

# 2016

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Annual Report  
Uva Wellassa University

ஆண்டறிக்கை  
ஊவா வெல்லஸ்ஸ பல்கலைக்கழகம்



Uva Wellassa University  
Passara Road  
Badulla



[www.uwu.ac.lk](http://www.uwu.ac.lk)

## Vision

Be the center of excellence for value addition to the national resource base.

## Mission

To produce well-rounded, employable, technocratic and entrepreneurial graduates equipped with knowledge, skills, values and attitudes to make outstanding contributions to the national development.

To excel in teaching, learning and research with a strong emphasis on value addition to the national resources.



**Uva Wellassa University**

## University Goals

The Goals of the University are specified since the inception. The Goals of the Uva Wellassa University for the year 2016 are given below.

1. To produce well rounded graduates who satisfy the demands of industry and society.
2. To be a reputed center of higher learning for foreign students by providing low cost but high quality study programmes on par with international standards.
3. To develop innovative and flexible mechanisms to deliver programmes efficiently and effectively.
4. To become an exemplary service procurer and employer of both academic and non-academic staff who are empowered to fulfill the mission.
5. To develop into the most attractively planned university offering the best environment supported by leading edge technology.
6. Enhance institutional capacity to achieve academic, financial, and administrative efficiency and effectiveness.

## VICE CHANCELLOR'S MESSAGE



*Uva Wellassa University is positioned to become the knowledge center for value addition in Sri Lanka. Our strategy will drive us to realize this vision by the year 2025.*

*The strategic path for realizing this vision is not paved with roses but with numerous challenges to overcome painstakingly. The UWU family comprising students and staff has to be steadfastly aligned to the vision and organization firmly integrated with the mission and strategy.*

*We have a strong backbone of young academics growing with the vision. Our heart is ICT strength second to none. It is left for us to develop a culture conducive to fill the organizational learning and growth requirements.*

*UWU will become the center of excellence for value addition respected by all and produce graduates endearing to employers. We shall succeed.*

**Dr. Jayantha Lal Ratnasekera**



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## 1. Vice Chancellor's Review

### 1.1 Brief Introduction

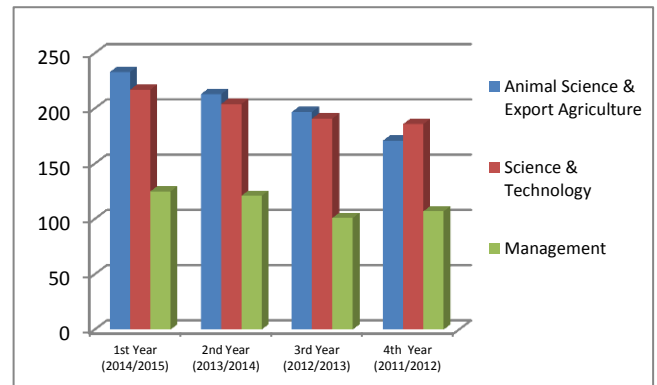
The Uva Wellassa University, the 14<sup>th</sup> national University of Sri Lanka, was established on 1<sup>st</sup> of June 2005 as an experiment to bridge the incompatibility gap between the employment criteria and the graduate output. The Uva Wellssa University was designed as an all entrepreneurial university to produce graduates with the capability of using scientific, technological and entrepreneurial knowledge to contribute the economic development of the country.

The Uva Wellassa University is located on a magnificent mountainous site of Badulla with spectacular panoramic view and spreads across 59 acres of land. The Uva Wellassa University has four faculties and offers 13 multidisciplinary undergraduate degree programmes catering to the local and global needs.

Faculty of Technological Studies has been established as the newest faculty and 167 students have been enrolled for the new degree programmes, namely Bachelor of Engineering Technology in Agriculture and Bachelor of Biosystems Technology. The University also comprises two postgraduate courses.

Faculty	Degree Programmes
Animal Science & Export Agriculture	Bachelor of Animal Science Bachelor of Science in Export Agriculture Bachelor of Science in Tea Technology & Value Addition Bachelor of Science in Aquatic Resources Technology Bachelor of Science in Palm & Latex Technology and Value Addition
Science & Technology	Bachelor of Technology in Science & Technology Bachelor of Science in Computer Science & Technology Bachelor of Industrial Information Technology Bachelor of Science in Mineral Resources & Technology
Management	Bachelor of Business Management in Entrepreneurship & Management Bachelor of Business Management in Hospitality, Tourism and Events Management
Technological Studies	Bachelor of Engineering Technology in Agriculture Bachelor of Biosystems Technology

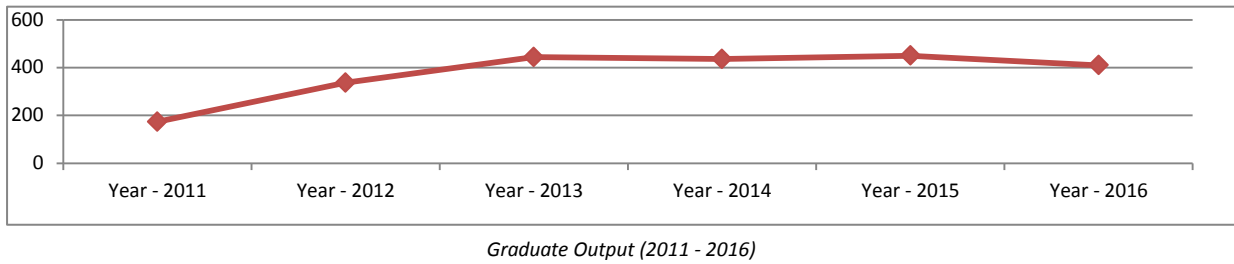
The undergraduate student population of Uva Wellassa University is 2066. The Uva Wellassa University has a total staff of 272 spread across academic, administrative and service divisions. Since the establishment of the university, three Chancellors and four Vice Chancellors have been appointed by the President of the Democratic Socialist Republic of Sri Lanka to the Uva Wellassa University.



Details of Undergraduate Student Population

The past six batches of graduates were readily absorbed to the employment slots of the country. Uva Wellassa University is assuring a promising future to its graduates. With high employability rates it is proven to be a success.

Title of the Degree Programme	Year					
	2011	2012	2013	2014	2015	2016
Animal Science	29	36	50	35	42	31
Export Agriculture	32	38	37	31	43	34
Tea Technology & Value Addition	-	40	42	37	43	19
Aquatic Resources Technology	-	-	47	39	39	26
Palm & Latex Technology and Value addition	-	-	39	38	44	17
Science & Technology	38	38	35	41	35	51
Computer Science & Technology	36	43	39	40	42	68
Industrial Information Technology	-	41	40	43	40	31
Mineral Resources & Technology	-	49	36	34	31	39
Business Management in Entrepreneurship & Management	38	52	47	47	49	44
Business Management in Hospitality, Tourism and Events Management	-	-	32	51	42	50
<b>Total</b>	<b>173</b>	<b>337</b>	<b>444</b>	<b>436</b>	<b>450</b>	<b>410</b>



Centre for Open and Distance Learning (CODL) which is the newly established academic wing of the university aims at empowering knowledge needs and professional capabilities of the communities of Uva Province. It has already conducted Certificate Courses in English and IT. As well, the Centre has started several tailor made courses such as Certificate Course in History for School Teachers of Uva Province, Certificate Course in Biosystems Technology and Agriculture – 2016, Certificate Course on Science Teaching for School Teachers of Uva Province as special programmes to fulfill the special needs of the provincial government.

Under infrastructure development, the Cabinet of Ministers has appointed to construct new four storeyed building for the Faculty of Technological studies, at an approximate cost of Rs. 300 million. The construction work of the project is expected to be commenced by June 2017. The faculty building will be constructed mainly with lecture halls, laboratories and to be built incorporating net metering system, rainwater harvesting system, elevators in addition to necessary fire detection system and all other services such as providing data, electricity, water, gas and etc. Further the university has attended to some rehabilitation work amounting Rs. 26.0 million in 2016.

Most of the vacancies of academic and non-academic staff have been filled and request has been made to the Treasury for next year man power requirements.

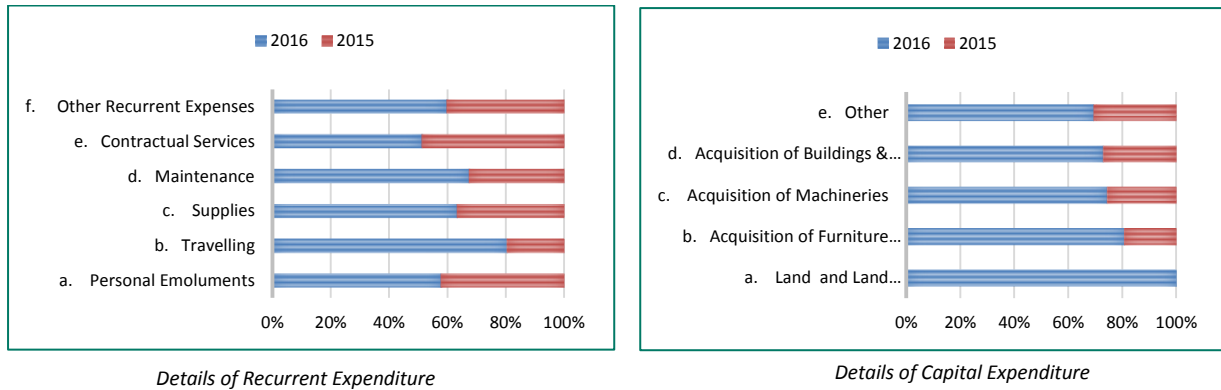
Category		Year					
		2011	2012	2013	2014	2015	2016
Academic Staff	Professor	02	-	-	-	-	02
	Senior Lecturer	11	10	13	21	38	45
	Lecturer/ Lecturer (Pro.)	75	75	78	66	63	69
Administrative Staff		12	15	13	16	16	16
Support Staff		04	04	04	04	40	73

Previous Operations Assistants system is no more functioning and services of trainees have been limited only for six months. Considering modern management concepts, the University has outsourced services of its staff namely, security services, Transport services, cleaning services and some other operational services. It was able to provide a considerable service to the young youth in Uva Province, providing training facilities in the University.



Internal Quality Assurance Unit and Career Guidance Unit were improved and two senior staff members have been appointed as Directors on part-time basis to improve the quality of academic programmes. The Career Guidance Unit regularly conducts job fairs to train the students for their future employment.

The financial progress of year 2016 is indicated below;



## I.2 Achievements

- Infrastructure Developments**

Under the Phase II, 41 sub-projects were approved, and 31 of them have already been completed.

- Academic and Research Achievements**

In 2016, two more degree programmes, Bio Systems Technology and Engineering Technology were introduced by the Faculty of Science & Technology and Faculty of Animal Science & Export Agriculture, respectively. In 2017, it is expected to transfer these two degree programmes to the newly established Faculty of Technological Studies.

The annual student intake per degree programme was 50, up to 2015. From 2016, it was increased up to 65 per degree programme.

In 2016, the university organized the first International Research Symposium with the participation of foreign researchers. The university supports international collaboration for research and strives towards strengthening research programmes of the Uva Wellassa University

In 2016, the CVCD Award for the most outstanding young researcher in Biological Sciences was awarded to a UWU academic staff member.

UWU recognizes postgraduate training, research and scholarship as a core function as reflected in the Corporate Plan 2016 - 2020. The Faculty of Animal Science & Export Agriculture and the Faculty of Science & Technology initiated their higher degrees by research study programme in 2016, and were approved by UGC. At present, there are five MPhil students registered at the Faculty of Science & Technology, and one MPhil student at the Faculty of Animal Science & Export Agriculture. Further, the Faculty of Management is currently developing its higher degree by research programme.

- **Community outreach programmes**

A large number of community development programmes are being conducted by the students and staff of UWU each year. In 2016, 51 such programmes were conducted, and a brief description of few programmes are given below.

University-School Collaborative Activities: As the premier national university in the Uva Province, UWU takes the lead in promoting creativity and innovative spirit among school children. These children will be the next generation to study at UWU. Also, the university has the responsibility to uplift science and technology in Uva Province. UWU organizes various activities for school children and teachers annually.

- **Food Fiesta:** Reaching the general public of Badulla area through an entertaining approach UWU organized the Food Fiesta 2016 on 25th August, 2016 at Wills park, Badulla. Different types of novel, animal, aquatic and plant edible products were available with distinct tastes and appearance. Academic, administrative, and non-academic staff members, students together with the general public enthusiastically participated in the event.
- **Donation of Computer Laboratory:** A fully functional computer laboratory was donated to Alpitiya Navodya Pasala by the Department of Computer Science and Technology with the intention of enhancing the IT knowledge of the students who are currently deprived of any opportunity to incorporate themselves in the fast moving technological world.

- Sisu Nana Savi: Computer Science and Technology degree programme conducted an IT awareness programme for students at Passara Gemunu Vidyalaya in order to convince them the importance of technological field by demonstrating the utilization of technology and benefits of technological usage.
- Nenasata Arunalu: Mineral Resources and Technology degree programme annually organizes a seminar on Science, Mathematics and English for GCE (O/L) students from less-privileged schools around Passara at Passara Maha Vidyalaya.
- Manusath Handa: A cultural extravaganza comprising a range of aesthetic activities is annually organized by the Art Club of UWU. It targets both university and school students and promotes aesthetic talents in them.
- Science Camp: Science camp is a programme initiated in 2010 that is continuously offered to the Uva community with the aim of supporting their education needs. Every year this programme is offered to the G.C.E. Advanced Level Science stream students.
- Uva Agriculture Development Forum: The Faculty of Animal Science and Export Agriculture has established a collaborative entity called 'Uva Agriculture Development Forum' with the participation of academics and other state and non-state sector stakeholders who are actively involved in the developmental activities related to agriculture in Uva Province.

Department of Project Management and Monitoring of the Ministry of National Policies and Economic Affairs has evaluated the progress report submitted by UWU on the Organizational Results Framework (ORF) for 2016. The Director General of the Department of Project Management and Monitoring, in his feedback, has recognized that the performance of UWU in achieving the results according to the ORF as satisfactory.

