

2015 2016 ANNUAL REPORT

The Apex Representative Body of the Domestic Construction Industry



Chamber of Construction Industry Sri Lanka

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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



Desabandu' Ar / Plnr Dr Surath Wickramasinghe
President
Chamber of Construction Industry Sri Lanka

During the period 2015/2016 under review, CCI pursuing its mission as the main representative body of all stakeholders of the construction industry, continued to interact more with the Government on two aspects namely, Skills and Sand. In this connection, we very recently had discussions with the Prime Minister Hon Ranil Wickramasinghe, and with Minister for Skills Development Hon Mahinda Samarasinghe. In addition, I was invited to make the Keynote Address at the Sri Lanka Human Capital Summit 2016 on the theme "Towards the future ready workforce" covering the Construction Sector, and I spoke on "Sri Lanka's opportunity and Skills challenges". Consequent to the above, and along with letters to President Sirisena and allied Ministers, Articles in the Media etc, the Government has now set up a Committee under Mr Charita Ratwatte, Advisor to the Prime Minister to come up with tangible solutions to the aforesaid issues as early as possible. In fact, CCI were requested to meet this Committee by the Prime Minister. We also advised the Prime Minister regarding the delays in obtaining Planning Clearance on Mega Projects and Procurement issues. He responded positively and requested that these matters be presented to Minister Malik Samarawickrama, Minister for Development Strategies and International Trade, who was also present at the Meeting.

During the past year, the CCI were unable to conduct any Round Table Conferences or Seminars on National issues as the CCI were unable to source Sponsors for the Events. This is in fact, disappointing and we hope, in the coming year, the situation will improve. However, CCI have done well with the Bulletin, Trade Exhibition, and very recently the Exhibition on "The Sustainable Energy Expo- 2016". The Catalogue 2016/ 2017, will hopefully be published before the end of 2016. The re organization of the CCI is moving slowly and if CCI has to "leap frog" towards the future, CCI needs more dynamism.

A new Committee has been set up to identify the difficulties faced by the different Manufacturers and Suppliers of Building Materials. The issues raised are taken up with the relevant Authorities by the CCI at the different Forums. The Membership is also increasing with the Chinese, Local Contracting and Trading Firms joining the CCI.

I must thank the President Elect, Board of Directors and the Council of CCI for their commitment, support, contributions and advise to me to lead CCI.

I must make special mention and extend my thanks to Eng D D Wijemanne who has carefully monitored the Finances over the years to settle almost 90 % of the CCI's liabilities. The balance will most likely be settled before the end of this year. My thanks also to Mr Mahanama Jayamanne for spear heading the Trade Exhibition and other Financially beneficial programmes and for giving Leadership to Mr Prasad Perera and his Marketing Team.

Having moved to a New Office, the CCI has now settled down and we hope in 2017 CCI will be able to deliver much more than the current year. To achieve this goal, I hope the Corporate Plan will come in to play and with the proposed appointment of the new Deputy CEO move CCI faster. Finally, my thanks to SG/ CEO Eng Nissanka Wijeratne, who has done much to consolidate CCI both from within and also with the Government, almost single handedly. My thanks also to the Staff of CCI, for their support towards the success of CCI.

COUNCIL 2014 - 2015



CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA



COUNCIL 2014-2015

Seated Left to Right

- Dr. Rohan Karunaratne, Eng. Walter Perera, Eng. Rohan Tudawe, Ar. Jayantha Perera (Vice President), Eng. Maj. Ranjith Gunathilake (President Elect), Deshabandu' Dr Surath Wickramasinghe (President), Eng. D D Wijemanne (Vice President), Mr. Manilal Fernando (Vice President), Mr. Mahanama Jayamanne (Vice President), Eng. Col. Nissanka N. Wijeratne (SG/SEO), Prof. Ranjith Dassanayake

Standing Left to Right

- Mr. Lalith Kumara, Eng. Susantha Fernando, Mr. Danister Thudellage, Mr. P.P.T. Mohideen, Mr. Sunil De Silva, Mr. Asoka Siriwardena, Ar. Chandana Edirisuriya, Dr. Kamal laksiri, Mr. Prasanna Abeyratne, Mr. H D Chandrasena, Mr. Kapila Liyanarachchi (GM), Eng. K L S Sahabandu

The Council

2015 - 2016

President

Deshabandu Dr Surath Wickramasinghe

President Elect

Eng. Maj. Ranjith Gunatilleke

Vice Presidents

Eng. D. D. Wijemanne
Mr. Manilal Fernando
Mr. Mahanama Jayamanne
Ar. Jayantha Perera
Prof. Chitra Weddikkara

