



Annual Report

2016

Homoeopathic Medical Council

**Ministry of Health, Nutrition and
Indigenous Medicine**

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01. Summary

The Annual Report which includes the overall performance of the Homoeopathic Medical Council during year 2016 is published herewith. The purpose of the submission of Annual reports is to set up the basis required for the evaluation of its function in relation to the vision and objectives of the Medical Council. Medical Council is to provide the basis for annual assessment of its performance with regard to its annual report.

In early 2016, Homoeopathy Medical Council was operated by a homoeopathic interim administrative committee like in the previous year. However, the year 2016 ended with the Homoeopathic Medical Council reaching a decisive junction in its history. That is, the structure of the Medical Council was subjected to a broad and influential change. By the new Homoeopathic Act No. 10 of 2016, enforced with effect from 22nd August 2016 replacing the existed Act No. 7 of 1970 which was effective so far, the composition of the Medical Council then consisted only of Homoeopathic doctors was restructured in the way it includes the permanent senior public officers in the Ministries of Health, Education and Finance. The new Act has, therefore, acted on the basis of the continuing guidance and support of the permanent public service in every action in the accomplishment of its objectives.

In addition to taking steps to promote homoeopathic medicine as a public health service, taking actions to improve the 7 public homoeopathy clinics established in 07ndistricts being operated by the medical council, the new Homoeopathic interim medical council decided at its first meeting to commence seven new clinics,

At the same meeting, several important decisions were arrived including the registration of 7 homoeopathic graduate doctors, issuing the identity cards for the doctors registered in the general register, as well as the commencement of the required actions to conduct the examination for the registration of Medical Professionals who engaged in the medical profession for more than 05 years in terms of section 30 (1) of the Act.

This report will provide a great opportunity to measure the contribution made during year 2016 to achieve the objective of the Homoeopathic Medical Council whose vision is to develop physical and human resources required for the promotion of Homoeopathic medicine and the objective of the Ministry of Indigenous Medicine to introduce policies and strategies to improve this system of Homoeopathy.

02. Introduction

Homoeopathic Medicine may be introduced as a system of medicine founded on the natural phenomenon of "Like cures like". Dr. Christian Friedrich Samuel Hahnemann; a German scientist who lived in 18th Century is the founder of this system of medicine. Today, arrangements are being made to bring the homoeopathy's medical system which is being scientifically and technologically advanced to a powerful status in the public healthcare system..

Accordingly, the Government of India has transferred homoeopathic medicine to National Health Service and provided not only to provide the country's homoeopathic hospital system, but also homoeopathic medicine factories and homoeopathic research institutes, homoeopathic drugstores and homoeopathic research institutes.

For instance, this fact is clearly explained since the Government of India did not limit to the provision of Homoeopathic treatments to its public through its hospitals and Homoeopathic clinics spread all over the country by absorption of the system of Homoeopathic Medicine into the National Health Service but they have established universities granting homoeopathic medical degrees, homoeopathic medicine factories and homoeopathic research institutes.

The Homoeopathic Medical Council of Sri Lanka was established by the Homoeopathic Act No.07 of 1970 and it has been entrusted with the task of establishing and developing homoeopathic medical system in Sri Lanka.

But, finally the medical council was collapsed in face of the legal and structural barriers arisen there. However, the homoeopathic Act No. 10 of 2016 was passed by Parliament with the intention of overcoming these challenges. In terms of the section 51 of the Act, an interim medical council was established in 2016 as its original form of Homoeopathic council in order to fulfill the task of restoring the homoeopathic Medical Council under section 2 of Part I in the new Act. The Homoeopathic interim medical council appointed by the Honorable Minister

consists of 4 homoeopathic doctors and six public officers. The Registrar of the Homoeopathic Medical Council is the Secretary of this council.

Seven homoeopathic clinics have been established in seven districts with the purpose of promoting homoeopathic medical system as a public health service which comes under the role of homoeopathic medical council in achieving its objects. These places are Dehiwala, Parakaduwa, Monaragala, Palamunai, Matale, Kurunegala and Tholangamuwa.

03. Homoeopathic Medical Council

Vision

“Promotion of the Homoeopathic Medical System up to the level of National Health Services”

Mission

“Popularization, upliftment and development of Homoeopathic Medical System, by creating appropriate policies with regard to the promotion of human and physical resources pertaining to it”

Objectives

Qualitative development of the professional education and the health services in the field of Homoeopathy and establishment of the well- being of patients through the employment of skilled professionals with merit and experience for the conservation of the healthy persons devoid of diseases by conferring the professional legal status to ensure the professional status and the qualitative aspect in accordance with the provisions of the Homoeopathic Act No.10 of 2016.

04. Background

Homoeopathic Medical Council is mainly a professional body. First council is nominated as the Homoeopathic Interim Medical Council in terms of the Homoeopathic Act No. 10 of 2016 and the members of the first Homoeopathic Medical Council are appointed as per the Homoeopathic Act by the Hon. Minister in charge of the subject. The frequent medical council is consisted with 11 members appointed by the Hon. Prime Minister; including three government officials appointed officially, five members elected among the medical professionals by a vote, and compulsorily two homoeopathic doctors. While The Hon. Minister has been entrusted with the power to make rules in order to implement the policies and provisions of the Act, the power of formulating the regulations in relation to the prescribed fields in accordance with the Act is vested on the Council.