### **I.3 Future Plans**

- I. It is expected to obtain Cabinet approval for the Infrastructure Development Project for the Faculty of Technological Studies. The construction work of a three storeyed building

complex was commenced in August 2017. This project is scheduled to be completed in August 2019.

- II. The University acquired 64-acre land from the Ministry of Industries and Balangoda Plantations PLC for the construction of buildings. At present, the acquisition process is underway for another 25 acres of land from Balangoda Plantation PLC. Further, a proposal has been submitted to the Ministry of Higher Education and Highways for acquisition of additional 12 acres of land from Wewessa Division of Balangoda Plantation PLC for the expansion of the university.
  
- III. The University will develop a strong research culture focusing on value addition to raw materials. It will also develop research links into hitherto neglected service sector. The sectors covered by the University are Tea, Rubber, Palm (e.g. coconut), Agricultural Exports, Minerals, Fisheries, Animal Sciences, ICT applications in industry and business, Entrepreneurship and Management, Tourism, Hospitality and Events Management, and Energy. Raw material resources will find new processed value from the University research and that knowledge will be passed onto the students and the country in general through a variety of courses.

Setting up of this University is major boost to the government's effort to promote demand driven education focused towards building capacity for national development. Because of this University, Badulla is already becoming a repository of expertise hosting rich course offerings in a variety of significant areas concerned with national objectives. The University recognizes its role as a strategic partner in Uva Province, and therefore aspires to contribute to the region's economic growth, social development and environmental sustainability.

This University would cover undergraduate, postgraduate, specialty, corporate as well as continuing education market segments. The University will conduct education activities for adults enabling them to continue learning and education. It will also enable students to follow courses externally and through distant learning modes.

Improved competency in essential skills and core social values required for the World of Work will be developed to a level of excellence.

The University will broaden the scope of higher education through new courses and programmes.

- IV. Making the UWU one of the most sought after Sri Lankan University by foreign students for science and technology, agriculture and management higher education by 2018 is one of the ambitions.
- V. Inter-disciplinary nature of degree programmes combining courses from various different disciplines to meet the global demand will be retained and further strengthened.
- VI. Recruiting and retaining highly qualified workforce with the capacity to achieve the University's mission will be a priority.
- VII. The University will be engaged in its continuous efforts to create excellent infrastructure facilities for teaching, learning and research by 2018.



## 2. Council & Senate

### 2.1 The Council

The Council of the university, constituted in terms of Section 44 of the Universities Act No. 16 of 1978 as amended by Section 24 of the Universities (Amendment) Act No. 07 of 1985, consisted of the following members during the year 2016.

Vice Chancellor

Dr. G. Chandrasena

#### Deans of the Faculties

Animal Science & Export Agriculture  
Management  
Science & Technology

Dr. S.C. Jayamanne  
Dr. P.I.N. Fernando  
Dr. E.P.S.K. Ediriweera

#### The following members were appointed by the Senate to represent the Council

Dr. K.B.Wijesekara  
Dr. L.M.H.R.Alwis (Up to 23.09.2016)  
Mr. G.H. Abeyweera (From 18.11.2016)

#### The following members were appointed by the UGC

Dr. W. Abeykoon  
Mr. T. Nandasena  
Dr. A. Gunawardena  
Mr. N. Abey Siri (up to 13.09.2016)  
Mr. H. Dayawansa

## 2.2 The Senate

The Senate, constituted in terms of section 46 of the Universities Act. No. 16 of 1978 as amended by the Act. No. 7 of 1985, consisted of the following members during the year 2016.

Vice Chancellor

Dr. G. Chandrasena

### Deans of the Faculties

Animal Science & Export Agriculture  
Science & Technology (Acting)  
Management

Dr. S.C. Jayamanne  
Dr. E.P.S.K. Ediriweera  
Dr. P.I.N. Fernando

### Heads of the Departments

Department of Animal Science  
Department of Export Agriculture  
Department of Export Agriculture  
Department of Science & Technology  
Department of Computer Science and  
Technology (Acting)  
Department of Management Sciences  
Department of Public Administration  
Department of Public Administration

Dr. D.K.D.D. Jayasena  
Dr. L.M.H.R. Alwis (up to 30.09.2016)  
Dr. P.E. Kaliyadasa (from 01.10.2016)  
Dr. K.B. Wijesekara  
Dr. E.P.S.K Ediriweera  
  
Mr. G.H. Abeyweera  
Dr. H.R.N. Peiris (up to 31.07.2016)  
Dr. P.H.T. Kumara (from 01.08.2016)

### Faculty Representatives

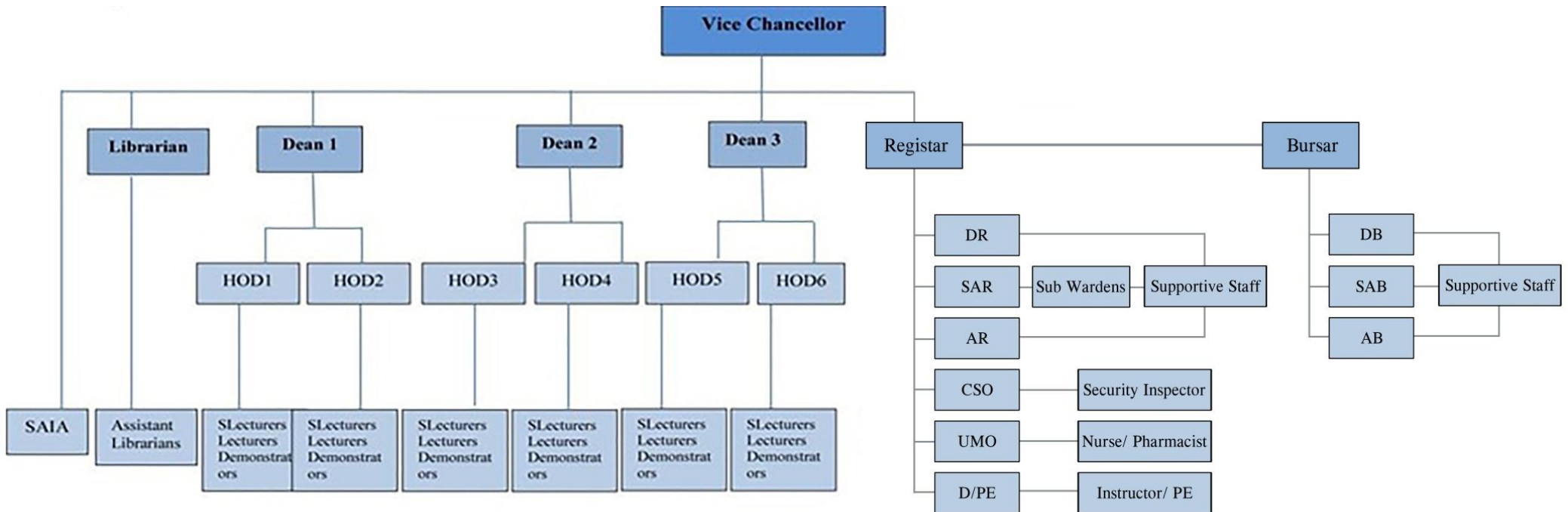
Faculty of Animal Science & Export Agriculture  
Faculty of Animal Science & Export Agriculture  
Faculty of Animal Science & Export Agriculture  
Faculty of Science & Technology  
Faculty of Science & Technology  
Faculty of Science & Technology  
Faculty of Science & Technology  
Faculty of Management  
Faculty of Management

Dr. R.R.M.K.K. Wijesundera (up to 30.09.2016)  
Dr. E.D.N.S. Abeyrathne (from 01.10.2016)  
Ms. R.M.C.W.M. Rathnayake (up to 31.10.2016)  
Dr. P.M. Sirimanne (up to 31.07.2016)  
Dr. N.P. Premachandra (from 01.08.2016)  
Dr. A.R. Kumarasinghe (up to 31.10.2016)  
Mr. K.W.S.N. Kumari (from 01.11.2016)  
Dr. K.M.M.C.B. Kulathunga  
Dr. P.H.T Kumara

### Assistant Librarians

Ms. D.P.C. Vithana (up to 30.09.2016)  
Ms. K.M.R.K. Kulathunga (from 01.10.2016)

### 03. Organizational Structure



HOD	-	Head of the Academic Departments
DR	-	Deputy Registrar
DB	-	Deputy Bursar
D/PE	-	Director Physical Education
SAIA	-	Senior Assistant Internal Auditor
SAR	-	Senior Assistant Registrar
SAB	-	Senior Assistant Bursar
AR	-	Assistant Registrar
AB	-	Assistant Bursar
UMO	-	University Medical Officer
CSO	-	Chief Security Officer
Instructor/PE	-	Instructor Physical Education

## 04. Students & Human Resources

Faculty	Course of Study	Total Students	Total Academic Staff	Total Non-Academic Staff
Animal Science & Export Agriculture	Animal Science	194	74	13
	Export Agriculture	184		
	Tea Technology & Value Addition	132		
	Aquatic Resources Technology	166		
	Palm & Latex Technology and Value Addition	138		
Science & Technology	Science & Technology	195	73	13
	Computer Science & Technology	221		
	Industrial Information Technology	207		
	Mineral Resources & Technology	175		
Management	Entrepreneurship & Management	228	32	2
	Hospitality, Tourism and Events Management	226		
<b>Total</b>		<b>2066</b>	<b>179</b>	<b>28</b>

### 4.1 Enrolment of Students (as at 31.12.2016)

Uva Wellassa University increased the proposed number of intake in 2016. Accordingly UWU enrols 60 students for each degree programme, offered under the Faculty of Animal Science & Export Agriculture and the Faculty of Science & Technology and 65 students for the Faculty of Management. They were selected based on the performance at the G.C.E (A/L) Examination and the Aptitude Test conducted by Uva Wellassa University.

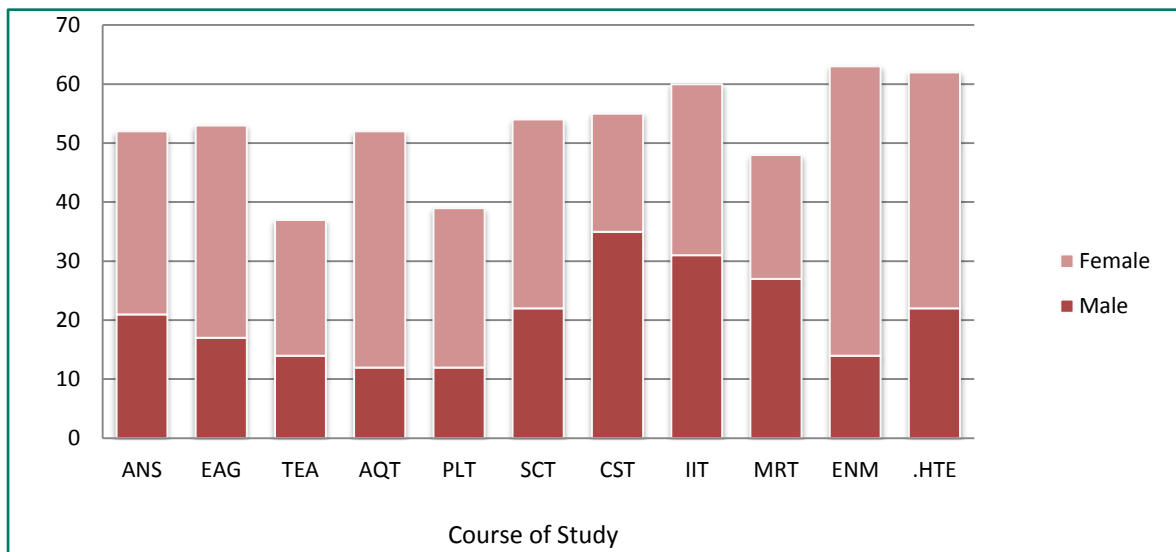
Faculty	Course of Study	Medium	1 <sup>st</sup> Year (2014/2015)	2 <sup>nd</sup> Year (2013/2014)	3 <sup>rd</sup> Year (2012/2013)	4 <sup>th</sup> Year (2011/2012)
Animal Science & Export Agriculture	Animal Science	English	52	48	47	47
	Export Agriculture		53	49	39	43
	Tea Technology & Value Addition		37	36	36	23
	Aquatic Resources Technology		52	38	42	34
	Palm & Latex Technology and Value Addition		39	42	33	24
Science & Technology	Science & Technology	English	54	42	50	49
	Computer Science & Technology		55	50	49	67
	Industrial Information		60	60	49	38

	Technology	English				
	Mineral Resources & Technology		48	52	43	32
Management	Entrepreneurship & Management		63	60	53	52
	Hospitality, Tourism, and Events Management		62	61	48	55
<b>Total</b>			<b>575</b>	<b>538</b>	<b>489</b>	<b>464</b>

#### 4.2 New Entrants to Undergraduate Degree Programmes - Local Students

Faculty	Course of Study	Year of Intake	Agreed Intake	Actual No. Registered
Animal Science & Export Agriculture	Animal Science (ANS)	2014/15	60	52
	Export Agriculture (EAG)		60	53
	Tea Technology & Value Addition (TEA)		60	37
	Aquatic Resources Technology (AQT)		60	52
	Palm & Latex Technology and Value Addition (PLT)		60	39
Science & Technology	Science & Technology (SCT)		60	54
	Computer Science & Technology (CST)		60	55
	Industrial Information Technology (IIT)		60	60
	Mineral Resources & Technology (MRT)		60	48
Management	Entrepreneurship & Management (ENM)		65	63
	Hospitality, Tourism and Events Management (HTE)		65	62
<b>Total</b>			<b>670</b>	<b>575</b>

