



Chamber of Construction Industry, Sri Lanka

ANNUAL REPORT

2014 - 2015

The Apex Representative Body of the Domestic Construction Industry

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Vision

To lead the Construction Industry, Sri Lanka towards
developing excellence in the Built Environment to
meet the challenges of the 21st Century World

Mission

Be the exclusive voice for the Construction Industry,
Sri Lanka to provide a safe, high quality,
sustainable and eco-friendly Built Environment



President's Message

During the period 2014/2015 under review, CCI pursuing its mission as the main representative body of all stakeholders of the construction industry, continued to intervene for the protection and promotion of the industry, whenever necessary, at the highest levels in the government. I am pleased to report that due to the lobbying by the CCI it has been possible to have the “Construction” re-introduced as a Ministerial subject, which was not included during the last 8 months.

Consequent to representations of CCI, H.E the President has accepted the importance of adopting a National Policy on Construction. Already, he has specifically stated this at two functions.

The status of CCI in dealing with issues critical to the industry will be further strengthened with the incorporation by an Act of Parliament. I am pleased to report that already the draft Act has been finalized by the Legal Draftsman and the Ministry of Housing & Construction.

The monthly Construction Review/ Bulletin, annual Build SL Exhibition and Construction Trade Directory published every two years remain as the main income sources of CCI. From April, arrangements have been made to issue the Bulletin on the last Thursday of every month with the “Daily News” paper with a circulation of 88,000 copies and a readership of 500,000. I am happy to report that during last year the financial performance of CCI improved compared to previous year. But CCI is yet to overcome the financial liabilities incurred during 2007 – 2010.

From 01st April 2015, CCI was able to engage the service of Eng. Nissanka N Wijeratne, as the Secretary General/ CEO. With his technical and administrative experience, it is expected that the CCI Secretariat would be revamped to achieve better results.

In the future, whilst consolidating on the 3 core projects it is expected to organize more seminars and also to initiate new activities to better serve the members and the industry in general.

CCI is actively pursuing to obtain a suitable land to construct its headquarters with the required facilities. The Directors and the Council wish to thank the membership for the support extended in the past and earnestly request for more active participation and support in future.

Deshabandu Dr Surath Wickramasinghe
01st October 2015

COUNCIL 2013 - 2014



CHAMBER OF CONSTRUCTION INDUSTRY
Sri Lanka



COUNCIL 2013 - 2014

Seated Left to Right

- Dr. Rohan Karunaratne, Mr. Hemantha Aponso, Ar. Jayantha Perera (Vice President), Prof. Chitra Wedikkara, Eng. D.D. Wijemanne (Vice President),
Deshabandu Dr. Surath Wickramasinghe (President), Eng. Maj. Ranjith Gunatilleke (Vice President), Mr. Manilal Fernando (Vice President),
Mr. Mahanama Jayamanne (Vice President), Dr. Kamal Laksiri, Mr. Malinda Nandasena (CEO - Oct. 2014 - March 2015)

**Standing Left to Right
(1st Row)**

- Mr. Upali Samarasinghe, Mr. Naleen Karunaratne, Mr. P. P. T. Mohideen, Mr. Hugh Samarasinghe, Mr. Prasanna Abeyratne, Mr. Asoka Siriwardena,
Ar. Ranjan Nadesapille, Eng. P.C. Jinasena, Mr. Sunil De Silva, Mr. Kapila Liyanaarachchi, Eng. Susantha Fernando, Mr. Danister Thudellage, Eng. J. Karunaratne

**Standing Left to Right
(2nd Row)**

- Eng. Walter Perera, Mr. Asoka Randani, Mr. Ranjith Hewage, Mr. Lalith Kumara, Eng. Rohan Tudawe

The Council

2014 - 2015

President	<i>Deshabandu</i> Dr Surath Wickramasinghe
President Elect	Eng. Maj. Ranjith Gunatilleke
Vice Presidents	Eng. D. D. Wijemanne Mr. Manilal Fernando Ar. Jayantha Perera Mr. Mahanama Jayamanne
Institutional Member Representatives (10 members)	
Sri Lanka Institute of Architects	Prof. Chitra Weddikkara
Institute of Quantity Surveyors	Ch. QS. Nishantha Wickramasinghe
Institute of Town Planners	Plnr. Hemantha Jayasundara
Institute of Surveyors Sri Lanka	Mr. L P A Shanthapriya Perera
Institute of Valuers	Mr. S Sivaskantha
Association of Consulting Engineers	Dr. Kamal Laksiri
National Construction Association	Eng. Susantha Fernando
Insurance Association of Sri Lanka	Mr. U Samarasinghe
Ceylon Institute of Builders	Dr. Rohan Karunaratne
Major Constructors of Sri Lanka	Capt. M G Kularatne
Corporate Member Representatives (09 Members)	Mr. Prasanna Abeyratne Eng. Walter Perera Mr. Ranji Hewage Mr. Asoka Randani Mr. Lalith Kumarage Mr. Beauno Fernando Mr. Asoka Siriwardena Mr. Danister Thudellage Mr. Fayas Mohamed
Statutory Agency Representatives (Up to 4 Members)	Mr. Sunil De Silva
Individual Member Representatives	(Not Appointed)
President's Nominees (Up to 5 Members)	Eng. Rohan Tudawe Mr. H D Chandrasena Eng. Prof. Ranjith Dassanayake Mr. P. P. T. Mohideen Mr. Sumal Perera Eng. K L S Sahabandu Ar. Chandana Edirisuriya
CEO	Mr. Malinda Nandasena (October 2014 – March 2015)
General Manager	Mr. Kapila Liyanaarachchi

Annual Report 2014-2015

The Annual Report highlights the activities, initiatives, events and achievements of the Chamber of Construction Industry, Sri Lanka for the Financial Year ended on 31st March, 2015.