Institutional Member Representatives (10 members)

Sri Lanka Institute of Architects
Institute of Quantity Surveyors
Institute of Town Planners
Institute of Surveyors Sri Lanka
Institute of Valuers
Association of Consulting Engineers
National Construction Association
Insurance Association of Sri Lanka
Ceylon Institute of Builders
Major Constructors of Sri Lanka

Arch. D.H. Wijewardena
Ch. QS. Nishantha Wickramasinghe
Plnr. Kishan Sugathapala
Mr. Senaka Vithanage
Mr. P.B. Kalugalagedara
Dr. Kamal Laksiri
Mr. Sunil Liyanaarachchi
Mr. Priyantha Perera
Dr. Rohan Karunaratne
Mr. Priyantha Perera

Corporate Member Representatives (09 Members)

Mr. Prasanna Abeyratne
Mr. Walter Perera
Eng. Asoka Randani
Mr. Lalith Kumarage
Mr. Asoka Siriwardena
Mr. Danister Thudellage
Mr. Fayas Mohamed
Mr. Kalana Alwis
Mr. T N Dole

Statutory Agency Representatives (Up to 4 Members)

Mr. Sunil de Silva
Mr. G D A Piyathilaka

Individual Member Representatives (1 Member)

(Not Appointed)

President's Nominees (Up to 09 Members)

Mr. H.D. Chandrasena
Eng. Rohan Tudawe
Eng. Russel De Zilwa
Prof. Ranjith Dissanayake
Eng. K L S Sahabandu

Secretary General / CEO

Eng. Col. Nissanka N. Wijeratne

General Manager

Mr. Kapila Liyanaarachchi

Annual Report 2015-2016

The Board of Directors and Management of the Chamber of Construction Industry Sri Lanka have pleasure in presenting the Annual Report highlighting the activities, initiatives, events and achievements of the Chamber for the Financial Year ended on 31st March, 2016.

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 the 01st October 2015, was the 12th AGM of the Chamber of Construction Industry Sri Lanka.

2. THE COUNCIL

2.1. Board of Directors

As per the decisions taken at the AGM held on 30th December 2014 the Board of Directors comprised of following.

1. Plnr. Dr Surath Wickramasinghe
President

2. Eng. Maj. Ranjith Gunathilake
President Elect

3. Eng. D.D. Wijemanne
Vice President

4. Mr. Manilal Fernando
Vice President

5. Mr. Mahanama Jayamanne
Vice President

6. Arct. Jayantha Perera
Vice President

2.2. Council

As per the decisions taken at the AGM held on 30th December 2014 the Council comprised of following.

1. Mr. Nishantha Wickramasinghe

2. Prof. Chitra Weddikkara

3. Mr. L P A Shantha Priya Perera

4. Mr. U. Samarasinghe

5. Shani Ranasinghe

6. Mr. S. Sivaskantha

7. Dr. Kamal Laksiri

8. Eng. Susantha Fernando

9. Plnr. Hemantha Jayasundera

10. Mr. Prasanna Abeyratne

11. Mr. Walter Perera

12. Mr. Ranji Hewage

13. Eng. Asoka Randani

14. Mr. Lalith Kumarage

15. Mr. Beauno Fernando

16. Mr. Asoka Siriwardena

17. Mr. Danister Thudellage

18. Mr. Fayas Mohamed

19. Mr. Sunil de Silva

20. Mr. H.D. Chandrasena

21. Eng. Rohan Tudawe

22. Mr. P.P.T. Mohideen,

23. Dr. Rohan Karunarathne

24. Eng. K L S Sahabandu

25. Prof. Ranjith Dissanayake

26. Archt. Chandana Edirisuriya

27. Mr. Sumal Perera

28. Mr. M G Kularatne

2.3 The above Board of Directors and the Council functioned until the 12th AGM held on 01st October 2015.

2.4 The 12th AGM was held at the Sri Lanka Foundation Institute on 01st October 2015.

2.4.1 The Board of Directors

As the term of the President, Deshabandu Dr Surath Wickramasinghe will end only at the AGM to be held in 2017, there was no need to have an election for the post of President. Similarly, the term of President Elect, Eng Ranjith Gunatilleka continued until he became the President. As such even the position of President Elect was not open for election.

At the AGM following four were unanimously elected as the Vice Presidents of the Chamber for the period covering next two consecutive AGM's.