#### Gender Distribution of the New Intake – 2016 (2014/2015 Batch)

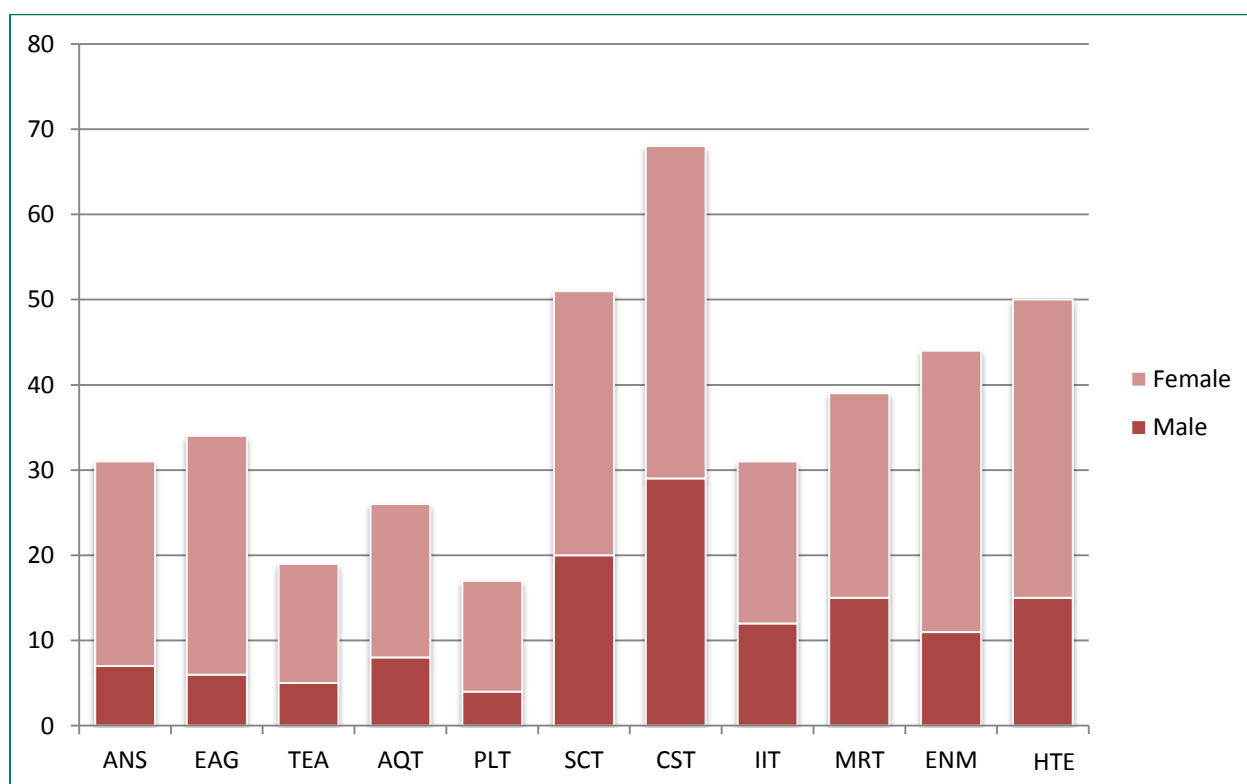




### 4.3 Graduate Output - 2016

Title of the Degree Programme	Year – 2016 (2011/12 Batch)		
	Male	Female	Total
Animal Science	7	24	31
Export Agriculture	6	28	34
Tea Technology & Value Addition	5	14	19
Aquatic Resources Technology	8	18	26
Palm & Latex Technology and Value Addition	4	13	17
Science & Technology	20	31	51
Computer Science & Technology	29	39	68
Industrial Information Technology	12	19	31
Mineral Resources & Technology	15	24	39
Entrepreneurship & Management	11	33	44
Hospitality, Tourism and Events Management	15	35	50
<b>Total</b>	<b>132</b>	<b>278</b>	<b>410</b>

### Gender Distribution of the Students Graduated in the Year 2016 (2011/2012 Batch)



## 4.4 Hostels

### 4.4.1 University Owned Hostels

Name	Location	Capacity			Fee per Student per Year (Rs.)
		Male	Female	Total	
Coral Beauty	University Premises	136	-	218	5000.00
Silver Tips		82	-		
Blue Sapphire		-	138	276	
Cattleya		-	138		

### 4.4.2 Rented-Out Hostels

Location	Rental Cost per Year	No. Occupied as at 31 <sup>st</sup> December 2016			Fee per Student per Year (Rs.)
		Male	Female	Total	
No. 4 A, Water Tank Road, Hindagoda, Badulla	611,100.00	121	305	426	3500.00
No. 2/79, Rambukpotha, Badulla	252,000.00				
No. 14/25, Hanwella, Badulla	192,780.00				
No. 14/25, Hanwella, Badulla	192,780.00				
No. 14/24, Hanwella Road, Badulla	207,900.00				
No 08, Kandawatta Road, Nugegoda	472,500.00				
Jinanandagama Road, Hindagoda, Badulla	240,000.00				
No 15 A, Water Tank Road, Hindagoda, Badulla	259,344.00				
No 29B, Hanwella Road, Badulla	277,200.00				
No 37/a/1, Uyanwatta, Hanwella Road, Badulla	270,000.00				
No: 70, Badulusirigama, Badulla	300,000.00				
No 62/1, Badulusirigama, Badulla	390,000.00				
No 03, Springwelly Road, Badulla	300,000.00				
No 05, "Leelasiri", 2 <sup>nd</sup> Mile Post, Passara Road, Badulla	240,000.00				
No 47, Springwelly Road, Badulla	1,266,840.00				
Sampath Sewana, Walawwatta, Rambukpotha	1,344,000.00				
No 06 C/13, Water Tank Road, Hindagoda, Badulla	456,000.00				

## 4.5 Scholarships

### 4.5.1 Mahapola & Bursaries - 2016

Faculty	Year of Intake	Year of Study	No. of Receptients	
			Mahapola	Bursary
Animal Science & Export Agriculture	2014/2015	1 <sup>st</sup> Year	39	89
	2013/2014	2 <sup>nd</sup> Year	25	79
	2012/2013	3 <sup>rd</sup> Year	61	35
	2011/2012	4 <sup>th</sup> Year	68	11
Science & Technology	2014/2015	1 <sup>st</sup> Year	65	37
	2013/2014	2 <sup>nd</sup> Year	53	38
	2012/2013	3 <sup>rd</sup> Year	83	14
	2011/2012	4 <sup>th</sup> Year	72	17
Management	2014/2015	1 <sup>st</sup> Year	52	19
	2013/2014	2 <sup>nd</sup> Year	17	62
	2012/2013	3 <sup>rd</sup> Year	51	13
	2011/2012	4 <sup>th</sup> Year	19	31
<b>Total</b>			<b>605</b>	<b>445</b>

### 4.5.2 Other Scholarships - 2016

Name of the Scholarship	Faculty	No. of Receptients
Chancellor's Scholarship	Animal Science & Export Agriculture	2
	Science & Technology	2
	Management	2
Chinese Ambassador's Scholarships - 2016 (one-time payment)	Animal Science & Export Agriculture	2
Endowed Scholarships Programe (UGC Scholarship Fund/Kathlein Doris Weerasooriya Scholarship Fund)	Science & Technology	2
Sri Lankan Graduates Society (SLGS) University of Melbourne, Scholarship	Management	2
Presidential Scholarships for Foreign Students	Science & Technology	3

## 05. Human Resources

### 5.1 Academic Staff

The number of academic staff members served in each category for the year 2016 is as follows:

Faculty	Medium	Senior Professors	Professors	Senior Lecturers Gr. I/II	Lecturers	Lecturers (Prob.)	Tem. Lecturers/ Demonstrators
Animal Science & Export Agriculture	English	-	-	19	4	31	20
Science & Technology		-	2	16	-	21	34
Management		English/Sinhala/Tamil	-	-	10	4	9
Library		-	-		-	4 (Assistant Librarians, 01 assignment basis)	-
<b>Total</b>		-	<b>2</b>	<b>45</b>	<b>8</b>	<b>65</b>	<b>63</b>

### 5.2 Administrative Staff

The number of administrative staff members served in each category for the year 2016 is as follows:

Category	Approved Cadre	Actual Cadre	Remarks
Registrar	1	1	On assignment basis
Bursar	1	1	--
Senior Assistant Registrar	7	6	Including 5 Nos. of Assistant Registrars in place of SARs
Senior Assistant Bursar	4	4	Including 1 Assistant Bursar in place of SAB
Senior Assistant Internal Auditor	1	-	Vacant
Works Engineer	1	1	--
Chief Security Officer	1	1	--
Chief Marshal	1	-	Vacant
Director Physical Education	1	1	--
Personal Secretary of Vice Chancellor	1	-	Vacant
University Medical Officer	2	1	Vacant (1)
Full Time Warden	1	-	Covered by the Academic Warden
<b>Total</b>	<b>22</b>	<b>16</b>	

### 5.3 Academic Support & Non-Academic Staff

The number of non-academic and academic support staff members of each category is given below.

Category	Approved Cadre	Actual Cadre
Programmer Cum System Analyst	2	2
Instructor (Physical Education)	2	2
Instructor (Computer Technology)	4	0
Sub Warden (Full Time)	4	4
Marshal	1	0
Supervisor (Civil)	1	1
Audit Assistant	1	0
Book Keeper	1	1
Pharmacist	1	1
Nursing Officer/Nurse	2	1
Technical Officer	16	9
Computer Application Assistant (CAA)	27	21
Stenographer (English)	5	5
Telephone Operator Cum Receptionist	2	2
Library Assistant	3	3
Shroff	2	2
Clerk	6	5
Store Keeper	2	1
Security Guard	1	0
Farm Supervisor	1	0
Guest House Keeper	3	0
Labourer	4	3
Electrician	1	0
Plumber	1	0
Carpenter	1	0
Fitter	1	0
Attendant (Health Services)	1	0
Laboratory Attendants	13	10
Driver	2	0
<b>Total</b>	<b>111</b>	<b>73</b>



## 5.4 Distribution of Support Staff

Faculty / Branch	Most Senior	Senior Staff	Minor Employees
Vice Chancellor's Office	--	2	--
Registrar's Office	--	2	1
Bursar's Office	--	1	--
Faculty of Animal Science & Export Agriculture	1	7	5
Faculty of Science & Technology	1	3	7
Faculty of Management	--	2	--
Student Affairs Division	1	6	--
Human Resources Division	--	3	--
General Administration Division	--	3	--
Examination Division	--	4	--
Senior Assistant Internal Auditor	--	1	--
Capital Works Division	--	1	--
Procurement Division	2	2	--
Payment Division	--	2	--
Salary Division	--	3	--
Reporting Division	--	2	--
Maintenance Division	--	1	--
Library	1	3	--
Medical Centre	--	2	--
<b>Total</b>	<b>6</b>	<b>50</b>	<b>13</b>

## 06. Research & Development

### 6.1 Research, Innovations & Publications

Subject	Published	Commercialized	Presented
No. of Research Studies	247	02	14
No. of Innovations/ Product Developments	10	--	05
No. of Journal Articles	63	01	--
No. of Books/ Book Chapters	9	--	--
No. of Abstracts	237	--	71
Posters	6	--	--
<b>Total</b>	<b>572</b>	<b>03</b>	<b>90</b>

## 6.2 Programmes, Seminars & Workshops

Subject	Attended/ Offered	Completed	Presented
No. of Degree Programmes	9	--	--
No. of Certificate Programmes	3	--	--
No. of Community Service Delivery Programmes	31	25	01
Staff Development Seminars & Workshops	13	06	01
<b>Total</b>	<b>56</b>	<b>31</b>	<b>02</b>

## 6.3 Details of Awards Received

Subject	No. of Awards	No. of Academics	No. of Students
Local Awards	26	13	--
International Awards	10	07	--
<b>Total</b>	<b>36</b>	<b>20</b>	--

## 07. Finance & Audit

### 7.1 Recurrent Expenditure

Subject	Budget -2016	Actual - 2016 (Rs.)	%	Budget -2015	Actual - 2015 (Rs.)	%
a. Personal Emoluments	364,220,000	293,374,721	81	222,163,000	213,723,414	96
b. Travelling & Subsistence	3,540,000	4,107,564	116	1,958,000	1,004,694	51
c. Supplies	27,172,000	17,813,031	66	24,842,000	10,315,367	42
d. Maintenance	16,092,000	7,548,370	47	10,991,000	3,659,271	33
e. Contractual Services	148,480,000	114,571,747	77	153,444,000	108,599,062	71
f. Other Recurrent Expenses	78,496,000	40,469,426	52	53,602,000	27,172,161	51
<b>Total</b>	<b>638,000,000</b>	<b>477,884,859</b>	<b>75</b>	<b>467,000,000</b>	<b>364,473,969</b>	<b>78</b>

### 7.2 Capital Expenditure

Subject	Budget - 2016	Actual - 2016 (Rs.)	%	Budget - 2015	Actual - 2015 (Rs.)	%
a. Land and Land Improvements	-	52,979,553	-	-	50,000	
b. Acquisition of Furniture and other Equipments	218,494,000	70,780,337	63	51,000,000	16,872,165	78
c. Acquisition of Machineries		67,123,476			23,078,162	
d. Acquisition of Buildings & Structures	310,676,000	349,381,044	130	163,500,000	129,212,005	79
e. Other	70,830,000	14,783,082	21	45,500,000	6,507,281	14
<b>Total</b>	<b>600,000,000</b>	<b>555,047,492</b>	<b>93</b>	<b>260,000,000</b>	<b>175,719,613</b>	<b>68</b>

### 7.3 Projects (Local / Foreign Funded)

Name & Details	Loan / Grant	Funding Agency #	TCE (Rs. Mn)	RFA (Rs.)	DF (Rs.)
Establishment of Uva Wellassa University Project Phase 1 and 2	-	-	3,420.00	-	✓
<b>Total</b>	-	-	<b>3,420.00</b>	-	-

### 7.4 Project Expenditure (Local/ Foreign Funded)

Name & Details	TCE	Exp. in 2016 (Rs. Mn)	Exp. in 2015 (Rs. Mn)	Cumulative expenditure as at 31.12.2015 (Rs. Mn)	% of Physical Progress
Establishment Uva Wellassa University Project, Phase 1 & 2	3,420.00	84.36	122.87	2,113.60	70%
<b>Total</b>	<b>3,420.00</b>	<b>84.36</b>	<b>122.87</b>	<b>2,113.60</b>	<b>70%</b>