1.Introduction

The Chamber of Construction Industry, Sri Lanka was established in the year 2001 and incorporated on 25th March 2003 under Section 15 sub section 1 of the Companies Act No. 17 Of 1982. The Chamber has been subsequently re-registered under Companies Act No. 07 of 2007 on 3rd September, 2008 and holds Registration Number GA 95.

The Annual General Meeting held on 30th December 2014 was the 11th AGM of the Chamber of Construction Industry, Sri Lanka.

2. The Council

2.1 Election of Members

In terms of nominations received, the following persons were elected as office bearers at the AGM held on 30th December 2014.

Deshabandu Dr Surath Wickramasinghe was unanimously reelected as the president for a period of two years at the last Annual General Meeting held on 30th December 2014.

Three Vice Presidents retained in the Council as they were elected for a period of two years and was elected at the Annual General Meeting held on 24th October 2013.

Vice Presidents **Mr. V M Fernando**
 Mr. M Jayamanna
 Eng. Ranjith Gunathilaka

As per the Constitution the Eng. Ranjith Gunathilaka was elected as the President Elect, among the Vice Presidents at the AGM.

Two Vice Presidents were elected for a period of two years at the last Annual General Meeting held on 30th December 2014.

Vice Presidents **Eng. D. D. Wijemanne**
 Ar. Jayantha Perera

2.2 Election of Council Members

2.2.1

Election of Nine (09) Representatives to the Council to Represent the Collective Interest of the Corporate Members

In terms of nominations received, the following persons were unanimously elected to represent the collective interest of Corporate Members.

1.Mr. Prasanna Abeyratne

GTB Colombo Corporation (Pvt) Ltd

2.Eng. Walter Perera

Frigi Engineering Services (Pvt) Ltd

3.Mr. Ranji Hewage

Chance Engineering (Pvt) Ltd

4.Mr. Ashoka Randeni

Consulting Engineers (Pvt) Ltd

5.Mr. Lalith Kumara

Alucare (Pvt) Ltd

6.Mr. Beauno Fernando

Expo Property Developers (Pvt) Ltd

7.Mr. Ashoka Siriwardena

Bitumix (Pvt) Ltd

8.Mr. Danister Thudellage

Solico International (Pvt) Ltd

9.Mr. Fayas Mohamed

True Value Products (Pvt) Ltd

2.2.2

Election of Four (04) Representatives to the Council to Represent the Collective Interest of Statutory Agency Members

Following three members were nominated as Statutory Agency Members and their election will take place at the next Council Meeting.

1. Mr. Karunasena Hettiarachchi,
2. Mr. Sunil de Silva,
3. Mr. Lakshman Jayasekera

2.2.3

Election of One (01) Representative to the Council to Represent the Collective Interest of Individual Members

As no nominations had been received, the new Council will elect a suitable member to represent the collective interests of individual members.

During the year reviewed no member elected to represent the collective interest of individual members.

2.2.4

Institutional Member Representatives (10 members)

The following members were appointed as Institutional member representatives from each Institute respectively.

Sri Lanka Institute of Architects

Prof. Chitra Weddikkara

Institute of Quantity Surveyors

Ch. QS. Nishantha Wickramasinghe

Institute of Town Planners

Plnr. Hemantha Jayasundara

Institute of Surveyors Sri Lanka

Mr. L P A Shanthapriya Perera

Institute of Valuers

Mr. S Sivaskantha

Association of Consulting Engineers

Dr. Kamal Laksiri

National Construction Association

Eng. Susantha Fernando

Insurance Association of Sri Lanka

Mr. U Samarasinghe

Ceylon Institute of Builders

Dr. Rohan Karunaratne

The following Institute appointed there representative from March 2015.

Major Constructors of Sri Lanka

Capt. M G Kularatne

3.Meetings

3.1 The Finance and Management Committee Meetings

During the period under review, 13 meetings were held.

The committee members were as follows;

Chairman of the Committee

Eng. D D Wijemanne

Members

Mr. M. Jayamanne

Mr. Lalith Kumarage

Mr. Danister Thudellage

Mr. H D Chandrasena

3.2 The Exhibition and Fund Raising Committee Meetings

There were 12 committee meetings held during the financial period.

The Committee members were as follows;

Chairman of the Committee

Mr. M. Jayamanne

Members

Eng. D D Wijemanne

Mr. Danister Thudellage

Mr. Lalith Kumarage

Mr. Fayaz Mohamed

3.3 The Directors Meeting

The Board of Directors held 12 meetings during the year under review.

3.4 The Council Meeting

A total of 11 Meetings from Nos. 135 to 145 were held during the year under review.

Statistics in relation to the attendance of individual Council Members have been tabulated in page 08 of this report.

