

ANNUAL REPORT

2015



SRI LANKA INSTITUTE OF TOURISM & HOTEL MANEGEMENT
MINISTRY OF TOURISM

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01. Introduction



The Sri Lanka Institute of Tourism and Hotel Management (SLITHM) is the only Government approved premier Institute in Sri Lanka, which was established by the Government in 1964 to train young men and women in the field of Hospitality and Travel industry. SLITHM functions under the Ministry of Tourism. The SLITHM head office is in Colombo and to facilitate students island wide, provincial colleges were set-up in Anuradhapura, Bandarawela, Kandy, Koggala, Rathnapura, Kurunegala and Pasikudah.

International tourist arrivals to Sri Lanka increased from 1.53 million in 2014 to 1.80 million in 2015, an addition of 271,000. In 2015, the tourism receipts too reached USD 2,980 million from the tourism industry. Further, there is also growth in domestic tourism. The number of nights spent by domestic tourists at the formal tourist accommodation units registered with Sri Lanka Tourism Development Authority (SLTDA) increased from 1.39 nights in 2008 to 2.22 nights in 2015.

Tourism being a service industry, due to the increase in both foreign and domestic tourism there is more demand for trained manpower for the employment in tourist establishments. SLITHM main objective is to fulfill this requirement of trained manpower in tourism and hospitality industry. The focus is to train personnel for the top and middle management positions in the industry, supplemented with a program of short courses at craft level, which provide the man power for various departments in the hospitality trade.

The activities of SLITHM were determined by the 5-year Tourism Strategy which was approved by the Cabinet of Ministers which takes into account the new peaceful environment in the country which has become permanent.

SLITHM has fine - tuned its programs to meet the specific needs of Sri Lanka's and Asia's changing industry. Based on the wide market needs, several new schemes of training are introduced frequently with opportunities to specialize in industry specific areas. The scheme allows students to be more flexible in the choice of training and provides multiple entry - exit points. It also recognizes prior learning, which benefits those who have gained hands on experience in the industry and who wish to acquire further knowledge through a sound professional qualification.

SLITHM works very closely with the Ceylon Hotel School Graduates Association (CHSGA) and tourist hotels, to provide the necessary industrial training required for the students.

It was possible to increase the number of students trained at SLITHM in 2015, due to the increase in intake of students, introducing new courses and opening of new colleges during the last five years. Total number of students qualified from SLITHM increased from 1,467 in 2011 to 2,476 in 2015.

Table 1: The number of students completed the courses during the past five years.

| COLLEGE | 2011 | 2012 | 2013 | 2014 | 2015 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| Colombo | 514 | 593 | 809 | 758 | 876 |
| Anuradhapura | 76 | 119 | 139 | 212 | 111 |
| Bandarawela | 139 | 83 | 167 | 193 | 212 |
| Kandy | 208 | 245 | 318 | 363 | 219 |
| Koggala | 273 | 253 | 255 | 367 | 465 |
| Kurunegala | - | - | - | - | 261 |
| Ratnapura | 257 | 224 | 290 | 281 | 332 |
| TOTAL | 1,467 | 1,517 | 1,978 | 2,174 | 2,476 |

In addition to the regular courses on Hospitality Management, SLITHM conducted several short courses on Hospitality Management and Tour Guiding.

Table 2: Number of students trained in regular courses and other training programs during 2014 and 2015

| COLLEGE | 2014 | | | 2015 | | |
|--------------|------------------------------|-------------------------------|--------------|------------------------------|-------------------------------|--------------|
| | SLITHM REGULAR COURSES | OTHER TRAINING PROGRAMS | TOTAL | SLITHM REGULAR COURSES | OTHER TRAINING PROGRAMS | TOTAL |
| Colombo | 758 | 5 | 763 | 876 | 187 | 1,063 |
| Anuradhapura | 212 | - | 212 | 111 | 16 | 127 |
| Bandarawela | 193 | - | 193 | 212 | 54 | 266 |
| Kandy | 363 | - | 363 | 219 | 31 | 250 |
| Koggala | 367 | - | 367 | 465 | - | 465 |
| Kurunegala | - | - | - | 261 | 18 | 279 |
| Ratnapura | 281 | - | 281 | 332 | 13 | 345 |
| TOTAL | 2,174 | 5 | 2,179 | 2,476 | 319 | 2,795 |

Total number of students trained at SLITHM increased from 2,179 in 2014 to 2,795 in 2015. It is an addition of 516 students.

02. Our Vision, Mission, Theme and Objectives

Our Vision

To be the Center for Excellence in Training and Education for Human Resource Development of Tourism and Hospitality Industry in Asia.

Our Mission

To provide Application Oriented International Standard Education and Training to produce Competent and Committed Human Resources to meet the demands of the Hospitality and Tourism Industries.

Our Theme

Taking Sri Lanka to
Global Heights – A Journey Towards Excellence
in Sri Lankan Hospitality

Our Values

QUALITY:

We provide first class training and education programmes delivering premium value to our students.

EQUITY:

We ensure equal opportunities for every student, regardless of race, religion, gender, or economic status to meet the required standards for the highest achievement and growth.

INTEGRITY:

We strive to uphold the highest standards of professional ethics and discipline to meet the training requirements of tourism and hospitality services.

Our Objectives

- ◆ To identify, design and deliver Training and Education Programs in Travel, Tourism and Hospitality Management
- ◆ To produce the highest quality professionals for the Tourism and Hospitality Industries.
- ◆ To train the required manpower to meet the demand for Tourism and Hospitality Industries by addressing ever changing and challenging trends in Tourism and Hospitality industries.
- ◆ To provide equal opportunities and create an equitable working environment for youth living in different parts of the country while ensuring sustainable growth in the Tourism and Hospitality Industries.
- ◆ Expand the capacity of delivering Tourism and Hospitality Education by creating partnerships with local and international education entities in a mutually beneficial manner.
- ◆ To demonstrate excellence through research in Tourism and Hospitality that adds to international knowledge and connectivity.

03. Message from the Chairman



Sri Lanka Institute of Tourism and Hotel Management (SLITHM) is the pioneer institute in the field of Tourism and Hospitality in Sri Lanka. Formerly it was known as the Ceylon Hotel School.

The main function of the SLITHM is to identify, design and deliver necessary training and education for the employment in the tourism industry. It conducts courses at Diploma, Management, Certificate and Craft levels. SLITHM constantly strive to upgrade and uplift the standard of education in the travel and tourism industry. All courses are structured in a manner that will enable a student to seek gainful employment in the industry at different job functions.

The SLITHM head office is in Colombo and there are seven Provincial Colleges. They are located in Anuradhapura (North Central Province), Bandarawela (Uva Province), Kandy (Central Province), Koggala (Southern Province), Kurunegala (North Western Province), Pasikudah (Eastern Province) and Ratnapura (Sabaragamuwa Province).

I also wish to extend my sincere gratitude to the government of Sri Lanka, the Ministry of Tourism Development and Christian Affairs and other institutions coming under the ministry for their continuous support.

There was a delay in the submission of the SLITHM annual report due to various internal issues. The present management has taken steps to clear the backlog and to submit the reports on time.

Dilip De Silva
Chairman - SLITHM

04. Corporate Information

Tourism Act No. 38 of 2005 was implemented with effect from 1st October 2007 and the Ceylon Tourist Board Act no. 10 of 1966 was repealed. Formerly, Ceylon Hotel School was a part of the Ceylon Tourist Board. With the implementation of the Tourism Act No. 38 of 2005; four separate public enterprises were formed, namely Sri Lanka Tourism Development Authority, Sri Lanka Tourism Promotion Bureau, Sri Lanka Institute of Tourism and Hotel Management and Sri Lanka Convention Bureau.

The SLITHM is a leading educational institution in tourism and hospitality field. It works in partnership with the private sector of tourism. It is a part of the educational program for the students trained at SLITHM to obtain practical experience by working in a recognized hotel.



REGISTERED NAME

Sri Lanka Institute of Tourism and Hotel Management

LEGAL FORM

Public enterprise formed under Tourism Act No - 38 of 2005

ADDRESS OF THE HEAD OFFICE

Sri Lanka Institute of Tourism and Hotel Management,
No - 78, Galle Road, Colombo - 03

AUDITOR

Auditor General of Sri Lanka

BANKER

Bank of Ceylon

Location of Seven Provincial Colleges

SLITHM RATNAPURA PROVINCIAL COLLEGE
New Town, Rathnapura.

SLITHM ANURADHAPURA PROVINCIAL COLLEGE
Sri Maha Bodhi Mawatha, Anuradhapura.

SLITHM BANDARAWELA PROVINCIAL COLLEGE
National Holiday Resort, Bandarawela.

SLITHM KOGGALA PROVINCIAL COLLEGE
Habaraduwa, Koggala.

SLITHM KANDY PROVINCIAL COLLEGE
Kundasale, Kandy.

SLITHM KURUNEGALA PROVINCIAL COLLEGE
Boyagane, Kurunegala.

SLITHM PASIKUDAH PROVINCIAL COLLEGE
National Holiday Resort Office, Pasikudah.

4:1. Board of Directors of SLITHM

CHAIRMAN

| | | |
|------------------------|---|---|
| Mr. B.S. Gunarathna | - | Up to 28 th January 2015 |
| Mr. Kapila Yakandawala | - | 29 th January to Mid-December 2015 |
| Mr. Sunil Dissanayake | - | From Mid -December 2015 |

DIRECTOR GENERAL

| | | |
|-----------------------|---|--|
| Mr. D.S. Jayaweera | - | Up to end January 2015 |
| Mr. A. Surathman Dean | - | 18 th February to Mid-December 2015 |

PUBLIC SECTOR REPRESENTATIVES

MINISTRY OF TOURISM

| | | |
|-----------------------|---|---|
| Ms. H. Dharmawardena | - | Up to end 28 th January 2015 |
| Ms. Shirani Weerakoon | - | 29 th January to Mid December 2015 |

DIRECTOR GENERAL SLTDA

| | | |
|---------------------|---|--------------------------|
| Mr. Malraj Kiriella | - | January to December 2015 |
|---------------------|---|--------------------------|

PRIVATE SECTOR REPRESENTATIVES

| | | |
|------------------------|---|--|
| Mr. T.M.F. Pakeer | - | Up to end January 2015 |
| Mr. S. Paramanathan | - | Up to end January 2015 |
| Mr. Anura Lokuhetti | - | 29 th January to Mid-December 2015 |
| Mr. Chandra Mohotty | - | 29 th January to Mid-December 2015 |
| Mr. Malinka Gajanayake | - | 29 th January to Mid-December 2015 |
| Mr. Malin Hapugoda | - | 29 th January to Mid-December 2015 |
| Mr. Srilal Miththapala | - | 29 th January to Mid-December 2015 |
| Ms. Shiromal Cooray | - | 6 th February to Mid-December 2015 |
| Mr. Eksath Wijerathne | - | 18 th February to Mid December 2015 |
| Mr. Sarath Fernando | - | 18 th February to Mid-December 2015 |
| Mr. E. Wijerathne | - | 18 th February to Mid-December 2015 |
| Mr. Jude Dinal Peiris | - | From November 2015 |
| Mr. Joe Perera | - | From November 2015 |
| Mr. C. Wickremasinghe | - | From November 2015 |
| Mr. S. Paramanathan | - | From November 2015 |
| Mr. T.M.F. Packeer | - | From November 2015 |
| Mr. Sanjeewa Perera | - | From November 2015 |

MINISTRY OF FINANCE REPRESENTATIVE AS AN OBSERVER

| | |
|------------------------|--------------------------|
| Ms.S.S. Mudalige | - Up to end January 2015 |
| Ms. Ayanthi De Silva | - from 9th March 2015 |
| Secretary to the Board | - Ms. Aruni Perera |

Table 3: Date and the number of Board meetings held during the year 2015:

| Number | Date |
|--------|---------------------------------|
| 61 | 10 th March 2015 |
| 62 | 27 th April 2015 |
| 63 | 10 th June 2015 |
| 64 | 15 th July 2015 |
| 65 | 30 th September 2015 |
| 66 | 11 th December 2015 |

4.2 Audit and Management Committee (AMC)

AMC is empowered to oversee due diligence and control over the financial aspects of the Public Enterprise's operations and performance, according to the public enterprise guideline for good governance.