### 7.5 Financial Progress (Expenditure)

Subject	Provision in 2016 (Rs.)	Exp. in 2016 (Rs.)	%
a. Recurrent except Project	638,000,000	471,885,516	74
b. Capital except Project	323,226,000	182,483,247	56
c. Project – Local Funded	276,774,000	84,356,154	30
d. Project – Foreign Funded	-	-	
<b>Total</b>	<b>1,238,000,000</b>	<b>738,724,917</b>	<b>60</b>

## 7.6 Financial Progress (Generated Income)

Source of Revenue	Budget - 2016 (Rs.)	Actual - 2016 (Rs.)	Budget - 2015 (Rs.)	Actual - 2015 (Rs.)	Budget - 2014 (Rs.)	Actual - 2014 (Rs.)	Budget - 2013 (Rs.)	Actual - 2013 (Rs.)	Budget - 2012 (Rs.)	Actual - 2012 (Rs.)	Budget - 2011 (Rs.)	Actual - 2011 (Rs.)
a. Undergraduate Studies (Hostel & Registration Fees, etc.)	9,311,000	9,917,940	7,550,000	6,945,607	14,550,000	11,809,344	6,330,000	13,191,742	8,200,000	8,593,589	4,551,000	7,219,783
b. Postgraduate Studies	-	-	-	-	-	-	-	-	-	-	-	-
c. Consultancies (Training, Examination & Others)	30,733,000	4,405,747	6,450,000	1,134,312	450,000	343,400	3,315,000	553,000	2,100,000	1,791,277	4,544,000	1,129,745
d. Other	-	-	-	-	-	-	-	-	-	-	-	941,965
<b>Total</b>	<b>40,044,000</b>	<b>14,323,687</b>	<b>14,000,000</b>	<b>8,079,919</b>	<b>15,000,000</b>	<b>12,152,744</b>	<b>9,645,000</b>	<b>13,744,742</b>	<b>10,300,000</b>	<b>10,384,866</b>	<b>9,095,000</b>	<b>9,291,493</b>

## 7.7 Financial Performance - 2016

Subject	Formula	Expenditure per Student (Rs.)					
		2016	2015	2014	2013	2012	2011
a. Recurrent Expenditure per Student (RE)	RE / No of Student Strength	338,719	272,748	240,948	139,942	125,392	103,410
b. Capital Expenditure per Student (CE)	CE / No of Student Strength	130,420	89,810	83,282	42,341	101,258	120,696

## 7.8 Infrastructure Facilities - 2016

Infrastructure Details	Expenditure (Rs.)	Physical Progress
a. Senate Building	31,352,457	100%
b. Landscaping – Senate Building	6,042,359	100%
c. Sport Center	29,370,106	100%
d. Pavilion	1,406,040	100%
e. Storm Water Drainage System	1,774,568	100%
<b>Total</b>	<b>69,945,530</b>	

## 7.9 Statement of Financial Position for the Year Ended December 31, 2016

	Note	2016 Rs.	2015 Rs.
<b>ASSETS</b>			
<u>Current Assets</u>			
Cash and Cash Equivalents	01	41,230,251	36,258,132
Investments	02	21,223,591	18,152,475
Receivables	03	23,107,408	14,665,875
Inventories	04	35,908,679	7,368,400
Advances	05	406,974	268,131
		<b>121,876,903</b>	<b>76,713,012</b>
<u>Non Current Assets</u>			
Receivables	06	5,700,839	5,872,383
Property, Plant and Equipment	07	1,767,403,374	1,421,626,674
Capital Work In Progress	08	-	290,865,005
Land and Land Improvements	09	111,395,952	58,416,399
Quality Improvement Projects	10	9,161,877	4,610,855
		<b>1,893,662,043</b>	<b>1,781,391,317</b>
<b>Total Assets</b>		<b>2,015,538,945</b>	<b>1,858,104,329</b>
<b>LIABILITIES</b>			
<u>Current Liabilities</u>			
Accrued Expenses	11	34,895,227	22,244,523
Sundry Creditors and Others	12	76,744,952	85,484,192
Unspent Grant - Capital		22,548,650	30,695,456
		<b>134,188,828</b>	<b>138,424,171</b>
<u>Non Current Liabilities</u>			
Deferred Income	13	288,919,570	165,605,191
Provisions for Gratuity	14	15,183,379	9,396,706
		<b>304,102,950</b>	<b>175,001,897</b>
<b>Total Liabilities</b>		<b>438,291,778</b>	<b>313,426,067</b>
<b>NET ASSETS</b>		<b>1,577,247,167</b>	<b>1,544,678,262</b>
<b>EQUITY AND RESERVES</b>			
Accumulated Fund	15	2,147,937,123	2,063,580,969
General Reserve	16	(610,077,413)	(548,520,929)
Special Reserve	17	7,399,112	1,990,995
Other Funds	18	31,988,345	27,627,227
<b>Total Net Assets/Equity</b>		<b>1,577,247,167</b>	<b>1,544,678,262</b>



**7.10 Statement of Financial Performance for the Year Ended December 31, 2016**

	Note	2016 Rs.	2015 Rs.
<b>Revenue</b>			
Recurrent Grants	19	477,500,000	343,371,000
Bursary and Mahapola Grants	20	55,058,350	30,256,550
Income of Self Financed Programmes	21	4,405,747	1,134,312
Other Income	22	14,202,090	12,503,307
Capital Grants Amortized	23	64,370,645	49,166,033
<b>Total Revenue</b>		<b>615,536,831</b>	<b>436,431,202</b>
<b>Expenses</b>			
Personnel Emoluments	24	293,374,721	213,723,414
Travelling and Subsistence	25	4,107,564	1,004,694
Supplies	26	17,813,031	10,315,367
Maintenance	27	7,548,370	3,659,271
Contractual Expenditure	28	114,571,747	108,599,062
Other Recurrent Expenses	29	40,469,426	27,172,161
Expenses of Self Financed Programmes	30	3,451,957	600,410
Bursary and Mahapola Payments	31	55,058,350	30,256,550
Depreciation	32	160,075,552	138,765,610
<b>Total Expenses</b>		<b>696,470,717</b>	<b>534,096,538</b>
<b>Surplus / (Deficit) for the Year</b>		<b>(80,933,886)</b>	<b>(97,665,336)</b>

## 7.11 Cash Flow Statement for the Year Ended December 31, 2016

	2016 Rs.	2015 Rs.
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Deficit / Surplus from ordinary activities	(80,933,886)	(97,665,336)
<b><u>Adjustments</u></b>		
Receipts related to previous years	745,392	
<b><u>Non - Cash Movements</u></b>		
Capital Grants Amortized	(64,370,645)	(49,166,033)
Depreciation	160,075,552	138,765,610
Provisions and Others	6,088,013	1,673,792
Operating Profit before Changes in W/C *	21,604,425	(6,391,968)
<b><u>Changes in working Capital</u></b>		
(Increase)/Decrease in Receivables (CA) *	(8,441,533)	(4,201,373)
(Increase)/Decrease in Receivables (NCA) *	171,544	545,504
(Increase)/Decrease in Inventories	(14,534,348)	(4,206,090)
(Increase)/Decrease in Advance	(138,843)	(154,387)
Increase/(Decrease) in Accrued Expenses	12,650,704	5,631,313
Increase/(Decrease) in Sundry Creditors	(6,844,710)	(2,435,824)
<b>Net cash flows from operating activities</b>	<b>4,467,238</b>	<b>(11,212,825)</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Acquisition of Fixed Assets	(261,590,592)	(175,683,099)
Investments	(3,071,116)	(5,597,667)
<b>Net cash flows from investing activities</b>	<b>(264,661,707)</b>	<b>(181,280,767)</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Accumulated Fund	84,356,154	122,869,919
Deferred Income	186,490,653	86,445,081
Unspent Grant - Capital	(8,146,807)	-
Other Funds	2,466,588	10,910,718
<b>Net cash flows from financing activities</b>	<b>265,166,588</b>	<b>220,225,718</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>4,972,119</b>	<b>27,732,126</b>
<b>Cash and Cash Equivalents at beginning of period</b>	<b>36,258,132</b>	<b>8,526,006</b>
<b>Cash and Cash Equivalents at end of period</b>	<b>41,230,251</b>	<b>36,258,132</b>

\* W/C : Working Capital

\* CA : Current Assets

\*NCA : Non-Current Assets

**Note - Bank Balances as at 31/12/2016**

<b>Bank</b>	<b>Account No</b>	
BOC	- 3114828	22,548,650
BOC	- 3114820	2,741,541
BOC	- 78166821	7,003,851
BOC	- 78057047	5,729,960
People's Bank	- 10100168384805	3,206,250
<b>Total</b>		<b>41,230,251</b>

## 7.12 Reports of the Auditor General



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கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம்  
**AUDITOR GENERAL'S DEPARTMENT**



මගේ අංකය  
எனது இல.  
My No.

} UVP/BD/D/UW/1/16/07

ඔබේ අංකය  
உமது இல.  
Your No.

}

දිනය  
திகதி  
Date

}

31 August 2017

The Vice Chancellor,  
Uva Wellassa University Sri Lanka

**Report of the Auditor General on the Financial Statements of the Uva Wellassa University Sri Lanka for the year ended 31 December 2016 in terms of the Section 108(1) of the Universities Act, No.16 of 1978**

The audit financial statements of the Uva Wellassa University Sri Lanka for the year ended 31 December 2016 comprising the statement of financial position as at 31 December 2016 and the statement of the financial performance, statements of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Sub-section 107(5) of the Universities Act, No.16 of 1978. My comments and observations which I consider should be published with the Annual Report of the University in terms of Section 108(1) of the Universities Act appear in this report. A detailed report in terms of Sub-section 108(2) the Universities Act was furnished to the Vice Chancellor of the University on 14 June 2017.

**1.2 Management's Responsibility for the Financial Statements**

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

**1.3 Auditor' Responsibility**

My responsibility is to express an opinion on these statements based in my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Auditing Standards of Supreme Audit Institutions (ISSAI 1000 - 1810).



Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the University's preparation and fair appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's Internal Control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements. Section 111 of the Universities Act, No.16 of 1978 give discretionary powers to the Auditor General to determine the scope and extent of the audit.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### **1.4 Basis for Qualified Opinion**

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

### **2. Financial Statements**

#### **2.1 Qualified Opinion**

In my opinion, except for the effects of the matters described 2.2 of this report, the financial statements give me a true and fair view of the financial position of the Uva Wellassa University Sri Lanka as at 31 December 2016 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.





## 2.2 Comments on Financial Statements

### 2.2.1 Sri Lanka Public Sector Accounting Standards

The following observations are made.

#### (a) Sri Lanka Public Sector Accounting Standard 02

Even though the investments in Special Funds amounting to Rs.2,466,588 should be shown as a cash flow under the investment activities of the financial statements, that had been shown as a cash flow under the financial activities.

#### (b) Sri Lanka Public Sector Accounting Standard 07

In view of the failure to review annually the effective life of non-current assets, fully depreciated fixed assets costing Rs.114,325,384 have been further used. Action had not been taken for the revision of the estimated error in terms of the Sri Lanka Public Sector Accounting Standard 03.

#### (c) Sri Lanka Public Sector Accounting Standard No.09

The stocks had not been brought to account at the cost or the net realisable value whichever is less in accordance with paragraph 15 of the Standard, whilst the value of stocks recognized as an expenditure of the period in accordance with paragraph 44 had not been described in the financial statements.

### 2.2.2 Accounting Deficiencies

Even though the accounting policy on all assets purchased from the Government Grants had been recognized so as to account for them as deferred income based on the effective life of the assets, the depreciation for the year under review of the building constructed from the Government Grants amounting to Rs.85,472,880 brought to account as expenditure, it had not been brought to account as income.



**2.2.3 Unexplained Differences**

The following observations are made.

- (a.) Even though the stock of stationery as at the end of the year under review according to the financial statements amounted to Rs.9,558,694, that amounted to Rs.6,897,511 according to the Report of the Board of Survey, and as such a difference of Rs.2,691,183 was observed.
- (b.) According to the financial statements for the year under review, the purchase of software for the year amounted to Rs.2,697,146. It had been shown as Rs.970,000 in the Register of Fixed Assets and as such a difference of Rs.1,727,146 was observed.

**2.2.4 Lack of Evidence for Audit**

The evidence indicated against the following items of account had not been furnished to audit.

Item of Account	Value	Evidence not made available
	Rs.	
Accounts Receivable - Recurrent	20,063,117	} Letters of Confirmation of Balances Age Analysis
Accounts Payable - Recurrent	4,629,328	
Accounts Payable - Capital	18,466,392	

**2.3 Accounts Receivable and Payable**

The following observations are made.

- (a.) Action had not been taken even by 30 April 2017 for the settlement of the retention money on sundry construction works, supplies and services amounting to Rs.31,716,010 older than 2 years as at the end of the year under review.



- (b.) Action had not been taken even during the year under review for the settlement of the sum of Rs.443,771 being the difference in the balance of the initial bursary money and the negative balance of Rs.84,050 in the Mahapola Scholarships Money of the year 2014 shown under the accounts receivable in the financial statements.

**2.4 Non-compliance with Laws, Rules, Regulations and Management Decision**

The following non-compliances were observed during the course of audit.

**Reference to Laws, Rules, Regulations, etc.**

**Non-compliance**

- (a.) Universities Act, No.16 of 1978  
Section 37(1) - Even though the Board of Governor should appoint the Registrar of a University after the determination of the composition by the statutes and the recommendation of a Selection Committee, a retired officer had been appointed to that Post with effect from 12 November 2014 on the assignment basis.

**(b.) Financial Regulations of the Democratic Socialist Republic of Sri Lanka**

- (i.) Financial regulation 396 (d) - Action in terms of the Financial Regulation had not been taken on 27 cheques totaling Rs.69,612 issued but not presented to the Bank and lapsed for more than 06 months appearing in the Bank Reconciliation Statement as at 31 March 2017.
- (ii.) Financial regulation 757(2) - The report of the Board of Survey for the year under review had not been furnished to the Auditor General even by 30 April 2017.



