classification aligns with operational processes, and a more measured approach is deemed necessary to seamlessly integrate the recommended changes. The new assets categories are the asset groups and sub-groups which were already in the asset register and the percentage of depreciation remain unchanged as mentioned in the circular. Application of this decision does not have any impact on the calculation of depreciation or any other component of the financial position.

The University intends to implement the revised asset categorization in alignment with the Circular, with changes reflected in the financial statements for the year ending 31st December 2024.

2.12 Liabilities and Provisions

All known liabilities as at the reporting date are included in the Financial Statements and adequate provisions are made for liabilities which are known to exist other than the amount of which cannot be determined accurately.

3. OTHER NOTES RELATED TO THE FINANCIAL STATEMENTS

3.1 Depreciation and Provision for Gratuity

The Net Deficit from Operating Activities - Current for the year 2023 is Rs.992,331,786/= includes the non-cash item of Gratuity and Depreciation amounting of Rs.1,060,672,346/=. Therefore the Operating Surplus - Current is Rs.68,340,560/=.

The Net Surplus from Operating Activities - Capital for the year 2023 is Rs.1,107,408,004 /= includes Research for National Development Non Capital nature Rs.1,537,171/=

3.2 Losses & Write off

The following losses were written off with the approval of the Council during the year 2023 and reflected in the accounts

Losses & Write off Rs. 1,381,980/=

3.3 Excess Income over Expenditure

The Income over Expenditure is Rs. 115,076,218/= occurred due to the inclusion of the following non-cash items.

(1) Depreciat ion for Non-Current Assets	958,023,775
(2) Provision for Gratuity	102,648,570
	<u>1,060,672,345</u>

3.4 Assets and Revaluation

All assets categories other than Books & Periodicals and provision for depreciation as at 31.12.2023 had been adjusted based on verification and revaluation on assets made by M/S Carter De Costa Corporate Services (Pvt) Ltd who was assigned with preparation of Fixed Assets Register.

In addition during the period of 2023, University of Jaffna were conducted the revaluation of certain property, plant and equipment in accordance with SLPSAS 07. The revaluation was performed by independent professional appraisers of Department of Government Valuation and the revaluation resorts are as follow.

- (A) Land - Mayilappulam Land (Ammachchi) - The historical cost of the land was LKR 500,000.00 and it has been revalued as Rs. 43,000,000.00
- (B) Plant and Machinery - Gas Power Plant (Department of Chemistry) - The asset is revalued for the first time at Rs. 700,000.00 and incorporated into the asset register of the University during the period of 2023.

The excess of the fair value was credited to the revaluation surplus reserve of the University. The accumulated surplus were presented as a separate category of reserves in the statement of financial position.

3.5 Gift & Donations for the Financial Year 2023

Summary of Assets donation received from different donors are shown below.

<i>Donors</i>	<i>Amount Rs.</i>
Donation of Library Books from various Donors	12,787,292
Donation from AHEAD Project	388,085,086
Donation of Assets from various Donors	41,786,543
General Donation from various Donors	2,711,595
Donation from District Secretariat Kilinochchi- Ammachi canteen Engineering Faculty.	14,655,208
Total	460,025,724

3.6 Lands

Followings Lands were shown as an assets under the property plant and equipment in the Statement of Financial position of the University of Jaffna. All these Lands were transferred to University of Jaffna by the Government. Although we have acting on transferring these lands to the University of Jaffna, it has being a long process of transferring these land. Matter relating in the land registry.

<i>Name of Land</i>	<i>Location of Land</i>	<i>Land Registry Location</i>
Main Land (Administration with 02 Faculties)	Ramanathan Road, Thirunelvely.	Nallur Pradeshiya Sabha
Hostel Land	Ramanathan Road, Thirunelvely	Nallur Pradeshiya Sabha
Siddha Medicine Land - 02 Academic Building	Kaviyawarrai , A9 Road, Kaithady.	Chavakachcheri Pradeshiya Sabha

RAFA Land - 01	Maruthanarmadam	Valikamam South Pradeshiya Sabha
Ariviyalnagar Land	Ariviyalnagar, Killinochchi.	Karaichchi Pradeshiya Sabha
Ponnagar Land	Ponnagar, Killinichchi.	Karaichchi Pradeshiya Sabha

3.7 Lease Agreement of Mayilappulam Land

A land belongs to University of Jaffna called MAYILAPPULAM, in the extent of 3 Lachchms varagu culture (3 MS V. C), situated at Thirunelvly in the parish of Nallur in the Division of Jaffna. As per the 431st University of Jaffna Council approval this Land has been given to Provincial Department of Agriculture of the Northern Province on long term lease of 30 years free of charge from 2018 to establish the traditional and nutritive food preparation and sales centre call "Ammachchi" in order to develop the traditional food habit among the University students and community.

3.8 Property, Plant and Equipment Zero value

The University of Jaffna initially recognizes its property, plant, and equipment at cost as per the SLPSAS 07. Subsequently number of assets had been revalued in order to incorporate those assets in the asset register of the University at the time of computerizing the fixed asset register. The University has continuously adopted the cost model and the depreciation has been computed assuming residual value as zero. Accordingly, while the zero value items continuously to reflect in the assets, there is no depreciation for the item.

As per the following interpretation issued by the APFASL. "If the entity has adopted the cost model and the residual value has been determined as zero (Paragraph 67 -SLPSAS 07) and the carrying value of the asset drops to zero (residual value), paragraph 68 states that the asset's depreciation charge is zero and if that happen the asset to be carried at zero (cost less any accumulated depreciation and accumulated impairment losses)".

3.9 Events after the Reporting date

There are no material events subsequent to the financial year which require additional disclosure in the Financial Statements.

Notes to the Financial Statements

	2023	2022
	Rs. Cts.	Rs. Cts.
Note 04. Cash and Cash Equivalent		
Bank Balance - Restricted Fund	26 904,517.39	28,229,296.34
Bank Balance - Treasury Fund	33,705.29	134,100.23
Imprest Kilinochchi, Franking Machine and Stamps in hand	115,360.00	97,080.00
	27,053,582.68	28,460,476.57
	2023	2022
	Rs. Cts.	Rs. Cts.
Note 05. Trade and Other Receivable		
Bond Obligation - Receivable	166,298,684.92	130,105,033.52
Loans and Advances / Staff	121,155,002.01	128,077,623.52
Advance to Supplies and Services	25,275,220.88	45,709,209.08
Advance to Buildings	23,000,000.00	63,000,000 .00
Others	203,696,483.25	126,159,628.74
	539,425,391.06	493,051,494.86

	2023	2022
	Rs.	Rs.
Note 06. Inventories / Stocks		
Inventories Main Stores	12,384,858.28	14,102,078.73
Inventories in Department	16,123,767.69	14,047,612.07
	28,508,625.97	28,149,690.80
	2023	2022
	Rs.	Rs.
Note 07. Short Term Investments		
Special Deposit for Library Books	277,757.21	269,980.48
Faculty of Science Research Development	3,613,771.28	3,031,780.32
Vingnanam Journal Investment	263,609.60	91,900.26
Medical Faculty Development Fund Investment	938,063.19	934,197.78
Investment A/C - Restricted Fund	1,050,000,000.00	1,000,000,000.00
Vice Chancellor's Welfare Fund Savings A/C	1,346,562.95	796,725.14
Community Kitchen Investment	10,000,000.00	-
Science Fac. Equipment Fund - Investment	11,676,584.76	9,937,518.92
	1,078,116,348.99	1,015,062,102.90
Increase/(Decrease) for the year	(63,054,246.09)	(90,656,372.63)
	2023	2022
	Rs.	Rs.
Note 08. Long Term Investments		
Endowment Fund Investment	331,153,983.91	377,620,769.99
Security Deposit	696,289.47	740,328.60
Sundry Investment	109,307,107.14	92,578,260.03
Vice Chancellor's Welfare Fund	5,103,390.55	5,103,390.55
	446,260,771.07	476,042,749.17
Increase/(Decrease) for the year	29,781,978.10	(27,087,000.45)