Members of AMC in 2015

1. Ms. P.K. Ayanthi De Silva Addl. Director General
Dept. of Project Management & Monitoring Minister Finance
2. Mr. Malraj B Kiriella - Director General
SLTDA and Board member SLITHM
3. Ms. Shirani Weerakoon - Addl. Secretary (Development)
Ministry of Tourism Development & Christian Affairs
4. Mr. T.M.F. Packeer
Board member of SLITHM

Representative of the Auditor General as observer

Internal Auditor of SLITHM was the convener.

4.3 Senior Management of SLITHM

CHAIRMAN

| | |
|------------------------|---|
| Mr. B.S. Gunarathna | - Chairman (Up to 28 th January 2015) |
| Mr. Kapila Yakandawala | - Chairman (29 th Jan. to Mid-December 2015) |
| Mr. Sunil Dissanayake | - Chairman (From Mid -December 2015) |

DIRECTOR GENERAL

| | |
|-----------------------|--------------------------------------|
| Mr. D.S. Jayaweera | - up to end January 2015 |
| Mr. A. Surathman Dean | - 18th February to mid-December 2015 |

| | |
|-------------------------|--|
| Deputy Director General | Mr. P. S. Kulatunga (in addition to the normal duties he was also in charge of the Registrar's office) |
|-------------------------|--|

| | |
|----------------------------|--|
| Assistant Director Finance | Ms. Gayani Munaweera (from 6th March 2015) |
|----------------------------|--|

PRINCIPALS OF SLITHM COLLEGES:

| | |
|--------------|--------------------------------|
| Anuradhapura | - Mr. Ramesh Perera |
| Bandarawela | - Mr. Rienzie Jayawardana |
| Kandy | - Mrs. Kumuduni Wickramasinghe |
| Koggala | - Mr. R.D.A. Lenard |
| Kurunegala | - Mr. E.K. Sarath Kumara |
| Ratnapura | - Mr. Kanishka N. Jayathunga |

CLUSTER HEADS:

| | |
|--------------------------------------|--|
| Professional Cookery | - Mr. Saman Hathurusinghe |
| Food & Beverage Operation | - Mr. Lakmal Perera |
| Front office Operation | - Mr. U. Silpathilaka |
| Hotel Housekeeping | - Mr. Lenard Perera |
| Travel and Tourism | - Mr. Sujith Yamasinghe |
| Consultant: Finance & Administration | - Mr. W. Wimalasena |
| Consultant: Internal Audit | - Mr. W.K. Sanath Amarasinghe (up to end June 2015) |

05. SLITHM Colombo School



The purpose built Sri Lanka Institute of Tourism and Hotel Management at No - 78, Galle Road, Colombo-03 commenced operation on 15th August 2000.

FACILITIES AVAILABLE:

- ◆ 23 class rooms
- ◆ Two training restaurants
- ◆ Two mock-up rooms
- ◆ Two training kitchens
- ◆ Computer lab
- ◆ Library
- ◆ Cafeteria

During the year 2015, SLITHM constructed two class rooms at the roof top area, a new gym center and refurbished the faculty area at a cost of Rs. 23.1 million.

Permanent Academic Staff

| Faculty | Lecturer | Designation |
|----------------------------|----------------------------|--------------------|
| Professional Cookery | Mr. Saman Hathurusinghe | Senior Lecturer |
| | Mr. Nishantha Kulathunga | Lecturer |
| | Mr.H.M.B Lankapura Bandara | Assistant Lecturer |
| | Mr. Y.B.M.R.P. Yapabandara | Assistant Lecturer |
| | Mr. M.D. Ruwantha Prasad | Assistant Lecturer |
| | Mr. H.M.T. Hearth | Assistant Lecturer |
| Food & Beverage Operations | Mr. S.P.T.P. Pathirana | Senior Lecturer |
| | Mr. M.K. Dickson Kumara | Senior Lecturer |
| | Mr. Lakmal Perera | Senior Lecturer |
| | Mr. Nuwan Pradeep Egodage | Assistant Lecturer |
| | Mr. Tharinda Weeraratne | Assistant Lecturer |
| | Mr. C.M.K. Thiranagama | Assistant Lecturer |

| Faculty | Lecturer | Designation |
|--------------------------------|-----------------------------|--------------------|
| Front Office Operations | Mr. U.P. Silpathilake | Senior Lecturer |
| | Mr. D.T. Senarathne | Senior Lecturer |
| | Ms. W.N.B. Mendis | Assistant Lecturer |
| Housekeeping Operations | Ms. I.N.D. Wijegunawardhane | Senior Lecturer |
| | Mr. A.L.D.L. Perera | Lecturer |
| | Mr. Namal Muhandirange | Assistant Lecturer |
| | Mr. A.R. Jayasinghe | Assistant Lecturer |
| | Mr. A.M.K.W.K. Abeykoon | Assistant Lecturer |
| Laundry Operations | Mr. A.M. Cumaraswamy | Lecturer |
| Travel & Tourism Management | Mr. Sujith Yamasinghe | Senior Lecturer |
| | Mr. P.M. Suraweera | Senior Lecturer |
| | Mr. Dheera Hettiarachchi | Assistant Lecturer |
| | Mr. Anura Shantha | Assistant Lecturer |

Note: In addition there were 18 visiting lecturers

Number of Students Trained

Table 4: Number of Students trained at the Colombo School in 2014 and 2015

| Courses | 2014 | 2015 |
|---|------------|--------------|
| Craft Level - Professional Cookery | 55 | 66 |
| Craft Level - Food & Beverage | 58 | 64 |
| Craft Level – Housekeeping | 40 | 41 |
| Craft Level – Sub Total | 153 | 171 |
| Certificate Level - Professional Cookery | 116 | 122 |
| Certificate Level - Food & Beverage | 108 | 119 |
| Certificate Level - Front Office Operation | 110 | 116 |
| Certificate Level – Housekeeping | 106 | 124 |
| Certificate Level – Sub Total | 440 | 481 |
| Intermediate Level - Professional Cookery | 23 | 15 |
| Intermediate Level - Food & Beverage | 24 | 35 |
| Intermediate Level - Front Office Operation | 8 | 15 |
| Intermediate Level – Housekeeping | - | 8 |
| Intermediate Level – Sub Total | 55 | 73 |
| Advance Level - Professional Cookery | 23 | 14 |
| Advance Level - Food & Beverage | 24 | 34 |
| Advance Level - Accommodation Operation | 8 | 22 |
| Advance Level – Sub Total | 55 | 70 |
| Management Diploma (3 years) | 36 | 30 |
| Pastry & Bakery | 19 | 51 |
| Sub Total - SLITHM Regular Courses | 758 | 876 |
| National Guide | - | 62 |
| Apprenticeship Programmes | - | 38 |
| Special Programmes | 5 | 87 |
| Subtotal - Other Training Programmes | 5 | 187 |
| GRAND TOTAL | 763 | 1,063 |

At the Colombo Head Office, the number of students trained in SLITHM regular courses increased from 758 in 2014 to 876 in 2015 an increase of 15.6 percent. In addition to the regular courses the number of students trained in short courses increased from 5 in 2014 to 187 in 2015. Total number of students trained in both regular and other training programmes increased from 763 in 2014 to 1,063 in 2015.

Net cost of operations of the Head Office in Colombo:

2014 - Rs. 132.70 million

2015 - Rs. 186.27 million

5.1 Academic Affairs

The main functions of the Academic Affairs are to:

- ◆ Review & amend curriculums to be current with the industry requirements.
- ◆ To achieve degree awarding status in hospitality and tourism management, while focusing on achieving NVQ levels for the professional courses.
- ◆ Rebranding of SLITHM through accreditation with internationally renowned educational institutions in tourism and hospitality management.
- ◆ Enhance quality of academic staff by capacity building.
- ◆ Implementing an e-learning platform.
- ◆ Attract industry professionals to join SLITHM faculty.
- ◆ Induce best students to join faculty after graduation.
- ◆ It is the responsibility of the Cluster Heads in the network of setting consistency in curriculum & teaching standards.
- ◆ To attract foreign students to the SLITHM programs.
- ◆ Introduction of new courses based on the industry demand.

ACADEMIC AFFAIRS BOARD

As per section 39(1) of Tourism Act No. 38 of 2005, Hon. Minister of Tourism and Sports Navin Dissanayake on 19th May 2015 appointed the following to the Academic Affairs Board for a period of three years.

Mr. Kapila Yakandawala

Mr. Sunil Dissanayake

Dr. Prasadini Naganika Gamage

Dr. M.S.M. Aslam

Ms. Shirani Weerakoon

CURRICULUM DEVELOPMENT

The Board of Directors of SLITHM in June 2015 appointed the following to the Curriculum Development Committee.

Mr. Dickson Kumara

Senior Lecturer / Food & Beverage at Colombo College as the person in charge

and the other two members were:

Mr. Rushdy Raheem - Senior Lecturer / Food and Beverage at Kandy Provincial College

Mr. Kanishka Nugawela - Lecturer /Housekeeping at Ratnapura Provincial College

Curriculums are developed in the following 11 disciplines taking into consideration, the current trends in the tourism and hospitality sector.

1. Professional Cookery
2. Food & Beverage Operation
3. Front office Operation
4. Hotel Housekeeping
5. Pastry & Bakery
6. Laundry Operation
7. Travel & Tourism Management
8. MICE & Event Management
9. Spa & Leisure Tourism
10. Community Based Tourism
11. Tour Guiding

ADDITIONAL COURSES

In 2011, to increase the student's intake, SLITHM took action, by conducting double session lectures outside the normal working hours from Monday to Friday and during weekends. After a period of four years, in 2015, the amount paid to lecturers, increased from Rs. 500 to Rs. 750 per lecture hour. The performance was monitored both by the DMS and the Ministry of Tourism on a quarterly basis. The academic staff's commitment to work outside the normal working hours for a nominal payment was remarkable.

FOREIGN EXPOSURE TO LECTURERS

- a. Mr. A. Surathman Dean, the Director General of SLITHM and the following lecturers visited the Polytechnic University-Hong Kong from 5th to 8th May 2015 for a training programme.

Professional Cookery (10)

Mr. Saman Hathurusinghe
Mr. Chaminda Tennakoon
Mr. Chandrasiri Tennakoon
Mr. Lal Seneviratne
Mr. Priyanka Wickramasinghe
Mr. Nishantha Kulathunga
Mr. J.S.B Weerakoon
Mr. Yapa Bandara Ranjith
Mr. E.K. Sarath Kumara

Front Office Operation (08)

Mr. Udena Silpathilake
Mr. Lenard Ranchagoda
Mr. Thilantha Senarathne
Mr. Nalin Kahatapitigama
Ms. Malar Sundarampillai
Ms. Nirmali Mendis
Mr. Chamila Rathnayaka

Ms. Mihiruchi Gamage

Ms. Sashika Gunasinghe

Food & Beverage Operation (05)

Mr. Kanishka Jayathunga
Mr. H.K. Chaman Perera
Mr. Ramesh Perera
Mr. Rushdy Raheem
Mr. Tharindu Weerarathne

Hotel Housekeeping Operation (07)

Mrs. Kumuduni Wickramasinghe
Mr. Lenard Perera
Mr. Kanishka Nugawela
Mr. Indika Mohotti
Mr. Indika Jayasekara
Mr. Namal Muhandiramge
Mr. Ravindra Senevirathne

- b. Mr. Sujith Yamasinghe Tourism cluster / Senior Lecturer participated at the Islamic Tourism Center (ITC), Ministry of Tourism and Culture, Malaysia from 9th to 22nd May 2015. The training programme helped to understand the global trends in Islamic travel and tourism, issues associated with development management and promotional of Islamic travel and tourism.
- c. A seminar on Hotel Management for Developing countries was held in Harbin City, China from 24th August to 20th September 2015. The seminar introduced the present status of the hotel industry in China, development histories and successful experiences of modern hotels, new trends, cost control of modern hotels, investment and return of hotels, innovation methods of hotel products and experiences of hotel restaurant management. There were visits to five star hotels in Beijing. The following employees of SLITHM participated at this seminar.

| | |
|-------------------------|---|
| Mr . P. M. Suraweera | - Senior Lecturer / Tourism |
| Mr. M.K. Dickson Kumara | - Senior Lecturer / Food & Beverage |
| Mr. Udena Silpathilake | - Senior Lecturer / Front Office Operations |
| Mr. Chaminda Tennakoon | - Senior Lecturer / Professional Cookery |
| Mr. Lenard Ranchagoda | - Senior Lecturer / Front office Operations |
| Mr. Lenard Perera | - Lecturer / Housekeeping |
| Mr. A.N.Kulathunga | - Lecturer / Professional Cookery |

5.2 Registrar's Office

The main functions of the Registrar's office are:

- ◆ To call for applications through newspaper advertisements for intake of students.
- ◆ Recruitment and keeping records of students of SLITHM
- ◆ To conduct exams, releasing of results at all levels and award certificates to the qualified students.
- ◆ To implement the Scholarship Scheme
- ◆ Annual Graduation Ceremony
- ◆ Appointment of Visiting Lectures and their contracts with SLITHM

The following courses are conducted at the SLITHM:

- ◆ 04 years- Management Diploma: after completion of all 04 certificate level programmes. Advanced and Intermediate Level Courses are conducted in Colombo.
- ◆ 03 years - Management Diploma: Specialized Diploma Programme offered for students with G.C.E. Advance Level qualification. It is conducted in Colombo and Kandy.
- ◆ Certificate Level: entry level qualification leading to diploma offered for students with formal education up to G.C.E Ordinary Level. It is conducted in Colombo and all Provincial Colleges
- ◆ Foundation courses in Pastry and Bakery, and Laundry Management. It was introduced in 2003 and conducted in Colombo.