- (iii.) Financial regulation 772 - Action in terms of the Financial Regulation had not been taken on 92 outdated printing ink units valued at Rs.584,566.

**(c.) Public Enterprises Circular**

- 
- Section 7.2 of the Public Enterprises Circular No.PED/12 of 02 June 2003 - The University had not prepared the Operating Manuals covering its main areas of the operation.

**(d.) Circulars of the University Grants Commission**

- 
- Establishment Circular No.12/2013 dated 29 August 2013 of the Chairman of the University Grants Commission - Action had not been taken for the recovery of rent in accordance with the provision in this circular from the Officers occupying the quarters entitled to the Senior Officers.

**3. Financial Review**

**3.1 Financial Results**

-----

According to the financial statements presented, the financial results of the University for the year ended 31 December 2016 had been a deficit of Rs.80,933,886 as compared with the corresponding deficit of Rs.97,665,336 for the preceding year, indicating an improvement of Rs.16,731,450 in the financial results for the year under review. The increase of the provisions received for recurrent expenditure from the Government as compared with preceding year by a sum of Rs.134,129,000 had been the main reason for the above improvement.

An analysis of the financial results for the year under review and 04 preceding years indicated financial deficits in the years from 2012 to 2016. Nevertheless the adjustment of the employees remuneration, the taxes paid to the Government and the depreciation on the non-current assets to the financial result, the contribution of Rs.113,423,662 in the year 2012 had improved to Rs.372,516,387 in the year under review.





**4. Operating Review**

**4.1 Performance**

The following observations are made.

- (a.) The Action Plan for the year 2016 prepared by the University had shown 06 Strategic Objectives expected to be achieved. The following observations are made in that connection.
  - (i.) The number of students enrolled by the University during the period from 2005/2006 to 2010/2011 had been 2,257 and the number of students who left after graduation had been 1,840 and that represented 82 per cent of the total number of Students registered.
  - (ii.) Even though an increase of the number of foreign students enrolled through the introduction of high quality international level courses at the minimum cost had been an objective, only one foreign student had been enrolled in the year 2016.
  - (iii.) Even though 820 students should have been enrolled for 13 Degree Courses during the year under review 666 students only had been enrolled. In view of enrollment of students less than the expected number by 154, the University had failed to utilize the full capacity.
  - (iv.) According to the Web of Universities Ranking and Sri Lankan Universities Ranking the Uva Wellassa University had been placed at 15,362 and 20 respectively, whilst the placement by April 2017 had been 10,911 and 09 respectively.
  - (v.) The Annual Reports for the years 2014 and 2015 had not been included and updated in the Web Site of the University.



#### (b.) **Progress of Researches**

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The University Research Committee had approved 27 Research Projects from the year 2013 to the 2016 and provisions amounting to Rs.33,397,302 had been allocated in that connection. Out of the approved Projects 24 Projects had been commenced from the year 2014 to the year 2016. Even though the period for completion of 21 of those researches had expired, none of the projects had been completed even by 30 April 2017. Further, out of the provisions allocation for those 24 projects, 23 per cent of the provisions only had been utilized by the end of the year under review.

#### 4.2 **Management Activities**

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The following observations are made.

- (a.) According to the decision of the Cabinet of Ministers on the Cabinet Memorandum No.05/0183/035/001 dated to 10 February 2008 for the vesting of the land belonging to the Ministry of Industries to the Ministry of Education, the land 30.9667 hectares in extent had been allocated for the University. Nevertheless, the ownership of the land had not been legally vested in the University even by the date of this report.
- (b.) The Library books and 21 documents valued at Rs.66,072 issued to the Teachers of the University in the year under review had not been returned. The attention of the management had not been paid for the recovery of those books.
- (c.) Action had not been taken in terms of Section 7.6 of Chapter V of the Establishments Code for the University Grants and the Institutions of Higher Education for the recovery of a sum of Rs.7,659,146 recoverable from 02 Lecturers of the University who had breached the bonds and agreements up to 31 December 2016.



### 4.3 Irregular Transactions

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Even though the agreements entered into by the University with the suppliers of the hired motor vehicles did not include provisions for the supply of accommodation facilities to the Drivers of the hired motor vehicles, accommodation facilities had been provided from the year 2006. Accordingly, the University had paid a sum of Rs.484,750 as rent and Rs.5,930 for electricity and water bills of a building obtained on rent for 11 Drivers of 11 hired motor vehicles obtained during the period from August 2014 to 31 December of the year under review.

### 4.4 Idle and Underutilized Assets

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The following observations are made.

- (a.) Five fire protected safes purchased on 30 June 2010 for Rs.322,560 had not been made use of and remained idle even 30 April 2017 due to the misplacement of keys.
- (b.) The Tractor and the Plough purchased for Rs.1,645,000 on 23 September 2016 with the objective of using for Student Learning Activities remained parked in the University premises even by 17 March 2017, the date of audit without being used for any purpose whatsoever.
- (c.) The 3-Axis CNC Machine valued at Rs.14,060,480 purchased in the year 2012 for the Engineering Workshop had not been made use of for any activity whatsoever in the years 2013 and 2014 and from the year 2015 to 30 April 2017, the date of audit. It had been used for 46 ½ hours for 5 practical activities.
- (d.) In view of the purchases made without considering requirements 1,306 packets of A3 Paper purchased in the years 2014 and 2015 remained idle by 17 June 2017.



#### 4.5 Underutilization of Funds

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The following observations are made.

- (a.) It was observed that the objectives of establishing the Uva Industrial Central Fund, the Vice Chancellor's Fund and the Welfare Fund had not been achieved as the sums totaling Rs.3,340,990 remaining in those Funds had not been utilized up to the year under review.
- (b.) A sum of Rs.177,364 of the Welfare Fund and Rs.1,894,530 in the Special Needs Fund had not been invested and as such, the interest income had been deprived to the Funds.

#### 4.6 Procurement and Contract Process

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The contract for the construction of buildings valued at Rs.350 million under the first stage of the Uva Wellassa University in the year 2006 had been awarded deviating from the Procurement Process by the University Grants Commission to the Central Engineering Consultancy Bureau on the design and construction method. Subsequently in the year 2007, the University had entered into a fresh contract agreement with the contractor under the measure and payment method. The approval for entering into a fresh agreement was not furnished to Audit. A sum of Rs.10,622,507 had been overpaid due to the computation of price variances according to the new agreement as requested by the contractor.

#### 4.7 Staff Administration

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There were vacancies of 10 approved posts of Professors in the Faculties of the University, 21 approved posts of Lectures had been vacant in the Faculty of Zoology, the Faculty of Export Agriculture and the Faculty of Science and Technology while there was an excess of 05 Lecturers in the Faculty of Management. Further, action in terms of the Circular No.876 dated 06 June 2006 had not been taken for the recruitment of officers to 43 vacant posts in the non-academic staff of the University.





## 5. Accountability and Good Governance

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### 5.1 Corporate Plan

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A review of the operating results of 03 preceding years had not been included in the Corporate Plan in terms of Section 5.1.2 of the Public Enterprises Circular No.PED/12 of 02 June 2003. The Corporate Plan had not been furnished in a manner to facilitate an evaluation of the annual progress as it did not show financial value of the Projects included in that for achievement.

### 5.2 Action Plan

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Even though the Action Plan should be prepared annually as specified in paragraph 04 of the Public Finance Circular No.01/2014 of 17 February 2014, it had been prepared for 05 years from the year 2016 to 2020. The updated organization structure and the approved and the actual cadre had not been included in that Action Plan.

### 5.3 Internal Audit

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Even though an Internal Audit Unit with 03 officers including 2 Senior Assistant Internal Audit Officers had been established, a permanent Senior Assistant Internal Auditor had not been recruited.

### 5.4 Procurement Plan

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The Procurement Plan had not been updated in terms of Guideline 4.2.1 of the Government Procurement Guidelines 2006.

### 5.5 Budgetary Control

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Comparison of the budgeted with the actual expenditure revealed variances ranging from 24 per cent to 113 per cent on 07 Recurrent Expenditure Objects and variances ranging from 14 per cent to 341 per cent on 07 Capital Expenditure Objects, thus indicating that the budget had not been made use of as an effective instrument management control.



**6. Systems and Controls**

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

<b>Areas of System and Controls</b>	<b>Observations</b>
(a.) Accounting	- Failure to follow the Accounting Standards and existence of accounting deficiencies and unreconciled accounts.
(b.) Assets Management	- Failure to revalue fixed assets and the failure to maintain the Register of Fixed Assets properly.
(c.) Stores Control	- Existence of weak stores control.
(d.) Staff Administration	- Existence of vacancies in posts and excess staff

**Sgd./ H.M. GAMINI WIJESINGHE**  
**Auditor General**

H.M. Gamini Wijesinghe  
 Auditor General

### 7.13 Answers to the Report of the Auditor General

2.2 Comments on Financial Statements			
2.2.1 Sri Lanka Public Sector Accounting Standards			
	Audit Observation	Reply Furnished for the Draft Report	Present Status
(a)	Although cash flows amounting to Rs. 2,466,588 should have been shown as an outflow of money under the Investment Activities in the Cash Flow Statement, it had been shown as an inflow of money under the Financial Activities.	<p>I do not agree.</p> <p>Although it has been stated that the special funds amounting to Rs. 2,466,588 should have been shown under the “Investment Activities” as shown in the Report of the Auditor General, I emphasize that the source is not an item that should be shown under the “Investment Activities” as per Sri Lanka Public Sector Accounting Standard No. 02.</p> <p>According to the said standard, the cash flow (receipts or payments) concerned should be depicted under investment activities only if it is linked to an acquisition or sale of fixed assets, investment in a credit instrument or a consideration of a future agreement. However, I the special funds referred to do not fall into that category.</p>	The investments in special funds amounting to Rs. 2,466,588 has been shown in the Cash Flow Statement accurately.
(b)	Although fixed assets amounting to Rs. 114,325,384 have still been in use, they had been depreciated fully because the productive lifetime for non-current assets had not been reviewed annually as per Sri Lanka Public Sector Accounting Standard 7. As such, action had not been taken to rectify the estimated error as per Sri Lanka Public Sector Accounting Standard 3.	<p>I agree with this observation.</p> <p>Revaluation of Non-Current Assets or annual review of lifetimes had not been conducted from the establishment of the University (2006) up to now. As the methodical Fixed Assets Register is being prepared, as soon as it is completed, I will take steps to review the productive lifetime of all of University’s non-current assets and to revalue them.</p> <p>Although the value of the fully-depreciated fixed assets has been shown as Rs. 81,539,447, according to this audit observation it is Rs. 114,325,383.60 according to the schedule prepared in respect of the Financial Statements.</p>	The fixed asset codeing and the Fixed Assets Register is being prepared. Thereafter, steps will be taken to revalue the assets and bring them back to books.