COUNCIL MEETINGS & ATTENDANCE RECORD

(01st April 2014 to 31st March 2015)

No.	Council Members	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March	Total	%
		14	14	14	14	14	14	14	14	14	15	15	15	Meeting	
		135	136	137	138	139	140	141	-	142	143	144	145	Attended	
1	<i>Deshabandu'</i> Dr Surath Wickramasinghe	1	AB	1	1	AB	1	1	-	1	1	1	1	9	75
2	Eng. D D Wijemanne	1	1	1	1	1	1	1	-	1	1	1	1	11	92
3	Mr. Manilal Fernando	AB	AB	1	AB	1	AB	AB	-	AB	AB	AB	AB	2	17
4	Maj. Ranjith Gunathilake	AB	AB	AB	1	1	AB	AB	-	AB	1	1	1	5	42
5	Ar. Jayantha Perera	1	1	AB	1	AB	AB	1	-	AB	1	1	1	7	58
6	Mr. H D Chandrasena	1	AB	1	1	AB	AB	1	-	AB	1	AB	1	6	50
7	Mr. Hemantha Aponso	AB	AB	AB	1	1	AB	AB	-	-	-	-	-	2	17
8	Prof. Chitra Wedikkara	1	1	AB	AB	AB	AB	1	-	AB	AB	AB	1	4	33
9	Ar. Ranjan Nadesapillai	AB	AB	1	1	AB	AB	AB	-	-	-	-	-	2	17
10	Mr. Hugh Samarasinghe	AB	1	AB	AB	AB	AB	AB	-	-	-	-	-	1	8.3
11	Mr. Gamini Dodanwela	AB	AB	AB	AB	AB	AB	AB	-	-	-	-	-	0	0
12	Mr. U. Samarasinghe	AB	1	AB	AB	AB	AB	AB	-	AB	AB	AB	AB	1	8.3
13	Eng. J Karunaratne	1	1	1	AB	1	1	1	-	1	-	-	-	7	58
14	Eng. Susantha Fernando	1	AB	AB	1	AB	1	1	-	AB	AB	AB	1	5	42
15	Plnr. Hemantha Jayasundara	AB	1	1	AB	AB	AB	AB	-	AB	AB	1	AB	3	25
16	Mr. Prasanna Abeyratne	AB	1	AB	1	AB	AB	AB	-	1	AB	AB	1	4	33
17	Eng. Walter Perera	1	AB	1	1	1	AB	1	-	AB	1	1	1	8	67
18	Mr. Ranji Hewage	AB	AB	AB	1	AB	AB	AB	-	AB	AB	AB	AB	1	8.3
19	Eng. Asoka Randeni	AB	AB	AB	AB	AB	AB	AB	-	AB	1	AB	AB	1	8.3
20	Mr. Mahanama Jayamanne	AB	AB	1	1	AB	1	1	-	1	1	1	1	8	67
21	Mr. Lalith Kumarage	AB	AB	AB	AB	1	1	AB	-	1	1	1	1	6	50
22	Mr. Beauno Fernando	1	AB	AB	AB	AB	AB	1	-	AB	AB	AB	1	3	25
23	Mr. Asoka Siriwardena	AB	1	1	AB	AB	AB	AB	-	AB	1	AB	AB	3	25
24	Mr. Danister Thudellage	AB	1	1	AB	1	1	1	-	1	AB	1	1	8	67
25	Mr. Karunasena Hettiarachchi	AB	AB	AB	AB	AB	AB	AB	-	-	-	-	-	0	0
26	Mr. Sunil De Silva	AB	1	AB	AB	1	1	AB	-	1	AB	1	1	6	50
27	Eng. Rohan Tudawe	1	AB	1	AB	AB	AB	1	-	1	AB	1	AB	5	42
28	Mr. P.P.T. Mohideen	AB	1	AB	AB	AB	1	AB	-	1	1	1	AB	5	42
29	Mr. Piyal Silva	AB	AB	AB	1	AB	AB	AB	-	-	-	-	-	1	8.3
30	Ms.Shani Ranasinghe	AB	AB	AB	AB	AB	AB	1	-	AB	AB	AB	AB	1	8.3
31	Mr.Fayas Mohamed	AB	AB	AB	AB	AB	AB	AB	-	AB	1	AB	AB	1	8.3
32	Mr. Milroy Perera	1	1	AB	1	AB	1	AB	-	-	-	-	-	4	33
33	Dr.Rohan Karunaratne	AB	AB	1	AB	AB	AB	1	-	1	AB	1	AB	4	33
34	Dr.Kamal Iaksiri	AB	1	1	1	1	AB	AB	-	1	AB	AB	1	6	50
35	Mr. Vernajan Kurukulasuriya	1	AB	AB	AB	AB	AB	AB	-	-	-	-	-	1	8.3
36	Mr.Nalin Karunaratne	AB	AB	AB	1	AB	AB	AB	-	-	-	-	-	1	8.3
37	Ch. Qs. N Wickramasinghe	-	-	-	-	-	-	-	-	-	1	1	AB	2	17
38	Eng. K L S Sahabandu	-	-	-	-	-	-	-	-	-	1	1	AB	2	17
39	Ar. Chandana Edirisuriya	-	-	-	-	-	-	-	-	-	1	1	1	3	25
40	Prof. Ranjith Dassanayake	-	-	-	-	-	-	-	-	-	1	AB	AB	1	8.3
41	Mr. Sumal Perera	-	-	-	-	-	-	-	-	-	-	-	1	1	8.3
42	Capt. M G Kularatne	-	-	-	-	-	-	-	-	-	-	-	1	1	8.3
	Total Attendance	12	14	14	16	10	10	14	-	12	16	16	18		
	Total No. Present at each meeting	12/36	14/36	14/36	16/36	10/36	10/36	14/36	-	12/27	16/30	16/30	18/32		
	Percentage (%) of attendance at each meeting	33	39	39	44	28	28	39	-	44	53	53	56	Average Attendance %	30

4. New Members

4.1

a. Institutional Members

1. Major Contractors of Sri Lanka

b. Statutory Agency Members

1. Urban Development Authority

c. Corporate Members

1. Laugfs Engineering (Pvt) Ltd
2. Orient Construction Company Pvt Limited
3. Janashakthi Insurance PLC
4. Industry Serve Engineers

a. Individual Members

No Individuals were granted membership under the Chamber during the year under review.