Rules and Regulations

Any orders which were effective on the date of the commencement of the new Homoeopathic Act No.10 of 2016 are deemed as the regulations made in accordance with this Act, until such regulations are made under this Act. Since the arrangements are being made at present in order to prepare the regulations under the new Act, the existing regulations which were effective under the Homoeopathic Act No. 07 of 1970 are still in force.

Orders issued in accordance with the Homoeopathic Act No. 07 of 1970

1. Homoeopathic Regulations - 1980
(Regulations for the registration of medical professionals and importation of homoeopathic drugs)
2. Rules of the Medical Council - 1981
3. Electoral Regulations of the Homoeopathic Medical Council - 1998

Establishment of the Homoeopathic Medical Council

The first homoeopathic medical council in the country was appointed by the Hon. Minister in charge of the subject in 1979, in accordance with the Homoeopathic Act No. 07 of 1970. Although the Medical Council should be appointed every five years by the vote of the Medical Professionals (except the First Medical Council), the Medical Council has not been continuously appointed. Subsequent to 1979, the second Medical Council and the third medical were appointed respectively in year 1979 and the Minister in charge of the portfolio dissolved the third medical council before the end of its term of office and appointed a new council for next two years after 1979 was second in 1979 and the third in 2006, while the Medical Council third at the Council was dissolved by the Minister of Health before the end of 2009 and a new medical council was appointed for the remaining two years.

Its term of office expired on 30th January 2011. Homoeopathic interim committees were appointed by the Hon. Minister or the Secretary of the Ministry on the approval of the Cabinet of Ministers in order to carry out the activities of the medical council until a new act was brought in to eliminating the shortcomings of the homoeopathic Act which was in force at that time. From July 16, 2011, until the new homoeopathic Act No. 10 of 2016 was introduced, the activities of the homoeopathic medical council were operated by an interim committee. There were 05 interim committees appointed as such. During this period, the homoeopathic interim committee could receive the support from the technical committee of the homoeopathic medical practitioners.

Homoeopathic Interim Medical Council

Subsequent to the new homoeopathic Act No. 10 of 2016 was passed, Hon. Minister of Health, Nutrition and Indigenous medicine appointed a homoeopathic interim council on 21st October 2016 in terms of the powers vested on him by the Act. The new Homoeopathic Act No. 10 of 2016 was approved by the Hon. Minister of Health, Nutrition and Indigenous Medicine on 21st October 2016 in order to appoint a Homoeopathic Interim Committee in accordance with the Act. The Homoeopathic Medical Council is first appointed in accordance with the Act. Its term of the office is two years. The main task of this council is to prepare the initial draft in relation to the formulation of regulations required to enforce the Act and to get it resolved.

05. Objectives of the Medical Council

The objectives of the Homoeopathic Medical Council in terms of the Homoeopathic Act No. 10 of 2016 are as follows.

01. Promotion, advancement and regulation of engaging in homoeopathic medical profession;
02. Promote homoeopathic medical system in the society with the purpose of promoting public health according to homoeopathic medical system;
03. Studying and doing experiments about homoeopathic medical system and promotion and encouraging of engaging in homoeopathic medical profession;
04. Establishment and maintenance of homoeopathic institutes;
05. Regulation and Control of Homoeopathic Institutions providing treatment for Homoeopathic remedies other than the government Homoeopathic Hospital;
06. Regulation and Control of Homoeopathic Medicines, Drugs and Other Preparations, Products, Import, Storage, Sale and Distribution.

06. Powers vested in the Medical Council

As per the Regulation No. 16 of the Act, the powers vested in the Homoeopathic Medical Council are as follows

01. Registration of Homoeopathic medical Practitioners, Homoeopathic Pharmacists, Homoeopathic Nurses, and Homoeopathic Institutions;
02. Accept or reject the educational qualifications of homoeopathic medical professionals;
03. Certification from the institutions that granted qualifications to homoeopathic medical practitioners;
04. Appointment of Inspectors to regulate homoeopathic medical colleges or institutions;
05. Provide treatment services according to the homoeopathic medical system;
06. Establishment and maintenance of homoeopathic institutes and preparing postgraduate courses;
07. Importing or exporting Homoeopathic medicines;
08. Encouraging of producing homoeopathic drugs scientifically;
09. Specifying and maintaining minimum standards for homoeopathic medical care, equipment, courses and examinations;
10. Awarding scholarships and other facilities for those who follow homoeopathic subjects, encouraging Homoeopathic research institutions, providing financial and other reliefs to required institutions and individuals;

11. Specifying minimum Medical Education Standards on Post Graduate Homoeopathic Medical Education and maintaining them;
12. Improving the public health service according to homoeopathic medical system;
13. Work with higher educational institutes to confer degrees and other academic excellence in relation to the medicine;
14. Taking actions in relation to the Establishment of a homoeopathic medical school in accordance with the Universities Act No. 16 of 1978;
15. Establishment of the Board and the Committees which would be required to carry out the work and the function of the Council, with the approval of the minister;
16. Assigning some powers or functions to an officer or a committee;
17. Formulating the regulations for the implementation and execution of the powers, duties and functions of the council;
18. Execution and carrying out the powers and functions under the Act;

07. Membership and term of office of the Medical Council

The Homoeopathic Medical Council, including the Chairman consists of 011 members in terms of the Homoeopathic Act No. 10 of 2016. Eleven persons are appointed including a senior official of the Ministry who is appointed in ex officio, a treasury representative and three public officers with a representative of the University Grants Commission, five persons elected among homoeopathic medical professionals and two homoeopathic doctors compulsorily and three elected by the minister. The Secretary of the Medical Council / Registrar is appointed by the Hon. Minister with the approval of the Council. The council will be appointed for three years while the registrar is appointed for 5 years.

