

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

1. Financial Statements

1.1 Opinion

So far as appears from my examination and to the best of information and according to the explanations given to me, I am of opinion that the Institute of Biochemistry , Molecular Biology and Biotechnology Affiliated to the University of Colombo had maintained proper accounting records for the year ended 31 December 2010 and except for the effects on the financial statements of the matters referred to in paragraph 1.2 of this report, the financial statements have been prepared in accordance with Generally Accepted Accounting Principles , give a true and fair view of the state of affairs of the Institute of Biochemistry, Molecular Biology and Biotechnology Affiliated to the University of Colombo as at 31 December 2010 and the financial results of its operations and cash flows for the year then ended.

1.2 Comments on Financial Statements

1.2.1 Non - compliance of Laws Rules & Regulations.

Although the approval of the General Treasury for investing funds by the Institute should be obtained in terms of Public Enterprises Circular No PED 25 dated 29 July 2004 the approval as per the Circular Institution had not been obtained in respect of fixed deposits amounting to Rs. 1,460,360 and Rs. 227,771 respectively deposited by the Institute during the year 2009 and 2010.

1.2.2 Transactions not Supported by Authority

A sum of Rs.13,570 had been paid in the year 2010 as allowances, for proficiency in the second and third languages in accordance with a Circular issued by the University Grants Commission contravening the Public Enterprises Circular No.95 of 14 June 1994. Contrary to the National Budget Department Circular No BD/INS/CLUS-A/078 dated 18 July 2003 an overpayment of Rs.81,255 had been made to the Universities Provident Fund and the Employees Trust Fund due to the erroneous computations made by adding the academic allowances to the salaries.

2. Financial and Operating Review

2.1 Financial Performances

2.1.1 Financial Results

According to the financial statements presented 31 December 2010, the operations of the Institute for the year under review before taking into account the Government Grants for recurrent expenditure had resulted a deficit of Rs. 28,568,771 as compared with the deficit of Rs. 25,429,090 for the preceding year. After taking into account the Government Grant of Rs. 26,200,000 for recurrent expenditure, the deficit for the year under review had been reduced upto of Rs.2,368,772 and due to the Government Grant of Rs.28,850,000 received for the recurrent expenditure of the preceding year the deficit had been converted to a surplus of Rs.3,420,909. Decrease of revenue by Rs..1,738,316 and increase of expenditure by Rs.4,051,366 had been effected specially for Deficit for the year by Rs.5,789,682.

2.2 Operating Review

2.2.1 Performance

Following observations are made.

- (a) Two Master of Science courses had been conducted during the year under review and total number of students registered stood at nineteen. Ten students had completed the degree. The average cost per student amounted to Rs. 381,447 thus indicating an increment of Rs. 19,215 as compared with the preceding year
- (b) The total number of students registered for the Postgraduate Course in Master of Philosophy had been 6. Out of the said number, only one student had completed the degree. Duration of the courses (full time/part time) had been from 03 to 05 years.
- (c) The number of students registered for the course in Doctor of Philosophy had been 12 and only one student had completed the degree. Duration of the course (full time/part time) had been from 03 to 05 years.
- (d) The number of students who had followed and successfully completed the postgraduate courses as at the end of the year 2010 had been 41 and comprised 07 in Master of Philosophy, 20 in Master of Science and in Molecular Life and 14 in Master of Science in Cellular and Molecular Immunology.
- (e) Twenty Nine research projects covering 08 fields had been conducted. Research activities of 10 projects had been completed and the reports thereon had been issued. Research activities of 19 projects are being conducted.
- (f) Services of 22 visiting lecturers had been obtained for the postgraduate courses. Those lecturers had delivered 175 hours of lectures and the cost incurred on visiting

lecturers amounted to Rs. 213,550. Thus the cost per lecture hour amounted to Rs. 1,220.

- (g) Examinations for twelve postgraduate courses had been conducted during the year under review and 78 students had sat for them. Results of those examinations had been issued during the year 2010.