UNIVERSITY OF JAFFNA FINANCIAL STATEMENTS - 2023

NOTE 09 - PROPERTY, PLANT & EQUIPMENT

COST

Description	Building A/C	Land A/C	Sports Goods Equipment	Office Furniture	Office Equipment	Lab & Teaching Equipment
Balance as at 01 .01.2022	11,017,396,923.79	2,005,333,280.43	36,146,369.25	653,811,825.80	373,449,156.84	2,262,556,714.21
Additions During the year	2,792,837.89	-	1,527,300.00	34,295,240.44	49,450,480.87	76,585,251.42
Work in Progress	321,727,907.01	-	-	-	-	-
Donation	-	16,639,000.00	-	6,500,029.75	511,232.43	63,707,307.54
Adjustments/Transfer to University of Vavuniya	(1,509,959,997.35)	(85,000,000.00)	(3,230,366.25)	(64,306,004.74)	(96,349,004.16)	(222,658,211.70)
Balance as at 31.12.2022	9,831,957,671.34	1,936,972,280.43	34,443,303.00	630,301,091.25	327,061,865.98	2,180,191,061.47

Description	Library Books & Periodicals	Motor Vehicles	Clocks	Telephone	Plant & Machinery	Rehabilitation Project	Total
Balance as at 01.01.2022	443,311,541.85	137,474,264.61	14,515,500.00	3,426,150.00	200,553,500.28	141,065,990.74	17,289,041,217.80
Additions During the year	11,956,018.46	24,300.00	3,185,000.00	23,500.00	3,048,319.63	-	182,888,248.71
Work in Progress	-	-	-	-	-	-	321,727,907.01
Donation	62,687.78	-	-	-	-	-	87,420,257.50
Adjust ments/Transfer to University of Vavuniya	(28,051,668.46)	(25,599,850.00)	(154,750.00)	(397,730.00)	(21,235,450.00)	(124,103,985.69)	(2,181,047,018.35)
Balance as at 31.12.2022	427,278,579.63	111,898,714.61	17,545,750.00	3,051,920.00	182,366,369.91	16,962,005.05	15,700,030,612.67

COST

Description	Building A/C U/J	Land A/C U/J	Sports Goods Equipment	Office Furniture	Office Equipment	Lab & Teaching Equipment
Balance as at 01.01.2023	9,831,957,671.34	1,936,972,280.43	34,443,303.00	630,301,091.25	327,061,865.98	2,180,191,061.47
Additions During the year			2,467,650.00	41,520,468.91	74,476,593.83	127,541,996.90
Work in Progress	226,398,247.61	16,000.00				
Donation	372,439,350.06		59,500.00	9,604,914.00	7,511,523.99	45,773,370.71
Revaluation		42,500,000.00				
Adjustment	587,520.00					
Disposal			(155,200.00)	(1,688,039.28)	(5,108,484.00)	(8,917,642.20)
Balance as at 31.12.2023	10,431,382,789.01	1,979,488,280.43	36,815,253.00	679,738,434.88	403,941,499.80	2,344,588,786.88

Description	Library Books & Periodicals	Motor Vehicles	Clocks	Telephone	Plant & Machinery	Rehabilitation Project U/J	Total
Balance as at 01.01.2023	427,278,579.63	111,898,714.61	17,545,750.00	3,051,920.00	182,366,369.91	16,962,005.05	15,700,030,612.67
Additions During the year	5,209,431.51		4,244,500.00	30,000.00	9,690,440.00		265,181,081.15
Work in Progress					3,251,500.00		229,665,747.61
Donation	12,842,811.76			2,500.00			448,233,970.52
Revaluation					700,000.00		43,200,000.00
Adjustment						(587,520.00)	-
Disposal			(945,175.00)	(7,950.00)			(16,822,490.48)
Balance as at 31.12.2023	445,330,822.90	111,898,714.61	20,845,075.00	3,076,470.00	196,008,309.91	16,374,485.05	16,669,488,921.47

DEPRECIATION

Description	Building A/C	Land A/C	Sports Goods Equipment	Office Furniture	Office Equipment	Lab & Teaching Equipment	Library Books & Periodicals
Balance as at 01.01.2022	2,046,833,310.02	-	28,642,553.27	258,177,931.93	225,327,635.11	1,274,127,592.75	408,065,620.17
Additions During the year	476,484,475.16		3,635,921.89	68,502,093.15	47,059,143.09	302,703,495.26	13,833,520.75
Adjustment	(274,080,639.05)		(2,516,764.78)	(25,811,487.98)	(52,667,590.72)	(120,059,895.91)	(21,946,803.34)
Balance as at 31.12.2022	2,249,237,146.13	-	29,761,710.38	300,868,537.10	219,719,187.48	1,456,771,192.10	399,952,337.58

Description	Motor Vehicles	Clocks	Telephone	Plant & Machinery	Rehabilitation Project	Total
Balance as at 01.01.2022	112,381,681.90	11,447,153.82	2,883,587.86	41,301,677.13	-	4,409,188,743.96
Additions During the year	11,013,870.00	1,643,983.53	203,137.03	18,044,292.36		943,123,932.22
Disposal	(23,962,649.07)	(20,181.09)	(351,939.66)	(9,461,646.94)		(530,879,598.54)
Balance as at 31.12.2022	99,432,902.83	13,070,956.26	2,734,785.23	49,884,322.55	-	4,821,433,077.64

Description	Building NC U/J	Land NC U/J	Sports Goods Equipment	Office Furniture	Office Equipment	Lab & Teaching Equipment	Library Books & Periodicals
Balance as at 01.01.2023	2,249,237,146.13	-	29,761,710.38	300,868,537.10	219,719,187.48	1,456,771,192.10	399,952,337.58
Additions During the year	493,910,039.26		2,952,631.42	72,989,856.40	50,429,145.77	292,898,305.92	13,184,309.62
Disposal			(125,501.36)	(1,256,060.05)	(5,032,440.13)	(8,879,039.21)	
Balance as at 31.12.2023	2,743,147,185.39	-	32,588,840.44	372,602,333.45	265,115,893.12	1,740,790,458.81	413,136,647.20

Description	Motor Vehicles	Clocks	Telephone	Plant & Machinery	Rehabilitation Project U/J	Total
Balance as at 01.01.2023	99,432,902.83	13,070,956.26	2,734,785.23	49,884,322.55		4,821,433,077.64
Additions During the year	11,003,671.37	2,010,299.46	91,639.58	18,553,876.75		958,023,775.55
Disposal		- 1,942,457.80	- 7,950.00			(16,243,448.55)
Balance as at 31.12.2023	110,436,574.20	14,138,797.92	2,818,474.81	68,438,199.30	-	5,763,213,404.64

UNIVERSITY OF JAFFNA FINANCIAL STATEMENTS - 2023

NOTES TO THE FINANCIAL STATEMENT - 2023

Net Value

Description	Building NC UIJ	Land NC U/J	Sports Goods Equipment	Office Furniture	Office Equipment	Lab & Teaching Equipment	Library Books & Periodicals
Balance as at 01.01 .2022	8,970,563,613.77	2,005,333,280.43	7,503,815.98	395,633,893.87	148,121,521.73	988,429,121.46	35,245,921.68
Balance as at 31.12.2022	7,582,720, 525.21	1,936,972,280.43	4,681,592.62	329,432,554.15	107,342,678.50	723,419,869.37	27,326,242.05
Balance as at 31.12.2023	7,688,235,603.62	1,979,488,280.43	4,226,412.56	307,136,101.43	138,825,606.68	603,798,328.07	32,194,175.70

Description	Motor Vehicles	Cloaks	Telephone	Plant & Machinery	Rehabilitation Project U/J	Total
Balance as at 01.01.2022	25,092,582.71	3,068,346.18	542,562.14	159,251,823.15	141,065,990.74	
Balance as at 31 .12.2022	12,465,811.78	4,474,793.74	317,134.77	132,482,047.36	16,962,005.05	
Balance as at 31 .12.2023	1,462,140.41	6,706,277.08	257,995.19	127,570,110.61	16,374,485.05	