08. Corporate information

Name of the Institution	:-	Homoeopathic Medical Council
Address	:-	No. 94, Shelton Jayasingha Mawatha, Welisara, Ragama
Telephone No	:-	011-2958175
Fax	:-	011-2958175
E-mail	:-	homosri.mcouncil@gmail.com
Position of the Corporate Institution	:-	The Homoeopathic Medical Council has been set up with the powers and objectives as per sections 15,16 and 17 of the Homoeopathic Act No. 10 of 2016.
Administrative Structure	:-	Secretary/Registrar Doctors in charge Management Assistant Dispense Office Assistant
Bankers	:-	Bank of Ceylon - Taprobane Branch, Colombo 01. Commercial Bank, Ja-ela Branch.

09. Action Plan of the Medical Council - 2016

Objective 01

Giving due recognition to the Homoeopathic System of Medicine.

Strategies

- To build up the public trust through the treatment for patients
- Build confidence about the medical system among adults and children
- Making aware officers of the Ministry and all other institutions
- Making aware the people about Homoeopathic Medical System. Through medias
- Increasing the cordiality among homoeopathic practitioners.

Objective 02

Introducing a specific administrative approach acceptable to the Homoeopathic Council

Strategies

- Formulate regulations on the administration policy of the Homoeopathic Medical Council.

Objective 03

Re- establishment of a Homoeopathic Public Health Council

Strategies

- Receiving the approval for the changes in the recruitment structure.
- Salaries and cadre
- Receiving the approval of the commission

Objective 04

Generation of Homoeopathic Medical Practitioners and paramedics and promotion of their knowledge and skills

Strategies

- Formulation of by-laws and accepting them and establishment of Homoeopathic medical colleges

Objective 05

Ensuring market and availability on Homoeopathic medicine and products

Strategies

- Formulation of by-laws
- Raising funds for the establishment of Homoeopathic medical stores and pharmacies.

10. Operation of the Homoeopathic Medical Council - From January to December 2016 -

1. Management and Maintenance of Clinics.

While the 07 government homoeopathic clinics established in 07 districts under the homoeopathic medical Council were successfully maintained by the medical council during this year, the following steps were followed to improve this service.

- To take steps to establish in the government permanent buildings with clinical facilities. Under this the Monaragala government Homoeopathic clinic was established in a spacious government building.
- Purchase of plastic containers and wrappers used for issuing the drugs for the patients in order to supply for the Homoeopathic clinics which was a long-standing need of doctors. The growth of the number of the patients coming for the clinics reflected that this situation has effected to secure the quality of the drugs and to maintain the homoeopathic treatments in in an advance level.

2. Performance of the clinics

77,485 patients have received treatments during the year from the under mentioned 7 clinics supervised by the Medical Council.

Clinic	No. of patients
Dehiwala	16,401
Monaragala	4,489
Palamunei	12,748
Matale	8,158
Kurunegala	10,757
Parakaduwa	13,054
Tholangamuwa	11,878
Total	77,485

3. Conducting homoeopathic mobile clinics

During this year the Medical Council has conducted 13 mobile Homoeopathic clinics with the coordination of the government homoeopathic clinics which are operated by the homoeopathic hospital in Welisara in collaboration with the Government Homoeopathic Hospital in Welisara. Homoeopathic mobile clinics organized with the objective of extending the homoeopathic medical system to a public health service were held at Homagama, Maharagama, Udathuthiripitiya, Bollegala, Warakapola, Ratnapura, Negombo, Chilaw, Weligalla and at the premises of Attorney General's Department and 1,121 patients participated in it.

4. Making the public aware on homoeopathic medicine through the medias

Twelve television programs were conducted with the participation of the medical officer in charge of the staff of the Dehiwala Medical council in order to educate the public on homoeopathic medical system.

Also, 776 patients attended in the "Purawara Saraswara" CSR Program conducted by the Dehiwala Mount Lavinia Municipal Council. Also, 160, 100 and 150 patients were present respectively in the mobile clinic conducted at the Kelaniya University premises, in Weligalla, and at the Girls' High school Mt. Lavinia under the participation of the said lady doctor.

The participation of patients in government homoeopathic clinics has significantly increased following these programs.

5. Registration of Homoeopathic Doctors

In India, seven persons who obtained the homoeopathic medical degree were registered as the homoeopathic doctors.

6. Updating the list of Homoeopathic doctors

The list of valid and updated Homoeopathic doctors for the year 2016 was published in the gazette in three languages.

7. Homoeopathic Interim Council

Similar to the previous years, the functions of the homoeopathic medical council was carried out by the homoeopathic interim council appointed on a cabinet approval until the new homoeopathic Act No. 10 of 2016 was enforced on 22nd August 2016.