4.2 Non Voting Members

No Small and Medium Construction related Enterprises were enrolled as Non Voting Members during the year under review.

5. ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31ST MARCH, 2014

The 11th Annual General Meeting of the Chamber of Construction Industry, Sri Lanka was held at the Auditorium of the Sri Lanka Foundation Institute on 30th December 2014.

5.1

The Chairman, Deshabandu Dr. Surath Wickremasinghe welcomed all those who were present at this Eleventh Annual General Meeting. He outlined the progress made by CCI and also mentioned that the Members of the Construction Industry have benefitted by the many Infrastructure Projects undertaken by the Government. Furthermore, the Consultants have also benefitted not so much as the Contractors but enough to keep their Offices in business. However, he mentioned that CCI have still not succeeded in overcoming the Financial Liabilities incurred during the former CEO's period.

He further mentioned that the Prospects for 2014 were more positive than 2013 and hoped that the new Members elected today would assist CCI with their Programs.

He regretted, that the CCI Secretariat has still to improve and until such time the CCI will not be able to rapidly progress with their programs.

5.2

Prior to commencement of the AGM, Ms. Suwendrini Dimbulana of "Corporate Advisory Services Ltd", Corporate Secretaries to the Chamber read the notice convening the meeting.

5.3

The Chairman requested Mr. Kapila Liyanaarachchi to read the Report of the Council for Financial Year ended at 31st March 2014 and briefed the members present on the activities undertaken by the Chamber along with the proposed projects for the future. The report of the Council was duly adopted.

5.4

The President then went on to present the statement of Accounts and balance sheet for the year ended 31st March 2014.

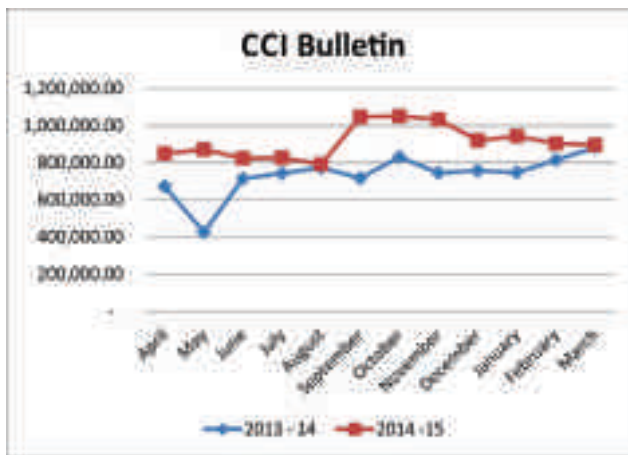
The members noted that the year under review has been a satisfactory year in comparison to the previous years.

6. MAJOR ACTIVITIES, INITIATIVES, EVENTS AND ACHIEVEMENT

6.1 Publications

• CCI Bulletin

"Construction Review" is the newspaper bulletin published monthly by the Chamber of Construction Industry, Sri Lanka, in collaboration with Ceylon Today. It provides a Service to the Members and the Public by providing information on latest Construction Technology, Materials and also General News regarding status of the Construction Industry.



The Construction Review, being the only National Publication in the country, that focus on the Construction Industry, has been able to make its impact through the novel and striking layout and design while standing out from the rest as a newspaper bulletin with fruitful content.

•CONSTRUCTION INDUSTRY TRADE AND BUSINESS DIRECTORY 2014/ 2015

Marketing of the Fourth Edition of the Construction Industry Trade and Business Directory 2014/2015 is another venture embarked upon by CCI during the period under review.

This directory holds immense reputation as the one-and-only comprehensive catalogue catering exclusively for the Construction Industry.

With over five hundred private and the corporate sector construction and service related leading establishments have advertised in the directory.

•CONSTRUCTION INDUSTRY DATABASE

CCI has initiated this venture during last year. The Chamber will list any construction related organization or individual in the database free of charge.

The database will be helpful to all industry stake holders and general public to fulfill their requirements.

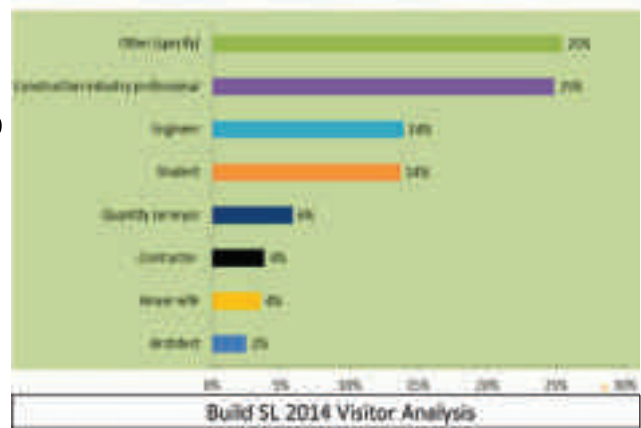
The Construction Industry Trade and Business Directory 2014/2015 is now available at www.constructiondirectory.lk

•INTERNATIONAL EXHIBITION AND TRADE FAIR OF THE CONSTRUCTION INDUSTRY

•BUILD SL 2014 :

The Chamber successfully concluded its 10th Exhibition on 30th May 2014 at Sirimavo Bandaranaike Exhibition Center in BMICH. Hon Minister, Basil Rajapaksha was the chief guest of the largest event of CCI. Hon. MP Thilanga Sumathipala also participated at the inauguration ceremony.

The general public and the industry professionals visited this exhibition and there were over 150 stalls.



•BUILD SL 2015 LAUNCH :

The most sought after Exhibition and Trade Fair of the Construction Industry- Build SL 2015 (Construction and Regenerating Expo) was launched on 5th February 2014 at Grand Ball Room of Hotel Galadari, Colombo.