◆ Craft Level: entry level three months programme for school leavers qualified in grade 08 It is conducted in Colombo and all Provincial Colleges.

◆ Conducting special training programmes based on specific requests from government institutions.

◆ Apprentice level: pre-entry level one month program.

To fill the gap between the demand and supply of the man power requirement of the accommodation sector, SLITHM took the initiative to conduct one month course in the fields of Restaurant & Bar service, Hotel Reception and Hotel Housekeeping.

The training program commenced on 21st November 2015. Applications were called through newspaper advertisement and the courses were conducted at the SLITHM head office and provincial colleges. After completing the one month course, the students can register for the Craft Level courses conducted by the SLITHM.

◆ Tour guiding: There are four type of guides namely National, Chauffeur, Area and Site. All the tour guiding courses are self-financing courses. The license to the qualified guides is issued by SLTDA.

An advertisement was placed in the newspapers and a placement test was conducted on 21st November 2015 to conduct a National Tourist Guide Lecturers course. The training program commenced in January 2016.

SCHOLARSHIP SCHEME

In 2015, Rs. 10 million was allocated to the scholarship fund. There is a selection criteria based on the income level of the families where preference was given to children of war heroes, handicapped, widows and remote areas. There is a special committee headed by Chairman SLITHM (or Director General SLITHM) to evaluate each request for scholarships.

EXAMINATION POLICY

In 2014, Examination Policy and payment structure for officers involved in conducting examination was prepared by a three member committee comprising of Mr. W.K. Sarath Amarasingha Internal Auditor SLITHM as Chairman and Ms M.N.S. Perera Assistant Director Ministry of Economic Development and Ms. G.M.I.U. Bandara Assistant Director Department of Public Enterprises.

This policy was further reviewed and revised during the year 2015 by a three member committee comprising of Mr Dickson Kumara Senior Lecturer Food & Beverage Operations, Mr. Udena Silpathilaka Senior Lecturer Front Office Operations and Mr. Thilantha Senarathne Senior Lecturer Front Office Operations

GRADUATION CEREMONY

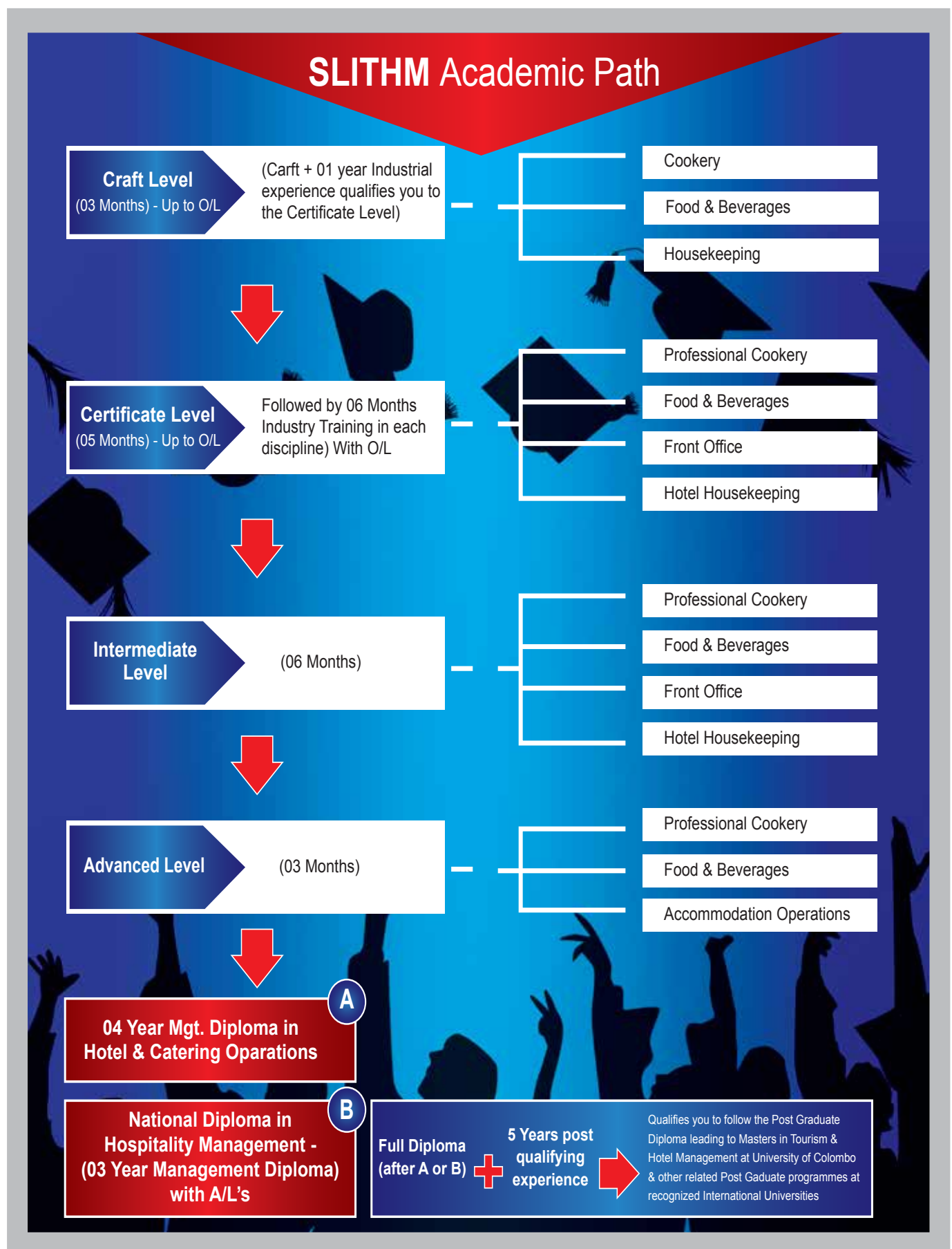
Graduands of 2013 and 2014 were awarded the diplomas in the Graduation Ceremony held on 19th May 2015 at the BMICH. The total number of graduands in 2013 and 2014 were 67 and 70 respectively.

| Course | 2013 | 2014 |
|--|-----------|-----------|
| Management Diploma with specialization in Food & Beverage Operations | 19 | 15 |
| Management Diploma with specialization in Professional Cookery | 12 | 18 |
| Management Diploma with specialization in Accommodation Operations | 12 | 06 |
| Diploma in Hospitality Management | 24 | 31 |
| Total | 67 | 70 |

The Chief Guest was Hon. Minister of Tourism and Sports Navin Dissanayake



Education Pathway of SLITHM



OVERSEAS PROMOTION

Export Development Board organized a Sri Lanka Education Fair in Male and Addu Atoll in Maldives from 7th to 10th June 2015. The purpose of this fair is to create awareness among the youths in Maldives on the professional educational opportunities available in Sri Lanka. Therefore, to promote the courses conducted by the SLITHM Mr.Kapila Yakandawala, Chairman, Mr. Mangala Suraweera, Senior Lecturer and Mr. Dheera Hettiarachchi, Assistant Lecturer participated at this fair. The Chief Guest for this ceremony was Hon. Minister of Tourism and Sports Navin Dissanayake.

5.3 Library

The SLITHM specialized tourism and hospitality library is a source of information for students and tourism professionals. It plays a vital role in catering to the information and educational needs of both course participants and professional staff of SLITHM and tourism sector.

The fully-fledged Library is well stocked with over 10,000 books, over 1,000 tourism reports and selected periodicals. Among the library's special collections are the World Tourism Organization (WTO) publication, training manuals, company Annual Reports, periodicals and tourism statistics. Library adopts an improved and efficient classification system (DDC 22 edition) and books are cataloged according to the 2nd edition of AACR (ii).

In 2015, purchased books and periodicals worth of Rs. 0.48 million

5.4 Samudra Training Hotel



Hotel Samudra Training Hotel is in the same premises of SLITHM. Samudra Training Hotel and the SLITHM training school operates under the same management. Samudra Training Hotel is effectively and efficiently used for the primary purpose of student's practical training for application of theory.

- ◆ The Monara Restaurant has the capacity to provide meal for forty guests at any given time. Adjoining the restaurant there is a cocktail Lounge and Kudi Bar.
- ◆ Thahir Auditorium of SLITHM with a seating capacity of 250 provides all the facilities for the most sought after conference.
- ◆ Gymnasium
- ◆ Laundry

SLITHM training hotel (Samudra Hotel) is a standalone profit making center. The profit generated was:

| | | |
|------|---|-------------------|
| 2014 | - | Rs. 13.98 million |
| 2015 | - | Rs. 16.18 million |

5.5 Laundry Operation

Laundry & Dry cleaning Operations commenced at the SLITHM Colombo in January 2013 with all necessary equipment to operate it as a professional laundry and a training center. In 2015, purchased laundry equipment worth of Rs. 1.76 million. Total investment in this project is Rs. 29.5 million.

Laundry Manager/Lecturer Mr. Amaranth Cumaraswamy is in charge of entire laundry operation and there are 06 permanent staff. The laundry & dry cleaning course, both theory and practical, is conducted to the SLITHM students.

It is located in a convenient location at ground floor facing Galle Road and it has a potential client base. In 2015, a business plan was prepared to operate it as a profit center. Laundry services were opened to the employees of SLITHM, SLTDA, SLTPB and SLCB and then also to the public.

5.6 Human Resources Department

The function of the Human Resources department:

- ◆ To revamp & strengthen the institutional organization structure to suit delivery requirements.
- ◆ Upgrading of existing infrastructure facilities of Colombo and Provincial colleges in order to make the SLITHM as a centre of excellence for tourism and hospitality management.
- ◆ Establishing new provincial colleges as per the management requirement.
- ◆ Capacity building for non - academic staff through facilitating of seminars, workshops & training programs.

According to the approved cadre the total number of employees was 161. It includes academic staff of 67 and non-academic staff 94 (including training Samudra Hotel). Actual number of employees at end 2015 was 111 and the details are as follows

| Category | Approved Cadre | Actual |
|------------------------|----------------|------------|
| Academic Staff | 67 | 53 |
| Non Academic Staff | 71 | 47 |
| Samudra Training Hotel | 23 | 11 |
| Total | 161 | 111 |

In 2015, SLITHM prepared a Performance Improvement Strategic Plan with the assistance of Sri Lanka Institute of Development Administration (SLIDA).

PARTICIPATION IN INTERNATIONAL CONFERENCE

The fifth meeting of the SAARC working group on Tourism was organized by the SAARC secretariat in conjunction with the Government of India, Ministry of Tourism from 25th to 26th of November 2015 in New Delhi. Mrs. Shirani Weerakoon Board member of SLITHM participated at this working group.

WORLD TOURISM DAY 2015

The Ministry of Tourism Development and Christian Religious affairs together with the SLTDA, SLTPB, SLITHM and SLCB organized the World Tourism Day 2015 celebration in Sri Lanka. The theme for this year was “One billion tourists, one million opportunities” There were many events held to mark the World Tourism Day 2015 from 26th to 28th December 2015 in all provinces.