Changes of the interim committee

Mrs. Vijitha Seneviratne; the Additional Secretary of the Ministry of Indigenous Medicine who was the Chairperson of the Homoeopathic Interim Committee since the beginning of the year 2015, resigned from the post due to a transfer. 2016 On 3rd of March 2016, a new Homoeopathic Interim Committee was appointed by the Secretary, Ministry of Health, Nutrition and Indigenous Medicine. Accordingly

- Mrs. Geethamani Karunaratna, Additional Secretary (Development) - Chairman, Indigenous Medical Sector
- Mrs. W.A.C.S.Priyadrashani, Accountant (Chief) - member
Indigenous Medical Sector
- Dr. A. J. M. Munawar - member
Government homoeopathic hospital

However, the Homoeopathic Interim Committee meetings were held only four times in this year.

Date	Committee session
1. 19.01.2016	37
2. 30.03.2016	38
3. 27.04.2016	39
4. 01.06.2016	40

8. New Homoeopathic Act and New Homoeopathic Interim Council

The new Homoeopathic Act No. 10 of 2016 passed by the Parliament came into effect from 22nd August 2016 and the homoeopathic interim council which was the first medical council was appointed by the Hon. Minister for 02 years from 21.10.2016.

Members of the Interim Medical Council

01	Dr. Chandana Weerasekera	-	Chairman
02	Dr. Mohammed Munier	-	Vice Chairman
03	Mrs. Geethanami C Karunaratne (Additional Secretary) Development, Indigenous Medical Sector	-	member
04	Prof. Hemantha Senanayake University Grants Commission	-	member
05	Mr. D.P. Wimalasena Chief Accountant, Ministry of Finance	-	member
06	Deputy Director General (Data services) Dr. J.M.W. Jayasundara Bandara	-	member
07	Senior Prof. Gunapala Amarasingha Indigenous Medicine Institute, Colombo 08	-	member
08	Mrs. Herath Legal Officer, Ministry	-	member
09	Dr. Mrs. Chandani Herath Medical Officer in Charge (Acting) Homoeopathic Hospital	-	member
10	Dr. Mrs. Anusha Lokeshwara Madhupali	-	member

Accordingly, the first Homoeopathic met on 04th November took the decisions on the basis of the new Homoeopathic Act to implement a number of issues that had been paused.

1. Conducting the examination to be register the homoeopathic doctors who have served as homoeopathic practitioners over 5 years, as homoeopathic doctors in terms of section 30 (1) of the Act.
2. To commence a program to supply medicine to the doctors for an affordable price by importing them by the medical council.
3. Registration of 07 graduate doctors
4. To Issue identity cards to registered doctors in the general list
5. Deciding to recruit medical officers, dispensers and laborers to commence 07 new clinics.

Several important decisions were taken and implementation was commenced as above.

9. Scheme of Recruitment and changes in the cadre

Department of Management Services approved 29 new posts on 07th January 2016 under the homoeopathic Medical Council to start 07 new clinics and to provide additional employees for the existing clinics. Accordingly, it was approved to recruit following employees for the staff.

Doctors	08
Dispensers	07
Labourers	14

Accordingly, the number of new staff members approved by the Homoeopathic Medical Council increased to 48.

10. Recruitment for the staff

Godevithana Laknima Samadhi, who obtained the highest marks at the interview held to recruit for the post of vacant Management Assistant, was recruited to this post. But she left the service in April.

The interim committee decided to recruit Malsha Prathibhani, who scored for the second place at the interview to recruit for the post of Management Assistant. Accordingly, she was recruited on 01.08.2016.

The NVQ course for the dispensers that had been ceased by the National Apprentice and Industrial Training Authority due to the submissions made by those who are oppose to the medical council on the confusion built on the legal basis could be resumed on the request of the Secretary of the Ministry.

11. Commencement of new clinics

It was decided by the interim committee and then by the interim medical council to request the district secretariats to provide sufficient government buildings to start the clinics in seven selected districts subsequent to the approval for the posts for new 07 clinics and to forward this request through the Secretary to the Ministry. In both instances the request was formulated and handed over to the Ministry

12. Data and timely information

- List of names of Homoeopathic doctors registered up to 31st December 2015

Category	27-1-a	27-1-b	27-1-c	27-2	27-5	Registration must be confirmed
Registered doctors	55	10	83	49	70	02
Graduate	04	-	-	-	-	-
Diploma	51	-	-	-	-	-
General	-	10	83	49	70	-

Summary

	Registered doctors	Not formally registered	Registration updated for year 2016	Registration not updated for year 2016	Deceased
Total	267	02	149	72	46

13. Import of medicine

Approval has been granted for 16 requests made for importation of medicines from January to 30th December 2016

Their total value is USD. 45,556.39

14. Building repairs

The Ministry has assigned the homoeopathic medical college building to the Wattala Divisional Secretariat for the refurbishment. By the end of the year, over 90% of the task had been completed.

11. Audit Report

Year 2016 in which a new Homoeopathic Act was introduced, could be considered one of the decisive milestones in its history. The operations of the medical council which had been carried out by an interim committee since year 2011 were reassigned to a medical council from this year.

Due to the lack of sufficient staff in the Medical council, the indigenous medical sector continued its accounts affairs. Final accounts prepared for this year are presented herewith.

Although the activities of the medical council were not operated monthly in this year in which the Interim Committee and the interim medical council gathered respectively 4 and 2 times, it was able to bring most of the tasks which had been ceased for many years into operative status with the appointment of the interim council. The Annual Report has also presented the audit report issued by the Auditor General on audit accounts and on the performance of the Medical Council.