The Annual Exhibition, formerly branded as Excon was launched under a fresh theme- Build SL- "Construction and Regenerating Expo" to be on par with the current economic boom experienced by Sri Lanka as a result of post war reconciliation.



Hon. Minister Sajith Premadasa, Minister of Housing and Samurdhi was the chief guest.

The exhibition was planned to be held at Sirimavo Bandaranaike Exhibition Center in BMICH with the participation of over 150 companies and over 200 stalls thus empowering the concept of the Exhibition and Trade Fair.

•THIRD ROUND TABLE CONFERENCE

The RTC held at Taj Samudra Hotel Colombo on 14th November 2014, consisted of three sessions which extensively dealt with three topics, namely, optimizing water resources, skills requirement for the construction industry and transportation in metro Colombo.



CCI Sri Lanka arranged to deliberate on three important current topics- 'Optimizing water resources' (in the light of droughts, flooding and other water-related issues), 'Transportation in Metro Colombo' (in order to cater to current transportation needs of the country) and 'Requirement of Skills for the Construction Industry' in a bid to mitigate the effects and find solutions for shortage of skills and brain drain.

Keynote address titled 'An overview of water sector' was delivered by Minister of Water Supply & Drainage Dinesh Gunawardena whilst CCI Sri Lanka President Dr. Surath Wickramasinghe chaired the RTC.

First session on 'Optimizing water resources' was introduced by Ar. Jayantha Perera whilst Eng. K.W. Ivan De Silva made the audience aware on 'Natural Water Resources then and now'. Speaker Dr. Sunil De Silva presented the Uma Oya Project Case Study. The Q & A session was led by Eng. Upali Delpachitra and Eng. Karunasena Hettiarachchi.

Introduction of the topic in the second session on 'Transportation in Metro Colombo' was conducted by Ar. Jayantha Perera. Prof. J M S J Bandara (Issues of Urban Transport with Special References to Metro Colombo) and Thilakaratne Banda (Proposed Mass Rapid Transport systems for Metro) were two speakers for the session whilst the Q & A was led by Panelists K A D N Wickramaratne and Plnr. Lakshman Jayasekara. The third session on 'Requirement of Skills for the Construction Industry' was introduced by Eng. Ranjith Gunathilake. A.R. Desapriya and Sanjaya Mudalige spoke on 'Training of Construction Skills for the Construction Industry' and 'Supply of Skills for the Construction Industry' respectively. Q & A session was led Panelists – Prof. Chitra Weddikkara and Eng. Rohan Tudawe. The event concluded with the a summarization by the rapporteur by Ar. Piyal Silva.

The event was sponsored by National Water Supply and Drainage Board and IFS World Operations AB. RTC-3 was an invitee only event.

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF THE CHAMBER OF CONSTRUCTION INDUSTRY, SRI LANKA

Report on the Financial Statements

We have audited the accompanying financial statements of The Chamber of Construction Industry, Sri Lanka which comprise the statement of financial position as at March 31, 2015, and the statement of comprehensive income and retained earnings, statement of changes in equity and statement of cash flow for the year ended, and a summary of significant accounting policies and other explanatory information.

Board's Responsibility for the Financial Statements.

The Board of Directors is responsible for the preparation of these financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standard for Small and Medium – sized Entities (SLFRS for SMEs) and for such internal control as board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 judgment, 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 entity's preparation of the financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at March 31, 2015 and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standard for Small and Medium-Sized Entities.

KJ KINGSLEY JAYALATH & CO
Chartered Accountants

Report on Other Legal and Regulatory Requirements

As required by section 163(2) of the Companies Act No.07 of 2007, we state the following:

a) The basis of opinion and scope and limitations of the audit are as stated above.

b) In our opinion:

-we have obtained all the information and explanations that were required for the audit and as far as appears from our examination, proper accounting records have been kept by the Company,

-the financial statements of the Company, comply with the requirements of section 151 of the Companies Act.



KINGSLEY JAYALATH & CO.,

Chartered Accountants

10th September 2015



KINGSLEY JAYALATH & CO
Chartered Accountants

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2015**

		2014 / 2015	2013 / 2014
	Notes	<u>Rs.</u>	<u>Rs.</u>
Revenue	5	32,058,334	23,328,978
Less: Direct Costs	6	<u>15,424,391</u>	<u>7,527,797</u>
		16,633,943	15,801,181
Add: Other Income	7	<u>1,720,005</u>	<u>434,216</u>
		18,353,948	16,235,397
Less: Administrative Expenses	8	12,109,502	11,558,032
Finance Costs	9	-	137
		<u> </u>	<u> </u>
Surplus/(Deficit) prior to Taxation		6,244,446	4,677,227
Less: Income Tax Expense		625,713	455,408
		<u> </u>	<u> </u>
Surplus/(Deficit) after Taxation		<u>5,618,733</u>	<u>4,221,819</u>

**KINGSLEY JAYALATH & CO**
Chartered Accountants

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THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

<u>ASSETS</u>	<u>Notes</u>	<u>31.03.2015</u> <u>Rs.</u>	<u>31.03.2014</u> <u>Rs.</u>
<u>Non Current Assets</u>			
Property, Plant & Equipment	10	373,716	132,949
Fixed Deposits	-	8,012,787	7,144,000
<u>Current Assets</u>			
Trade & Other Receivables	11	5,469,082	3,506,699
Cash & Cash Equivalents	12	1,885,892	2,444,327
Total Assets		15,741,475	13,227,975
<u>EQUITY & LIABILITIES</u>			
<u>Capital & Reserves</u>			
Accumulated Funds	13	(21,086,519)	(26,705,251)
<u>Non Current Liabilities</u>			
Provision for Gratuity	14	432,000	255,000
<u>Current Liabilities</u>			
Trade & Other Payables	15	32,559,152	35,897,251
Bank Overdrafts	16	511,276	-
Catalogue deferred Income		3,216,233	3,216,233
Income Tax Payable		109,333	564,742
Total Equity & Liabilities		15,741,475	13,227,975

The association is responsible for the preparation and presentation of these financial statements, signed for and on behalf of the association.


