

Ayurvedic Medical Council 2012

1 Financial statements

Audit Opinion

1:1 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 Ayurvedic Medical Council as at 31 December 2012 and its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2 Comments on Financial Statements

1:2:1 Accounting Deficiencies

The following accounting deficiencies were observed.

- (a) An amount of Rs.28,000 as fees for issuing vehicle emblems and an amount of Rs.260 as fees for copies of registers had been shown in relevant accounts accurately and the total of these values amounting to Rs 28,260 had been also credited again to the Sundry Income Account. Hence, income of the year had been overstated by Rs.28,260.
- (b) Staff salaries and allowances amounting to Rs.16,734 and telephone charges amounting to Rs.980 had been understated in the account.
- (c) After disposal of fixed assets in the year 2011, a loss amounting to Rs.44,270 in the Disposal Account had been brought to account as a total loss and an amount of Rs.15,650 received from selling fixed assets had not been adjusted in the accounts.

1:2:2 Lack of Evidence for Audit

An updated register on information in respect of Ayurvedic practitioners, dispensers and nurses registered in the Ayurvedic Medical Council as at 31 December 2012 had not been presented for audit. Further, information on registered Ayurvedic practitioners published via the internet had not been updated and an updated register had not been prepared according to each district.

1:2:3 Non-compliance with Laws, Rules, Regulations and Management Decisions

Non-compliances with the following laws, rules, regulations and management decisions were revealed.

- (a) Even though in terms of Section 11(1) (e) of Part III of the Ayurvedic Act No.31 of 1961, 03 members elected out of registered Ayurvedic practitioners should be included in the composition of the Council, no practitioners registered in the Council had been included in it.

- (b) According to the Ayurvedic Medical Council Paper No.14/13/08 (3) dated 15 July 2005, practitioners should renew their registration once in five years with effect from 01 January 2006. Further, despite having decided to charge a registration fee for same, it had not been so done even by 31 December 2012. In addition, legal obstructions existed in implementing this decision and amendments regarding the said matter had been forwarded to the Department of Legal Draftsman. Even though it had been informed that the Medical Council had decided on 03 April 2012 to carry out future activities after approval of revised ethics, the said legal drafts had not been approved up to June 2013.

02 Financial Review

2:1 Financial Results

The operating results of the Council during the year under review had resulted in a deficit of Rs.96,820 as compared with the corresponding deficit of Rs.1,354,333 for the preceding year. The financial results for the year under review as compared with the preceding year indicated a decrease in the deficit by a sum of Rs.1,257,513. Increase of the total income by Rs. 1,260,704 or 22 per cent over the income of the preceding year had been the major reason for this decrease of deficit.

2.2 Analytical Financial Review

Operating activities of the Council during the year under review and the analytical review of financial results as compared with the preceding year are given below.

	Year 2012	Year 2011	(Decrease) / Increase	Percentage (Decrease /Increase)
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	Rs.	Rs.	Rs.	%
Income–Government Provision	4,700,000	3,900,000	800,000	21
Other Operating Income	2,361,369	1,900,665	460,704	25
Total Income	7,061,369	5,800,665	1,260,704	22
Administration Expenditure	6,809,911	6,790,628	19,283	1
Other Operating Expenditure	348,278	364,370	(16,092)	(5)
Total Expenditure	7,158,189	7,154,998	3,191	0
Annual Deficit / Surplus	(96,820)	(1,354,333)	1,257,513	93

Even though the total income in the year 2012 had increased by Rs.1,260,704 or 22 per cent, total expenditure had increased only by Rs.3,191.

3 Operating Review

3.1 Performance

3.1.1 Registration of Practitioners

Particulars on registration of practitioners during the year under review and two preceding years are given below.

	<u>As at 31 December</u>		
	2012	2011	2010
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General/ Physician			
Degree Holders	2109	1974	1812
Diploma Holders	5024	4929	4840
Traditional	5340	5295	5265
<u>Traditional Special</u>			
Snake Bite (Sarpavisha)	3469	3442	3413
Fractures & Dislocation (Kadum Bindum)	2182	2138	2108

Eye Diseases (Akshi Roga)	626	625	623
Skin Diseases (Charma Roga)	529	528	526
Boils & Ulcers (Gedi Vana)	360	355	354
Hydrophobia (Jalabhithika)	180	180	180
Burns & Scalds (Davum Pilissum)	80	78	77
Mental Diseases (Manasika Roga)	149	144	141
Hos Compresses & Moxibustions(Vidum Pilissum)	07	07	07
Other	658	658	658
Total	----- 20713 =====	----- 20353 =====	----- 20004 =====

Number of Traditional-Special Practitioners for Eye Diseases (Akshi Roga), Skin Diseases (Charma Roga), Boils & Ulcers (Gedi Vana) and Burns & Scalds (Davum Pilissum) had increased by a number less than 05 in the year 2012 in relation to the year 2011 and Traditional-Special Practitioners had not been registered under Hydrophobia (Jalabhithika), Hos Compresses & Moxibustions (Vidum Pilissum) and other, after the year 2010.