<p>(c)</p>	<p>The stock had not been accounted at the lower one of the cost and net realized value as per paragraph 15 of Sri Lanka Public Sector Accounting Standard 9 while the value of the unidentified stocks had not been revealed from Financial Statements as an expense of the period as per paragraph 44.</p>	<p>I agree with this observation. Although stock should have been accounted at the lower value among the cost and net realized value as per paragraph 15 of Sri Lanka Public Sector Accounting Standard 9, all stock items have been accounted at “cost” due to difficulties existing in identifying the net realizable value of certain items. I will take steps to account stock value according to this accounting standard in future.</p>	<p>It was not possible to calculate the stocks on their net realizable value when the value of stock went lower than the cost in the year 2016. However, steps will be taken to account the stock at the lower value from among the cost and the net realizable value in the year 2017.</p>																																			
<p><b>2.2.2 Accounting Deficiencies</b></p>																																						
<p>Although depreciation of Rs. 85,472,880 of the building which had been constructed under government grants for the year under review had been accounted as an expense, it had not been accounted as an income according to the accounting policy although the said accounting policy has identified that all assets purchased under government grants should be accounted as a deferred income based on their useful lifetime.</p>	<p>I agree with this observation (subject to the following explanations).</p> <p>After a discussion with the members of the Government Audit Division in the year 2012, a decision was made not to reduce the total value of the buildings constructed under the University Establishment Project under amortization and as such, that same policy was used from the year 2012 to the year 2016. Accordingly, the established accounting policy has been revealed under the accounting policy on page 09 of the financial report for the year 2016. As such, the difference of Rs. 85,472,880 observed during the audit contains depreciation of Rs. 85,427,768 pertaining to the buildings. I wish to explain the balance, i.e. the difference of Rs. 45,112 through comparison as follows:</p> <table border="0" data-bbox="689 995 1503 1264"> <thead> <tr> <th style="text-align: left;">Comparison</th> <th colspan="2" style="text-align: right;">Rs.</th> </tr> </thead> <tbody> <tr> <td>Depreciation according to Financial Statements.</td> <td></td> <td style="text-align: right;">149,843,493</td> </tr> <tr> <td>Add (+)</td> <td></td> <td></td> </tr> <tr> <td>Furniture depreciation accounted twice</td> <td style="text-align: right;"><u>121,017</u></td> <td style="text-align: right;"><u>121,017</u></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">149,964,510</td> </tr> <tr> <td>Less (-)</td> <td></td> <td></td> </tr> <tr> <td>Depreciation on building</td> <td style="text-align: right;">85,427,768</td> <td></td> </tr> <tr> <td>Depreciation on Rehabilitated buildings overlooked.</td> <td style="text-align: right;">159,807</td> <td></td> </tr> <tr> <td>Depreciation on office equipment overlooked.</td> <td style="text-align: right;">1,150</td> <td></td> </tr> <tr> <td>Depreciation on research and learning equipment overlooked.</td> <td style="text-align: right;">5,142</td> <td></td> </tr> <tr> <td>Copying errors in the audit (Office equipment)</td> <td style="text-align: right;"><u>30</u></td> <td style="text-align: right;">(85,593,897)</td> </tr> <tr> <td>Capital grants amortization in Financial Statements.</td> <td></td> <td style="text-align: right;"><u>64,370,613</u></td> </tr> </tbody> </table>	Comparison	Rs.		Depreciation according to Financial Statements.		149,843,493	Add (+)			Furniture depreciation accounted twice	<u>121,017</u>	<u>121,017</u>			149,964,510	Less (-)			Depreciation on building	85,427,768		Depreciation on Rehabilitated buildings overlooked.	159,807		Depreciation on office equipment overlooked.	1,150		Depreciation on research and learning equipment overlooked.	5,142		Copying errors in the audit (Office equipment)	<u>30</u>	(85,593,897)	Capital grants amortization in Financial Statements.		<u>64,370,613</u>	<p>After a discussion with the members of the Government Audit Division in the year 2012, a decision was made not to reduce the total value of the buildings constructed under the University Establishment Project under amortization and as such, that same policy was used from the year 2012 to the year 2016. Accordingly, the established accounting policy has been revealed under the accounting policy on page 09 of the financial report for the year 2016 and accounts have been prepared accordingly.</p>
Comparison	Rs.																																					
Depreciation according to Financial Statements.		149,843,493																																				
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<b>2.2.3 Unexplained Differences</b>			
(a)	<p>Although the balance stationery stock was Rs. 9,558,694 according to the Financial Statements as at the end of the year under review, it was Rs. 6,897,511 according to the inventory survey as at 31 December of the year under review. As such, a deficit of Rs. 2,691,183 was observed.</p>	<p>I agree with this observation. Although a difference of Rs. 2,691,183 (Deficit) was observed between the value of the stock of the stationery at the end of the year according to the Financial Statements as at 31 December 2016 and the value according to the stock inventory survey, this difference was found to have decreased to Rs. 26,289.90 (surplus) as a result of the inspections ups later conducted. This difference can be identified as the result of unreconciled stock values in the past years. I intend to record this difference as an adjustment pertaining to the previous year in the Financial Performance Report with the approval of the Council of the University.</p>	<p>The difference existing in the value of the stock of stationery between the Financial Statements identified for the year 2016 and the inventory survey report was revealed in the year 2017 and relevant adjustments were made.</p>
(b)	<p>Although the purchase of software amounted to Rs. 2,697,146 according to the Financial Statements as at the end of the year under review, a difference of Rs. 1,727,146 was observed as it was depicted in the Fixed Assets Register as Rs. 970,000.</p>	<p>I agree with this observation (subject to the following explanations). Although the total value of the software is shown as Rs. 2,697,146 in the heading "software" under "Intangible Assets" in Financial Note 10, Rs. 970,000 out of it, which is the value of the software acquired during the year under review, has been presented in the page named "Intangible Assets" in the Fixed Assets Register. The remainder, i.e. the value of the intangible assets amounting to Rs. 1,727,146 is the value of the ARC GIS software purchased last year, which has been shown under "Laboratory and Learning Instruments" in the Fixed Assets Register. I will take steps to present this value of Rs. 1,727,146 accurately under the software for the consistency of the Fixed Assets Register.</p>	<p>Although under "Intangible Assets" the total value of the software is shown as Rs. 2,697,146 in the heading "software" under "Intangible Assets" in Financial Note 10, Rs. 970,000 out of it, which is the value of the software acquired during the year under review, has been presented in the page named "Intangible Assets" in the Fixed Assets Register. The remainder, i.e. the value of the intangible assets amounting to Rs. 1,727,146 is the value of the ARC GIS software purchased last year, which has been shown under "Laboratory and Learning Instruments" in the Fixed Assets Register. I will take steps to present this value of Rs. 1,727,146 accurately under the software maintain the consistency of the Fixed Assets Register.</p>

2.2.4 Lack of Evidence for Audit				
Subject	Amount	Evidence not furnished	I cannot agree with this observation. The practice is to maintain only the registers because what is contained in the detailed balances pertaining to the value shown under the heading "Recurrent Accounts Receivable" amounting to Rs. 20,063,117 mentioned here are items which do not have changes constantly and which do not require no separate ledgersto be maintained. E.g.: balance bursaries receivable, balance Mahapola receivable, receivables owing to breach of contract, etc.  Similarly, items contained in the accounts payable amounting to Rs. 76,744,952 include security deposit and interests payable on them, other deposits and payables (revenue and capital), PAYE payable, stamp duties etc. which do not occur continuously, for which creditor ledgers are not maintained but only the registers are maintained. I stress that these registers are more than enough for financial accounting.	the detailed balances pertaining to the value shown under the heading "Recurrent Accounts Receivable" amounting to Rs. 20,063,117 mentioned here include items which do not change constantly, e.g. balance bursaries receivable, balance Mahapola receivable, receivables owing to breach of contract, interests receivable etc. Letters of confirmation have been obtained in respect of interests receivable and I will make arrangements to obtain letters confirming other balances in future.
Accounts Receivable - Recurrent	20,063,117	o Letters confirming Balances o Time Analysis		
Accounts Payable - Recurrent	4,629,328	o Letters confirming Balances o Time Analysis	I agree with this observation. However, 1,100 rupees contained in the balance concerned represent a subscription paid to the Welfare Society of the University of Peradeniya on behalf of an employee who got transferred to that University and the relevant cheque has been expired. No payment has been made again for it and I accept it as an error. I will make arrangements to pay it again. The remaining value of Rs. 4,628,267.63 encompasses "Annual Symposium", "Tenth Anniversary" celebration, "German and Australian Scholarship funds" received on behalf of students and research grants – external sources etc. "Letters confirming balances" cannot be obtained for these balances and time analyses are not usually prepared for them because they are settled within short-term.	I agree with this observation. Rs. 1,100 contained in the balance concerned represent a subscription paid to the Welfare Society of the University of Peradeniya for an employee who got transferred to that University and the relevant cheque has expired. No payment has been made again for it and I accept it as an error. I will take steps to make that payment again. The balance value of Rs. 4,628,267.63 includes Annual Symposium, Tenth Anniversary celebration, German and Australian Scholarship funds received for students and research grants – external

			sources etc. Letters confirming balances cannot be obtained for these balances and time analyses are not usually prepared for them. It is because they are settled in short-term.
Accounts Payable - Capital	18,466,392 o Letters confirming Balances o Time Analysis	I agree with this observation. However, balances payable to external suppliers are contained in this value, regarding which action has not been taken to obtain letters of confirmation, and I will make arrangements to obtain it soon. I will also take action to maintain payables ledgers for this. Although the audit observation states that no time analyses have been made for these balances, the age analysis has been presented under Schedule No. 18 presented pertaining to Note 12 in the Financial Statements. As such, the audit observation is not accurate.	I agree with this observation. However, balances payable to external suppliers are contained in this value, regarding which action has not been taken to obtain letters of confirmation, and I will make arrangements to obtain it soon.
<b>2.3 Accounts Receivable and Payable</b>			
(a)	Action had not been taken even by 30 April 2017 to settle Rs. 31,716,010 that had been retained as withheld funds in obtaining various constructions, supplies and services, which had exceeded 2 years as at the end of the year under review.	I agree with this observation. However, within the Rs. 31,716,010 mentioned in the audit observation, Rs. 23,884,279 is pertaining to “contracts” and they are withheld funds which have not been settled due to inability to pay final bills for lack of approval from the Standing Technical Evaluation Committee (STC). The balance, i.e. value of Rs. 7,831,731 is pertaining to withheld money pertaining to furniture, computers and laboratory instruments purchased, which are released only when suppliers make a request. I will take steps to release the withheld funds by asking the suppliers to inform the University in writing if any withheld money is owed to them. In the case of fund balances regarding which requests are not made by suppliers, I will take steps to identify the amounts as an income in the Financial Statements with the approval of the Council of the University.	Within the Rs. 31,716,010 mentioned in the audit observation, Rs. 23,884,279 is pertaining to “contracts” and they are withheld funds which have not been settled due to inability to pay final bills for lack of approval from the Standing Technical Evaluation Committee (STC). The balance, i.e. value of Rs. 7,831,731 is pertaining to withheld money pertaining to furniture, computers and laboratory instruments purchased, which are released only when suppliers make a request. I will take steps to release the withheld funds by asking the suppliers to inform the University in writing if any withheld money is owed to them. In the case of fund

				balances regarding which requests are not made by suppliers, I will take steps to identify the amounts as an income in the Financial Statements with the approval of the Council of the University.
(b)	Action had not been taken during the year under review to settle the unreconciled difference of Rs. 443,771 in the balance of bursary and the minus balance of Rs. 84,050 of Mahapola Scholarship grants in stated under the Accounts Receivable in the beginning of the year under review.	I agree with this observation. These unreconciled bursary balance and Mahapola Scholarship balance were found to be an accounting error by inspecting the books of accounts pertaining to previous years. I will take action to rectify it under "Rectification of Mistakes of Previous Years" with the approval of the Council of the University.		These unreconciled bursary balance and Mahapola Scholarship balance were found to be an accounting error by inspecting the books of accounts pertaining to previous years. Action has been taken to rectify it under "Rectification of Mistakes of Previous Years" with the approval of the Council of the University.
<b>2.4 Non-Compliance with Laws, Rules, Regulations and Management Decisions</b>				
(a)	Section 37 (1) of the Universities Act No. 16 of 1978	Although the Registrar of a University should be appointed by the governing body of the University upon the recommendation of a Committee of Selection whose composition should be determined by terms, a retired officer had been appointed with effect from 12 November 2014 on assignment basis without a Cabinet Approval.	The post of Registrar of the Uva Wellassa University has remained vacant since 13.03.2014 and two executive officers were assigned to cover the duties of that position, which later proved unsuccessful. Applications for the post were called by a newspaper advertisement published on 20.07.2014 followed by the meeting of the selection committee held on 04.03.2015 and only one applicant appeared. The selection committee has decided that even that only applicant was not suitable for the post. Therefore, it was reported to the meeting of the Council held on 15.05.2015 and a decision has been made to call applications again. After the Council meeting held on 20.02.2015, the Council meeting scheduled for March was not held because all Council boards had been dissolved. The members to Council were appointed again with effect from	A permanent Registrar has been appointed with effect from 15 November 2017.

			<p>20.04.2015. Applications were called again for the post of Registrar by newspaper advertisements published on 04 December 2016 and as no-one had applied for it accordingly, Mr. A.G. Karunarithna has been appointed on assignment basis with the approval of the University Council. However, the service of Mr. Karunarithna has been obtained as he had served in the post of Registrar for nearly sixteen years in the University service and considering his experience and service requirement in the absence of a suitable person for this post. Applications have been called again on 30 April 2017 for filling the post of Registrar and 29 May 2017 was set as the closing date for applications. Arrangements will be made to hold a meeting of the Selection Committee soon.</p>	
<b>(b) Financial Regulations of the Democratic Socialist Republic of Sri Lanka</b>				
(i) Financial Regulation 396 (d)	<p>Although issued as per the Bank Reconciliation Statement as at 31 March 2017, action had not been taken regarding 27 cheques totalling Rs. 69,612 which have exceeded six months and were not presented to the Bank.</p>	<p>I agree with this observation. Although the cheques issued but not presented within the period of validity should have been cancelled and accounted as "Receipts" according to Financial Regulation 396 (d), it has not happened due to some lapse. However, they have been cancelled and accounted as receipts by now.</p>	<p>Action was taken in terms of Financial Regulations in respect of cheques issued but not presented to Banks within six months of period.</p>	
(ii) Financial Regulation 757 (2)	<p>The Stock Survey Report of the Uva Wellassa University for the year under review had not been presented for audit even as at 30<sup>th</sup> April, 2017.</p>	<p>I agree with this observation. However, the Finance Division had handed over the year end Stock Survey Report for 2016 and it's summarized report (in duplicate) to the Registrar's Office on 05.01.2017 but it has been misplaced due to some unknown reason. However, a photocopy of the copy kept by the Finance Division has been presented for the audit.</p>	<p>A copy of the Stock Survey Reports for the year 2016 and its summarized report prepared upon it has been presented to the Audit Division.</p>	

<p>(iii) Financial Regulation 772</p>	<p>Action has not been taken in accordance with Financial Regulations in respect of 92 numbers of printing ink worth Rs. 584,566.00, which are beyond their expiry date.</p>	<p>I agree with this observation. However, it is Financial Regulation 772 not 762 that is applicable to the items which have expired. According to Financial Regulation 772, the expired stocks should be sold by public auction or open tender after notification publicly to the public. If they are in an unusable condition, they should be destroyed according to the conditions laid down in Financial Regulation 772. However, those steps have not been followed. I will take action to identify all expired items and take necessary actions according to the aforesaid Financial Regulation.</p>	<p>According to Financial Regulation 772, the expired stocks should be sold by publicly auction or open tender after notification public to the public. If they are in an unusable condition, they should be destroyed according to the conditions laid down in Financial Regulation 772. However, those steps have not been followed. I will take action to identify all expired items and and act according to the aforesaid Financial Regulation.</p>	
<p>(c)</p>	<p>(iii) Paragraph 7.2 of Public Enterprise Circular No. PED/12 dated 3 June 2003</p>	<p>The University had not prepared operational manuals covering the main operational areas.</p>	<p>Officers of the Non-Academic Staff and the administrative grades have been provided with job descriptions. I will take steps to give job descriptions soon to officers and staffs who have received job descriptions so far.</p>	<p>The University has commenced preparing operational manual covering the main fields of operation as per the recommendation given by the Committee on Public Enterprises at its meeting held on 29.11.2017.</p>
<p><b>(d) University Grants Commission Circulars</b></p>				
<p>Institutional Circular of the Chairman of the University Grants Commission No. 12/2013 dated 29 August 2013</p>	<p>Action had not been taken to recover rents from officers residing at official quarters assigned to senior officers as</p>	<p>The Uva Wellassa University was established as a residential University. As it was established in the Badulla District within the Uva Province, rent was not charged for houses made available to the Academic and Non-Academic Staff</p>	<p>The House Committee of the University has recommended a nominal rent for which a Memorandum has been</p>	