1. Eng. D.D. Wijemanne
Vice President

2.Mr. Manilal Fernando

Vice President

3.Mr. Mahanama Jayamanne

Vice President

4.Arct. Jayantha Perera

Vice President

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

In terms of nominations received, the following nine 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. Ashoka Randeni
Consulting Engineers (Pvt) Ltd
- 4.Mr. Lalith Kumarage
Alucare (Pvt) Ltd
- 5.Mr. Ashoka Siriwardena
Bitumix (Pvt) Ltd
- 6.Mr. Danister Thudellage
Solico International (Pvt) Ltd
- 7.Mr. Fayas Mohamed
True Value Products (Pvt) Ltd
- 8.Mr. T. N. Dole
Konsept Centro (Pvt) Ltd
- 9.Mr. Kalana Alwis
Nawaloka Construction Co (Pvt) Ltd

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

Following two members were nominated as Statutory Agency Members.

- 1.Mr. Sunil de Silva
Board of Investment of Sri Lanka
- 2.Mr. G D A Piyathilaka
Central Engineering Consultancy Bureau

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

As no nominations were received, the new

Council will elect a suitable member to represent the collective interests of individual members.

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

2.2.5. Institutional Member Representatives (10 members)

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

- 1.Institute of Quantity Surveyors Sri Lanka**
Ch. QS. Nishantha Wickramasinghe
- 2.Sri Lanka Institute of Architects**
Arch. D H Wijewardena
- 3.The Surveyors' Institute of Sri Lanka**
Mr. Senaka Vitharanage
- 4.Insurance Association of Sri Lanka**
Mr. Priyantha Perera
- 5.Institute of Valuers Sri Lanka**
Mr. P B Kalugalagedara
- 6.Association of Consulting Engineers, Sri Lanka**
Dr. Kamal Laksiri
- 7.National Construction Association of Sri Lanka**
Mr. Sunil Liyanaarachchi
- 8.Institute of Town Planners of Sri Lanka**
Plnr. Kishan Sugathapala
- 9.Ceylon Institute of Builders**
Dr. Rohan Karunaratne
- 10.Major & Specialist Constructors**
Mr. Priyantha Perera

3.MEETINGS

3.1 The Finance and Management Committee Meetings

During the period under review, 11 meetings were held.

The committee members are 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 14 committee meetings held during the period under review.

The Committee members are 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 16 meetings during the year under review.

3.4 The Council Meeting

A total of 11 Meetings from Nos. 146 to 156 were held during the year under review.

Statistics in relation to the attendance of individual Council Members have been tabulated in page 09 of this report.

4. NEW MEMBERS

4.1

a. Institutional Members

No Institutional Membership was granted membership under the Chamber during the year under review.

b. Statutory Agency Members

1. State Development and Construction Corporation

c. Corporate Members

1. Orient Construction Company Pvt Ltd
2. Laugfs Engineering (Pvt) Ltd.
3. AMTEK Engineering Pvt Ltd
4. Janashakthi General Insurance Ltd
5. Industry Serve Engineers
6. Finite Lanka Pvt Ltd
7. R R Construction (Pvt) Ltd
8. Access Projects Pvt Ltd.
9. Business Promoters & Partners & Engineering (Pvt) Ltd
10. Sanken Overseas (Pvt) Ltd
11. George Steuart Engineering (Pvt) Ltd
12. Airow Solutions Pvt Ltd
13. Shree Marbles & Granite (Pvt) Ltd
14. Ruhunu Dev. Contractors & Eng. Pvt Ltd
15. NEM Construction (Pvt) Ltd.
16. Trittech Engineers Pvt Ltd
17. Kamal Cables (Pvt) Ltd.
18. MSA Shipping Pvt Ltd
19. LTL Projects (Private) Ltd.
20. Your Home Furniture (Pvt) Ltd.

d. Overseas Corporate Members

1. China Geo Engineering Corporation
2. Larsen & Toubro Ltd

e. Individual Members

1. Ar Jayantha Perera

5. ANNUAL GENERAL MEETING FOR THE YEAR ENDED 31ST MARCH, 2015

The 12th Annual General Meeting of the Chamber of Construction Industry, Sri Lanka was held at the Auditorium of the Sri Lanka Foundation Institute on 01st October 2015.

5.1. The Chairman, Deshabandu Dr. Surath Wickremasinghe welcomed all those who were present at this Twelfth Annual General Meeting.