Registration of practitioners in each year for the past five years is given below.

<u>Practitioners</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Degree	135	162	161	190	142
Diploma	95	89	91	72	74
Traditional	45	30	75	48	58
Traditional Special	85	68	148	165	129
	----- 360 =====	----- 349 =====	----- 475 =====	----- 475 =====	----- 403 =====

Following observations are made in this regard.

- (a) In relation to year 2008, registration of all types of other practitioners except Diploma holders had decreased in the year 2012.

- (b) A decrease of registration of Traditional Special Practitioners had been revealed and it had been 129 in the year 2008, while in the year 2011 it had decreased to 68 and increased to 85 again in the year 2012.
- (c) Registration of Degree Practitioners in the year 2009 had been 190 and it had gradually decreased to 135 by the year 2012.

3.1.2 **Appointing Committees**

Even though the following sub committees had been appointed continuously from the year 2008 to the year 2012, the intended purpose had not been achieved due to the committee being inactive.

- (a) The Program for the Professional Indigenous Methods of Medical Treatment for fractures and dislocations.
- (b) Establishment of Data Base Committee in respect of Indigenous Traditional Knowledge.
- (c) Sub Committee for conservation of the methods of medical treatment for Hos Compresses & Moxibustions which are on the verge of nonexistence.
- (d) Revision of the syllabus for the registration of Traditional Practitioners.
- (e) Sub Committee for the conservation of Veterinary Medical System.

3.1.3 **Action Plan and the progress of the year 2012**

Following activities mentioned in the Annual Action Plan in the year 2012 had not been carried out.

- (a) Action for the enforcement of the legal frame work of the Ayurvedic Medical Council and for the formulation, implementation of the regulations under the Ayurvedic Act.
- (b) The process of making improvements for the procedure of granting professional accreditation.
- (c) Categorization of professional practitioners based on existing professional qualifications.
- (d) Identification of the Code of Professional Ethics of the Ayurvedic Professional Practitioners.
- (e) Introducing a procedure for supervision of professional behaviour and conduct of

the Ayurvedic Professional Practitioners.

- (f) Improvement of performance through updating the assets and facilities of the Ayurvedic Medical Council.
- (g) Take action to minimize irregularities occurring in Ayurvedic Conservation Councils and to build up a direct relationship with the Council.
- (h) Professional Development Programmes
- (i) Special programmes
- (j) Entering the data in respect of the Ayurvedic Medical Practitioners in the Official Web site.

Even though the total number of practitioners registered by 31 December 2012 was 20,713, the number of names of the practitioners entered in the Official Web site of the Ayurvedic Medical Council was 3,000. This web site has been launched on 27 September 2010.

3.2 Staff Administration

Particulars on the staff of the Medical Council as at 31 December 2012 are given below.

<u>Position</u>	<u>Approved Cadre</u>	<u>Actual Cadre</u>	<u>No. of Vacancies</u>	<u>Annual Salary Rs.</u>
Registrar	01	01	-	246,300
Management Assistant	09	08	01	2,778,724
Office Labourers	02	01	01	237,042
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	12	10	02	3,262,066
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4. **Accountability and Good Governance**

4.1 **Internal Audit**

Following observations are made.

- (a) An internal audit unit had not been established in the institution.
- (b) Even though the internal audit of the Ayurvedic Medical Council should be carried out by the Ministry of Indigenous Medicine, an internal audit relevant to the year 2012 had not been carried out. However, an audit had been carried out by the Ministry of Indigenous Medicine only in one instance in the year 2011.

4.2 **Audit Committees**

Audit committees had not been established in the institution and the Medical Council had participated in the Audit and Management Committee conducted by the Ministry of Indigenous Medicine.

5. **Systems and Controls**

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

- (a) Accounting
- (b) Renewal of the Registration of Ayurvedic Practitioners