	<p>per the provisions of Circulars.</p>	<p>during the first ten years with a view to recruit and retain them. At the same time, University hostels and staff quarters had not been established till 2012-2013 period.</p> <p>However, staff have settled in the quarters and hostel belonging to the University and the approval has been sought from the Council of the University in order to recover rents from them. Arrangements have been made to implement it with the approval from the Council at its 122<sup>nd</sup> meeting to be held on 23 June 2017.</p>	<p>submitted to the Council of the University at its meeting held on 23.06.2017. Approval has been granted to charge a nominal rent.</p>
<p><b>3. Financial Review</b></p> <p><b>3.1 Financial Outcomes</b></p> <p>The financial outcome of the University for the year ending 31 December 2016 showed a deficit of Rs. 80,933,886 according to the Financial Statements submitted. The last year's corresponding financial outcome was a deficit of Rs. 97,665,336 and compared to it, the financial outcome for the year under review has shown a growth of Rs. 16,731,450. The increase in the allocation received from the government for Recurrent Expenditure by Rs. 134,129,000 compared to the previous year has mainly influenced the aforesaid growth.</p>			
<p>When analyzing the financial outcomes for the year under review and for the four preceding years, a financial deficit had occurred during the years 2012 to 2016. When re-adjusting the expenditure on employee emoluments, government taxes and depreciation of non-current assets, the contribution of for the year 2013 had increased compared to the year 2011 and the contribution for the year 2013 had decreased compared to the year 2012. However, the contribution of the year under review had increased to Rs. 372,516,387 from the contribution for the year 2013 of Rs. 113,423,662.</p>			

4. Operational Review

4.1 Performance

Six strategic objectives expected to be achieved had been stated in the Action Plan prepared for the year 2016 by the University and the following observations are made in this regard:

Audit Observation		Replies Furnished for the Draft Report	Present Status
(i)	The number of students enrolled by the University during the period from 2005/2006 to 2010/2011 was 2257 and those graduated were numbered at 1840. It amounted to 82 % of the total number of registered students.	The number of students enrolled by the University during the period from 2005/2006 to 2010/2011 was 2257 and 1988 of them, i.e. 88 %, have graduated and left. A student percentage of 12% were unable to secure a Degree due to abandoning courses, cancellation of registration, non-appearance at exams and failure at exams. In addition, we submitted the number of students who got registered and graduated from the year 2011 as per the request in the letter dated 22.03.2017 bearing reference UVP/BD/D/UWU/01/17/05. As such, the number of who graduated during period concerned was 1840.	Some students abandon courses, having secured job opportunities and foreign scholarships, a situation that cannot be avoided.
(ii)	Although increasing of the number of foreign students enrolled through introducing high quality international level courses at a minimal cost had been cited as an objective, only one foreign student had been enrolled during the year 2016.	The Ministry of Higher Education refers foreign students to the University to follow courses and the University has taken steps to enroll the students so channelled.	At present four foreign students are engaged in educational activities at the University, and the enrollment of these students is effected through the University Grants Commission.
(iii)	Although 820 students should have been enrolled for 13 Degree Programmes during the year under review, only 666 students had been taken in. The University, accordingly, failed to utilize its full capacity by the enrollment of 154 less than the expected number of students.	The University Grants Commission had sent lists of students to the University seven times during the year under review. Steps had been taken to enroll students as per the lists concerned. However, certain students did not attend the registration. Some of the registered students transferred to	As it is the University Grants Commission that conducts the process for enrollment, steps will be taken to fill the vacancies as much as possible in the



		other Universities on the instructions of the University Grants Commission and a few have got their registration cancelled. For the above reasons the expected number of students had decreased. Due to this decrease in expected number of students, the Registrar of our University even sent a letter dated 02.02.2017 to the Secretary to the University Grants Commission requesting that additional students be attached to our University. Although action was taken to enroll students from the lists sent to the University from the University Grants Commission, the expected number of students was not completed.	circumstances.
(iv)	According to world and Sri Lanka University Rankings (Web of Universities Ranking) the Uva Wellassa University secured 15,362 <sup>nd</sup> place and 20 <sup>th</sup> place respectively in the year 2015. By April 2017, it was possible to observe an elevation to the 10,911 <sup>th</sup> place and 9 <sup>th</sup> place respectively.	The advancement achieved in the world and Sri Lanka rankings show that the University has achieved progress in terms of academic activities and research.	The Uva Wellassa University has been recognized with the 10,726 <sup>th</sup> place in the Webometric University Ranking as at 26.01.2018 and 17 <sup>th</sup> place within Sri Lanka.
(v)	The University website had not been updated by adding the Annual Reports for the years 2014 and 2015.	Arrangements will be made to insert the Annual Reports pertaining to the years 2014 and 2015.	The Annual Report for the year 2014 has been included in the University website already.
<b>(b) Progress in Research</b>			
	The University Research Committee had approved 27 research projects from the year 2013 to the year 2016, for which a provision of Rs. 33,397,302 had been allocated. Out of the approved projects, 24 had been commenced between the year 2014 and the year 2016 and the scheduled time of completion in respect of 21 of the projects have lapsed without a single project seeing its completion even as at 30 April 2017. In addition, only 23 % of the provisions allocated for the 24 projects has been utilized by the end of the year under review.	Although Rs. 33,397,302 had been approved for 27 research projects for the years 2014, 2015 and 2016, only Rs. 7,619,850 had been spent as at 31.12.2016. While admitting that the financial progress of research remains at a very low level, it should be stated that strategies are being formulated through University Research Committee to expedite the spending.	Although 32 research proposals had been approved in the year 2015, the expenses pertaining to them were mainly borne during the year 2016. As a result, the total research spending borne in the year 2016 was 7,162,475 and it had surpassed the initial Budget allocation for the year. The sum allocated for the year

		<p>2017 was 7.5 million rupees. However, by the end of the year, 8.3 million rupees had been borne as research expenditure. It is equivalent to 110% of the provision allocated for that year. In addition, all the research projects commenced during the years 2014, 2015 and 2016 were completed within the year 2017.</p>
<p><b>4.2 Management Activities</b></p>		
<p>(a)</p>	<p>Action had not been taken to legally acquire to the University the ownership of the 30.9667-hectares of lands that has been allotted to the Uva Wellassa University according to the decision to acquire to the Ministry of Higher Education the said land which had been owned by the Ministry of Industry made by the Cabinet of Ministers at its meeting held on 10 February 2008 for the purpose of establishing the Uva Wellassa University under Cabinet Paper No. 05/0183/035/001.</p>	<p>The lands provided by the Ministry of Industry for establishing the Uva Wellassa University under Cabinet Paper No. 05/0183/035/001 have been allocated to the Ministry of Higher Education. Six Industrialists have been maintaining industries at a corner of the land temporarily. These six persons were set to a corner in this manner as the establishment of the University had to be done expeditiously. It has not been possible to evict these six industrialists despite repeated requests to the Ministry of Higher Education, Ministry of Lands and the District Secretary of Badulla.</p> <p>Therefore, legal vesting of this land has been delayed. Although the matter remains as such, a discussion was held on 06.04.2017 by a Committee comprising the Vice Chancellor, District Secretary, Additional Director (Lands) and other officials relating to the settlement and transfer of this land to the University, as a result of which I expect the process will be expedited.</p> <p>As such, I wish to inform that the University has made every effort for the acquisition of the land legally and it can be achieved soon.</p>
<p>A request has been made to the Ministry of Higher Education for the appointment of a compensation committee. At the same time, the Council of the University has made a decision to appoint a retired Land Commissioner as a consultant. Courses of action necessary for it are being conducted at present.</p>		

(b)	<p>Steps had not been taken to return 21 Library books and documents worth Rs. 66,072 made available to University teachers during the year under review.</p>	<p>The Library sends reminder letters on the 25<sup>th</sup> of each month to all members of the staff who do not return the books within the specified time.</p> <p>As per the audit information we provided on 19.04.2017 under reference UVP/BD/D/UWU/17/3 steps had been taken to bring back 9 out of the 21 books given to the teaching staff.</p> <p>At the 47<sup>th</sup> meeting of the Library Committee held on 04.05.2017, a request was made by the Assistant Librarians that a methodology be introduced regarding the lending of books to members of the staff and returning of such books and at the first meeting of the Vice Chancellor Advisory Committee meeting held on 17.05.2017, the one month period available for returning books that are lent was extended to four months. It was decided that the Library should send reminder letters to the members of the staff who do not return books within this duration, as had been the previous practice. The non-return of books as at the due date was also subjected to discussion and charging fines in future was also focused. It was possible to get back a lot of unreturned books as a result of the Library staff informing the Library members of the fines to be imposed in future.</p>	<p>The members of the teaching staff concerned have taken steps to return the 21 books.</p>
(c)	<p>A sum of Rs. 7,659,146 was to be recovered to the University from two lecturers as at 31<sup>st</sup> December 2016 for breaching terms of bonds and contracts as per paragraph 7.6 of Chapter V of the Establishments Code pertaining to the University Grants Commission and higher education institutes.</p>	<p>A sum of Rs. 7,659,146 was to be recovered to the University from two lecturers due to breach of bonds and contracts.</p> <ol style="list-style-type: none"> <li>1. Out of the two Lecturers who have been treated to have vacated post due to breach of bond and contract terms, Mr. M.A.P.N. Perera has paid a sum of Rs. 1,280,912.01 and handed over the relevant applications expressing his consent to recovery of the remaining Rs. 893,923.49 from his Employees' Provident Fund</li> </ol>	<p>I. M.A.P.N. Perera – Rs. 2,174,835.50                  Out of this sum, Rs. 1,280,912.01 was recovered and the University Grants Commission has already been informed for the purpose of recovering the remaining Rs. 893,923.49 from the Employees' Provident Fund</p>

		benefits. Action is being taken to recover that sum.	balance.
		2. As no response was received to even the final reminder sent to Mrs. E.K.N.D. Fernando, letters have been sent to inform the Sri Lankan High Commission in Australia and the Australian High Commission in Sri Lanka.	II. E.K.N.D. Fernando – Rs. 6,765,222.99 Legal action is being taken to recover the relevant amount from the guarantors.
<b>4.3 Irregular Transactions</b>			
	Although there was no undertaking to provide accommodation to the chauffeurs of rented vehicles in the agreement reached with persons who contracted to supply vehicles to the Uva Wellassa University on rent basis, such accommodation had been provided since 2006. As such, the University had obtained a house on rent basis for eleven chauffeurs of the eleven vehicles obtained on rent basis and paid a sum of Rs. 484,750 as rent and Rs. 5,930 as electricity and water bills for the period from August 2014 to 31 <sup>st</sup> December of the year under review.	Vehicles were obtained on rent basis in establishing the Uva Wellassa University in the Badulla District and for its requirements. It was difficult to deploy vehicles during the night for students' needs and other purposes for lack of driver quarters or a place to stay and rest for chauffeurs who had been deployed since 2006 up to now. Therefore, a house located about 25 metres from the main entrance to the University was identified and obtained on rent basis. It was used by the plumber and the electrician in addition to driver. Therefore, this measure has been adopted to get the service of the above-mentioned employees quickly as and when necessary 24 hours a day. Neither the conditions of the tender for obtaining vehicles on rent basis nor agreement signed with the supplier of vehicles contained provisions that the University should provide houses and nor is it stated in any that the owner of vehicles should provide accommodation. However, I would like to inform that attention will be focused in this regard in issuing tender papers in future.	As per the recommendation of the Committee on Public Enterprises given at its meeting held on 29.11.2017, it was decided to recover a sum of Rs. 2,000 per driver for providing accommodation by the University.
<b>4.4 Non-Performing or Underutilized Assets</b>			
(a)	Five fire protection safes worth Rs. 322,560/- that had been purchased on 30 June 2010 had been lying idle without being	The purchase of fire protection safes and not putting them to use were discussed at length at several meetings of the	The safes concerned are being used by the officers of the

	put to use even as at 30 April 2017 due to misplacement of their keys.	<p>Audit and Management Committee of the University and a preliminary inquiry was conducted on the approval of the Council of the University and disciplinary action has been commenced against two officers identified to be involved in the incident.</p> <p>The female Senior Assistant Registrar in-charge-of the Supplies Division at the time of purchase of these safes has received a promotion and is working at the University of Colombo. A charge sheet has been sent to her. In addition, arrangements have been made to initiate a disciplinary inquiry against the Storekeeper of this University. Further, with the approval of the Council necessary action has been taken to obtain new keys to replace the misplaced ones from the agency concerned and put the safes in use.</p>	University.
(b)	The tractor and the plough that had been purchased spending Rs. 1,645,000 under expenditure head 21553 on 23 September 2016 with the objective of using for students' learning activities had been parked in the University yard without putting to any use even by the audited date 17 March 2017.	<p>I agree with this observation.</p> <p>Two batches of students were enrolled for two degree courses related to the technology stream for the 2015/2016 academic year and action will be taken to utilize the tractor and the plough concerned as learning equipment for their practical academic sessions.</p>	The machines concerned have already been put to use.
(c)	As per the report produced on the multi-purpose "3-Axis CNC" machine worth Rs. 14,060,480/- purchased for the Engineering Workshop in the year 2012, this machine had not been used for any purpose in the year 2013 and the year 2014. From the year 2015 even till the audited date on 30 April 2017 it had been used only for 46 ½ hours for five practical activities.	The 3-Axis CNC machine was purchased for the Faculty of Science and Technology for the purpose of giving CAD/CAM practical knowledge needed for students of the Mechatronics Division of the Science and Technology degree course as well as to provide subject knowledge to students of other degree courses. It was purchased for the Engineering Workshop in the year 2012. According to the information reported, this machine had only been used for five practical activities associated with the machine for 46 ½ hours as at 30 April 2017. Nevertheless since there are many unreported facts regarding practical courses associated with this instrument I have annexed herewith	Practical activities are conducted with this machine during the second semester of the Third Year in the Mechatronics section of the Science and Technology degree course and activities are conducted using this machine in the final semester projects of these students. I also wish to inform that arrangements are made to conduct practical activities using the machine for