Dr. Chandana Weerasekera
Chairman
Homoeopathic Medical Council

Felicitations



Hon. Minister of Health, Nutrition & Indigenous Medicine

Hon. Deputy Minister

Secretary and Additional Secretaries

Male and female Members of the Homoeopathic Medical Council

Attorney General's Department

Auditor General's Department

The Registrar of the Homoeopathic Medical Council

&

The Staff

Final Accounts for the year ended as at 31.12.2016

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- ❖ Statement of Financial Status as at 31.12.2016
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- ❖ Financial Performance Statement for the year ended as at 31.12.2016
- ❖ Base Notes for Financial Performance Statements (From 1 to 7)
- ❖ Consolidated Cash Flow Statement for the year ended as at 31.12.2016
- ❖ Base Notes for Consolidated Cash Flow Statements (From 1 to 6)
- ❖ Trail balance as at 31.12.2016
- ❖ Report on Stock change as at 31.12. 2016

Homeopathic Medical Council
Statement of Financial Position as at 31st December, 2016

		2016	2015
Assets			
Current assets	Note		
Cash and cash equivalents	1	2,334,346	2,218,074
Non- current assets			
Plants and equipments	2	1,003,317	1,140,133
Building renovation		2,812,738	953,828
Other equipments		1,450.00	1,450
		3,817,505	2,095,411
Total Assets		6,151,851	4,313,485
Liabilities			
Current liabilities			
Payables	3	594,126	192,156
Non-current liabilities			
Total liabilities		594,126	192,156
Net assets		5,557,725	4,121,329
		6,151,851	4,313,485
Net assets/stocks			
Capital		2,562,144	2,562,144
Government Capital Allocation		3,430,957	1,572,047
Aggregate shortage/excess		(462,836)	(40,321)
last year adjustment account		27,460	27,459
Net assets/Stock		5,557,725	4,121,329

We certify that the responsibility of preparation and presenting this financial statement is borne by the Homeopathic Interim Council.

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 Registrar
 Homeopathic
 Medical Council

.....
 Chairman
 Homeopathic
 Medical Council

.....
 Committee Member
 Homeopathic
 Medical Council

.....
 Prepared by,
 Chief Accountant
 Unit of
 Indigenous Medicine

Note 1	2016	2015
Cash and cash equivalents		
Commercial bank	1,626,281	1,553,109
Bank of Ceylon	512,165	469,065
Bank of Ceylon, Rajagiriya	195,900	195,900
	2,334,346	2,218,074
Note 2		
Plants and equipment		
Plants and equipment (Purchased price)	2,323,316	2,323,316
Less:		
Accumulated Depreciation	1,319,999	1,183,183
Net value	1,003,317	1,140,133
Note 3		
Payables		
Employees Provident Fund payable		
Employees Trust Fund payable		
Dispensary charges payable	28,450	17,340
Medical Council, Meeting fees payable		
Audit charges payable	185,616	145,616
Telephone charges payable	647	5,964
Electricity payable	1,737	716
Travelling pay payable		1,567
Water charges payable	792	1,800
Staff pay and allowances payable		3,766
Office equipment repairs payable		
Refreshment charges payable		
Translation charges payable		14,487
Stationary cost payable		900
Expenses for Homeopathic exam payable		
Gratuity payable	376,884	
	594,126	192,156

Note 4

Submission of the account

No. "01" of Public Sector Accounting Standards (2009) of Sri Lanka.

Note 5

Every fixed asset has been depreciated based on the system of diminishing balances

Rate of depreciation is 12%

Irrespective of the date of purchase of assets during the year, depreciation is accounted for the whole of the corresponding year.

Irrespective of the date of disposal of the assets, no depreciation is accounted for the same.

Homeopathic Medical Council
Statement of Financial Performance as at 31st December, 2016

	Note	2016	2015
Revenue			
Recurrent provisions of the government		12,596,733	12,026,123
Other revenue	1	43,100	23,500
Bank interest		79,534	75,751
Total revenue		12,719,367	12,125,374
Expenses			
Salaries, wages and employee benefits	2	10,301,697	9,565,203
Supplies and consumable	3	18,845	57,770
Depreciation and gradual depreciation.		136,816	155,473
Other expenses	4	2,678,161	2,069,270
Legal charges			-
Financial expenditure (Bank charges)		6,363	6,060
Total expenditure		13,141,882	11,853,776
Deficiency/excess for the period of time		(422,515)	271,598

We certify that the responsibility of preparation and presenting this financial statement is borne by the Homeopathy Interim Council.

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 Registrar
 Homeopathic
 Medical Council

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 Chairman
 Homeopathic
 Medical Council