President


CEO / Secretary General

10 September 2015

KJ KINGSLEY JAYALATH & CO
Chartered Accountants

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THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2015

	Excess of Income over Expenditure Rs.	Total Rs.
Balance as at 31.03.2013	(30,927,071)	(30,927,071)
Profit/(Loss) for the Year	4,221,820	4,221,820
Balance as at 31.03.2014	(26,705,251)	(26,705,251)
Profit/(Loss) for the Year	5,618,733	5,618,733
Balance as at 31.03.2015	(21,086,518)	(21,086,518)

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH

	2015	2014
	<u>Rs.</u>	<u>Rs.</u>
<u>Cash Flow from Operating Activities</u>		
Profit/(Loss) Before Taxation	6,244,446	4,677,228
Adjustments for		
Depreciation	125,433	105,859
Interest Income	(470,402)	-
Gratuity	177,000	148,960
	<u>(167,969)</u>	<u>254,819</u>
Operating Profit Before Changes in Working Capital	6,076,477	4,932,047
Decrease/(Increase) in trade & other receivables	(1,962,383)	6,985,677
(Decrease)/Increase in trade & other payables	(3,963,812)	(5,090,269)
Deferred catalogue income	-	508,733
	<u>(5,926,195)</u>	<u>2,404,141</u>
Cash Generated From Operations	150,282	7,336,188
Gratuity Paid	-	(330,000)
Income Taxes Paid	(455,408)	(582,543)
	<u>(455,408)</u>	<u>(912,543)</u>
Net Cash inflow/(outflow) from operating activities	(305,126)	6,423,645
<u>Cashflow from Investing Activities</u>		
Purchase of Property, Plant & Equipment	(366,200)	(24,740)
Interest Income Received	470,402	-
Disposal/(Acquisition) of in short term investment	-	(6,125,465)
Fixed Deposit investments	(868,787)	-
Net Cashflow used in Investing Activities	<u>(764,585)</u>	<u>(6,150,205)</u>
<u>Cashflow from Financing Activities</u>		
Net Cashflow from Financing Activities	-	-
Net Increase in Cash & Cash Equivalents	(1,069,711)	273,440
Cash & Cash Equivalents at the beginning of the year -	2,444,327	2,170,888
Cash & Cash Equivalents at the end of the year Note : A	<u>1,374,616</u>	<u>2,444,327</u>

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH

	2015	2014
	<u>Rs.</u>	<u>Rs.</u>
<u>Note : A</u>		
Bank Of Ceylon A/C 5696	907,109	907,364
Bank Of Ceylon A/C 6088	(511,276)	1,019,093
Commercial Bank PLC A/C 5279	6,085	6,085
Peoples' Bank A/C 220001816	314,164	407,019
Peoples' Bank A/C 130001816	627,779	94,270
Petty cash	30,755	10,235
Stamp Cash	-	262
	<u>1,374,616</u>	<u>2,444,327</u>

THE CHAMBER OF CONSTRUCTION INDUSTRY, SRI LANKA

ACCOUNTING POLICIES & EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1. GENERAL INFORMATION

The Chamber of Construction Industry, Sri Lanka is a guarantee limited company incorporated in Sri Lanka. The address of its registered office and principal place of business is No. 65, Walukarama Road, Colombo 03.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with the *Sri Lanka Accounting Standard for small and Medium- Sized Entities* issued by the Institute of Chartered Accountants of Sri Lanka. These financial statements are presented in Sri Lankan Rupees (Rs.) and all financial information presented in Sri Lankan Rupees has been rounded to the nearest rupee.

2.1.1 GOING CONCERN

The directors have made an assessment of Company's ability to continue as a going concern and they do not intend either to liquidate or to cease trading.

2.2 REVENUE RECOGNITION

Revenue is recognized to the extent that is probable that the economic benefits will flow to the company and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of discounts and sales taxes. Following specific criteria are used for the purpose of recognition of revenue.

(a) Rendering of Services

Revenue from rendering of services is recognized in the accounting period in which the services are rendered or prepared.

(b) Other Income

Other income is recognized on an accrual basis.

2.3 INCOME TAX

Income tax expense represents the sum of the tax currently payable. The tax currently payable is based on taxable profit for the year.

Provision for taxation has been made according to the Inland Revenue Act No. 10 of 2006.

2.4 DEFERRED TAXATION

No provision has been made for Deferred Tax.

2.5 PROPERTY, PLANT & EQUIPMENT

Tangible Assets are shown at written down value. Depreciation is charged on written down value at the following rates per annum, in order to write off the cost of such assets over their estimated useful lives.

Office Equipment	25 %
Office Refurbishment	20 %
Office Furniture	20 %
Motor Vehicles	20 %

Depreciation is charged from the date, an asset is available for use.

2.6 INTANGIBLE ASSETS

Intangible assets are purchased computer software that is stated at cost less accumulated depreciation and any accumulated impairment losses. It is amortised over its estimated life of four years using the written down value method. If there is an indication that there has been a significant change in amortization rate, useful life or residual value of an intangible asset, the amortization is revised prospectively to reflect the new expectations.