5.2. Prior to commencement of the AGM, Ms. Suwendrini Dimbulana of "Corporate Advisory Services Ltd", Corporate Secretaries

COUNCIL MEETINGS & ATTENDANCE RECORD

(01st April 2015 to 31st March 2016)

| No. | Council Members | Apr | May | June | July | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Apr | Apr | Total Meeting Attended | % |
|--|--------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------------------------|-----|
| | | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2016 | 2016 | 2016 | 2016 | | |
| | | 146 | 147 | 148 | 149 | 150 | 151 | 152 | 153 | 154 | 155 | 156 | 157 | 158 | | |
| 1 | Deshabandu' Dr Surath Wickramasinghe | 1 | 1 | 1 | 1 | AB | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 12 | 100 |
| 2 | Maj. Ranjith Gunathilake | AB | 1 | 1 | AB | 1 | 1 | AB | 1 | 1 | 1 | 1 | 1 | AB | 9 | 75 |
| 3 | Eng. D D Wijemanne | 1 | 1 | 1 | 1 | 1 | 1 | AB | 1 | 1 | 1 | 1 | 1 | 1 | 12 | 100 |
| 4 | Mr. Manilal Fernando | 1 | AB | AB | AB | 1 | 1 | 1 | AB | 1 | 1 | 1 | AB | 1 | 8 | 67 |
| 5 | Ar. Jayantha Perera | 1 | AB | 1 | 1 | 1 | 1 | 1 | AB | 1 | 1 | AB | 1 | 1 | 10 | 83 |
| 6 | Mr. Mahanama Jayamanne | 1 | 1 | AB | 1 | 1 | 1 | AB | AB | AB | AB | 1 | 1 | 1 | 8 | 67 |
| 7 | Mr. H D Chandrasena | 1 | 1 | 1 | AB | 1 | 1 | AB | 1 | AB | 1 | 1 | AB | 1 | 9 | 75 |
| 8 | Mr. Nishantha Wickramasinghe | 1 | 1 | 1 | AB | AB | AB | AB | 1 | AB | AB | AB | AB | 1 | 5 | 42 |
| 9 | Prof. Chitra Wedikkara | AB | 1 | 1 | AB | AB | 1 | AB | 1 | 1 | AB | AB | 1 | AB | 6 | 50 |
| 10 | Dr.Kamal Iaksiri | 1 | AB | 1 | 1 | 1 | AB | AB | AB | 1 | AB | AB | AB | AB | 5 | 42 |
| 11 | Eng. Susantha Fernando | 1 | AB | 1 | 1 | 1 | AB | - | - | - | - | - | - | - | 4 | 33 |
| 12 | Plnr. Hemantha Jayasundara | 1 | 1 | 1 | AB | AB | AB | - | - | - | - | - | - | - | 3 | 25 |
| 13 | Mr. Prasanna Abeyratne | 1 | AB | AB | AB | AB | 1 | 1 | AB | AB | 1 | AB | 1 | AB | 5 | 42 |
| 14 | Eng. Walter Perera | 1 | 1 | 1 | 1 | AB | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 12 | 100 |
| 15 | Mr. Ranji Hewage | AB | AB | AB | AB | AB | AB | - | - | - | - | - | - | - | 0 | 0 |
| 16 | Eng. Asoka Randeni | AB | 1 | AB | AB | 1 | AB | 1 | 1 | AB | AB | AB | AB | AB | 4 | 33 |
| 17 | Mr. Lalith Kumarage | 1 | 1 | 1 | AB | AB | 1 | AB | 1 | 1 | AB | 1 | 1 | 1 | 9 | 75 |
| 18 | Mr. Beauno Fernando | 1 | AB | AB | AB | AB | AB | - | - | - | - | - | - | - | 1 | 8 |
| 19 | Mr. Asoka Siriwardena | 1 | AB | AB | AB | 1 | AB | 1 | 1 | 1 | 1 | AB | AB | 1 | 7 | 58 |
| 20 | Mr. Danister Thudellage | 1 | 1 | 1 | 1 | 1 | 1 | 1 | AB | 1 | 1 | 1 | 1 | AB | 11 | 92 |
| 21 | Mr. Sunil De Silva | AB | 1 | 1 | AB | 1 | AB | 1 | 1 | AB | 1 | AB | AB | 1 | 7 | 58 |
| 22 | Eng. Rohan Tudawe | 1 | 1 | AB | 1 | 1 | AB | AB | AB | AB | 1 | 1 | AB | 1 | 7 | 58 |
| 23 | Mr. P.P.T. Mohideen | AB | AB | AB | 1 | 1 | 1 | - | - | - | - | - | - | - | 3 | 25 |
| 24 | Mr.Fayas Mohamed | AB | AB | AB | AB | AB | AB | AB | AB | AB | AB | AB | AB | AB | 0 | 0 |
| 25 | Dr.Rohan Karunaratne | AB | 1 | AB | 1 | 1 | 1 | AB | AB | AB | AB | AB | AB | AB | 4 | 33 |
| 26 | Mr. K L S Sahabandu | AB | AB | 1 | AB | AB | 1 | - | - | - | - | 1 | AB | AB | 3 | 25 |
| 27 | Prof. Ranjith Dissanayake | 1 | 1 | AB | AB | AB | 1 | - | - | - | - | 1 | 1 | AB | 5 | 42 |
| 28 | Mr. Chandana Edirisuriya | AB | AB | 1 | AB | 1 | 1 | - | - | - | - | - | - | - | 3 | 25 |
| 29 | Mr. Sumal Perera | AB | AB | AB | AB | AB | AB | - | - | - | - | - | - | - | 0 | 0 |
| 30 | Capt. M G Kularatne | AB | AB | AB | AB | AB | AB | - | - | - | - | - | - | - | 0 | 0 |
| 31 | Mr. Senaka Vitharanage | - | - | - | - | - | - | AB | 1 | AB | AB | AB | AB | AB | 1 | 8 |
| 32 | Mr. Priyantha Perera | - | - | - | - | - | - | AB | 1 | AB | AB | AB | AB | 1 | 2 | 17 |
| 33 | Mr. P B Kalugalagedara | - | - | - | - | - | - | 1 | 1 | AB | 1 | 1 | 1 | 1 | 6 | 50 |
| 34 | Mr. Sunil Liyanaarachchi | - | - | - | - | - | - | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 7 | 58 |
| 35 | Plnr. Kishan Sugathapala | - | - | - | - | - | - | 1 | AB | AB | AB | AB | AB | AB | 1 | 8 |
| 36 | Arch. D H Wijewardena | - | - | - | - | - | - | 1 | 1 | 1 | 1 | 1 | AB | 1 | 6 | 50 |
| 37 | Mr. T N Dole | - | - | - | - | - | - | 1 | AB | AB | 1 | AB | 1 | AB | 3 | 25 |
| 38 | Mr. Kalana Alwis | - | - | - | - | - | - | AB | AB | 1 | AB | 1 | AB | AB | 2 | 17 |
| 39 | Mr. W.A. Priyantha Perera | - | - | - | - | - | - | 1 | 1 | AB | 1 | AB | AB | 1 | 4 | 33 |
| 40 | Mr. Russel De Zilwa | - | - | - | - | - | - | 1 | 1 | AB | AB | AB | AB | AB | 2 | 17 |
| 41 | Mrs. Swarna Obeyesekera | - | - | - | - | - | - | - | - | - | - | - | - | - | 0 | 0 |
| Total No. Present at each meeting | | 18/30 | 16/30 | 16/30 | 11/30 | 16/30 | 17/30 | 16/34 | 18/34 | 14/34 | 17/34 | 16/34 | 14/34 | 17/34 | | |
| Percentage (%) of attendance at each meeting | | 60 | 53 | 53 | 37 | 53 | 57 | 47 | 53 | 41 | 50 | 47 | 41 | 50 | Average Attendance | 42 |