NOTE 09A- Livestock

COST

Description	Balance as at 01.01.2023	Additions				Balance as at 31.12.2023
		Additions During the year	Fair value Changes	Donation	Adjustments	
	Rs. Cts.	Rs. Cts.	Rs. Cts.	Rs. Cts.	Rs. Cts.	Rs. Cts.
Live Stock	4,351,368.00	87,400 .00	1,790,903.97	-	(1,022,364.47)	5,207,307.50
	4,351,368.00	87,400.00	1,790,903.97	-	(1,022,364.47)	5,207,307.50

	2023 Rs. Cts.	2022 Rs. Cts.
.Note . 10. Work in Progress		
Opening. Balance	1,209,381,473.09	1,094,655,281.82
Additions during the year	438,488,295.04	699,259,258.32
Transfer during the year (Building)	(229,665,747.61)	(321,727,907.01)
Transrerred toVavuniya	4,973,729.58	(271,224,345.04)
Donation from Ahead	8,993,908.54	8,419,185.00
	<u>1,432,171,658.64</u>	<u>1,209,381,473.09</u>
Note 11 Payables		
Sundry Creditors	49,767,080.35	46,055,044.63
Others	105,347,917.55	111,673,963.07
	<u>155,114,997.90</u>	<u>157,729,007.70</u>

	2023	2022
	<i>Rs. Cts.</i>	<i>Rs. Cts.</i>
Note 12 Accrued Expenses		
Accrued Expenses	126,573,517.48	110,331,925.01
	126,573,517.48	110,331,925.01
	2023	2022
	<i>Rs. Cts.</i>	<i>Rs. Cts.</i>
Note. 13 Self Financing Courses & Projects (Payable)		
Diploma in Physical Education	-	3,060.96
Master of Education	43,327,735.27	36,823,953.15
COD L Development Fund (Income from. External Exam Unspent)	43,103.65	460,325.78
Post Graduate Dip. in Education - Part time	4,279,997.19	1,306,012.39
Diploma in Journalism	-	1,048,989.42
M.A in Tamil	4,297,314.05	7,587,529.70
M.A In Saiva Siddhanta	1,580,507.49	2,596,451.54
BBM.Online Degree Programme	57,230,294.46	91,820,382.55
MSc in Environmetal Management	1,306,377.00	2,612,066.27
MSc in Health.Management	2,698,262.52	3,817,759.32
M.A in Cultural Studies	2,139,965.42	1,399,896.29
M.A in Public Administration Batch - III	1,523,798.40	122,326.50
M.A in Public Administration Batch - III Tamil Medium	3,490,000.00	-
Master of Christian Studies Batch - I	1,715,778.66	1,613,948.00
Master of Christian Studies Batch - II	2,737,280.00	-
Master of Regional Planning Batch - III	1,466,685.00	23,875.00
Post Grad. Dip. In English as Second Language	1,243,692.00	885,385.16
Post graduate Dip. In Library Information Science	794,870.00	19,518.96
Diploma in Human Resources	-	498,811.63
Diploma in Management & Marketing	-	778,465.84
Diploma in Micro Finance	773,081.50	2,628,145.63
Master of Business Administration	22,833,203.88	53,979,520.16
Bachelor of Commerce (External)	61,687,867.17	53,182,774.72
B.A External	70,516,384.68	30,373,006.84
ICDA	1,846,392.30	1,993,228.07
ICCM	609,522.75	609,522.75
ICM Engineering Faculty	281,499.45	866,899.45
Intergrated Farm & Trainning Centre F/ Agriculture	8,062,742.26	9,157,376.09
Certificate Course in Molecular Biology	-	18,834.00
JUICE 2018	-	371.41
Higher Diploma). Physical Education	3,882,891.86	3,174,366.98
BA in Translation Studies	2,711,513.30	1,823,246.30
B.FA in Music	762,936.64	580,149.97
B.FA in Dance	555,106.64	357,669.97

	2023	2022
	Rs. Cts.	Rs. Cts.
B.FA in At & Design	1,501,771.62	1,119,744.96
Certificate Course in Live stock & Poultry Mgt	61,260.00	224,000.00
Master in Clean Energy Technologies B I	1,705,304.77	1,752,169.77
Master in Clean Energy Technologies B II	12,000.00	-
Master of Science in Clean Energy Technologies B I	525,000.00	-
B. Sc. in Physical Education	631,460.32	508,840.32
Recorp Fish Project University of Amsterdam	1,245,323.00	1,245,323.00
Diploma in_ Professional English	2,519,515.18	2,064,769.32
Diploma in Banking and Finance B I	1,241,363.08	3,045,000.00
Diploma in Banking and Finance B II	21,000.00	-
Short Course in Basic ICT Skills	12,863.67	74,780.00
Certificate Course in Principals of Micro-Irrigation	17,150.00	37,395.00
Certificate Course in Principals of Farm Machinery	81,635.00	97,395.00
Certificate course in Earthwarm Technology	-	115,030.00
Certificate course in Mushroom Manufacture and Training Technology	-	118,184.00
Certificate course in. Molecular Biology	18,834.00	-
High Dip. in Media Studies Batch - I	1,579,393.00	1,093,693.00
PGD in Education (Part time) 2020/2021 Jaffna	1,645,675.78	1,710,323.27
PGD in Education 2021/2022 Jaffna	1,591,187.00	2,106,692.00
PGD in Education (Part time) 2020/ 2022 Jaffna	2,180,908.27	2,245,555.76
Testing of Mechanical Properties of concrete cubes, Cylinder	-	168,584.10
CODL Mercy Chance old syllabus exam payments	2,766,615.00	1,590,720.00
Capacity Building Programme to the Sri Lanka Education Admini.	62,000.00	62,000.00
Phd	974,292.94	1,098,552.94
M.Phill	4,033,684.95	3,652,841.57
Basic Sinhala Level - 1	297,775.00	313,675.00
Basic Sinhala Level - 2	143,675.00	-
English Language for Officers	81,960.00	554,035.35
Tein Co-operation Centre	-	112,935.27
UBL Research Project Bio Plastic	80,000.00	80,000.00
UBL Research Projcet Drinking Yorgut	180,000.00	100,000.00
B.Com Repeat Exam Fee	414,160.00	-
Certificate Course in Health Information Batch I	274,460.00	-
VC-Media	366,479.62	135,000.00
Certificate Course in Semenillogy Batch I	156,303.96	-
Certificate Course in Semenillogy Batch II	2,500.00	-
Diploma in Tourism and Hospitality Management Batch I	33,000.00	-
Advance Certificate Course in inclusive service delivery for	1,569,720.00	-
Certificate Course in English BII	190,725.00	-
Certificate Course in English BIII	518,720.00	-

	2023	2022
	Rs. Cts.	Rs. Cts.
Certificate Course in English BIV	41,500.00	-
Certificate Course in Perioperative Care	415,030.00	-
BBM Online Repeat Exam	2,829,790.00	-
AHRC Partnership Programme	4,968,940.98	4,968,940.98
Short Course in Web Design & Web Development Batch I	181,000.00	181,000.00
	341,572,780.68	342,741,051.41
Increase/(Decrease) for the year	(1,168,270.73)	42,440,390.18

	2023	2022
	Rs. Cts.	Rs. Cts.
Note 14 Payable		
Refundable Deposit		
Security Deposit Payable - Staff	696,289.47	740,328.60
Security Deposit Payable - Others	581,000.00	398,000.00
Science Deposit Post Graduate	310,000.00	440,000.00
Hall Deposit	1,813,900.00	1,508,050.00
Cloak Deposit	-	187,250.00
Tender Deposit	251,131.04	201,131.04
Library Deposit	1,871,000.00	2,545,750.00
Library Hall Deposit	50,000.00	76,500.00
Science Deposit Under Graduate	5,212,900.00	3,553,900.00
	10,786,220.51	9,650,909.64

	2023	2022
	Rs. Cts.	Rs. Cts.
Note 14A Provisions for Gratuity		
Opening Balance	1,048,027,039.77	1,068,211,918.28
Addition during the year	102,648,570.43	78,967,254.63
Transferred to Vavuniya Campus	-	(99,152,133.14)
	1,150,675,610.20	1,048,027,039.77