2.7 IMPAIRMENT OF ASSETS

At each reporting date, property, plant and equipment, intangible assets, and investments in associates are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognized immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset (group of related assets) in prior year. A reversal of an impairment loss is recognized immediately in profit or loss.

2.8 TRADE AND OTHER RECEIVABLES

Trade and Receivables are stated at the value estimated to be realized. Receivables are made on the basis of normal credit terms, and the receivables do not bear interest.

2.9 TRADE PAYABLES

Trade payables are those, which fall due for payment on demand or within one year from the statement of financial position date. Trade payables are obligations on the basis of normal credit terms and do not bear interest.

2.10 BANK LOANS AND OVERDRAFTS

Bank loans and overdraft interest is recognized in profit or loss in the year in which they are incurred.

3. EMPLOYEE BENEFITS

3.1 DEFINED CONTRIBUTION PLANS

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contribution to Employee Provident and Employee Trust Funds covering all employees are recognized as an expense in profit or loss as incurred.

The company contributes 12% and 3% of gross emoluments of employees as Provident Fund and Trust Fund contribution respectively.

3.2. DEFINED BENEFIT PLANS

Full provision has been made on account of retiring gratuity from the first year of service of the employees in conformity with the section 28 of the Sri Lanka Accounting Standards for Small and Medium Sized Entities – “Employee Benefits” at half (1/2) month’s salary for each year’s service.

However, according to the payment of Gratuity Act No.12 of 1983, the liability for gratuity payment to an employee arises only after the completion of 5 years of continued service.

The liability is not externally funded nor actuarially valued. The item is grouped under Non-Current Liabilities in the Balance Sheet.

4. EVENTS OCCURRING AFTER REPORTING DATE

The materiality of events after the reporting period has been considered and appropriate adjustments, wherever necessary, have been made in the accounts.

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

Note: 5

	2014 / 2015	2013 / 2014
Income	<u>Rs.</u>	<u>Rs.</u>
Annual Subscriptions	1,791,003	1,506,655
Entrance Fees	180,000	136,481
Trade Directory 2014/2015	8,833,739	2,707,500
CCI English Bulletin	11,906,910	9,575,146
Contributions	750,000	-
Build SL	5,619,831	9,807,463
AGM Sponsorship	4,149,002	-
	33,230,485	23,733,245
Less: Discounts	(1,172,151)	(404,267)
	32,058,334	23,328,978

Note: 6

	2014 / 2015	2013 / 2014
Direct Expenses		
Stamps	362,000	-
Commission	1,200,507	-
Printing Charges	8,975,380	-
Editing Charges	110,000	-
Direct Expenses : Build SL	3,847,119	5,066,497
Travelling	145,000	-
Advertising	122,976	1,261,300
Designing	285,000	-
Meeting Expenses	62,500	-
RTC Expenses	278,250	-
Media Coverage	-	1,200,000
Event Management	35,659	-
Total Direct Expenses	15,424,391	7,527,797

Note: 7

	2014 / 2015	2013 / 2014
Other Income	<u>Rs.</u>	<u>Rs.</u>
Interests on Fixed Deposits	470,402	299,216
Accrued Expenses Write back	1,249,603	-
Disposal Gain	-	135,000
	1,720,005	434,216

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA**NOTES TO THE FINANCIAL STATEMENTS**

Note: 8

	2014 / 2015	2013 / 2014
	<u>Rs.</u>	<u>Rs.</u>
Administrative Expenses		
Salary Arrears	366,400	-
Allowance	430,500	432,666
Salary	3,680,714	2,356,368
ETF	110,535	46,843
EPF	442,140	554,698
EPF Arrears	1,635,387	-
ETF Surcharges	304,806	-
Income Tax on Accrued Expenses Write Back	124,960	-
Penalty on Income Tax on Accrued Expenses Write Back	6,248	-
Staff Welfare	72,578	114,498
Travelling Expenses	1,061,890	721,527
Advertisement-Recruitment	24,015	66,695
Complimentary	-	5,000
Computer Accounts Maintenance	20,750	15,700
Electricity	359,230	441,672
Lawyer's Fees	155,000	191,273
Office Rent	600,000	600,000
Postage	13,507	260,000
Printing & Stationery	110,459	541,746
Professional Services	336,420	168,333
Repairs & Maintenance	172,770	26,150
Donations	5,000	-
Secretarial Services	111,103	19,469
Telephone Charges	297,949	216,609
Audit fees	107,133	55,000
Tax Computation Charges	10,000	-
Licence & Registration	13,640	32,720
Water Charges	3,865	3,833
Internet & E-mail	19,415	3,673
Rates & Taxes	57,864	311,777
Meeting Expenses	214,269	122,676
Meals	-	168,221
Office Equipment Maintenance	-	97,980
Office Maintenance	69,087	28,479

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

Administrative Expenses (Contd...)

Other Expenses	42,148	282,096
Depreciation	125,433	105,856
Bonus	193,000	254,870
Gratuity	177,000	148,960
Accountancy Fees	-	10,000
Bad Debts	-	2,760,009
Direct Expenses	-	90,542
Lighting	-	270,436
VAT Expenses	600,120	-
Bank Charges	15,729	31,656
VAT Penalty Charges	18,438	-
	<u>12,109,502</u>	<u>11,558,032</u>

Note: 9

	2014 / 2015	2013 / 2014
<u>Finance Cost</u>	<u>Rs.</u>	<u>Rs.</u>
Overdraft Interests	-	137
	<u>-</u>	<u>137</u>

