

National Centre for Advanced Studies in Humanities and Social Sciences - 2011

1. Financial statements

1.1 Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the National Centre for Advanced Studies in Humanities and Social Sciences as at 31 December 2011 and its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

1:2. Comments on Financial Statements

1:2:1. Non-compliance with Laws, Rules, Regulations and Management Decisions

Draft annual report had not been submitted along with the financial statements in terms of Treasury Circular No. PED/12 dated 02 June 2003 in paragraph 6.5.1.

2. Financial and Operating Review

2:1. Financial Results

According to the financial statements presented, the working of the Centre for the year ended 31 December 2011 had resulted in a deficit of Rs. 149,080 as against the surplus of Rs.435,775 for the preceding year thus indicating a deterioration in the financial results by Rs.584,855. Increase of academic allowance and incurring additional expenses for providing consultancy services had mainly affected for this deterioration.

3. Operating Review

3:1. Performance

The following observations are made.

- (a) Although a scholarship beneficiary should complete the Degree in Master of Philosophy within the period from 3 years to 5 years, twenty two scholarship beneficiaries, out of the sixty beneficiaries of the year

2005 and twenty one scholarship beneficiaries, out of the fifty nine beneficiaries of the year 2006 could not complete the courses up to the end of the year under review. .

- (b) A sum of Rs.2,621,897, out of the scholarships paid for 04 scholarship beneficiaries whose scholarships had been cancelled after awarding scholarships for the period from 2005 to 2011, had not been recovered from the relevant institutions.
- (c) Action had not been taken to obtain the half yearly progress report as specified, from 04 scholarship beneficiaries of Master Degree.

4. Accountability and Good Governance

(a) Corporate Plan

The following Divisions had not been included in the Corporate Plan prepared for the period 2011 - 2015 in terms of Treasury Circular No. PED/12 dated 02 June 2003 in paragraph 5.1.2 .

- (i) Resources belonging to the Institution
- (ii) Review of operational results for the preceding 3 years
- (iii) Action Plan prepared clearly showing the management responsibilities relating to the achievement of objectives and goals.
- (iv) Performance indicator.

(b) Action Plan

According to the Action Plan, it was planned to conduct 04 training workshops, 03 conferences, 01 research conference and 06 erudite meetings during the year under review. However, 01 training workshop, 01 conference and 01 erudite meeting had been conducted.

5. Systems and Controls

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

- (a) Award of Scholarship
- (b) Recruitment
- (c) Administration of Electronic Library