	2023	2022
	Rs. Cts.	Rs. Cts.
Note 15 – Restricted Fund and Specific Fund		
Endowment Fund	382,421,744.85	444,716,287.99
Memorial Lectures	2,295,300.98	1,450,822.33
Development Fund	215,579,019.99	162,314,985.18
Special Grant	100,000.00	100,000.00
Research Grant	4,297,911.40	7,516,697.33
Gift an Donations	50,512,673.46	32,535,745.46
Vice Chancellor's Welfare Fund	9,317,262.58	8,618,231.00
Vice Chancellor's Fund	7,791,466.98	6,211,515.16
Computer Development Reserve	110,028.41	110,028.41

	2023	2022
	Rs. Cts.	Rs. Cts.
Grant for Management Faculty Development Fund	50,975.00	50,975.00
Balance from restricted fund	-	17,967,200.03
University Development Fund	152,712,068.27	70,598,290.66
Lee Kong Chain Endowment	9,000.00	3,999,000.00
Interest from Restricted Fund	80,815,881.33	35,035,419.03
Community Kitchen Investment Fund	10,000,000.00	-
	916,013,333.25	791,225,197.58
Increase/(Decrease) for the year	124,788,135.67	106,475,283.25

	2023	2022
	Rs. Cts.	Rs. Cts.
Note 16 – Accumulated Fund (Capital Grant)		
Capital Grant Spent	8,082,399,503.45	8,069,855,838.95
Unspent Capital Grant	-	12,543,664.50
Contribution to Capital Outlay	132,920,346.36	132,920,346.36
Contri. to Assets taken from other Institutions	16,843,764.54	16,843,764.54
Computer Development Reserve Spent	398,960.00	398,960.00
Capital Receipts	5,316,465,197.49	5,316,465,197.49
	13,549,027,771.84	13,549,027,771.84
Increase/(Decrease) for the year	-	501,956,319.80

	2023	2022
	Rs. Cts.	Rs. Cts.
16A Accumulated Surplus /(Deficit)		
Opening_ Balance	(1,707,204,557.63)	(1,077,823,927.04)
Current Year Balance	115,076,218.14	(619,414,915.86)
Prior Year Depreciation Adjustment	(444,182.54)	-
Transferred to Restricted Fund (Income)	(121,405,783.41)	(9,965,714.73)
	(1,713,978,305.44)	(1,707,204,557.63)
Note 17 General Reserve		
Opening_ Balance	(2,576,712,838.39)	(1,283,056,705.43)
Prior year adjustments	(16,075,957.82)	(22,325,895.29)
Transferred to University of Vavniya	4,973,729.58	(1,271,330,237.67)
Closing Balance	(2,587,815,066.63)	(2,576,712,838.39)

	2023	2022
	Rs. Cts.	Rs. Cts.
Note 18 Bond Obligation _ - Reserve		
Received	108,228,443.12	91,625,359.79
Receivable	166,298,684.92	130,105,033.52
Interest Received	75,600,902.30	66,621,581.54
	350,128,030.34	288,351,974.85
Increase/(Decrease) for the year	61,776,055.49	63,278,921.45

	2023		2022	
	<i>Rs.</i>	<i>Cts.</i>	<i>Rs.</i>	<i>Cts.</i>
Note 18A Revaluation – Reserve				
Revaluation Surplus Opening	2,119,871,548.64		2,001,571,160.17	
Transferred to University of Vavniya	-		115,354,236.97	
Live Stock Revaluation (Birth & O/B Change)	1,790,903.97		2,446,151.50	
Revaluation Property, Plant & Equipment	43,200,000.00		500,000.00	
	2,164,862,452.61		2,119,871,548.64	
	2023		2022	
	<i>Rs.</i>	<i>Cts.</i>	<i>Rs.</i>	<i>Cts.</i>
Notes to the Statement of Financial Performance				
Note 19 Recurrent Grant				
Grant from Treasury	3,876,000,000.00		3,709,000,000.00	
	3,876,000,000.00		3,709,000,000.00	
	2023		2022	
	<i>Rs.</i>	<i>Cts.</i>	<i>Rs.</i>	<i>Cts.</i>
Note 19 A - Capital Grant				
Tsunami Grant	2,188,369.44		-	
Grant for Est. Technology	58,000,000.00		23,000,000.00	
Additional Student intake	49,397,176.36		33,363,823.00	
Inter University Championship - 2022	-		2,000,000.00	
Capital Grant	375,000,000.00		215,000,000.00	
	484,585,545.80		273,363,823.00	
	2023		2022	
	<i>Rs.</i>	<i>Cts.</i>	<i>Rs.</i>	<i>Cts.</i>
Note 19 B -Donation				
Donation from AHEAD	388,085,085.83		79,200,442.50	
Donation for Library Books	12,787,291.76		-	
Donation - for Assets	41,786,543.14		-	
Donation from Divisional Secreatery office Kilinochchi	14,655,208.33		-	
General Donation Income	2,711,595.00		-	
Donation - The Alumini Faculty of Medicine	-		16,639,000.00	
	460,025,724.06		95,839,442.50	
	2023		2022	
	<i>Rs.</i>	<i>Cts.</i>	<i>Rs.</i>	<i>Cts.</i>
Note 19 C - Other Grant				
Three Lanka Project Equipment Spent A/C	2,613,438.73		4,253,319.63	
IBCESM Spent A/C	-		69,020.00	
Integrated Farm Spent A/C	98,900.00		24,150.00	

	2023	2022
	Rs. Cts.	Rs. Cts.
B.Com Spent A/C	27,740.00	2,415,485.00
BBM Online Spent	-	4,486,852.50
B.A. Spent A/C	594,000.00	754,000.00
Diploma in Professional English Spent A/C	-	6,472.00
Split Site Research Project Equipment Spent A/C	-	1,300,903.00
BEd in engineering – Spend A/C	-	375,000.00
Capacity Building and Est. of a Research Consortium Spent	1,110,000.00	57,500.00
US Ambassador's Equipment Spent	-	4,848,086.13
Medical Faculty Development Fund Equipment Spent	4,686,250.00	710,000.00
Arts Faculty Development Fund	556,000.00	-
Management Faculty Development Fund	27,633,020.00	-
Income from External Exam U/J Spent	426,030.00	7,704,717.64
Improvement of Esthetic skills spent A/C	574,900.00	-
Kandiah Karthigesan Spent	101,480,230.00	12,246,354.14
Higher Dip. In Phy. Education Equipment Spent	194,500.00	257,250.00
Research for National Development Equipment Spent	5,455,457.75	2,294,444.12
MBA Spent A/C	-	4,614,300.00
Sale of Produce Spent	-	9,500.00
NSF Grant Equipment Spent A/C	-	147,906.00
Computer Development Spent	709,000.00	-
NIHR-AF Equipment Spent	81,809.50	1,867,580.00
Faculty Development Fund Graduate Studies Spent	2,412,048.75	1,330,000.00
UGC Research Grant Spent	17,000.00	-
IC Engineering Spent	256,000.00	-
University of Eseter Spent A/C	579,800.00	-
Community Kitchen Spent	110,025.00	-
General Expenses Graduate Studies Spent	9,800.00	-
ERASMUS Plus Solid Waste Mgt Project Spent A/C	6,600,000.00	1,993,100.00
	156,225,949.73	51,765,940.16

	2023	2022
	Rs. Cts.	Rs. Cts.
Note 20 - Net Income/(Expenses) from other Activities		
Diploma in Physical Education	-	(3,600.00)
Higher Diploma in Physical Education	708,524.88	-
Higher Diploma in Media Studies	485,700.00	-
BSc in physical Education	122,620.00	-
Master of Education	21,228,700.97	19,647,938.80
Post Graduate Dip Education (Part time)	3,125,280.13	(811,442.43)
Post Graduate Dip. in Library Information Science	794,870.00	(160,400.50)
Diploma in Banking Finance	(1,782,636.92)	-