.....
 Committee Member
 Homeopathic
 Medical Council

.....
 Prepared by,
 Chief Accountant
 Unit of
 Indigenous
 Medicine

Note 1	2016	2015
Other revenue		
Annual fee	5,100	10,000
Miscellaneous receipts	38,000	13,500
	43,100	23,500
Note 2		
Salaries, wages and employee benefit		
Staff pay and allowances	8,961,708	8,306,477
Employees' Provident Fund	1,071,991	974,181
Employees Trust Fund	267,998	243,545
Allowance for trainee technical students		41,000
	10,301,697	9,565,203
Note 3		
Supplies and consumables		
Stationery expenses	6,002	10,363
Refreshment expenses	12,843	47,407
	18,845	57,770
Note 4		
Other expenses		
Miscellaneous expenses	21,679	46,952
Travelling expenses	6,070	20,660
Dispensary charges	333,450	144,000
Postal charges		10,585
Medical Council Meeting fees	168,000	108,000
Audit fees	40,000	20,000
Water charges	52,397	29,388
Electricity charges	21,290	15,403
Telephone bills	47,358	63,219
Printing charges	275,829	62,720
Advertisement fees		80,919
Office equipment and other equipments repairs	10,047	11,183
Office equipment and other equipments		52,067
Translation fees	17,587	17,806
Equipment for medical clinics (Bottles and covers)	1,290,440	1,145,241
Miscellaneous expenses for medical expenses	17,130	20,275
Fuel expenses		15,897
Scholarship expenses		198,890
Interview board fees		6,065
	376,884	
	2,678,161	2,069,270

Note 5

Submission of accounts

As per no. "01" of Public Sector Accounting Standards of Sri Lanka (2009). Further, this has been submitted in line with its "Displaying Classification of Expenditure on the Nature".

Note 6

The audit fees paid in relation to the years 2012 and 2013 have been credited to audit account and for this year have been allocated for audit fees.

Note 7

Based on the salary paid in December 2016 for permanent staff working in the Homeopathic Medical Council, the gratuity is allocated.

Homeopathic Medical Council
Consolidated Cash Flow statement as at 31st December, 2016

		2016	2015
Receipt of cash flow out of operational activities			
	Note		
Receipts			
Recurrent grants received from the Government		12,663,330	12,026,123
Bank interest		79,534	75,751
Other receipt	1	43,100	23,500
		12,785,964	12,125,374
Payments			
Workers' expenditure	2	10,277,013	9,572,761
Bank interest (Banking charges)		6,363	6,060
Other payments	3	2,386,317	2,453,362
		12,669,693	12,032,183
Net cash flow from operational activities		116,271	93,191
Net cash flow from investment activities			
Capital provisions received from the Government		1,858,910	-
Building renovation		1,858,910	-
Net cash flow from investment activities			
Net increase of cash and cash equivalents	4	116,271	93,191
Cash and cash equivalents at the beginning of the period	5	2,218,075	2,124,884
Cash and cash equivalents at the end of the period	6	2,334,346	2,218,075

We certify that the responsibility of preparation and presenting this financial statement is borne by the Homeopathic Interim Council.

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 Registrar
 Homeopathic
 Medical Council

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 Chairman
 Homeopathic
 Medical Council

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 Committee Member
 Homeopathic
 Medical Council

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 Prepared by,
 Chief Accountant
 Unit of
 Indigenous Medicine

	2016	2015
Note 1 : Other receipts		
Miscellaneous income	5,100	13,500
Annual fee	38,000	10,000
Fees for homeopathic exam		-
	43,100	23,500
Note 2 : Employees expenditure		
Employees' salaries and allowances	8,937,024	8,314,035
Employees' Provident Fund	1,071,991	974,181
Employees' trust fund	267,998	243,545
Allowances for training technical students		41,000
	10,277,013	9,572,761
Note 3: Other payments		
Miscellaneous expenses	21,679	46,952
Stationary	6,902	10,243
Travelling expenses	7,637	23,093
Dispensary charges		160,200
Postal fee		10,585
Medical Council meeting charges	168,000	124,000
Refreshment expenses	12,843	48,203
Water charges	53,405	29,195
Electricity charges	20,269	15,312
Telephone charges	52,675	64,500
Printing charges	275,829	62,720
Advertisement fee		80,919
Office equipment repairs	10,047	11,182
Deyata Kirula expenses		
Translation fees	32,074	25,532
Legal expenses		
Expenses for Homeopathic exam		
Equipment for medical clinic	1315910	1,145,241
Office & other equipment		52,067
Expenses for medical clinics	342,450	11,936
Expenses for Homeopathic exam		310,630
Fuel expenses		15,897
Scholarship expenses		198,890
Interview board charges		6,065
Audit fees	66,597	
	2,386,317	2,453,362

Note 4: net increase in cash and cash equivalents		
Year-end cash balance	2,334,346	2,022,175
Cash balance at the beginning of the year	2,218,075	1,928,984
	116,271	93,191
Note 5 – cash and cash equivalents at the beginning of the financial year		
Commercial Bank	1,553,110	1,483,419
Bank of Ceylon	469,065	445,565
Bank of Ceylon- Rajagiriya	195,900	195,900
	2,218,075	2,124,884
Note 6 -Cash and cash equivalents at the end of the period		
Commercial Bank	1,626,281	1,553,110
Bank of Ceylon	512,165	469,065
Bank of Ceylon- Rajagiriya	195,900	195,900
	2,334,346	2,218,075
	116,271	93,191
comparison of net excess/deficit from general activities with the net cash flow from the operational activities		
Net excess/deficit from general activities	(422,515)	271,598
Non cash changes		
Depreciations	136,816	155,473
Increase of payable expenses	401,970	(333,880)
'annual' changes in the reconciliation account in the last year		-
Net cash flow from operational activities	116,271	93,191