SLITHM organized the inaugural ceremony of the World Tourism Day at SLITHM. It was held under the patronage of Hon. Minister of Tourism Development and Christian Religious Affairs John Amaratunga and Hon. Deputy Minister Arundika Fernando on 26th September 2015. The photographic exhibition on Cultural Heritage Tourism was held at the ground floor of the SLITHM from 26th to 28th September 2015.

WELFARE ASSOCIATION

In 2015, the Sri Lanka Tourism welfare association arranged the annual trip from 19th to 21st December 2015 to the employees and the family members of SLTDA, SLITHM, SLTPB and SLCB. This year the main places visited were Sigiriya, Polonnaruwa and Anuradhapura.

Incentives to the employees of SLITHM

- ◆ Provide a Health Insurance Policy to the employees and their family
- ◆ In 2015, SLITHM generated profit from the operation of the training hotel “Samudra”, rent collected from functions held at the auditorium etc. Therefore, bonus of Rs. 13,500 was paid to all the permanent employees (completed minimum one year as at end 31st December 2015).
- ◆ A monthly travelling allowance of Rs. 2,000 per employee who are not entitle for official transport facility.
- ◆ New Year gift of Rs. 12,500 per employee for the Sinhala/Tamil new year

5.7 Finance

The main source of funds to SLITHM is the Tourism Development Fund. Sri Lanka Tourism Development Authority collects the Tourism Development Fund and transfer 12 % to SLITHM.

Table 5: Source of fund to SLITHM in 2014 and 2015 in Rs. million.

| Category | 2015 (Rs. Mn) | 2014 (Rs. Mn) |
|----------------------------|---------------|---------------|
| Tourism Development Fund | 365.12 | 363.31 |
| School fees & other income | 45.24 | 48.19 |
| Other Revenues | 15.12 | 27.27 |
| Samudra Hotel | 16.18 | 13.98 |
| Total | 441.68 | 425.75 |

The EPF department has introduced an electronic remittance system for monthly contribution of employees. Therefore, SLITHM entered into an agreement with the Bank of Ceylon to introduce e-remittance system and to be aligned with the statutory requirements.

In 2015, SLITHM separated accounts of Hotel Samudra and Laundry Operations from the main accounts. This will provide management to identify the Profit/Loss of Hotel Samudra and Laundry Operation.

5.8 Internal Audit

According to the Annual Internal Audit Plan 2015, 02 Internal Audit Reports were issued that contain suggestions and recommendations for improvements. Actions were taken by the relevant officers in minimizing costs and in streamlining processes through better internal checks.

06. SLITHM Anuradhapura Provincial College



FACILITIES AVAILABLE:

- ◆ 04 class rooms (maximum 30 students each)
- ◆ 01 training kitchen
- ◆ 01 training restaurant
- ◆ 01 mock - up room

Permanent Academic Staff - 2015

Mr.G.L.B.Ramesh Perera - Acting Principal / Senior Lecturer

| Faculty | Lecturer | Designation |
|----------------------|-------------------|--------------------|
| Professional Cookery | Mr. M.S. Madawala | Assistant Lecturer |

Number of Students Trained - 2015

Table 6: Number of Students trained at Anuradhapura in 2014 and 2015

| Courses | 2014 | 2015 |
|--|-----------|------------|
| Craft Level - Professional Cookery | 44 | 37 |
| Craft Level - Food and Beverage | 16 | - |
| Craft Level - Sub Total | 60 | 37 |
| Certificate Level - Professional Cookery | 47 | 41 |
| Certificate Level - Food and Beverage | 45 | 33 |
| Certificate Level - Front Office Operation | 40 | - |
| Certificate Level - Housekeeping | - | - |
| Certificate Level - Sub Total | 152 | 74 |
| Subtotal - SLITHM Regular Courses | 212 | 111 |
| Apprenticeship Programmes | - | 16 |
| Subtotal - Other Training Programmes | - | 16 |
| Grand Total | 12 | 127 |

At the Anuradhapura Provincial College, the number of students trained in regular courses decreased from 212 in 2014 to 111 in 2015, a decrease of 47.64 percent. In addition to the regular courses 16 students were trained in the Apprenticeship programme in 2015. Total number of students trained both in regular and other training programs were 212 in 2014 to 127 in 2015.

Net cost of operations:

2014 - Rs. 10.88 million

2015 - Rs. 12.47 million

CAREER DEVELOPMENT AND OTHER PROGRAMMES CONDUCTED DURING THE YEAR 2015

- ◆ Awareness of the Institute, Table manners & etiquette programme conducted for Sri Lanka Police Department.
- ◆ Awareness of the Institute, Table manners & etiquette programme conducted for Plan International Sri Lanka.
- ◆ Awareness programs at Anuradhapura Schools namely, Walisinghe Harischandra M.V; Central College ; Swarnapali Balika M.V; St. Joseph's College; Vivekananda Tamil Vidyalaya; Zahira College; Nivanthakachethiya M.V; and Deepani Vidyalaya.
- ◆ Students' Educational & Familiarization Tour to Sri Lankan Catering - Katunayake, Jetwing Lagoon at Talahena; Cinnamon Red in Colombo and Kingsbury in Colombo.

07. SLITHM Bandarawela Provincial College



It commenced operation in 2004 and the facilities available at present are::

- ◆ 05 Class Rooms
- ◆ Computer Lab
- ◆ Practical Restaurant
- ◆ Training Kitchen
- ◆ Auditorium
- ◆ 02 Mock Up Rooms
- ◆ Students' Changing Room
- ◆ Students' Meal Room
- ◆ Library

Permanent Academic Staff – 2015

Mr. Rienzie Jayawardana - Acting Principal / Senior Lecturer

| Faculty | Lecturer | Designation |
|----------------------------|------------------------|--------------------|
| Professional Cookery | Mr. T.M.C. Tennakoon | Senior Lecturer |
| Front Office Operations | Ms. Chamila Rathnayaka | Assistant Lecturer |
| Housekeeping Operations | Mr. C.P. Hettiarachchi | Assistant Lecturer |
| Food & Beverage Operations | Mr. N.P. Egodage | Assistant Lecturer |

Number of Students Trained - 2015

Table 7: Number of Students trained at Bandarwela in 2014 and 2015

| Courses | 2014 | 2015 |
|--|------------|------------|
| Craft Level - Professional Cookery | 20 | 35 |
| Craft Level - Housekeeping | 15 | 15 |
| Craft Level - Sub Total | 35 | 50 |
| Certificate Level - Professional Cookery | 45 | 48 |
| Certificate Level - Food & Beverage | 41 | 47 |
| Certificate Level - Front Office Operation | 39 | 33 |
| Certificate Level - Housekeeping | 33 | 34 |
| Certificate Level - Sub Total | 158 | 162 |
| Sub Total - SLITHM Regular Courses | 193 | 212 |
| Apprenticeship Programmes | - | 54 |
| Sub Total - Other Training Programs | - | 54 |
| Grand Total | 193 | 266 |

At the Bandarwela Provincial College, the number of students trained in regular courses increased from 193 in 2014 to 212 in 2015 an increase of 9.84 percent. In addition to the regular courses 54 students were trained in the apprenticeship programme in 2015. Total number of students trained both in regular and other training programs increased from 193 in 2014 to 266 in 2015.

Net cost of operations:

In 2014 - Rs. 10.45 million

In 2015 – Rs. 11.52 million

CAREER DEVELOPMENT AND OTHER PROGRAMMES CONDUCTED DURING THE YEAR 2015

- ◆ Firefighting training programme
- ◆ First aid programme
- ◆ AIDS awareness programme
- ◆ Drug awareness programme
- ◆ Educational trips
- ◆ Hotel visits
- ◆ School awareness programs
- ◆ Language day
- ◆ Shramadana campaign
- ◆ Inter departmental cricket match
- ◆ Flower decoration demonstration
- ◆ Religious Activities

08. SLITHM Kandy Provincial College



The Kandy Provincial College commenced its operations at the present location on 15th May 2013.

FACILITIES AVAILABLE:

- ◆ 08 Class rooms (maximum 35 students each)
- ◆ 01 Training Kitchen
- ◆ 01 Training Restaurant
- ◆ 01 Mock – up Room
- ◆ 01 Computer laboratory
- ◆ Banquet Hall (Capacity - 150 pax)
- ◆ 04 Guest rooms
- ◆ Housekeeping Demonstration Room
- ◆ Auditorium
- ◆ Open Air Theatre
- ◆ Laundry

Permanent Academic Staff – 2015

Mrs. Kumuduni Wickramasinghe - Acting Principal / Senior Lecturer

| Faculty | Lecturer | Designation |
|---------------------------|---------------------------|-----------------|
| Professional Cookery | Mr. Lal Seneviratne | Senior Lecturer |
| | Mr. Sampath Weerakoon | Lecturer |
| Food & Beverage Operation | Mr. Rushdy Raheem | Senior Lecturer |
| Front Office Operation | Mr. Nalin Kahatapitigama | Senior Lecturer |
| | Mrs. Malar Sundarampillai | Senior Lecturer |

Number of Students Trained - 2015

Table 7: Colombo School - Number of Students trained at Kandy in 2014 and 2015

| Courses | 2014 | 2015 |
|--|------|------|
| Craft Level - Professional Cookery | 26 | 24 |
| Craft Level - Food And Beverage | - | 2 |
| Craft Level – Housekeeping | 7 | 15 |
| Craft Level – Sub Total | 43 | 61 |
| Certificate Level - Professional Cookery | 04 | 41 |
| Certificate Level - Food And Beverage | 78 | 38 |
| Certificate Level - Front Office Operation | 61 | 27 |
| Certificate Level – Housekeeping | 58 | 27 |
| Certificate Level – Sub Total | 301 | 33 |

| Courses | 2014 | 2015 |
|------------------------------------|------------|------------|
| Management Diploma (3YRS) | 19 | 25 |
| Sub Total - SLITHM Regular Courses | 363 | 219 |
| Apprenticeship Programmes | - | 31 |
| Subtotal - Other Training Programs | - | 31 |
| Grand Total | 363 | 250 |

At the Kandy Provincial College, the number of students trained in regular courses decreased from 363 in 2014 to 219 in 2015 a decrease of 39.67 percent. In addition to the regular courses 31 students were trained in the apprenticeship programme in 2015. Total number of students trained both in regular and other training programs were 363 in 2014 to 250 in 2015.

Net cost of operations:

2014 - Rs. 20.00 million

2015 – Rs. 20.97 million

CAREER DEVELOPMENT AND OTHER PROGRAMMES CONDUCTED DURING THE YEAR 2015

- ◆ 2nd Anniversary Celebrations at SLITHM Premises
- ◆ “Poson Dansela” was organized by the students sports & welfare association at Warapitiya Junction
- ◆ Knowledge first was held at KCC to promote SLITHM
- ◆ World Tourism Day was celebrated at Nuwara Eliya with Department of Tourism, Central Province
- ◆ Tree Planting Day was held at SLITHM – Kandy
- ◆ Students of SLITHM taken part in Blood Donation programme at Mahamaya College, Kandy
- ◆ Training of “Tea & Coffee Buffet Service with Manners” held for Provincial Council Staff.
- ◆ Stewards Advanced Training programme at Sri Lanka Air Force Ground.

09. SLITHM Koggala Provincial College



The Koggala Provincial College building was constructed by the Southern Provincial Council and commenced operation in January 2008.

- ◆ Action was initiated to refurbish the building in December 2015 at a cost of Rs. 4.7 million.
- ◆ Computer lab was upgraded with computers, UPS, projectors and furniture at a cost of Rs. 2.12 million.