	2023	2022
	Rs. Cts.	Rs. Cts.
Master of Business Administration	10,221,553.31	(13,999,929.52)
Master of Clean Energy Technologies	(34,865.00)	-
Master of Science in Clean Energy Technologies	525,000.00	-
M.A in Public Administration	(579,354.60)	-
M.A in Tamil	328,569.78	3,968,744.27
M.A in Saiva Siddhanta	529,165.29	966,422.20
Master of Christian Studies	2,839,110.66	-
Master of Regional Planning	1,442,810.00	-
BBM Online Degree Programme	20,452,843.41	(6,623,748.17)
M.Sc in Environmental Mangement	1,269,870.00	(1,067,796.08)
M.Sc in Health Mangement	406,690.30	2,232,572.22
Diploma in Micro Finance	(1,307,705.99)	1,256,559.89
Bachelor of Commerce	14,681,631.29	7,873,919.27
Bachelor of Arts	40,143,377.84	(3,886,481.87)
B.A in Translation Studies	888,267.00	-
B.FA in Music	182,786.67	-
B.FA in Dance	197,436.67	-
PGD in Teaching English as second Language	1,238,160.00	(48,764.00)
M.A in Cultural studies	852,151.18	1,233,174.24
Integrated Farm & Training Centre	(1,094,633.83)	(611,453.59)
ICDA	(146,835.77)	-
Diploma in Professional English	454,745.86	-
Basic Sinhala	127,775.00	-
Ph.D	(124,260.00)	-
M.Phil	380,843.38	-
VC Media	231,479.62	-
UBL Research Project Dringing Yogut	180,000.00	-
English Lan. for officers	(472,075.35)	-
CODL Mercy Chance	1,175,895.00	-
Short course in Basic ICT Skill	(61,916.33)	-
Certificate course in Principal of Farm Machinery	(15,760.00)	-
Certificate course in English	560,220.00	-
Certificate course in Principal of Micro Irrigation	(20,245.00)	-
Certificate course in Health information	274,460.00	-
Certificate course in Semenilogy	158,803.96	-
Advance Certificate course in inclusive service delivery	1,569,720.00	-
Certificate Course in Livestock & Poultry	(162,740.00)	-
ICE Engineering Faculty	(585,400.00)	-
Diploma in Tamil Bala Pandithar	15,150.00	-
	121,405,783.41	9,965,714.73

		2023	2022
		<i>Rs. Cts.</i>	<i>Rs. Cts.</i>
Note 20A - University Development Fund			
Recurrent		108,981,000.00	60,000,000.00
Capital		8,107,955.47	26,000,000.00
		117,088,955.47	86,000,000.00
Note 21- Other Income			
Interest from Loan		5,018,868.04	5,160,962.63
Rent from Property		5,266,479.01	3,972,233.28
Sale of old Stores		-	7,850.00
Sale _of produce		1,284,891.50	1,086,590.25
Misc.Receipts		8,804,591.16	13,032,677.97
Registration Fees – Undergraduate		1,849,557.00	1,851,475.00
Convocation Income		13,278,550.00	11,528,305.80
Examination Fees - Undergraduate		4,391,930.00	4,260,600.00
Disposal A/C Fixed Assets		428,703.41	-
Library Fine		23,910.00	19,910.00
Medical Fees		1,274,653.00	1,329,405.00
Discount Received		-	120.00
Departmental_charges		-	393,112.00
Bid_security for faited Income		-	300,000.00
Performance Bond for faited Income		-	1,017,323.40
Income from other Activities		1,798,054.48	928,347.86
Rent Hostel		9,321,451.00	9,537,770.00
Income &_ Expenditure . Live Stock		28,780.53	(172,129.00)
Facilitate for Conference of the Sathya Sai Intemational Orgnator		656.00	-
Recovery. Visiting Income		1,904,690.00	1,192,957.40
		54,675,765.13	55,447,511.59
Note 22 Grant for Financial Assistance to Students			
		<i>Rs. Cts.</i>	<i>Rs. Cts.</i>
Bursary	22.1	90,204,000.00	96,352,000.00
		90,204,000.00	96,352,000.00
22.1 Bursary			
Jaffna		90,204,000.00	96,352,000.00
		90,204,000.00	96,352,000.00
Note 23 Operating Expenses (Details Shown in 23A)			
Personnel Emoluments		3,374,369,854.32	3,358,226,768.99
Travelling		4,534,449.33	4,455,781.25
Supplies		118,112,718.89	90,348,112.52
Maintenance		28,948,565.26	30,807,092.73
Contractual Services		443,144,353.52	299,743,014.14

	2023	2022
	Rs. Cts.	Rs. Cts.
Depreciation	958,023,775.55	943,123,932.22
Provision for Gratuity	102,648,570.43	78,967,254.63
General Donation Expenses	2,299,000.00	-
Other Operating Expenses	119,931,067.56	88,432,578.53
	5,152,012,354.86	4,894,104,535.01

	2023	2022
	Rs. Cts.	Rs. Cts.
Note 24 Payment of Financial Assistance to Students		
Bursary	90,204,000.00	96,352,000.00
	90,204,000.00	96,352,000.00

	2023	2022
	Rs. Cts.	Rs. Cts.
Note 25 Losses and Write off		
Losses & write off	1,381,980.00	852,413.05
	1,381,980.00	852,413.05

	2023	2022
	Rs. Cts.	Rs. Cts.
Note 25 A Research for National Development		
Research for National Development	1,537,170.60	5,840,399.78
	1,537,170.60	5,840,399.78

	2023	2022
	Rs. Cts.	Rs. Cts.
Note 26 Surplus/(Deficit)		
Surplus/(Deficit)	115,076,218.14	(619,414,915.86)
Transfer to Restricted Fund	120,933,708.00	9,965,714.73
	236,009,926.14	(609,449,201.13)

University of Jaffna - Sri Lanka
Actual Expenditure by objects - 2023

Note: 23A

Object	Code	Object Title	Actual Expenditure 2023	Actual Expenditure 2022
01		PERSONAL EMOLUMENTS	(3,374,369,854.32)	3,358,226,768.99
	1101-1	Salaries	1,186,065, 117.68	1,165,652,936 .32
	1101-2	Pension	141,262,802.60	146,980,953.59
	1101-3	U.P.F.	201,929,2 13.93	199,150,970.68
	1101-4	E.T.F.	68,738,153.93	69,337,586.44
	1101-5	Gratuities	73,203,958.44	42, 148,360.80
	1102	Overtime & Holiday Pay	28,628,817.5 1	31,819,144.88

Object	Code	Object Title	Actual Expenditure 2023	Actual Expenditure 2022
	1106	Visiting Lecture Fees Including Travelling & Subsistence to Visiting Lecturers	24,409,966.95	10,169,415.80
	1108	Monthly Compensative Allowance (MCA)	173,468,490.32	184,106,373.53
	1109- 1	Other Allowance (Dean's Allow. Heads of Dept etc.)	5,626,5 16.3 1	5,400,778.31
	1109-2	Entertainment Allowance	-	335,937.50
	1109-3	Acting Allowance	317,981.14	87,653.22
	1111	Language Allowance	-	-
	1112-1	Cost of Living Allowance	158,450,303.51	160,360,035.60
	1112-2	Income Tax	-	-
	1115	Academic Allowance	828,228,043.27	839,573,587.05
	1116	Equalisation Allowance	1,426.45	1,799.03
	1117	Research Allowance	178,719,101.22	191,403,589.78
	1122	Special Allowance	14,169.19	241.50
	1123	20% Additional Allowance	190,355,236.79	197,200,940.69
	1125	Interim Allowance	-	-
	1126	Monthly Allowance (5000/-)	101,674,695.85	102,546,045.39
	1128	Transport Allowance	5,443,548.39	4,708,333.33
	1129	Fuel Allowance	5,224,243 .03	4,292,731.66
	1130	Adjusted Allowance	-	67,353.07
	1131	Communication Allowance	2,608,067.81	2,882,000.82
02	TRAVELLING EXPENSES		4,534,449.33	4,455,781.25
	1201	Travelling Expenses (Local)	2,768,930.33	2,037,343.25
	1202	Travelling Expenses (Foreign)	1,765,519.00	2,418,438.00
03	SUPPLIES		118,112,718.89	90,348, 112.52
	1301	Stationery & Office requisites	42,520,615 .08	36,239,684.21
	1302	Fuel & Lubricants	20,075,091.75	16,872,913.72
	1303	Uniforms including tailoring charges	10,141,296.45	7,788,654.61
	1304-1	Mechanical & Electrical goods,	821,797.00	598,438.00
	1304-2	Chemical & Glassware	15,8 11,247.37	8,366,001.62
	1305	Medical Supplies	4,702,529.08	4,685,920 .87
	1309	Other Supplies	24,040, 142.16	15,796,499.49
04	MINOR REPAIRS & MAINTENANCE		28,948,565.26	30,807,092.73
	1401-1	Vehicles	11,594,202.78	9,607,935.59
	1401-2	Plant & Machinery	7,020,374.80	9,179,980.36
	1402-1	Buildings & Structure	6,924,636.93	8,725,650.46
	1402-2	Furniture	1,958,590.26	213,970.00
	1402-3	Other Services	1,450,760.49	3,079,556.32