to the Chamber read the notice convening the meeting.

5.3. President requested the Company Secretaries to read out the amendments to the Articles of Association, which has already been approved by the Registrar of Companies and as per the requirements of the Companies Act, sought approval from the members.

5.4. The President requested Mr. Nissanka N Wijerathne - CEO to read the Report of the Council for the year 2014 - 15. Mr. Nissanka N Wijerathne – CEO thereafter read the Report to the members. Further, the CEO briefed the members with regard to the activities of the Council for Financial Year ended at 31st March 2015 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.

5.5. The President then went on to present the statement of Accounts and balance sheet for the year ended 31st March 2015.

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 ACHIEVEMENTS

6.1. Publications

6.1.1. CCI Bulletin

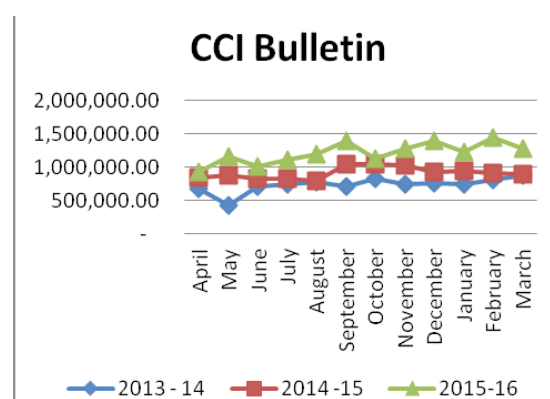
"Construction Review" is the newspaper bulletin published monthly by the Chamber of Construction Industry Sri Lanka. CCI has signed an agreement with Associated News Papers Ceylon (ANCL – Lake House) to publish and distribute the Bulletin along with "Daily News" on last Thursday of every month from April 2015. 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 contents. It has become a reference document to some of the undergraduates and the industry professionals.