FACILITIES AVAILABLE:

- ◆ 07 Class Rooms (maximum 30 students each)
- ◆ 01 Training Kitchen
- ◆ 01 Stores
- ◆ 01 Training Restaurant
- ◆ 02 Mock – up rooms
- ◆ 01 Computer laboratory
- ◆ 01 Operational Room
- ◆ Library

Permanent Academic Staff – 2015

Mr. R.D.A. Lenard - Acting Principal

| Faculty | Lecturer | Designation |
|---------------------------|---------------------|--------------------|
| Professional Cookery | Mr. H.H.T. Herath | Assistant Lecturer |
| | Mr. M.N. Wiranga | Junior Lecturer |
| Food & Beverage Operation | Mr. L.S. Wasantha | Assistant Lecturer |
| Front Office Operation | Mr. H.K.W. Chandana | Assistant Lecturer |
| | Mr. M.A. Buddhika | Assistant Lecturer |
| Housekeeping Operation | Mr. I.U. Mohotti | Lecturer |
| | Mr. P.S.W. Emmanuel | Assistant Lecturer |

Note: In addition there were 12 Visiting Lecturers

Number of Students Trained - 2015

Table 9: Number of Students trained at Koggala Provincial College in 2014 and 2015

| Courses | 2014 | 2015 |
|--|------------|------------|
| Craft Level - Professional Cookery | - | 33 |
| Craft Level - Food & Beverage | - | 33 |
| Craft Level - Front Office Operation | - | 19 |
| Craft Level – Housekeeping | 40 | 46 |
| Craft Level – Sub Total | 40 | 131 |
| Certificate Level - Professional Cookery | 95 | 83 |
| Certificate Level - Food & Beverage | 89 | 93 |
| Certificate Level - Front Office Operation | 76 | 87 |
| Certificate Level - Housekeeping | 67 | 71 |
| Certificate Level – Sub Total | 327 | 334 |
| Grand Total | 367 | 465 |

The number of students trained at the Koggala Provincial College, in regular courses increased from 367 in 2014 to 465 in 2015 an increase of 26.70 percent.

Net cost of operations:

2014 - Rs. 16.07 million

2015 - Rs. 17.63 million

CAREER DEVELOPMENT AND OTHER PROGRAMMES CONDUCTED DURING THE YEAR 2015

- ◆ Drug Awareness Programme
- ◆ Firefighting Training Programme
- ◆ First-aid Programme
- ◆ AIDS Awareness Programme
- ◆ Educational Trips
- ◆ Hotel Visits
- ◆ School Awareness Programs
- ◆ Language Day
- ◆ Shramadana Campaign
- ◆ Inter-departmental Cricket Match
- ◆ Flower Decoration Demonstration

10. SLITHM Ratnapura Provincial College



FACILITIES AVAILABLE:

- ◆ 06 Class Rooms
- ◆ Practical Restaurant
- ◆ Training Kitchen
- ◆ 02 Mock-Up Rooms
- ◆ Student's Cafeteria
- ◆ Computer Laboratory

Permanent Academic Staff - 2015

Mr. Kanishka N. Jayathunga - Principal

| Faculty | Lecturer | Designation |
|---------------------------|---------------------------|--------------------|
| Professional Cookery | Mr. C. Tennakoon | Senior Lecturer |
| | Mr. M.P.N. Wickramasinghe | Assistant Lecturer |
| Food & Beverage Operation | Mr. H.K. Chaman Perera | Senior Lecturer |
| | Mr. K. Krishantha | Junior Lecturer |
| Front Office Operation | Mr. J.G.M. Gamage | Assistant Lecturer |
| Housekeeping Operation | Mr. K.D. Nugawela | Lecturer |

Note: In addition there were 11 Visiting Lecturers

Number of Students Trained - 2015

Table 10: Number of Students trained at Ratnapura Provincial College in 2014 and 2015

| Courses | 2014 | 2015 |
|--|------------|------------|
| Craft Level - Professional Cookery | 33 | 54 |
| Craft Level - Food & Beverage | 32 | 40 |
| Craft Level – Housekeeping | 12 | 26 |
| Craft Level – Subtotal | 77 | 120 |
| Certificate Level - Professional Cookery | 58 | 60 |
| Certificate Level - Food & Beverage | 45 | 56 |
| Certificate Level - Front Office Operation | 45 | 44 |
| Certificate Level – Housekeeping | 56 | 52 |
| Certificate Level – Subtotal | 204 | 212 |
| Subtotal - SLITHM Regular Courses | 281 | 332 |
| Apprenticeship Programmes | - | 13 |
| Grand Total | 281 | 345 |

At the Ratnapura Provincial College, the number of students trained in regular courses increased from 281 in 2014 to 332 in 2015 an increase of 18.15 percent. In addition to the regular courses 13 students were trained in the apprenticeship programme in 2015. Total number of students trained both in regular and other training programs were 281 in 2014 to 345 in 2015.

Net cost of operations:

Year 2014 - Rs. 13.76 million

Year 2015 - Rs. 15.14 million

CAREER DEVELOPMENT AND OTHER PROGRAMMES CONDUCTED DURING THE YEAR 2015

- ◆ Personal Development Programme conducted for Sabaragamuwa University Students programme
- ◆ School visit from Kegalle Boyagama School Teachers and Students
- ◆ Entrepreneur Workshop conducted by Unilever for stakeholders in Ratnapura Division
- ◆ Table Manners & Etiquette Programme conducted for Divisional Secretariat of Nivithigala
- ◆ School visit from Batugedara School Teachers and Students
- ◆ School visit from Eheliyagoda Central College Teachers and Students
- ◆ School visit from Kahawatte School Teachers and Students
- ◆ School visit from Ferguson High school teachers and students
- ◆ Participated at the Sabargamuwa University Educational & Technology Exhibition (Pirihibini Diyawara)
- ◆ Participated at the Technical College Job fair
- ◆ Sabaragamuwa University Students (programme)
- ◆ Table manners & Etiquette Programme conducted for Divisional Secretariat of Elapatha
- ◆ Participated at the Kiriella Job Fair
- ◆ Cleaning Programme organized by the students' Welfare Association (CSR)

11. SLITHM Kurunegala Provincial College



The ownership of the land and the building of Kurunegala Provincial College is with the Wayamba Provincial Council and Wayamba Development Authority. SLITHM signed a MOU for a period of two years to operate the hotel school. Soft opening of the school was held on 9th February 2015.

FACILITIES AVAILABLE:

- ◆ 04 Class Rooms (maximum 30 students each)
- ◆ 01 Training Kitchen
- ◆ 01 Training Restaurant
- ◆ 01 Mock-up room
- ◆ 01 Computer Laboratory
- ◆ Auditorium
- ◆ Cafeteria
- ◆ Library

Permanent Academic Staff – 2015

Mr. E.K. Sarath Kumara - Acting Principal

| Faculty | Lecturer | Designation |
|------------------------|---------------------------|--------------------|
| Front Office Operation | Mr. M.S.P. Weerakoon | Assistant Lecturer |
| Housekeeping Operation | Mr. M.B.J.I.B. Jayasekara | Assistant Lecturer |

Note: In addition there were 02 Visiting Lecturers

Number of Students Trained - 2015

Table 11: Number of Students trained at Kurunegala Provincial College in 2015

| Courses | 2015 |
|------------------------------------|------|
| Craft Level – Professional Cookery | 20 |
| Craft Level – Food & Beverage | 19 |
| Craft Level – Subtotal | 39 |

| Courses | 2015 |
|--|------------|
| Certificate Level - Professional Cookery | 60 |
| Certificate Level - Food & Beverage | 62 |
| Certificate Level - Front Office Operation | 46 |
| Certificate Level - Housekeeping | 54 |
| Certificate Level - Subtotal | 222 |
| Subtotal - SLITHM Regular Courses | 261 |
| Apprenticeship Programmes | 18 |
| Subtotal - Other Training Programmes | 18 |
| Grand Total | 279 |

At the Kurunegala Provincial College, the number of students trained in regular courses increased was 261 in 2015. In addition to the regular courses 18 students were trained in the apprenticeship programme in 2015. Total number of students trained both in regular and other training programs were 279 in 2015. Commenced in 2015 and the net cost of operations was Rs. 6.19 million.

12. SLITHM Pasikudah Provincial College



Pasikudah, is used to be a popular tourist destination, however suffered from huge devastation following the 2004 Indian Ocean Tsunami and the security situation in the country. Foreigners' travel to Pasikudah has recently increased due to growth in investment and development.

In 2015, SLITHM decided to temporally setup a hotel school at the National Holiday Resort Office of Pasikudah to conduct basic courses on Hospitality Management. The building was renovated at a cost of Rs. 1.2 million

Mrs. M. Sundarampillai – Acting Principal

Mr. A. M. J. K. Attanayake – Assistant Lecturer (Restaurant & Bar Service)

Note: In addition there were 02 Visiting Lecturers

During the year, they conducted short term training programs to create awareness among the youth. It is planned to commence the SLITHM courses in 2016.

ABBREVIATIONS USED

| | | |
|--------|---|---|
| AMC | - | Audit and Management Committee |
| DMS | - | Department of Management Services |
| SLTDA | - | Sri Lanka Tourism Development Authority |
| SLITHM | - | Sri Lanka Institute of Tourism Hotel Management |
| SLTPB | - | Sri Lanka Tourism Promotion Bureau |
| SLCB | - | Sri Lanka Convention Bureau |


Statement of Financial Position

as at 31st December 2015

Amount / Rs.

| | Note | 2015 | 2014 Restated |
|------------------------------------|------|----------------------|--------------------|
| ASSETS | | | |
| Current Assets | | | |
| Inventories | 03 | 2,327,707 | 2,140,852 |
| Trade Debtors | 04 | 17,396,453 | 16,849,354 |
| Deposits & Other Receivables | 05 | 6,744,480 | 5,387,759 |
| Receivables SLTDA | 06 | 97,178,035 | 69,607,741 |
| Loans & Other | | 8,940,618 | 9,343,616 |
| Advances | | 279,965 | 218,354 |
| Pre payments | | 182,968 | 6,819,543 |
| Investment of Gratuity | | 13,307,423 | 12,659,712 |
| Cash and Cash Equivalents | 07 | 256,022,764 | 134,125,738 |
| TOTAL CURRENT ASSETS | | 402,380,412 | 257,152,667 |
| NON- CURRENT ASSETS | | | |
| Property, Plant & Equipment | 02 | 672,159,211 | 657,776,518 |
| Less : Provisions for Depreciation | | 281,524,834 | 241,324,441 |
| WRITTEN DOWN VALUE | | 390,634,377 | 416,452,077 |
| Add : Work in progress | 08 | 32,812,601 | 29,671,063 |
| INTANGIBLE ASSETS | | | |
| Computer Software | | - | 22,506 |
| Investment | 09 | 196,478,933 | 186,626,735 |
| TOTAL NON- CURRENT ASSETS | | 619,925,910 | 632,772,381 |
| TOTAL ASSETS | | 1,022,306,322 | 889,925,048 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Deposits / Other payables | | 46,397,909 | 32,718,434 |
| Accrued expenses | | 32,728,036 | 28,798,633 |
| Provisions for Retirement Gratuity | 10 | 26,497,147 | 21,181,584 |
| TOTAL CURRENT LIABILITIES | | 105,623,092 | 82,698,651 |
| NET ASSETS | | 916,683,230 | 807,226,397 |
| NET ASSETS/EQUITY | | | |
| Capital Contribution | | 454,850,952 | 454,850,952 |
| Accumulated Surplus | | 454,094,343 | 343,708,957 |
| JABIC & UNDP Grant | | 7,737,935 | 8,666,488 |
| TOTAL NET ASSETS/EQUITY | | 916,683,230 | 807,226,397 |

The board of Management is responsible for the preparation and presentation of these financial statements. Accounting policies and notes form an integral part of these financial statements. Approved and signed for and on behalf of the board of Management.