		<p>those facts for your kind attention. In addition, a report on the practical activities that have been planned to be conducted in due course as well as on other activities associated with this machine has also been attached herewith. Furthermore, I wish to bring to your attention that the unique functions and facilities available in this machine cannot be obtained from any other instrument available at the University's workshop.</p> <p>This machine is introduced during the first semester of the Third Year in the Mechatronics section of the Science and Technology degree course and only ordinary tests associated with it are carried out. As such, the following activities are included in the First Semester of the Third Year.</p> <ol style="list-style-type: none"> <li>1. Introduction of the functioning of the CNC machine to students.</li> <li>2. Giving practical training to operate the machine single-handedly.</li> <li>3. Training students on the functioning of the machine using coding system.</li> <li>4. Conducting a practical test on cutting a given alphabetical character using the CNC machine.</li> <li>5. Conducting a practical test on cutting an alphabetical character of students' choice using the CNC machine.</li> <li>6. Conducting a practical test on cutting given shape using the CNC machine.</li> <li>7. Conducting a practical test on cutting a shape of students' own choice using the CNC machine.</li> </ol> <p>In-depth practical courses associated with this machine are included in the Fourth Year. This machine is used in various ways for research activities of the Final Year students and</p>	<p>students of the newly-started Faculty of Technological Studies. I further inform you that the machine is in proper condition.</p>
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		the Academic Staff of the University.	
(d)	A consignment of 1,306 packs of A3 sheets purchased without considering the requirement in the years 2014 and 2015 remained in the stores without any use as at 17 June 2017.	I agree with this observation. However, A3 type photocopy paper is used in the Examinations Division of the University for printing question papers and I will take steps to use the stock of paper concerned during this year.	A3 type sheets of paper purchased in the previous years are used for examination affairs. Out of the 1,306 packs of sheets of paper of A3 size, 521 packs have been issued in the year 2017 and 785 packs remained as at 31.12.2017.
<b>4.5 Under-Utilization of Funds</b>			
(a)	It has been observed that the objectives of the Uva Industry Centre Fund, Vice Chancellor’s Fund and the Welfare Fund have not been achieved as a sum of Rs. 3,340,990.00, which is the total of the three Funds, has not been put to use.	I agree with this observation. Although sources of funding have been defined for these funds, clear instructions have not been prepared regarding their utilization. I will take steps to prepare a set of instructions and obtain the approval of the University Council for it.	As stated in the Audit Report, these funds have not been used for any purpose during the year 2016.  However, the Financial Committee at its 48th meeting held on 25.08.2017 recommended the appointment of a Committee to prepare a set of instructions regarding the use of these funds. That recommendation has been approved at the 126th Meeting of the Council and I expect to use the funds upon the recommendations of the Committee.
(b)	As the Welfare Fund and the Special Requisites Fund had not	I agree with this observation.	As stated in the reply, I intend

	<p>invested Rs. 177,364 and Rs. 1,894,530 respectively, the Funds have lost their interest income.</p>	<p>The Welfare Fund and the Special Requisites Fund have been established recently under the approval of the Finance Committee and I will take immediate action to invest these balances in a source which generates interest income.</p>	<p>invest these funds on the recommendation of the Committee.</p>
<p><b>4.6 Procurement and Contract Process</b></p>			
<p>The University Grants Commission had awarded the contract for the construction of buildings worth 350 million rupees under stage I of the Uva Wellassa University construction project on design and construction basis to the Central Engineering Consultancy Bureau deviating from the procurement process. In the year 2007 the University entered into a new agreement with the contractor under the measure-and-pay method. Accordingly, the relevant approval for entering into this new agreement was not submitted for the audit and an extra sum of Rs. 10,622,507 had been paid due to price fluctuations according to conditions stated in the new agreement on a request made by the contractor.</p>	<p>In calculating the CIDA price changes 90% on the BOQ value was taken according to the terms (Formula) of ICTAD. The difference referred to has occurred because calculation was done at 50% at the audit.</p> <p>However, we have made the payment subject to 90% contribution of the BOQ amount and the amount allocated for price fluctuation in the agreement referred to. As such, I wish to point out again that no overpayment has been made.</p>	<p>In calculating the CIDA price changes 90% on the BOQ value was taken according to the terms (Formula) of ICTAD. The difference referred to has occurred because calculation was done at 50% at the audit.</p> <p>However, we have made the payment subject to 90% contribution of the BOQ amount and the amount allocated for price fluctuation in the agreement referred to. As such, I wish to point out again that no overpayment has been made.</p>	
<p><b>4.7 Staff Administration</b></p>			
	<p>Ten approved Professor posts of the University and 21 Lecturer posts in the Faculty of Animal Sciences and Export Agriculture and the Faculty of Science and Technology remained vacant and five excess Lecturer posts existed in the</p>	<p>Academic Staff</p> <p>It is reported that no applications that meet the requirements had been received when newspaper advertisements were published on previous occasions for</p>	<p>Recruitments are made at present according to the new Cadre Report in effect from 01.02.2017.</p>



	<p>Faculty of Management. In addition, action had not been taken to recruit for 43 vacancies in the Academic Staff of the University according to the University Grants Commission Circular No. 876 dated 06.06.06.</p>	<p>the posts of Professor and action has been taken to publish newspaper advertisements again to call applications from those who have completed qualifications as per Circular 916. All the interviews pertaining to newspaper advertisements published in the years 2015 and 2016 have been completed and the actual number of vacancies in the Academic Staff has been reduced to 16 by 31.12.2016. As the number of post in the Faculty of Management was not adequate, action had been taken to recruit five Lecturers setting off against the vacant positions in other Faculties.</p> <p>Non-Academic Staff</p> <p>Activities for recruitment for the Non-Academic Staff are being conducted in accordance with the relevant Recruitment Procedure and it was possible to reduce the 70 vacancies existing in the previous year to 43 as at 31.12.2016.</p>	
<p><b>05. Accountability and Good Governance</b></p>			
<p><b>5.1 Combined Plan</b></p>			
<p>The above-mentioned Combined Plan did not contain a review of the operational outcomes regarding the previous three years as per paragraph 5.1.2 of the Public Enterprise Circular No. PGD/12 dated 02 June 2003. The Combined Plan had not been presented to that annual progress could be evaluated because the financial figures had not been cited for targets to be achieved.</p>	<p>The Combined Plan has been prepared for a period of five years from 2016 to 2020. Activities are conducted according to an Action Plan prepared annually. I will take steps to submit a review separately on operational outcomes in the previous years.</p>	<p>The service of Dr. P.H.T. Kumara is to be sought on the instructions of the Dean of the Faculty of Management for preparing the revised Combined Plan for the next three years as decided in the Audit and Management Committee.</p>	
<p><b>5.2 Action Plan</b></p>			

<p>Although the Action Plan should be prepared annually as per paragraph 04 of Public Finance Circular No. 01/2014 dated 17 February 2014, it had been prepared for a period of five years from 2016 to 2020 and the updated organizational structure of the University and the approved and actual cadre had not been included in it.</p>	<p>The Action Plan has, as part of the Combined Plan, shown the manner in which each activity was performed separately in respect of each year.</p> <p>The organizational structure stated under No. 1 in the draft report is included in the Action Plan while the annual budget and the financial outcomes have not been included in the Financial Statements. In addition, I will make arrangements to include the Internal Audit Plan in the Action Plan in future.</p>	<p>Instructions have been issued to prepare Action Plans separately for the next three years as decided at the Audit and Management Committee.</p>	
<p><b>5.3 Internal Audit</b></p>			
	<p>Although an Internal Audit Division with a cadre of three officers including a Senior Assistant Internal Auditor and two Internal Auditing Officers responsible directly to the Vice Chancellor had been established, a Senior Assistant Internal Auditor had not been recruited.</p>	<p>The Senior Assistant Internal Auditor attached to the University resigned with effect from 30 November 2016. Therefore requests have been made to take suitable measures to fill the vacancy by letters addressed to the Chairman of the University Grants Commission dated 1 December 2016, 20 February 2017 and 24 March 2017. In reply to those letters, the Secretary to the University Grants Commission has, on 16 May 2017, given approval to recruit a Senior Assistant Internal Auditor on contract basis for a period of three months. Action is being taken to hold an interview to fill that vacancy.</p> <p>The Senior Assistant Internal Auditor of the Sabaragamuwa University has been attached for the duties at the Internal Audit Division on covering basis with effect from 27.01.2017 to maintain the affairs of the Internal Audit Division without a constraint.</p>	<p>A Senior Assistant Internal Auditor has been appointed on contract basis on the approval of the University Grants Commission with effect from 09 August, 2017.</p>

<b>5.4 Procurement Plan</b>																							
(b)	The main Procurement Plan had not been updated as per 4.2.1 of the Government Procurement Guide.	I cannot agree with this observation. The detailed Procurement Plan for the year 2017 has been prepared. The Procurement Progress Review Meetings have been conducted every month since April 2017 and the associated Procurement Plan for 2017 has already been updated.	Procurement Plan has been updated in the year 2017.																				
<b>5.5 Budgetary Control</b>																							
	The total provisions and expenditure of the University for the year under review is given below:		The budget prepared in the beginning of the year 2016 was altered during the year 2016 based on the operational and other variations which occurred during the year. I intend to use the budget as an effective management control in future.																				
	<table border="1"> <thead> <tr> <th>Description</th> <th>Provision</th> <th>Utility</th> <th>Difference</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Recurrent</td> <td>638,000,000</td> <td>481,336,815</td> <td>156,663,185</td> <td>25%</td> </tr> <tr> <td>Capital</td> <td>600,000,000</td> <td>266,839,401</td> <td>333,160,599</td> <td>56%</td> </tr> <tr> <td></td> <td>1,238,000,000</td> <td>738,176,216</td> <td>489,823,784</td> <td></td> </tr> </tbody> </table>	Description	Provision	Utility	Difference	%	Recurrent	638,000,000	481,336,815	156,663,185	25%	Capital	600,000,000	266,839,401	333,160,599	56%		1,238,000,000	738,176,216	489,823,784			
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(a)	Rs. 333,160,599 had been left unused out of an allocation of Rs. 600,000,000 provided from the revised budget estimate in the year 2016 for Capital Expenditure and the amount left unutilized was 56 % from the total Capital allocation.	I agree with this observation. The reason for the non-utilization of this amount out of the Capital Expenditure allocated for the construction work was the non-implementation of the construction work of Phase II of the Uva Wellassa University Construction Project due to the deviation of the scope of the project and the inability to carry out the construction in the planned site because several industrialists had not left the University premises.																					
(b)	Rs. 156,663,185 had been left unutilized out of an allocation of Rs. 638,000,000 provided from the revised budget estimate for Recurrent Expenditure and the amount left unutilized was 25 % from the total Recurrent allocation.	Rs. 156,663,185 out of the Recurrent Expenditure was left unutilized mainly because part of the allocation for paying salaries was saved due to vacancies existing in the Academic and Non-Academic Staffs.																					
(c)	The actual income received from self-financing programmes and Rs. 14,202,090 received from other programmes had not been identified in preparing the budget estimate.	I cannot agree with this observation. The income from the self-financing programme is included under the heading "Income from Extension Programme" amounting to Rs. 24,687,000 under "Form No. II – Revenue Estimates" in the budget 2016 and other incomes have been shown under each heading.																					

(d)	Recurrent receipts amounting to Rs. 10,000,000 stated as other grants in the budget estimate for the year under review had not been collected.	I cannot agree with this observation. The budget estimate for the year does not include other grants whatsoever.	
(e)	Although a recurrent expense of Rs. 3,451,957 had been borne as expenditure on self-financing programme during the year 2016, that value had not been identified in making estimates.	I cannot agree with this observation. The expenditure on the self-financing programme for the year 2016 has been included under the heading "Expenditure on Extension Programme" in Form III under Recurrent Expenditure in the budget 2016.	
(f)	The capital expenditure of Rs. 74,884 charged for the acquisition of lands had not been identified in preparing the budget estimates.	I agree with this observation. The expenditure concerned has been borne for survey activities associated with the acquisition of a land adjoining the University premises.	
(g)	Although the total recurrent revenue for the year 2016 was estimated as Rs. 638,000,000, an income of Rs. 496,107,836 had been derived. Its difference was Rs. 141,892,164 and it represented 22 % as a percentage of the total estimated recurrent revenue.	I agree with this observation. A variation from the total estimated revenue is observed in the actual recurrent revenue because the recurrent grants received were less than the allocations.	
(h)	Although Rs. 638,000,000 had been estimated as Recurrent Expenditure, an under-utilization of Rs. 156,663,185 was observed due to utilization of only Rs. 481,336,815 from the allocation.	Reply is shown under 5.5 (b).	
(i)	The revenue expected to be collected as Capital Revenue was Rs. 600,000,000 during the year under review and the revenue actually generated was Rs. 262,700,000. The difference between the two had been Rs. 337,300,000 and as a percentage of the total estimated capital revenue the difference was 56%.	I agree with this observation. A variation is observed between the amount expected to generate as capital revenue and the capital revenue actually generated in the year under review was due to receipt of capital grants less than the allocated capital grants.	
(j)	Although a sum of Rs. 600,000,000 had been estimated as Capital Expenditure, a sum of Rs. 266,839,401 had been utilized while under-utilization by Rs. 333,160,599 was observed. As a percentage of the total estimated capital expenditure, this balance was 56%.	Reply is shown under 5.5 (a).	

<b>6. Systems and Controls</b>		
The Vice Chancellor of the University was informed from time to time of the weaknesses in systems and controls observed during the audit. Special attention need be given to the following aspects of control:-		
<b>System and Control Area</b>	<b>Observations</b>	More attention has been drawn for the relevant areas
a) Accounting	Non-observance of Accounting Standards; Prevalence of accounting deficiencies and unreconciled accounts	
b) Asset Management	Non-revaluation of fixed assets; non-maintenance of Fixed Assets Registers properly.	
c) Stores Control	Weak stock management; non-reflection of stocks in Financial Statements.	
d) Staff Administration	Prevalence of staff vacancies as well as excess employees	