Homeopathic Medical Council

Trial balance as at 31.12.2015

Description	Debit (Rs)	Credit (Rs)
Postal fees		
Medical Council Meeting fees		
Printing Charges	275,829.00	
Staff Salary and Allowances	8,961,708.00	
Accrued Staff Salary and Allowance		
Employee Provident Fund	1,071,991.00	
Accrued Employee Provident Fund		
Employees Trust Fund	267,998.00	
Accrued Employees Trust Fund		
Telephone Bills	47,358.00	
Accrued Telephone bills		647.00
Miscellaneous Expenses	21,679.00	
Travelling Expenses	6,070.00	
Accrued Travelling Expenses		
Office Equipment	1,450.00	
Other expences for clinic	333,450.00	
Accrud other expences for clinic		28,450.00
equipments for clinic		
Office Equipment Repairs	10,047.00	
Water Charges	52,397.00	
Accrued Water Charges		792.00
Electricity charges	21,290.00	-
Accrued Electricity charges		1,737.00
Fuel Expenses		
Audit Fees		
Audit Fees	40,000.00	
Allocation of Audit Fees		119,019.00
Bank Charges		
Bank Charges	6,363.00	
Government Allocation- Recurrent		12,663,330.00
Government Allocation- Capital		3,430,957.00
Dispensary Charges	1,307,570.00	
Accrued Dispensary Charges		
Annual Depreciations	136,816.00	
Depreciation Allocation Accounts		1,319,999.00
Allocated Fund Account		

Annual Fees		5,100.00
Bank Interest Revenue Charges		79,534.00
Miscellaneous Income		38,000.00
Prior Year Adjustment Account		27,460.00
Cash Balance – Commercial Bank	1,626,281.00	
Cash Balance- Bank of Ceylon	512,165.00	
Cash Balance- Bank of Ceylon- Rajagiriya	195,900.00	
Petty Cash		
Refreshment Expenses	12,843.00	
Accrued Refreshment Expenses		
Stationary Expenses	6,002.00	
Accrued Stationary Expenses		
Accrued Medical Council Meeting charges	168,000.00	
Interview Board Charges		
Advertisement Fees		
Homeopathy Exam Fees		
Accrued Homeopathy Exam Fees		
Translation Fee	17,587.00	
Translation Fee payable		
Scholarship Expenses		
Accrued Translation Fees		
Accrued Office Equipment Repairs		
Gratuity expencess	376,884.00	
Accrued Gratuity		376,884.00
Legal Expenses		
Dayata Kirula Expenses		
Property, Plants and Equipment	2,323,316.00	
Building Renovation Cost	2,812,738.00	
Capital Account		2,562,144.00
Balance of the Aggregate Deficit Account as at 31.12.2014.	40,321.00	
Total	20,654,053.00	20,654,053.00

Homeopathic Medical Council

Stock Change	Reserve (Rs)
Initial Balance (as at 01.01.2016)	2,562,144.00
Government Capital Allocation	3,430,957.00
Prior Year Adjustment	27,460.00
Aggregate Deficit/Excess	(462,836.00)
Year End balance (as at 31.12.2016)	5,557,725.00



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கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல.
My No.

HSM/B/HMC/1/16/03

මමේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date

31 October 2017

The Chairman,
Homeopathy Medical Council

Report of the Auditor General on the Financial Statements of the Homeopathy Medical Council for the year ended 31 December 2016 in terms of Section 14(2) (c) of the Finance Act, No. 38 of 1971

The audit of financial statements of the Homeopathy Medical Council for the year ended 31 December 2016 comprising the statement of financial position as at 31 December 2016 and the statement of financial performance, statement 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 Section 13(1) of the Finance Act, No.38 of 1971. My comments and observations which I consider should be published with the Annual Report of the Council in terms of Section 14(2) (c) of the Finance Act appear in this report.

1.2 Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation 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's Responsibility

My responsibility is to express an opinion on these financial statements based on 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 statements 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 judgement, including the assessment of risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council'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. Sub-sections (3) and (4) of the Section 13 of the Finance Act, No.38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the audit.

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 in paragraph 2.2 of this report, the financial statements give a true and fair view of the financial position of the Homeopathy Medical Council 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 non-compliances were observed.

(a) Sri Lanka Public Sector Accounting Standard 01

In terms of Section 21 (f) of the Standard, the policy of provision on gratuity of the Council had not been disclosed in the financial statements.

(b) Sri Lanka Public Sector Accounting Standard 08

The necessary disclosures had not been made in the financial statements in respect of 5 cases on trial against the Council.

2.2.2 Accounting Deficiencies

The following observations are made.

- (a) Purchase of drug containers in the year under review and the preceding year had been accounted as a total expenditure instead of debiting to the consumable stocks. As such, the expenditure of Rs.504,000 relating to the year under review and the value of the consumable stock as at 31 December 2016 had been understated by Rs.633,000 in the financial statements.
- (b) Even though the provision for gratuity relating to 19 employees amounted to Rs.597,104, provision of Rs.376,884 had been made instead. As such, the provision for gratuity had been understated by Rs.220,220 in the financial statements.
- (c) A sum of Rs.195,900 that should be credited to the current account of the Council in the year 2014 as examination fees had been credited to a current account of the Ministry of Health, Nutrition and Indigenous Medicine. As that income had been credited to the state revenue, it had been shown under cash and cash equivalents in the financial statements without taking further action to write off.



- (d) Annual depreciation for the buildings of the Council valued at Rs.2,812,738 as at 31 December 2016 had not been computed and brought to account.