Sunil Dissanayake
Chairman


Nirmal Thambapillai
Board Member
SLITHM


Buddhika Hewawasam
Director General


Royce Fernando
Director Finance

Board Member
SLITHM

Cash Flow Statement

as at 31st December 2015

Amount / Rs.

| | 2015 | 2014 |
|--|---------------------|----------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Surplus /(Deficit) | 110,385,385 | 146,281,118 |
| NON-CASH MOVEMENT | | |
| Depreciation | 40,222,899 | 36,250,997 |
| Losses /Write-offs | - | (772,219) |
| Amortization of JABIC & UNDP Grant | (928,553) | - |
| Provision for Gratuity | 6,557,672 | 1,925,828 |
| Cash flow from operating activities before working capital Changes | 156,237,404 | 183,685,724 |
| CHANGES IN WORKING CAPITAL | | |
| (Increase)/Decrease in Inventory | (186,856) | 1,595,920 |
| (Increase)/Decrease in Trade Debtors | (547,099) | (1,846,063) |
| (Increase)/Decrease in Deposits & Other Recievables | (1,356,721) | (2,067,279) |
| (Increase)/Decrease in Receivables SLTDA & SLTPB | (27,570,295) | 67,455,552 |
| (Increase)/Decrease in Pre payments | 402,998 | (6,261,247) |
| (Increase)/Decrease in Loans & Advances | 6,574,964 | (943,740) |
| Increase/(Decrease) in Deposit payables | 13,679,475 | 223,825 |
| Increase/(Decrease) in Other payables | - | (8,297,268) |
| Increase/(Decrease) in Accrued Expenses | 3,929,403 | 17,444,695 |
| | (5,074,129) | 67,304,396 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | 151,163,275 | 250,990,121 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Gratuity Paid | (1,242,110) | (1,397,445) |
| Purchase of Property , Plant & Equipment | (17,524,231) | (63,019,228) |
| Increase in Investments | (10,499,908) | (79,109,407) |
| NET CASH USED IN INVESTING ACTIVITIES | (29,266,248) | (143,526,080) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 121,897,026 | 107,464,041 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 134,125,738 | 26,661,697 |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 256,022,764 | 134,125,738 |

Statement of Changes in Net Assets/ Equity

For the year ended 31st December 2015

Amount / Rs.

| | Contributed Capital | Accumulated Surpluses/(Deficits) | Total |
|--|---------------------|----------------------------------|--------------------|
| Balance at December 31, 2014 | 454,850,952 | 365,981,210 | 820,832,162 |
| Previous Year adjustment | - | (22,272,252) | (22,272,252) |
| Restated Balance | 454,850,952 | 343,708,957 | 798,559,909 |
| Surplus /(Deficit) for the period | - | 110,385,385 | 110,385,385 |
| BALANCE AT DECEMBER 31,2015 CARRIED FORWARD | 454,850,952 | 454,094,343 | 908,945,295 |

Statement of Financial Performance

For the year ended 31st December 2015

Amount / Rs.

| | Note | 2015 | 2014 |
|--------------------------------------|------|--------------------|--------------------|
| REVENUE | | | |
| Tourism Development Levy | 16 | 128,902,977 | 117,936,616 |
| Embarkation Levy | | 236,224,932 | 218,371,937 |
| School Fees & Other | 17 | 45,244,014 | 48,189,393 |
| Other Revenue | 18 | 15,120,863 | 27,271,348 |
| Hotel Revenue | | 16,182,587 | 13,979,655 |
| TOTAL REVENUE | | 441,675,374 | 425,748,948 |
| EXPENSES | | | |
| Wages , Salaries & Employee benefits | 19 | 159,776,675 | 110,240,000 |
| Supplies & Consumables used | 20 | 130,845,663 | 127,799,372 |
| Depreciation & Amortization expenses | 21 | 40,222,899 | 36,250,997 |
| Other expenses | 22 | 253,950 | 4,971,670 |
| Finance cost | 23 | 190,801 | 205,791 |
| TOTAL EXPENSES | | 331,289,989 | 279,467,830 |
| SURPLUS/ (DEFICIT) | | 110,385,385 | 146,281,118 |

Statement of Financial Performance

Colombo

For the year ended 31st December 2015

Amount / Rs.

| | 2015 | 2014 |
|--------------------------------------|----------------------|----------------------|
| REVENUE | | |
| School Fees & Other | 18,426,814 | 24,278,620 |
| Other Revenue | 14,318,134 | 26,211,232 |
| TOTAL REVENUE | 32,744,948 | 50,489,852 |
| EXPENSES | | |
| Wages , Salaries & Employee benefits | 107,730,159 | 70,566,257 |
| Supplies & Consumables used | 79,231,646 | 79,028,452 |
| Depreciation & Amortization expenses | 31,640,289 | 28,427,694 |
| Other expenses | 253,950 | 4,965,891 |
| Finance cost | 160,126 | 199,116 |
| TOTAL EXPENSES | 219,016,169 | 183,187,410 |
| SURPLUS/ (DEFICIT) | (186,271,221) | (132,697,557) |

Statement of Financial Performance

Anuradhapura

For the year ended 31st December 2015

Amount / Rs.

| | 2015 | 2014 |
|--------------------------------------|---------------------|---------------------|
| REVENUE | | |
| School Fees & Other | 1,627,200 | 3,134,330 |
| Other Revenue | 107,384 | 48,051 |
| TOTAL REVENUE | 1,734,584 | 3,182,381 |
| EXPENSES | | |
| Wages , Salaries & Employee benefits | 5,514,609 | 6,110,630 |
| Supplies & Consumables used | 6,302,556 | 6,046,264 |
| Depreciation & Amortization expenses | 2,391,429 | 1,903,302 |
| Other expenses | - | - |
| Finance cost | - | 3,750 |
| TOTAL EXPENSES | 14,208,595 | 14,063,947 |
| SURPLUS/ (DEFICIT) | (12,474,011) | (10,881,566) |

Statement of Financial Performance

Bandarawela

For the year ended 31st December 2015

Amount / Rs.

| | 2015 | 2014 |
|--------------------------------------|---------------------|---------------------|
| REVENUE | | |
| School Fees & Other | 3,210,000 | 2,977,830 |
| Other Revenue | 104,919 | 47,431 |
| TOTAL REVENUE | 3,314,919 | 3,025,261 |
| EXPENSES | | |
| Wages , Salaries & Employee benefits | 6,691,345 | 5,278,208 |
| Supplies & Consumables used | 6,369,364 | 6,434,557 |
| Depreciation & Amortization expenses | 1,778,287 | 1,760,188 |
| Other expenses | - | - |
| Finance cost | - | 3,750 |
| TOTAL EXPENSES | 14,838,995 | 13,476,703 |
| SURPLUS/ (DEFICIT) | (11,524,076) | (10,451,442) |

Statement of Financial Performance

Kandy

For the year ended 31st December 2015

Amount / Rs.

| | 2015 | 2014 |
|--------------------------------------|---------------------|---------------------|
| REVENUE | | |
| School Fees & Other | 7,507,500 | 7,369,903 |
| Other Revenue | 362,288 | 83,100 |
| TOTAL REVENUE | 7,869,788 | 7,453,003 |
| EXPENSES | | |
| Wages , Salaries & Employee benefits | 14,633,084 | 11,937,882 |
| Supplies & Consumables used | 14,079,359 | 15,385,311 |
| Depreciation & Amortization expenses | 113,961 | 113,961 |
| Other expenses | - | 5,779 |
| Finance cost | 15,165 | 5,360 |
| TOTAL EXPENSES | 28,841,569 | 27,448,293 |
| SURPLUS/ (DEFICIT) | (20,971,782) | (19,995,290) |

Statement of Financial Performance

Koggala

For the year ended 31st December 2015

Amount / Rs.

| | 2015 | 2014 |
|--------------------------------------|---------------------|---------------------|
| REVENUE | | |
| School Fees & Other | 6,153,500 | 5,417,790 |
| Other Revenue | 67,273 | 819,785 |
| TOTAL REVENUE | 6,220,773 | 6,237,575 |
| EXPENSES | | |
| Wages , Salaries & Employee benefits | 11,133,031 | 9,229,033 |
| Supplies & Consumables used | 11,582,368 | 12,126,467 |
| Depreciation & Amortization expenses | 1,132,804 | 952,253 |
| Other expenses | - | - |
| Finance cost | 3,750 | 555 |
| TOTAL EXPENSES | 23,851,952 | 22,308,307 |
| SURPLUS/ (DEFICIT) | (17,631,180) | (16,070,732) |

Statement of Financial Performance

Ratnapura

For the year ended 31st December 2015

Amount / Rs.

| | 2015 | 2014 |
|--------------------------------------|---------------------|---------------------|
| REVENUE | | |
| School Fees & Other | 4,594,000 | 5,010,920 |
| Other Revenue | 143,187 | 61,748 |
| TOTAL REVENUE | 4,737,187 | 5,072,668 |
| EXPENSES | | |
| Wages , Salaries & Employee benefits | 8,545,746 | 7,117,990 |
| Supplies & Consumables used | 8,939,069 | 8,703,149 |
| Depreciation & Amortization expenses | 2,392,362 | 3,011,553 |
| Other expenses | - | - |
| Finance cost | 3,750 | 260 |
| TOTAL EXPENSES | 19,880,926 | 18,832,951 |
| SURPLUS/ (DEFICIT) | (15,143,739) | (13,760,283) |

Statement of Financial Performance

Training Hotel

For the year ended 31st December 2015

Amount / Rs.

| | 2015 | 2014 |
|---------------------------|-------------------|-------------------|
| REVENUE | | |
| Restaurant Revenue | 11,412,557 | 8,759,841 |
| Bar Revenue | - | 494,006 |
| Room Revenue | 6,070,715 | 11,420,317 |
| Other Revenue | 2,293,108 | 1,147,978 |
| TOTAL REVENUE | 19,776,380 | 21,822,142 |
| EXPENSES | | |
| Cost of Sales | 3,593,793 | 7,559,237 |
| Cost of Bar Sales | - | 283,250 |
| TOTAL EXPENSES | 3,593,793 | 7,842,487 |
| SURPLUS/ (DEFICIT) | 16,182,587 | 13,979,655 |

Statement of Financial Performance

Kurunegala

For the year ended 31st December 2015

Amount / Rs.

| | 2015 | 2014 |
|--------------------------------------|-------------|----------|
| REVENUE | | |
| School Fees & Other | 3,685,000 | - |
| Other Revenue | 17,679 | - |
| TOTAL REVENUE | 3,702,679 | - |
| EXPENSES | | |
| Wages , Salaries & Employee benefits | 5,528,701 | |
| Supplies & Consumables used | 4,341,303 | 45,284 |
| Depreciation & Amortization expenses | 13,663 | |
| Other expenses | - | |
| Finance cost | 8,010 | |
| TOTAL EXPENSES | 9,891,677 | 45,284 |
| SURPLUS/ (DEFICIT) | (6,188,998) | (45,284) |

Statement of Financial Performance

Pasikudah

For the year ended 31st December 2015

Amount / Rs.

| | 2015 | 2014 |
|--------------------------------------|------------------|------------------|
| REVENUE | | |
| School Fees & Other | 40,000 | - |
| Other Revenue | - | - |
| TOTAL REVENUE | 40,000 | - |
| EXPENSES | | |
| Wages , Salaries & Employee benefits | - | - |
| Supplies & Consumables used | - | 29,889 |
| Depreciation & Amortization expenses | 760,105 | 82,046 |
| Other expenses | - | - |
| Finance cost | - | - |
| TOTAL EXPENSES | 760,105 | 111,934 |
| SURPLUS/ (DEFICIT) | (720,105) | (111,934) |

Property , Plant & Equipment

For the year ended 31st December 2015

Note 02

| Account ID | Description | Balance as at 01.01.2015 | Addition |
|------------|---|--------------------------|-------------------|
| 102 | Building | 336,120,072 | - |
| 102A | Water Supply & Drainage System | 415,299 | - |
| 102C | Electrical Installation | 1,905,655 | - |
| 102D | Telecom Installation | 3,010,560 | 267,455 |
| 103 | Fixtures & Fittings | 16,267,660 | 1,919,173 |
| 104 | Furniture | 48,894,710 | 1,439,225 |
| 105 | Miscellaneous Equipment | 109,881,888 | 122,100 |
| 105A | Office Equipment | 3,646,854 | 3,296,821 |
| 105B | Kitchen & Bakery Equipment | 5,895,246 | 944,634 |
| 105C | Misc. Equipment -F & B | 1,766,427 | 1,303,232 |
| 105D | Housekeeping Equipment | 781,266 | - |
| 105E | Laundry Equipment | 12,685,421 | 1,762,128 |
| 106 | Plant & Machinery | 10,411,339 | - |
| 107 | Glassware & Crockery | 6,640,953 | 321,246 |
| 108 | Cutlery & Silver Ware | 15,914,172 | 115,440 |
| 108A | Kitchen Utencil | 503,119 | 284,430 |
| 109 | Linen | 11,740,022 | 14,750 |
| 110 | Motor Vehicles (KB - 6651/NB - 9389/CAB - 2280) | 17,989,325 | - |
| 111 | Computer & Data Processing Equip | 50,621,933 | 2,116,021 |
| 118 | Library Books | 896,138 | 476,039 |
| 100 | Development Cost | 1,788,459 | - |
| | | 657,776,518 | 14,382,693 |