Now the archived copies of the Bulletin during the last 24 months is available at CCI web site. The URL is

<http://www.ccisrilanka.org/bulletin/>.

6.1.2. CONSTRUCTION INDUSTRY TRADE AND



BUSINESS DIRECTORY 2017/2018

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.

The next Trade & Business Directory will have following new features which were not available in earlier editions.

a. For those publishing a full page advertisement CCI will insert the QR code enabling a prospective customers to access the website of the advertiser instantly using a smart phone

b. Provide a facility to locate the office of advertiser with Google Map.

c. The full Directory will be uploaded to our dedicated website www.constructiondirectory.lk which can also be accessed from the CCI main web site www.ccisrilanka.org as well.

d. Advertisers will be permitted to change the advertisements in the web directory on a monthly basis.

e. The web directory will be with a easy search facilities.

f. A facility to be given to the advertisers to send e-flyers to a dedicated construction related email database.

g. It is expected that over five hundred private and the corporate sector construction and service related leading establishments will advertise in the 2017/2018 directory, to be published in January 2017.

6.2. 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.

This database to be launched as a part of the construction directory web. The Construction Industry Trade and Business Directory 2014/2015 is now available at www.constructiondirectory.lk.

6.3. INTERNATIONAL EXHIBITION AND TRADE FAIR OF THE CONSTRUCTION INDUSTRY

6.3.1. BUILD SL 2015:

The Chamber successfully concluded its 11th Exhibition on 29th May 2015 at Sirimavo Bandaranaike Exhibition Center in BMICH. His Excellency Maithripala Sirisena, President of the Democratic Socialist Republic of Sri Lanka, was the chief guest at this largest event of CCI. Hon. Rauff Hakeem, Minister of City Planning & Water Supply also participated at

the inauguration ceremony.



The general public and the industry professionals visited this exhibition and there were over 200 stalls.

6.3.2. BUILD SL 2016 LAUNCH :

The most sought after Exhibition and Trade Fair of the Construction Industry, Build SL 2016 - Housing and Construction Expo was launched on 15th October 2015 at Grand Ball Room of Hotel Galadari, Colombo.

The Annual Exhibition, formerly branded as Excon was launched under a fresh theme-Build SL 2016 –“Building a New Sri Lanka” to be on par with the current economic boom experienced by Sri Lanka. Hon Patali Champika Ranawaka, Minister of Megapolis & Western Development was the Chief Guest.



The exhibition was planned to be held at Sirimavo Bandaranaike Exhibition Center in BMICH with the participation of over 200 companies and over 250 stalls thus empowering the concept of the Exhibition and Trade Fair.

6.4. SEMINAR

6.4.1. FOURTH ROUND TABLE CONFERENCE

A National Policy for Infrastructure and Housing for Urban and Rural Low Income Groups

The RTC held at BMICH Colombo on 29th May 2015, coincided with BuildSL 2015 Exhibition consisted of two sessions which extensively dealt with four topics, namely;

The sessions were chaired by Dr Surath Wickramasinghe.

Introductions to each Session was made by Ar Jayantha Perera

In the 1st Session –

Dr. Milinda Pathiraja made the Presentation on “Alternative strategies for Low Cost Rural Housing”

Mr. Lakshman Jayasekera Presented on “Viable Financing Mechanisms to mobilize the Private Sector Consultants and Contractors to “fast track” the implementation process of Urban Regeneration and Housing Projects”



In 2nd Session -

Mr. E A C Priyashantha/ B DI Fernando Presenter/ Co-presenter delivered on “New Concepts for Mega Urban Low Cost Housing in Asia using Cost Effective Construction Methodology”.

Ar/Plnr. Nihal Fernando made the presentation on “Financing and Implementation of Mega Project, using Local Consultancy And Contracting Expertise”.

The Discussion panel was Mr. W D Ailapperuma, Mr. Kumara Wickramasinghe, Mr. D L S D Senanayake, Mr. Dhananjaya Siriwardana and Ar. Prasanna Silva



Rapporteurs comments made by Ar Piyal Silva
The RTC 4 was sponsored by UltraTech Cement Lanka (Pvt) Ltd.

6.4.2. SEMINAR ON COLOMBO PORT CITY

The Seminar was held at Taj Samudra Hotel, on 10th July 2015 with a gathering of over 270 participants.

