**FINANCIAL REVIEW 2014**

**Reporting Entity:**

University of Colombo has been incorporated under the Universities Act No.16 of 1978. The main administration is located at the College House, No.94 Cumaratunga Munidasa Mawatha, Colombo 03. The Financial Statements of the University of Colombo are prepared for the year ending 31st December 2014.

The results for the year ended 31st December 2014 show the University had another successful year generating a surplus of Rs.318.04 Million (2013 : Rs.214.3 Million)

**Income :**

Total recurrent Grant for the University has increased by Rs.245.3 Million in 2014. Income from fee levying courses has increase by 36% to Rs.630.0 Million (2013 Rs.463 Million)

Undergraduate Tuition fees income has increased by 64% due to enrollment of foreign students to the Faculty of Medicine.

**Expenditure**

Expenditure increased during the year by 11.2% to Rs.1,941 Million. (2013 :Rs.1745 Million)

Staff costs have increased by 12.3% from Rs.1,314.7 Million to Rs.1,476.1 Million reflecting incremental progression and national pay awards and 7.8% increase in staff numbers.

Other operating expenses have increased by 8% from Rs.430.3 Million to Rs.465.0 Million.

**Capital Expenditure**

During the year, the University has undertaken Capital Projects spending Rs.193.6 Million. Key projects include 14 story building of the Faculty of Medicine and building for Faculty of Graduate Studies.

Expenditure on Building for Faculty of Graduate Studies has been funded by internally generated funds as amounted to Rs.116 Million and Rs.9.5 Million of Capital grant received in the year.

**World Bank Grant**

Higher Education for the 21st Century (HETC) Grant has provided funds to increase IT, English and Soft skills of Undergraduate students and also in improvements of research and development of Postgraduate students. Rs.78.2 Million has been spent during the year 2014 and total grant amounted to Rs.348 Million.

T.S. Jayasooriya

Bursar