INTENGIBLE ASSETS

| Account ID | Description | Balance as at 01.01.2015 | Addition |
|------------|-------------------------------|--------------------------|----------|
| 119A | Computer Programme & Software | 736,505 | - |

| Balance as at 31.12.2015 | Accumulated Depreciation as at 01.01.2015 | Depreciation for 2015 | Accumulate Depreciation as at 31.12.2015 | Net Book Value |
|-----------------------------|---|--------------------------|--|--------------------|
| 336,120,072 | 84,771,053 | 13,444,803 | 98,215,856 | 237,904,215 |
| 415,299 | 36,706 | 31,147 | 67,854 | 347,446 |
| 1,905,655 | 418,269 | 99,644 | 517,913 | 1,387,742 |
| 3,278,015 | 856,688 | 152,311 | 1,008,999 | 2,269,016 |
| 18,186,833 | 4,204,632 | 1,269,526 | 5,474,158 | 12,712,675 |
| 50,333,935 | 16,680,250 | 3,711,396 | 20,391,645 | 29,942,290 |
| 110,003,988 | 44,624,613 | 8,243,634 | 52,868,248 | 57,135,740 |
| 6,943,675 | 955,976 | 427,345 | 1,383,321 | 5,560,354 |
| 6,839,880 | 641,122 | 486,565 | 1,127,687 | 5,712,193 |
| 3,069,659 | 215,954 | 192,485 | 408,439 | 2,661,220 |
| 781,266 | 27,015 | 58,595 | 85,610 | 695,656 |
| 14,447,549 | 1,328,975 | 970,496 | 2,299,471 | 12,148,078 |
| 10,411,339 | 9,815,702 | 261,937 | 10,077,638 | 333,700 |
| 6,962,199 | 6,053,321 | 487,379 | 6,540,700 | 421,500 |
| 16,029,612 | 15,215,162 | 393,279 | 15,608,441 | 421,171 |
| 787,548 | 204,581 | 163,634 | 368,215 | 419,334 |
| 11,754,772 | 11,019,267 | 538,905 | 11,558,172 | 196,600 |
| 17,989,325 | 4,577,665 | 3,542,331 | 8,119,997 | 9,869,329 |
| 52,737,954 | 36,992,892 | 5,566,317 | 42,559,209 | 10,178,744 |
| 1,372,177 | 896,138 | 158,664 | 1,054,802 | 317,375 |
| 1,788,459 | 1,788,459 | - | 1,788,459 | - |
| 672,159,211 | 241,324,441 | 40,200,393 | 281,524,834 | 390,634,377 |

| Balance as at 31.12.2015 | Accumulated Depreciation as at 01.01.2015 | Depreciation for 2015 | Accumulate Depreciation as at 31.12.2015 | Net Book Value |
|-----------------------------|---|--------------------------|--|----------------|
| 736,505 | 713,999 | 22,506 | 736,505 | (0) |

Notes to the Financial Statements

For the year ended 31st December 2015

STOCK BALANCES

Note 03
Amount / Rs.

| Description | 2015 | 2014 |
|--------------|------------------|------------------|
| Liquor Stock | 83,540 | 83,540 |
| Main Stores | 2,244,167 | 2,057,312 |
| TOTAL | 2,327,707 | 2,140,852 |

TRADE DEBTORS

Note 04
Amount / Rs.

| Name | 2015 | 2014 |
|--|-----------|-----------|
| AGM of PC House | 11,954 | 11,954 |
| Anne Amarathunga | 15,500 | - |
| Anoop Poonia | 13,617 | - |
| Anusuya Aruliah | 56,910 | - |
| Bocus Sri lanka | 22,498 | - |
| Chamber of commerce | 39,424 | - |
| Chaya Blue Hotel | - | 21,600 |
| CHSGA | 1,100 | - |
| CRAFT | 40,000 | - |
| Department of Census & Statistic | - | 65,209 |
| Eibraheim Alli | 20,000 | - |
| Faumi Abdull | 62,459 | - |
| Felix Ruddrigo | 18,874 | - |
| H.Thilakarathna | 5,000 | - |
| Hon. Minister | 2,250 | - |
| IMSS | 63,000 | - |
| J. Perinbanayagam, U.K. | 12,237 | - |
| Kandy Walk Inn | 39,424 | 39,424 |
| Keels Hotel Management | 41,888 | 41,888 |
| Lal Rathnayaka | 365,245 | - |
| M.N. Zhongwei | 1,350 | - |
| Michel Main | 17,290 | - |
| Ministry of Economic Development | 5,140,571 | 5,140,571 |
| Ministry of Fisheries & Aquapic Resource Development | 250,518 | - |
| Mr.Anura Senanayake (DIG)- Police Dep.(CHOGM) | 1,118,000 | 1,118,000 |

Conted. ➡

| | | |
|---|-------------------|-------------------|
| Mr.George De Simpkin - Rugby Coach | 295,800 | 295,800 |
| Mr. Franco | - | 19,712 |
| Mr.Sega Nagendara | 19,712 | 19,712 |
| Ms.Haalia Galaly (Colombo Musical Festival) | 312,254 | 312,254 |
| One Stop Unit | 403,880 | 408,752 |
| R.R Donnally | 112,003 | - |
| Rainbow Resourses (Pvt) Ltd. | 113,400 | 113,400 |
| Shirantha Gamage | 724 | - |
| SLCB | 79,531 | - |
| SLITHM | 839,366 | - |
| SLTDA | 2,285,926 | 1,976,628 |
| SLTDA (S & QA) | 262,089 | 262,089 |
| SLTPB | 3,841,016 | 5,627,927 |
| Srilanka Airlines, BIA Katunayaka | 23,900 | 23,900 |
| Travel Agent Association of Sri lanka | 97,211 | - |
| TRIP PROJECT | 1,350,534 | 1,350,534 |
| GRAND TOTAL | 17,396,453 | 16,849,354 |

SUNDRY DEBTORS & DEPOSIT RECEIVABLE

Note 05
Amount / Rs.

| Description | 2015 | 2014 |
|-------------------------------------|------------------|------------------|
| Tourist police Unit - Building Rent | 3,192,000 | 3,192,000 |
| CHSGA Building Rent | 240,000 | 240,000 |
| Auction | - | 3,279 |
| Student -Anuradhapura | - | 50,000 |
| Student -Rathnapura | 184,980 | 184,980 |
| C F De Mel Deposit for fuel | 100,000 | 100,000 |
| Security Deposit- CEB | 3,027,500 | 1,617,500 |
| TOTAL | 6,744,480 | 5,387,759 |

RECEIVABLE - SLTDA

Note 06
Amount / Rs.

| Description | 2015 | 2014 |
|---|-------------------|-------------------|
| Distress Loan | 54,400 | 54,400 |
| Accrued Expenses - 2007 | 3,810,324 | 3,810,324 |
| Distress Loan –Mrs. N.T.N.Sarasingha | 168,445 | 168,445 |
| Distress Loan- Mr. W.M.Siripala | 184,320 | 184,320 |
| Distress Loan-Mr. K.Ganesh | 161,520 | 161,520 |
| Distress Loan-Mr.M.R.A.S.Reiris | 104,890 | 104,890 |
| Mr.S. Samaraweera Salary Sept/2010-Dec/2011 | 349,443 | 349,443 |
| Chairman B.Gunathilaka - Visit to Korea | 237,576 | 237,576 |
| Tourism Development Levy | 32,869,535 | 25,160,819 |
| Embarkation Levy | 58,911,722 | 39,050,143 |
| E P F June 2008 | 22,039 | 22,039 |
| Over time for Maintenance Staff 2012/2013 | 303,823 | 303,823 |
| TOTAL | 97,178,035 | 69,607,741 |

Cash Book & Bank Balances

For the year ended 31st December 2015

Note 07
Amount / Rs.

| BANK & BRANCH | ACCOUNT NO. | 2015 | | 2014 | |
|--------------------|-------------|-------------------|----------------|-------------------|----------------|
| | | CASH BOOK BALANCE | BANK BALANCE | CASH BOOK BALANCE | BANK BALANCE |
| BOC - Anuradhapura | 7120455 | 6,492,849.51 | 6,771,502.92 | 4,413,945.07 | 4,717,404.65 |
| BOC - Beruwala | 7120413 | 7,756,655.95 | 8,137,119.17 | 3,970,565.04 | 4,100,258.29 |
| BOC - Colombo | 7120156 | 220,699,172.59 | 231,451,755.22 | 114,497,984.50 | 125,930,044.01 |
| BOC - Kandy | 7120392 | 3,009,938.53 | 4,276,363.87 | 3,671,832.50 | 4,603,838.54 |
| BOC - Koggala | 7120471 | 4,729,995.44 | 5,455,279.84 | 2,843,930.88 | 3,898,440.04 |
| BOC - Ratnapura | 71114301 | 5,701,430.63 | 6,175,550.33 | 4,727,479.62 | 5,390,781.50 |
| BOC- Kurunegala | 77110931 | 7,632,721.30 | 8,036,216.59 | - | - |
| TOTAL | | 256,022,763.95 | 270,303,787.94 | 134,125,737.61 | 148,640,767.03 |

WORK IN PROGRESS

Note 08
Amount / Rs.

| SUPPLIER / CONTRACTOR NAME | DESCRIPTION | AMOUNT |
|--|--|------------|
| Dias Builders | Supply & fabricating of Gypsum Ceiling | 4,508,585 |
| Amarasinghe Builders | Payment of platform for Cold Room For wet & Dry Garbage | 117,650 |
| Central Engineering Consultancy Bureau | Adv. pay. for Design & Build Contract Gym area, class room at roof top & refurbishment of faculty area | 23,205,002 |
| Datamation Systems (Pvt) Ltd | Software Package | 3,771,216 |
| Zahira Construction & Hardware | Advance payment for renovation work at Passikuda | 1,210,148 |
| TOTAL | | 32,812,601 |

INVESTMENT

Note 09
Amount / Rs.

| DEPOSIT DATE | PERIOD | FD NUMBER | DEPOSIT AMOUNT | LAST RENEWAL DATE | LAST RENEWAL AMOUNT | INTEREST RATE PER ANNUM |
|--------------|-----------|-----------|----------------|-------------------|---------------------|-------------------------|
| 01.10.2013 | 03 Months | 75172316 | 100,000,000 | 31.12.2015 | 114,343,709 | 6.75% |
| 05.06.2014 | 06 Months | 76039212 | 75,000,000 | 07.12.2015 | 82,135,224 | 10.75% |
| TOTAL | | | 175,000,000 | | 196,478,933 | |

Summery of Provision for Gratuity - 2015

Note 10

Amount / Rs.

| | 2015 | 2014 |
|--|----------------------|----------------------|
| Amount Brought Forward | 21,181,583.98 | 13,220,220.00 |
| ADD: | | |
| Adjustment for the previous year | - | 7,483,531.42 |
| Provision for the year | 6,557,672.25 | 1,925,827.56 |
| | 27,739,256.23 | 22,629,578.98 |
| LESS: | | |
| Amount paid during the year 2015 | 1,242,109.50 | 1,397,445.00 |
| Ineligible provision year (4 Officers) | - | 50,550.00 |
| Total Gratuity payable as at 31.12.2015 | 26,497,146.73 | 21,181,583.98 |

Observations of Auditor General



ජාතික විගණන කාර්යාලය தேசிய கணக்காய்வு அலுவலகம் NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல. } TIP/A/SLITHM/01/
My No. } 2015/05

ඔබේ අංකය
உமது இல. }
Your No. }

දිනය
திகதி } 08 February 2019
Date }

The Chairman
Sri Lanka Institute of Tourism and Hotel Management

Report of the Auditor General on the Financial Statements of the Sri Lanka Institute of Tourism and Hotel Management for the year ended 31 December 2015 in terms of Section 14 (2) (c) of the Finance Act, No. 38 of 1971

The audit of financial statements of the Sri Lanka Institute of Tourism and Hotel Management for the year ended 31 December 2015 comprising the statement of financial position as at 31 December 2015 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 and Section 20 of the Tourism Act No. 38 of 2005. My comments and observations which I consider should be published with the annual report of the Institute 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

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව

இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை, இலங்கை.