1st Session was Chaired by Dr. Surath Wickramasinghe.

Introduction to Session was done by Eng. Nissanka N Wijeratne.

- Colombo Port City Project, Salient Features & Impacts on National Economy

Presented by Mr. Thilan Wijesinghe, Chairman TWCorp and former Chairman, BOI

- Master Plan and Phased Development Strategy of Port City

Presented by Mr. Lim Kian Siew, Director of Planning & Development, CHEC Port City

1st Panel Discussion and Q&A session conducted by the Panelists:-

Ar. H. Prasanna Silva, Former DG, UDA & Chairman, NARA

Dr. Asanga Gunawansa, Attorney – at - Law



2nd Session Chaired by Prof. Willie Mendis.

Introduction to session was made by Eng Nissanka N Wijeratne,

- Coastal Impacts of Colombo Port City Project

Presented by Eng. Nissanka Perera, CEO, Lanka Hydraulics Institute and former DG Coast Conservation

- Technical & Engineering Aspects of Port City

Presented by Mr. Peter Leung, Managing Director ICEM Ltd, Hong Kong.

- Infrastructure Requirements and Developments related to Port City

Presented by Eng. M. A. C. Perera, Senior Consultant, Central Engineering Consultancy Bureau.

2nd Panel Discussion and Q&A session conducted by the Panelists:-

Ms. Kanthi De Silva, Director (EIA), CEA

Eng. Mrs. I M Wickramanayake, CE (Coastal Monitoring & Evaluation) CCD

Concluding remarks was made by Prof. Willie Mendis.

Rapporteur was the Ar. Piyal Silva.

6.4.3. FACTS ABOUT THE USE OF ASBESTOS – CHRYSOTILE CEMENT ROOFING

The seminar was held on 01st of December 2015 at the Samudra Ballroom, Taj Samudra Hotel with a gathering of over 250 participants. After the address by Ar/Plnr Deshabandu Dr Surath Wickramasinghe, President/ CCI,



Following presentations were done in the 1st Session;

- WHA/WHO's position on Chrysotile Delivered by Mr. Emiliano Alonso, ICA's legal advisor, Belgium.
- Health risks of Chrysotile revisited Delivered by Dr. David Bernstein, Switzerland.

During the 2nd Session;

• Prof. Ravindra Fernando, Professor of Forensic Medicine & Toxicology, University of Colombo, Sri Lanka made a presentation. During his presentation he stated that there is a need for the Government of Sri Lanka (GoSL) to investigate possible evidence of any health risks as a result of the use of Chrysotile fibre in roofing materials in the country and

to clarify whether a ban on Chrysotile or safe-use policy should be adopted.

- Dr. Vivek Chandra Rao of India gave a presentation on Current regulations and situation in India

In the 3rd Session;

- A presentation was delivered by Prof. Nanayakkara, University of Moratuwa on "Alternatives to Chrysotile Cement Roofing" Summing Up was done by Prof. Rohan Samarajiva.



6.4.4. Breakfast Meeting On ANY HEALTH RISKS OF ASBESTOS – CHRYSOTILE CEMENT ROOFING

The breakfast meeting organized for the medical professionals was held on 2nd December 2015 at the Salon Anthurium at the Galadari Hotel.

Dr Chandra Vivek Rao from India and Dr. Bernstein made their presentations.

Over 100 medical professionals participated for this session including the veteran Dr. Carlo Fonseka.



6.4.5. SEMINAR ON INDO-SRI LANKA ECONOMIC AND TECHNOLOGY COOPERATION AGREEMENT (ETCA)

This seminar was held on 28th of March 2016 at the Salon Anthurium, Hotel Galadari.

Seminar was on two topics

- **Prof. Rohan Samarajiva,**

Founding Chair of LIRNE asia Member of the Inter-Governmental Joint Study Group on the India, Sri Lanka Comprehensive Economic Partnership Agreement (2003), Negotiating Group Member, ETCA

Topic of Presentation: Implications of Trade Agreements for Construction Services.



- **Eng. Gamini Nanda Gunawardana,**

Corporate Consultant on Manufacturing, Banking, Financial Services, Insurance, Telecommunication, and Health Care.

Topic of Presentation: Proposed Indo-Sri Lanka Economic and Technology Cooperation Agreement with particular reference to Construction Industry/Trade in Services.

- **Summing up done by the Moderator – Prof Chitra Weddikkara**

Mr. Karthik Pande, First Secretary (Commerce) of Indian High Commission, Colombo was also present.

This Event was Sponsored by Melwire Rolling (Pvt) Ltd.