Object	Code	Object Title	Actual Expenditure 2023	Actual Expenditure 2022
05	CONTRACTUAL SERVICES		443,144,353.52	299,743,014.14
	1501	Transport	153,395.00	282,405.00
	1502 -1	Telecommunication	43,868,070.01	37,249,503.44
	1502 -2	Postage	2,236,327.42	1,687,159.23
	1503- 1	Electricity	180,955,791.80	69,991,811.42
	1503-2	Water	4,790,841.89	5,014,570.25
	1504-1	Rent	6,198,565.00	5,936,000.00
	1504-2	Hiring Charges	6,264,221.51	6,068,419.57
	1505	Rates, Taxes and Insurance	1,071,204.98	1,057,712.54
	1506-1	Printing	10,308,386.72	5,210,742.50
	1506-2	Advertisement	3,481,926.00	1,631,445.00
	1507-1	Security Services	47,165,970.29	41,560,995.37
	1507-2	Cleaning Services	68,844,627.97	69,678,257.32
	1507-3	Other Services	67,805,024.93	54,373,992.50
06	OTHER RECURRENT EXPENSES		119,931,067.56	88,432,578.53
	1601	Subscriptions, Contributions and Membership Fees - Local	234,411.97	139,513.00
	1602	Subscriptions, Contributions and Membership Fees - Foreign	1,857,729.56	1,038,395.66
	1607	Academic Research & Publication	30,000.00	-
	1608	Work Shop Seminar	1,651,352.50	1,890,103.56
	1609	Grant to Other Organisation	66,221.22	-
	1610	Awards & Indemnities	269,000.00	90,000.00
	1611	Loses and write-offs	-	-
	1612	Holiday Warrants, Season Tickets	1,899,000.00	2,272,565.00
	1613-1	Audit Fees	1,476,600.00	1,149,280.00
	1613-2	Council Members' Fees etc.	2,611,000.00	1,751,625.00
	1614	Convocation	10,571,045.20	18,000,059.67
	1615	Entertainment Expenses	3,632,144.25	3,701,878.68
	1616-1	Other Recurrent Expenses	10,110,817.98	8,290,167.41
	1616-2	Bank Charges	6,200.00	901.60
	1617	Examination Expenses	79,756,146.57	43,673,763.04
	1618	Post Graduate Research & Scholarships	-	-
	1619	Course Materials for Students & Learning Quality improvements	-	-
	1620	Industry internship ,practicals&carer guidance	7,500.00	-
	1621	Training for teachers,Administrators&Other Employees	706,000.00	732,002.00
	1622	Students Development initiatives&community	170,450.00	-
	1623	Universities Sports activities	816,056.00	952,145.00
	1624	Students Welfare,Employee Welfare,Student Council & Social harmony	-	-
	1625	Corporative planing, governance & outreach	-	-
	1626	Interest Subsidy on property Loan	4,059,392.31	4,750,178.91
			4,179,245,008.88	3,968,365,348.16
07	FINANCIAL ASSISTANCE TO STUDENTS		90,204,000.00	96,352,000.00
		Endowed Scholarship	-	-
	1704-1	Treasury Component	-	-
	1704-2	Donors Component	-	-
	1705	Bursaries	90,204,000.00	96,352,000.00
		Mahaoola	-	-
	1706-1	Treasurv Comoonent	-	-
	1706-2	Mahaoola Trust Component	-	-
08	Depreciation of Fixed Assets		958,023,775.55	943,123,932.22
09	Provision for Gratuity		102,648,570.43	78,967,254.63
			5,239,917,354.86	4,990,456,535.01

Vice Chancellor,
University of Jaffna.

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the University of Jaffna for the year ended 31 March 2023 in terms of Section 12 of the National Audit Act, No. 19 of 2018

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the University of Jaffna ("University") for the year ended 31 December 2023 comprising the statement of financial position as at 31 December 2023 and the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 and Finance Act No.38 of 1971. My report to Parliament in pursuance of provisions in Article 154(6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the University as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

1.2 Basis for Qualified Opinion

- (a) Donations amounting to Rs.23,415,770 received during the year under review had been credited to restricted fund account instead of recognized as revenue in accordance with Sri Lanka Public Sector Accounting Standard 11. As such, the restricted fund and the surplus for the year under review had been overstated and understated respectively by that amount.
- (b) A sum of Rs. 16,374,485 had been shown as a rehabilitation project under property, plant, and equipment without categorizing according to similar nature or function as per the paragraph 50 of Sri Lanka Public Sector Accounting Standard 7.
- (c) Computer Science building which was completed and handed over in the year 2022 at a cost of Rs. 220,700,622 out of the funds of Accelerating Higher Education Expansion and Development (AHEAD) project had been accounted as income from non-exchange transactions during the year under review without adjusting retrospectively in terms of Sri Lanka Public Sector Accounting Standard 03. Due to non-capitalization of the value of the building the depreciation was understated by Rs. 6,437,101 for the year under review.
- (d) Assets purchased for Rs.13,142,949 during the year under review had not been brought to the accounts.
- (e) A sum of Rs.250,609,496 had been donated by Accelerating Higher Education Expansion and Development (AHEAD) had not been brought to the accounts from 2021.
- (f) The Land and Building located in the Puliyanukulam which was donated by the Ministry of Policy Planning, Economic Affairs, Child, Youth and Cultural affairs to the Integrated Farm & Training centre activities in the year 2015 had not been valued and accounted by the date of this report.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Other information included in the University's 2023 Annual Report.

The other information comprises the information included in the University's 2023 Annual Report but does not include the financial statements and my auditor's report thereon, which I have obtained prior to the date of this auditor's report. Management is responsible for the other information.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work I have performed on the other information that I have obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

1.4 Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Public Sector Accounting Standards, and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the University or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the University's financial reporting process.

As per Section 16(1) of the National Audit Act No. 19 of 2018, the University is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the University.

1.5 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also,

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the University's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the University to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. Report on Other Legal and Regulatory Requirements

- 2.1 National Audit Act, No. 19 of 2018 and Universities Act, No.16 of 1978 includes specific provisions for following requirements.
 - 2.1.1 Except for the effects of the matters described in the basis for Qualified Opinion section of my report, I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the University as per the requirement of section 12 (a) of the National Audit Act, No.19 of 2018.
 - 2.1.2 The financial statements presented includes all the recommendations made by me in the Previous year except the audit matters described in the basis for Qualified opinion section of my report as per the requirement of section 6(1)(d)(iv) of the National Audit Act, No. 19 of 2018.
 - 2.1.3 The financial statements presented includes all the recommendations made by me in the previous year except the audit matters 2.1.3 described in the basis for Qualified Opinion section of my report as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.
- 2.2 Based on the procedures performed and evidence obtained were limited to matters that are material. nothing has come to my attention;
 - 2.2.1 To state that any member of the governing body of the University has any direct or indirect interest in any contract entered into by the University which are out of the normal cause of business as per the requirement of section 12(d) of the National Audit Act, No. 19 of 2018.
 - 2.2.2 To state that the University has not complied with any applicable written law, general and special directions issued by the governing body of the University as per the requirement of section 12(f) of the National Audit Act, No. 19 of 2018 except for the following observations.