No. 306/72, Polduwa Road, Battaramulla, Sri Lanka.



+94 11 2 88 70 28 - 34



+94 11 2 88 72 23



ag@auditorgeneral.gov.lk



www.naosl.gov.lk



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 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 Institute's preparation and fair presentation of the 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 Institute'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 Section 13 of the Finance Act No. 38 of 1971 give discretionary power to the Auditor General to determine the scope and the 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 Sri Lanka Institute of Tourism and Hotel Management as at 31 December 2015 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 Statement

2.2.1 Accounting Deficiencies

Receivable Interest Income amounting to Rs.1,756,148 as at 31 December 2015 had been debited to Investment Account instead of debiting to Receivable Interest Income. Therefore Receivable Interest Income and Investment Value had been overstated and understated respectively by that amount.

2.2.2 Unexplained Differences

Differences were observed between the balances of the Sri Lanka Tourism Development Authority and Sri Lanka Tourism Promotion Bureau with the under mentioned balances of the Sri Lanka Tourism and Hotel Management Institute.

| Detailed of the Accounts | As per the Account of the Sri Lanka Institute of Tourism and Hotel Management | As per the Account of the Sri Lanka Tourism Development Authority | As per the Account of the Sri Lanka Tourism Promotion Bureau | Difference |
|-----------------------------|---|--|---|------------|
| | Rs. | Rs. | | Rs. |
| (a) Debtors | 7,944,793 | 6,512,810 | -- | 1,431,983 |
| (b) Creditors | 983,872 | 5,059,699 | -- | 4,075,827 |
| (c) Debtors | 3,841,016 | -- | Balance was not shown | 3,841,016 |

2.2.3 Lack of Evidence for Audit

Evidences which mentioned in front of the subjects had not been furnished for the audit.



| Item | Value | Evidence not Furnished |
|---|-------------|--|
| | Rs | |
| (a) Closing stock | 2,327,707 | (i) Detailed schedules (ii) Board of survey reports |
| (b) Accounts Receivable | | |
| (i). Trade Debtors | 16,103,023 | } Conformation of balances |
| (ii). Miscellaneous debtors and deposits receivable | 6,744,480 | |
| (iii). Amount receivable from the Sri Lanka Tourism Development Authority | 7,944,793 | |
| (c) Fixed Assets (Opening Balance of the year 2008) | 129,897,122 | Detailed reports of content of balances |
| (d) Development cost | 1,788,459 | Detailed schedule |

2.3 Accounts Receivable and Payable

The following observations are made.

- Although balance amounting to Rs.5,396,779 from 2012 and Rs.2,238,717 for more than 01 year receivable from Sri Lanka Tourism Development Authority had been identified action had not been taken to recover those balances.
- Balances under Trade Debtors had been consisted of Rs.1,662,788 for more than 03 years Rs.12,206,640 for more than one year and less than 03 years and Rs.3,527,025 for less than one year periods.
- Out of the balances shown under deposit outstanding consist with Rs.7,114,279 over 03 years Rs.3,616,980 over 01 year and less than 03 years and Rs.1,410,000 less than 01 year.
- Out of the balances mentioned under Accrued Expenses consisted with Rs.1,653,760 over 02 years, Rs.11,649,560 over 01 year and less than 02 years and Rs.19,424,716 less than 01 year.



2.4 Non-compliance with Laws, Rules, Regulation and Management Decisions

The following non-compliances with Laws, Rules, Regulations and Management decisions were observed.

| Reference to Laws, Rules and Regulations | Non-compliance |
|---|---|
| (a) Section 02 of Tourism Hotels Statute of 1999. | Even though Tourist Hotel conducting business should be registered and license should be obtain "Samudra" Hotel conducting by the institute had not been registered and not taken the license. |
| (b) Treasury Circular No. IAI/2002/02 dated 28 November 2002 | A register of computer, computer accessories and software had not been maintained in terms of the Circular. |
| (c) Section 4.2.5 of the Public Enterprises Circular No. PED/12 of 02 June 2003 | The Board of Directors should review age analysis of the statement of debtors and creditors, stocks age analysis and old, out dated, slow moving stocks and other items with a view to manage the working capital efficiently, it had not been so done. |
| (d) National Procurement Agency Institution Circular No. 08 of 25 January 2006 | (i) Suppliers had not been registered annually. (ii) Even though the suppliers / agents who response the bids should be called for the opening of bids but it had not been so done. |



3. Financial Review

3.1 Financial Results

According to the financial statements presented, the financial results of the Institute for the year ended 31 December 2015 amounted to a surplus of Rs.110,385,385 as compared with the surplus of Rs.146,281,118 for the preceding year, thus indicating an decrease in the financial results by Rs.35,895,733 for the year under review, when compared with the preceding year. Even though Income of the Tourism Development Levy increase by Rs.10,966,361 and Embarkation Levy income increase by Rs.17,852,995 increase of salaries, wages and personal emolument by Rs.49,536,675 had been mainly attributed to the deterioration of the financial results.

When analysing the financial results of the year under review and 04 preceding years, even though that Financial results of 2011 and 2012 had been deteriorated financial results of the years 2013 and 2014 had been improved. The financial results of the year under review had been deteriorate by 24.5 per cent when compared to the year 2014. However, when taking in to consideration employee's remuneration and depreciation on the non-current assets the contribution of the Institute had been Rs.166,366,966 in the year 2011 and it had continuously increased up to Rs.310,384,960 in the year 2015.

3.2 Analytical Financial Review

The income of the year under review was Rs.441.7 million and when compared to the Rs.425.7 million in the previous year it shown a 3.7 per cent increase. Similarly, when compared to Rs.279 million incurred for teaching, training and development activities in the previous year, Rs.331 million had been incurred in the year under review. Accordingly, it shown a 18.6 per cent increase.



4. Operating Review

4.1 Performance

4.1.1 Planning

In terms of the Section 4 of the Public Finance Circular No. 01/2014 17 of February 2014 an annual Action Plan should be prepared to achieve the objectives mentioned in the Tourism Activity Act No. 38 of 2005 and also as per the Sub - section (c) of that paragraph an annual activity plan, time line, output and outcome based on the annual budget should be included. Above mentioned Action Plan had not been prepared by the Sri Lanka Institute of Tourism and Hotel Management and Performance Report had not been prepared in the Action Plan prepared. Therefore it was observed that Action Plan of the Institute had not been used as a effective tool of control to evaluate the performance.

4.2 Management Activities

The following observations are made.

- (a) Even though the Tourism Resources Improvement Project had provided the consultancy and assistance to the Institute to obtain the National Vocational Qualification, the Institute so far had not issued a certificate including the national vocational qualification.
- (b) The Institute had not obtained the approval from the University Grant Commission or Territory and Vocational Education Commission for the four years Management Diploma Course conducted by the Institute as a complete degree.
- (c) It was observed that due to not registration of suppliers annually a sum of Rs.4,205,537 had been incurred for purchasing food items at the open market for three months for the Sri Lanka Institute of Tourism Hotel Management and "Samudra" Hotel conducted by the institution.



- (d) Food items valued at Rs.1,066,755 had been purchased from the month of March 2015 to 30 September 2015 by the Management of Bandarawela Hotel School at the open market prices without selecting new suppliers adhering to the Government Procurement Procedure.
- (e) Ownership of the land where the Sri Lanka Institute of Hotel Management School situated had not been settled even as at the date of audit 26 December 2018.

4.3 Operating Activities

Even though the Samudra Hotel has hotel room nights 4,745 for earning income during the year under review room nights 1,446 or 30 per cent only had been utilized by the Institute.

4.4 Utilization of Vehicles

Cost incurred for the vehicles and distance travelled during the year under review relating the leasing vehicles had not been furnished for audit.

4.5 Idle and Underutilized Assets

The following observations are made.

- (a) Fifty two teak arm less chairs valued at Rs.662,200 purchased in the year 2013 had been piled up unsecured in the open place at the cafeteria without been used.
- (b) Four summer huts constructed at a cost of Rs.300,000 in the 7th floor of the Hotel School decaying without been taken use of those.
- (c) Two thousand one hundred and seventy two square feet of the main building of the Institute had been allowed for the utilization of outside institutions without recovering any money.



- (d) Lack of proper management of the floor space available in the main office building of the Institute about 8,547 square feet of floor area remained underutilized from beginning of the Institute up to the end of the year under review.

4.6 Staff Administration

The following observations are made.

- (a) There was no proper transfer procedure prepared in transferring of the Officers and transfers had been made by the Management in time to time.
- (b) The approved cadre of the Institute as at the end of the year under review had been 163 and the actual cadre was 101. All three posts such as Director General, Registrar, Director (Finance) had been vacant during the year under review.

5. Accountability and Good Governance

5.1 Presentation of Financial Statements

In terms of Section 6.5.1 of the Public Enterprises Circular No.PED/12 of 02 June 2003, although the financial statements should have been presented for audit within 60 days after the close of the year of accounts, the financial statement for the year 2015 had been presented for audit on 19 October 2018.

5.2 Internal Audit

In terms of the Financial Regulation 134 and the Management Audit Circular No. DMA/2009(1) dated 09 June 2009 an Internal Audit Programme and audit reports had not been furnished to Auditor General.



5.3 Procurement Plan

A Procurement Plan covering a period of 03 years had not been prepared for the Institute in terms of Guidelines 4.2.1 of the Government Procurement Guidelines 25 January 2006.

5.4 Budgetary Control

Variances between the budgeted and the actual amounts under 22 income and expenditure items for the year under review ranging from 23 per cent to 100 per cent were observed and as such the budget had not been made use of as an effective instrument of Management Control.

5.5 Tabling of Annual Reports

The Institute had not tabled the Annual Report even by 30 November 2018 relating to the year 2013 to Parliament in terms of with the Section 6.5.3 of the Public Enterprises Circular No. PED/12 dated 02 June 2003.

5.6 Unresolved Audit Paragraphs

Following deficiencies pointed out in 2014 Audit Report had not been rectified even as at the end of the year under review.

- (a) Two hundred tables and two hundred chairs valued at Rs.2,725,000 had been purchased during the year 2013 for the class rooms of Colombo Hotel School. Even though the Technical Evaluation Committee had rejected the lowest bid as it was disagreed with the specification submitted by the organization, the item purchases were contrary to the said requirements of the specification.



- (b) The Institute had issued 245 certificates in the year 2014 and 900 certificates in the previous years without any basis to the winners in respect of competitions held in collaboration with the Tourist Colleges of the University Graduates Association and 54 students of a private Hotel School neither belongs to the Hotel School of the Institute nor to the Local Hotel School owned by the Institute. At a test check it was found that a Senior Lecturer of the Institute had signed on one certificate issued by the Graduate Association instead of the designation of the Director General of the Institute.
- (c) Verify of donated liquor donated to the Hotel School had been kept without documenting those in custody of the Head of the Food Department without been handed over to the stores. It was observed at a physical verification that 12 bottles of wine valued at Rs.35,000 were missing and further shortages of 06 liquor bottles and there was no evidence whether those liquor had been physically verified.
- (d) Action had not been taken to recover the cost about Rs.887,028 incurred by the Institute to provide laundry service to the staff of the Institute during the period from the month of April 2013 to 30 June 2014.
- (e) A sum of Rs.972,865 had been paid to two visiting lecturers recruited to the Food Section of the Institute for excess lecturing hours worked according to the class record books during the month of March 2013 to June 2014.

6. Systems and Controls

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



Areas of Systems and Control

Observation

- | | |
|-----------------------------|--|
| (a) Fixed Assets Management | A Fixed Assets Register had not been maintained. |
| (b) Inventory Control | Inventory Registers had not been maintained for certain Sections and Board of Survey Reports had not been submitted. |
| (c) Board of Survey | Non availability of the names and signatures of the officers in some Board of Survey Reports who participated for the Board of Surveys. A responsible officer had not initial for the amendments of data entered into the Board of Survey Reports. |
| (d) Budgetary Control | <ul style="list-style-type: none">(i) Even though it was estimated no expenditure incurred.(ii) Expenditure had been incurred for income and expenditure items during the year under review but not estimated. |

H. M. Gamini Wijesinghe
Auditor General