2.2.3 Unexplained Differences

According to the trial balance prepared as at 31 December 2016, the Government recurrent grants amounted to Rs.12,663,330. However, according to the statement of financial performance prepared for the year under review, that value was Rs.12,596,733 thus observing a difference of Rs.66,597.

2.2.4 Lack of Evidence for Audit

The balances of 8 Items of Expenditure payable as at 01 January 2016 totalled Rs.192,156 and out of those, the balances of 6 Items of Expenditure totalled Rs.594,126 as at 31 December 2016. The relevant ledger accounts in the General Ledger had not been maintained in a manner to confirm the accuracy of the expenditure, prepaid and payable expenditure relevant to the year.

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the financial result of the Council for the year under review had been a deficit of Rs.422,515 as against the surplus of Rs.271,598 for the preceding year, thus indicating a deterioration of Rs.694,113 in the financial result of the year under review as compared with the preceding year. Even though the total expenditure for the year under review had increased by Rs.1,288,106 as compared with the preceding year, the increase in Government recurrent grants by only Rs.570,610 had mainly attributed to the above deterioration.

An analysis of the financial results for the year under review and the four preceding years revealed a continuous deficit from the year 2012 to the year 2014. The deficit of Rs.29,305 in the year 2012 had increased to Rs.170,636 by the year 2014. Even though there had been a surplus of Rs.271,598 in the year 2015, it had again converted into a deficit of Rs.422,515 in the year 2016. However, in readjusting the



employees' remuneration and depreciation for non-current assets to the financial result, the contribution which amounted to Rs.4,517,886 in the year 2012 had improved to Rs.9,951,274 between 6 per cent and 93 per cent with fluctuations in the year 2015. Even though the contribution had increased to Rs.10,015,998 in the year 2016, its improvement had been only one per cent as compared with the year 2015.

3.2 Legal Action instituted against the Council

Cases had been filed against the removal of a Doctor and a labourer from service in the Medical Council claiming compensations of Rs.3 million and Rs.2 million each respectively. Moreover, two Doctors had filed 2 cases against the Council requesting for the abolition of appointments and registrations made after the payment of arrears in salaries and dissolution of the Medical Council.

4. Operating Review

4.1 Performance

The following observations are made.

According to the Homeopathy Act, No. 7 of 1970,

- The regulation, control, promotion and encouragement of the practice of medicine according to homeopathy.
- The promotion and encouragement of the study of and research in homeopathy and the establishment and maintenance of a Homeopathy Medical College.
- Taking steps for development or encouragement of measures for the investigation of diseases and for improvement of public health according to homeopathy.
- The regulation and control of homeopathic institutions and the regulation and control of manufacture, importation, sale and distribution of homeopathic medicine, drugs and other preparations are the objectives of the Council.



The following matters were observed during the course of an examination of the achievement of the above objectives during the year under review.

- (a) Action had not been taken for the achievement of the main objectives such as the regulation, promotion and encouragement of the practice of medicine according to homeopathy and the promotion and encouragement of the study of and research in homeopathy.
- (b) Instances in which action in accordance with the Action Plan prepared for the year under review had not been taken were as follows.
 - (i) Even though it had been planned to conduct 21 mobile clinics, out of them, 11 clinics had not been conducted.
 - (ii) The plans such as the conduct of 3 school programmes for the Awareness of Homeopathy Medical System, the conduct of 2 seminars for the officers of the Ministry of Health and all Institutions and the commencement of a Web Home Page had not been implemented.
 - (iii) Even though the conduct of 02 Workshops for the evaluation of the services and experience of Homeopathy Doctors had been planned, those Workshops had not been conducted.
 - (iv) Even though plans had been made for activities such as the introduction of an approved specific administrative procedure for the Homeopathy Medical Council, the formulation of regulations and publishing in the Gazette, the formulation of bylaws for the production of Homeopathy drugs and ensure availability in the market, the buildup of funds for establishment of Homeopathy Drug Stores and pharmacies and the import and distribution of stocks of drugs, none of the activities had been executed even by the end of the year under review.



5. Accountability and Good Governance

5.1 Internal Audit

In terms of Financial Regulation 133 of the Financial Regulations of the Democratic Socialist Republic of Sri Lanka, an Internal Audit Unit had not been established for the Council and an internal audit had not been carried out even by the Internal Audit Unit of the Ministry of Health, Nutrition and Indigenous Medicine.

5.2 Budgetary Control

In terms of Section 5.2 of Public Enterprises Circular No. PED 12 of 02 June 2003, action had not been taken to prepare an estimated budget on the income and expenditure of the Council for the year under review and to make use of it as an effective instrument of management control.

5.3 Unresolved Audit Paragraphs

The Committee on Public Enterprises had directed at the meeting held on 15 September 2010 that the regulations of the Homeopathic Medical Council should be updated to be compatible with the current conditions. The New Homeopathy Act No.10 of 2016 had been enforced from 29 July 2016 and the new Medical Council had been appointed in October 2016. However, the Directives of the Committee on Public Enterprises had not been implemented even by 31 December 2016.

5.4 Systems and Controls

Deficiencies in systems and controls observed during the course of audit were brought to the notice of the Chairman from time to time. Special attention is needed in respect of the maintenance of accounting activities together with the primary subsidiary books, General Ledger and Journal entries.

Sgd./ H.M. GAMINI WIJESINGHE
Auditor General

H.M.Gamini Wijesinghe
Auditor General