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA

Note: 10

PROPERTY, PLANT & EQUIPMENT

	Office Equipment	Office Refurbishments	Office Furniture	Computers	TOTAL Rs.
<u>COST</u>					
As at 01.04.2014	2,391,559	1,691,092	685,853	156,750	4,925,254
Additions /Adjustment	17,200	-	33,650	315,350	366,200
Disposal /Adjustment	-	-	-	-	0
As at 31.03.2015	2,408,759	1,691,092	719,503	472,100	5,291,454

ACCUMULATED DEPRECIATION

As at 01.04.2014	2,360,092	1,691,092	669,200	71,921	4,792,305
Annual Depreciation	37,689	-	11,131	76,613	125,433
<u>Less : Accumulated Depreciation on Assets Disposed of</u>	-	-	-	-	-
As at 31.03.2015	2,397,781	1,691,092	680,331	148,534	4,917,738

NET BOOK VALUE

As at 01.04.2014	31,467	-	16,653	84,829	132,949
As at 31.03.2015	10,978	-	39,172	323,566	373,716

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA

INTANGIBLE ASSETS

	Computer Software	Total
<u>COST</u>		
As at 01.04.2014	107,000	107,000
Additions / Adjustment	-	-
Disposal / Adjustment	-	-
As at 31.03.2015	107,000	107,000

ACCUMULATED DEPRECIATION AND IMPAIRMENT

As at 01.04.2014	107,000	107,000
Annual Depreciation	-	-
<u>Less : Accumulated Depreciation on Assets Disposed of</u>	-	-
As at 31.03.2015	107,000	107,000

NET BOOK VALUE

As at 01.04.2014	-	-
As at 31.03.2015	-	-

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

Note: 11

		31.03.2015	31.03.2014
		<u>Rs.</u>	<u>Rs.</u>
Trade & Other Receivables			
Trade Debtors	11.1	4,326,112	2,442,864
Other Receivables	11.2	1,142,970	1,063,835
		5,469,082	3,506,699

Note: 11.1

	31.03.2015	31.03.2014
	<u>Rs.</u>	<u>Rs.</u>
Trade Debtors	4,326,112	2,442,864

Note: 11.2

	31.03.2015	31.03.2014
	<u>Rs.</u>	<u>Rs.</u>
Other Receivables		
GTZ Project Expenses	471,478	471,478
USAID Project	154,478	154,478
BMICH Advance Paid	50,000	-
Catalogue Expenses	50,000	50,000
Refundable Deposits	292,500	292,500
Staff Loans	-	24,859
Rent Prepayment	50,000	50,000
Interest Receivables	27,474	-
WHT Receivables	47,040	-
Undeposited Funds	-	20,520
Stamp Cash	-	-
	1,142,970	1,063,835
Total Trade & Other Receivables	5,469,082	3,506,699

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

Note: 12

Cash & Cash Equivalents

	31.03.2015	31.03.2014
	<u>Rs.</u>	<u>Rs.</u>
Bank Of Ceylon A/C 5696	907,109	907,364
Bank Of Ceylon A/C 6088	-	1,019,093
Commercial Bank PLC A/C 5279	6,085	6,085
Peoples' Bank A/C 220001816	314,164	407,019
Peoples' Bank A/C 130001816	627,779	94,270
Petty cash	30,755	10,235
Stamp Cash	-	262
	<u>1,885,892</u>	<u>2,444,327</u>

Note: 13

Accumulated Funds

	31.03.2015	31.03.2014
	<u>Rs.</u>	<u>Rs.</u>
Balance as at beginning of the year	(26,705,252)	(30,927,071)
Profit/(Loss) for the Year	5,618,733	4,221,819
Balance as at end of the year	<u>(21,086,519)</u>	<u>(26,705,252)</u>

Note: 14

Provision For Gratuity

	31.03.2015	31.03.2014
	<u>Rs.</u>	<u>Rs.</u>
Balance at the beginning of the year	255,000	436,040
Add: Provision for the year	177,000	148,960
Less: Paid during the year	-	(330,000)
Balance at the end of the year	<u>432,000</u>	<u>255,000</u>

Note: 15

Trade & Other Payables

		31.03.2015	31.03.2014
		<u>Rs.</u>	<u>Rs.</u>
Accounts Payables	15.1	22,199,320	27,954,592
Other Payables	15.2	10,359,832	7,942,660
		<u>32,559,152</u>	<u>35,897,251</u>



KINGSLEY JAYALATH & CO
Chartered Accountants

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THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

Note: 15.1

Accounts Payables

	31.03.2015	31.03.2014
	<u>Rs.</u>	<u>Rs.</u>
Accounts Payables	19,450,307	23,205,580
Mr.D.Thalgodapitiya	1,149,012	1,149,012
Mr.M.Fernando	1,600,000	3,600,000
	22,199,320	27,954,592

Note: 15.2

Other Payables

	31.03.2015	31.03.2014
	<u>Rs.</u>	<u>Rs.</u>
Provision for CEO Expenses	5,117,040	-
NBT Payable	163,933	616,241
VAT Payable	4,238,499	5,431,594
VAT Penalty Payable	18,438	-
Income Tax Payable	625,713	-
Income Tax on Accrued expenses write back payable	124,960	-
Income Tax Penalty Payable	6,248	-
Audit Fees Payable	30,000	-
Tax Computation Charges Payable	10,000	-
Short Term Loan - Peoples' Bank	-	20,505
Advance Received	25,000	1,874,320
	10,359,832	7,942,660
	32,559,152	35,897,251

Note: 16

Bank Overdrafts

	31.03.2015	31.03.2014
	<u>Rs.</u>	<u>Rs.</u>
Bank Of Ceylon A/C 6088	511,276	-
	511,276	-

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**CHAMBER OF
CONSTRUCTION INDUSTRY,
SRI LANKA**

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