

The importance of evaluating fixed assets in revealing the accurate financial position of the University through its annual accounts.  
(with special reference to annual financial statements of University of Sri Jayawardenapura)

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## ABSTRACT

The title of the project report of the Post Graduate Diploma in Management is "The Importance of evaluating fixed assets in revealing the accurate financial position of the University through it's annual accounts" on this, the problem identified was". An accurate evaluation of the fixed assets cannot be seen from the annual financial statements. Therefore the funds allocated by the government for fixed assets have been reduced".

When presenting the accurate financial position of the institution, how important the evaluation of the fixed assets was examined. For this purpose the financial reports of Sri Jayawardenapura University were used. Also by way of interviewing, data was collected. However, after the research it was revealed that the accurate financial position of the institution is not depicted through the annual financial reports. On this the decisions taken by the management have not been correct and as a result, allocations which are due for the University have been reduced, and it has become one of the major administrative problems.

I recommend the following solutions for the above problem. First the cause for the above administrative problem should be destroyed, and in order to get accurate management information, accurate financial statements have to be prepared. In order for the financial statements to be accurate, an accurate evaluation system of assets is essential. In the whole University system when evaluating the assets, the depreciation value of assets is not dealt with properly.

This interferes the evaluation of assets.

As a final solution for this problem I believe it is very essential that a suitable depreciation policy has to be adopted and for this the accounting standards of the Institute of Chartered Accountants of Sri Lanka have to be made use of. There by an accurate evaluation of the assets can be done and as the decisions of the management will always be right, the allocations for the institution can be increased.

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