Reference to Rules and Regulations	Description
(a) Financial Regulation of the Democratic Socialist Republic of Sri Lanka	
Financial Regulation 371(2) and Public Finance circular No. 03/2015 and dated 14 July 2015.	<p>(i) Imprest totalling to Rs.5,269,725 provided in 68 instances had been settled after a period of delay ranging from 14 days to 104 days.</p> <p>(ii) Advances totalling to Rs.3,358,700 m 12 instances had been provided exceeding the maximum limit without obtaining the approval of the Treasury through the Chief Accounting Officer.</p>
(b) Section 3 of chapter XX of Establishment Code of the University Grants Commission and Higher Educational Institutions.	<p>(i) Salaries and Allowances amounting to Rs.2,877,843,997 had been paid in the year under review without confirming the arrivals and the departure of the academic staff.</p> <p>(ii) A sum of Rs.28,628,818 had been paid as overtime and holiday payment for non academic staff during the year under review without verification of finger print attendance.</p>
(c) Circular No.15/2015 on 17th November 2015 of University Grants Commission Establishment	Even though the results should be released within 3 months after conducting the examination, it had taken a period ranging from 04 months to 27 months in 11 Faculties in the University, from the year 2019 to the year 2023.
(d) Paragraph 05 of No. circular BD/HRD/126/214/19/2023 dated 18 January 2023 by the Ministry of Education	Bond recovery amount of Rs.61,776,055 had not been sent to the Treasury.

2.2.3 To state that the University has not performed according to its powers, functions and duties as per the requirement of section 12(g) of the National Audit Act, No. 19 of 2018.

2.2.4 To state that the resources of the University had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12(h) of the National Audit Act, No. 19 of 2018.

2.3 Other Matters

- (a) A sum of Rs.7,056, I 50 shown as other receivables in the financial statements had been remained outstanding for a period ranging from 04 to 07 years.
- (b) Eighty (80) academic staff and twenty one (21) non-academic staff of the university who had gone overseas on scholarship programmes had not reported for duty after completion of the programme. However, the university had not taken proper actions to recover the bonds valued at Rs.166,298,684 during the period from 1980 to 2023 from the officers who had breached the agreements.

W.P.C. Wickramaratne,
Auditor General.

Observation of the Governing Authority in respect of the issues highlighted in the report.

1. Financial Statements

1.2 Basis for Qualified Opinion

- (a) The Community Kitchen activities represent an ongoing project within our organization. It is imperative to clarify the financial treatment of the income generated from these activities. Contrary to being treated as traditional donations, the income received from Community Kitchen activities is earmarked for utilization within the same fiscal year. Any surplus funds remaining after expenditure are carried forward for allocation in the subsequent year.

In response to the auditors' comments, we will take the necessary actions to recognize community kitchen donations as revenue and reflect them in the income statement under the income category in future.

- (b) The rehabilitation projects are currently ongoing and have not yet been completed. As a result, the projects will only be categorized once they are finalized, and the project completion certificates are received. At present, the completion certificates for these rehabilitation projects have not been issued, and the work is still in progress. Our practice has been to capitalize these assets and begin the appropriate depreciation process only after receiving the completion certificates, which is expected to occur in 2024.

The purpose of the distinct presentation of rehabilitation work under the property, plant, and equipment schedule in our financial statements is to enhance clarity in asset classification. However, it is important to note that this presentation does not change the overall financial position of the University, as all figures are accounted for within the non-current assets category.

While we appreciate the emphasis of paragraph 50 of SLPSA 16 on asset classification based on their nature or function, it's important to clarify that the separate inclusion of rehabilitation projects under property, plant, and equipment cannot be deemed non-compliant. Instead, it aligns with the recognition criteria outlined in SLPSAS 07, paragraph 14 for property, plant, and equipment. The rehabilitation projects we have undertaken represent significant investments in assets that directly contribute to enhancing our property, plant, and equipment.

As highlighted in the report, expenditures related to rehabilitation projects will be classified appropriately in the future.

- (c) As per the Financial Management Guidelines of the University of Jaffna, any donation, or gifts in the form of goods or funds received, whether from foreign countries or local sources, should be promptly placed to the Council on the recommendation of the Finance Committee by the Faculties, Departments, or Divisions. Following approval by the Council, donations should be informed to the Finance Branch for proper inclusion in the relevant books of accounts and financial statements.

Although the Department of Computer Science building was inaugurated on June 1, 2022, the formal handover of the building did not occur until 31st December 2022. This was disclosed in Note 3.7 of the 2022 financial statement. The donation was reported to the Council during its 482nd meeting on 3rd February 2024. Accordingly, it has been accurately recorded in the 2023 books of accounts, with depreciation properly calculated and charged for the year 2023.

However, as indicated in the report, the necessary adjustments will be made to the depreciation charge for the period starting from the inauguration date of 1st June 2022, in accordance with SLPSAS 03, as a prior year adjustment.

- (d) It has been agreed to incorporate unpaid capital expenses into the accounts as accruals and apply the appropriate treatments in accordance with the accrual concept in future.

- (e) As per the Financial Management Guidelines of the University of Jaffna, any donation, or gifts in the form of goods or funds received, whether from foreign countries or local sources, should be promptly placed to the Council on the recommendation of the Finance Committee by the Faculties, Departments, or Divisions. Following approval by the Council, donations should be informed to the Finance Branch for proper inclusion in the relevant books of accounts and financial statements.

The construction of the building undertaken by AHEAD, along with other similar projects, cannot be recorded in the University's work-in-progress account until the project is completed or formally handed over to the University, as is the case with projects funded by the Treasury. The work-in-progress for the Business Technology building was not included in the University's accounts and financial statements for the year 2023, as the project was solely managed by AHEAD, and all financial transactions and records were maintained in AHEAD's books of accounts. The handover of AHEAD's work-in-progress occurred in 2024, following the conclusion of AHEAD operations. At its 482nd meeting on 3rd February 2024, the Council granted approval to include this project in the University of Jaffna's work-in-progress account. Upon the Council's approval, the project has been duly recorded in the University's work-in-progress account for the financial year 2024.

- (f) The land, buildings, and other assets allocated for the Puliyankulam Integrated Farm and Training Center activities were provided by the Ministry of Policy Planning, Economics Affairs, Child, and Youth Affairs without the formal transfer of ownership title to the University. Recognizing these assets in the financial statements without clear ownership title poses a notable concern.

The official handover process is still pending, as we are awaiting the necessary documentation and reporting from the relevant ministry, which is currently not operational. We are exploring alternative approaches to formalize the transfer.

The University is working closely with the relevant departments and the Ministry to facilitate the transfer of these assets to the books of accounts of the University of Jaffna. However, due to the ongoing economic crisis and the unstable political situation in the country, this process has been delayed. Despite these challenges, we are making every effort to complete the transfer of asset ownership as soon as possible.

Simultaneously, actions are being taken to value the assets and record them in the books.

2. Report on Other Legal and Regulatory Requirements

Reference to Rules and Regulation

(a) Financial Regulation of the Democratic Socialist Republic of Sri Lanka

1. All advances disbursed adhere strictly to the financial regulations stipulated in 371(2)(b), Public Administration Circular No. 3/2015, and UGC Circular No. 05/2015. These advances are exclusively granted to officer-grade staff members of the University to facilitate the completion of specific tasks. It is imperative to note that, apart from nine instances, all advances have been promptly settled upon the culmination of their respective purposes.

The evaluation of advance settlement timelines must consider not only the date of disbursement and settlement but also the duration required to fulfill the assigned tasks. Although nine officers encountered delays in settling their advances due to unavoidable circumstances, directives have been issued to ensure that such delays are avoided in the future. It is emphasized that all advances granted during the period of 2023 were settled within the same fiscal year.

Robust control mechanisms have been implemented to monitor advances and expedite their settlement upon task completion. Stringent measures, including the issuance of internal circulars, have been undertaken to educate staff members on the importance of adhering to advance settlement timelines. Any deviations from these timelines are met with appropriate disciplinary actions to uphold accountability and fiscal responsibility.

- ii. All advances have been disbursed in strict accordance with the prescribed financial regulations outlined in 371(2)(b), Public Administration Circular No. 3/2015, and UGC Circular No. 05/2015. Each advance has been granted within the established framework, ensuring compliance with all relevant circulars.

It's noteworthy that all advances were capped at a maximum limit of Rs. 100,000.00 per cheque, adhering rigorously to the guidelines set forth in the aforementioned circulars. There have been no instances of circumvention or violation of these regulations under any circumstances, underscoring our commitment to upholding fiscal integrity and accountability.

(b) Section 3 of Chapter XX of Establishment Code of the University Grants Commission and Higher Educational Institutions

- i. This matter has been repeatedly addressed in our previous responses. In the Sri Lankan university system, it is customary for academic staff not to sign attendance registers. This practice was formally acknowledged during the 372nd Council meeting held on 29th September 2012, where it was emphasized that there is no requirement for academic staff to sign such registers. Instead, the monitoring of academic staff attendance has traditionally been managed by the respective Heads of Departments, a stance that has also been supported by the consensus among the Deans of faculties.

This protocol was further reaffirmed during the Committee on Public Enterprises (COPE) meeting on 11th November 2017, where the explanation provided was accepted."

- ii. Effective from 15th August 2024, a new system using a finger scanner has been introduced to confirm staff arrival and departure. This system will replace the current manual attendance registers.

Previously, holiday and overtime payments were processed based on the manual attendance registers, which were meticulously maintained by the respective departments. Additionally, manual attendance certification and authorization were conducted by department heads, serving as the basis for payment processing.

With the implementation of the finger scanner, this process will be streamlined, enhancing accuracy and efficiency in attendance tracking and payment processing. This transition reflects our commitment to modernizing our systems while maintaining rigorous standards of accountability and authorization.

(c) Circular No. 15/2015 on 17 November 2015 of University Grants Commission Establishment.

Rigorous measures have been implemented to ensure the timely release of examination results. Monthly reports detailing the status of result releases, including examination particulars such as dates held and subjects awaiting results, along with the duration of any delays, are meticulously compiled and submitted to the Senate.

Furthermore, an Internal Circular, endorsed by the Competent Authority on 04.03.2020 and subsequently reported to the Council, delineates the requisite procedures, guidelines, and regulations aimed at expediting the result release process. Efforts have been directed towards vigilant oversight of this process, resulting in a notable enhancement in result release efficiency compared to previous years.

To further institutionalize these efforts, timelines for result releases have been incorporated into the Examination Bylaws, pending approval by the Council. This proactive measure is intended to reinforce accountability and adherence to established timelines in the result release process.

(d) Paragraph 05 of Circular No. BD/HRD/126/214/19/2023 dated 18 January 2023 by the Ministry of Education

The treatment for the recovery and utilization of funds from bond violations has been conducted in accordance with the following Commission Circulars No. 407 dated 5th September 1989, No. 737 dated 18th August

1998, No. 805 dated 10th July, 2002, No. 09/2013 dated 5th June, 2013, No. UGC/DA-F/Bond violation dated 9th November, 2022, No. HE/UD/01 /Letters-01 dated 20th April, 2023, as well as any other relevant circulars issued by the UGC and the Ministry from time to time.

According to these circulars, it is explicitly stated that "All receipts on account of the violation of agreements and bonds shall be invested in interest-earning assets such as fixed deposits and Treasury Bills, and only the interest earned from such investments should be utilized for disbursement." The University has been adhering to this prescribed procedure for the treatment of bond violation funds in accordance with the circulars.

2.3 Other Matters

- (a) The University of Jaffna has diligently followed the guidelines outlined in the Sri Lanka Public Sector Accounting Standards (SLPAS) 20, ensuring that intangible assets are identified, measured, and appropriately recorded in a separate ledger account. This meticulous practice aims to enhance transparency and accuracy in reporting.

Moreover, in alignment with the university commitment to knowledge enhancement and human capital development, it has been decided to include these assets as part of the reporting framework, disclosing them alongside other tangible assets. Consequently, plans are underway to designate these assets as separate line items under non-current assets in future financial reports.

To facilitate the settlement process, the University of Jaffna has initiated communication with the Ministry of Higher Education regarding the outstanding receivable amount. Upon receipt of the funds from the Ministry, arrangements will be made to settle the receivable amount promptly. Additionally, correspondence has been issued to the Treasury by the Election Commission, requesting the transfer of funds upon receipt, which will facilitate the settlement of accounts.

- (b) The Committee on Obligations of Bond and Agreement (COBA) has diligently examined the particulars of bond defaulters and compiled a comprehensive policy paper. This policy paper was meticulously crafted, taking into account the prevailing legal and regulatory framework, as well as pertinent rulings of the University Council up to 2017. Subsequently, at its 426th meeting convened on 24.02.2018, the Council approved the policy paper on bond obligations and provided authorization for its implementation within the administrative framework of the University of Jaffna.

In 2018, the University Grants Commission (UGC) publicized the names of defaulters, encompassing individuals from various universities, through newspapers. Presently, the sole recourse available is reported as long outstanding obligation is to pursue legal remedies. Consequently, an exhaustive analysis of information and particulars pertaining to 72 defaulters as of 31.12.2022 is being conducted to initiate legal proceedings.

At its 16th meeting held on 20.04.2022, COBA acknowledged the substantial outstanding dues from bond violators, both academic and non-academic, totaling LKR 68 million. In response, the Committee formulated a comprehensive summary policy, guideline, and procedural framework for rigorous implementation, duly sanctioned by the Council. A meticulous examination of each case is being undertaken to present recommendations to the Council for potential legal action. The Committee convenes regularly to conduct thorough evaluations with the objective of addressing the longstanding outstanding balances.

Furthermore, COBA has addressed matters concerning academic staff who commenced duties without completing their postgraduate studies within the stipulated study leave period. Recommendations regarding appropriate actions were presented to the Council based on discussions held during the 16th meeting on 20.04.2022.

The Committee has delineated several decisions concerning seven out of the 78 academic and 21 nonacademic defaulters:

- i. If a bond violator fails to respond to requests, the matter will be escalated to the Council for deliberation.

- ii. The remaining obligation may be waived, taking into consideration payments already made under liquidated damages and interest.
- iii. The outstanding obligation may be recovered through the bond property mortgaged by defaulters, subject to Council approval.
- iv. A final warning letter will be issued to defaulters and their sureties, and passports may be impounded through legal recourse.
- v. Defaulters are permitted to settle the outstanding bond obligation through installment payments within a two-year period. Failure to adhere to the payment schedule may result in passport impoundment through legal channels, with subsequent legal action aimed at transferring land ownership to the University.

Details regarding bond defaulters and a summary of outstanding amounts are provided below

<i>Categories of Defaulters</i>	<i>Details</i>	<i>Number</i>
1.	Total number of long standing bond defaulters*	53
	*Within this category of defaulters fully settled cases.	04
	* Within this category recovery in progress	01
2.	Defaulters reported for duty without completing the postgraduate programme: Recovery in progress by monthly installment basis directly from their salary	04
3.	Recovering in process for the defaulters reported after 2020	11
4	Files handed over to Legal Affairs Committee for the process of acquiring Land	05

Amount Recovered from the Bond Defaulters during the Financial Year 2023 is as follows.

<i>Faculty</i>	<i>Recovery</i>
Agriculture	859,154.00
Arts	944,553.21
Engineering	2,437,000.00
Management Studies & Commerce	302,949.90
Medicine	5,689,655.00
Science	3,980,266.72
Technology	2,689,404. 50
Total	16,903,083.33

Prof. S.Srisatkunarajah,
Vice Chancellor.

University of Jaffna.