6.4.6. CONSTRUCTION RELATED CAPACITY BUILDING WORKSHOP for Contractors in North, East and South - Organised by WUSC supported by CCI

World University Services Canada signed and MOU with CCI to provide facilities to enhance the capacity of the small and medium sized

construction companies.

Following on this, to enhance the knowledge in regional corporate establishments related to the construction industry, CCI and WUSC planned to have several workshops district wise in various parts of the island.

Consequently two successful seminars / workshops were held;

a) Programme at Trincomalee held on 19th February 2016.

b) Programme at Matara held on 30th March 2016.

Resource persons;



Mr. Ivan Tissera

Procurement Consultant & Procurement Audit Expert (PWC, USAID)



Dr.(Eng.) Chaminda Senaratne Bandara

Lecturer at the Department of Civil Engineering, University of Peradeniya

6.5. INTERVENTIONS WITH THE GOVERNMENT CCI Representation in statutory authorities

6.5.1 Construction Industry Development Authority

CCI is represented by Eng. Maj. Ranjith Gunathilake, President Elect in the Board of Directors.

6.5.2. National Advisory Council on Construction

CCI is represented by Eng. Nissanka N Wijeratne, Secretary General / CEO at this advisory council chaired by the Secretary to the Ministry of Housing & Construction.

6.5.3. Assisting Drafting of Legislations

CCI was activity involved in the drafting of following.

a) National Policy on Construction.

b) Amendments to the Construction Industry

Development Act, No.33 of 2014 to include provisions for payments guarantee, timely planning approvals, compulsory requirement to use standard contract documents and participation of local consultants and contractors in foreign funded projects.

c) Drafting of Rules and Regulations required under the Construction Industry Development Act, No.33 of 2014.

6.5.4. Representations to Hon. Finance Minister

At pre budget discussions CCI made representations to waive import duty on mobile construction equipment, to increase age limit of used construction equipment from 7 to 10 years, liberalize Bitumen imports and allocating Rs. 500 million to train 15,000 in construction skills. All these were included in the Budget 2016.

6.5.5. Construction Industry Agencies Meeting

CCI actively participated at all the monthly meetings with Construction Industry Agencies chaired by Mr. R. Paskaralingam., Senior Advisor to the Prime Minister. At these meetings CCI drew attention to the difficulties faced by the construction industry, especially on scarcity of labour and sand and non-acceptance of CGF Guarantee.

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, 2016, 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, 2016 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.



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

02 September 2016



KINGSLEY JAYALATH & CO
Chartered Accountants

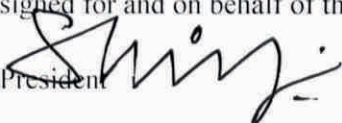
THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2016**


| | Notes | 2015 / 2016 Rs. | 2014 / 2015 Rs. |
|---------------------------------|-------|--------------------|--------------------|
| Revenue | 5 | 44,974,059 | 32,058,334 |
| Less: Direct Costs | 6 | 24,114,360 | 15,424,391 |
| | | 20,859,700 | 16,633,943 |
| Add: Other Income | 7 | 1,318,985 | 1,720,005 |
| | | 22,178,685 | 18,353,948 |
| Less: Administrative Expenses | 8 | 16,905,178 | 12,093,773 |
| Finance Costs | 9 | 22,981 | 15,729 |
| Profit/(Loss) prior to Taxation | | 5,250,526 | 6,244,446 |
| Less: Income Tax Expense | | 729,149 | 625,713 |
| Surplus/(Loss) after Taxation | | 4,521,377 | 5,618,733 |

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2016

| <u>ASSETS</u> | <u>Notes</u> | 31.03.2016 <u>Rs.</u> | 31.03.2015 <u>Rs.</u> |
|--|---------------------|--|--|
| <u>Non Current Assets</u> | | | |
| Property, Plant & Equipment | 10 | 1,120,290 | 373,716 |
| Intangible Assets | 11 | - | - |
| Fixed Deposits | | 13,546,394 | 8,012,787 |
| <u>Current Assets</u> | | | |
| Trade & Other Receivables | 12 | 7,535,389 | 5,469,082 |
| Cash & Cash Equivalents | 13 | 3,774,220 | 1,885,892 |
| Total Assets | | <u>25,976,293</u> | <u>15,741,475</u> |
| <u>EQUITY & LIABILITIES</u> | | | |
| <u>Capital & Reserves</u> | | | |
| Accumulated Funds | 14 | (16,565,142) | (21,086,519) |
| <u>Non Current Liabilities</u> | | | |
| Provision for Gratuity | 15 | 581,000 | 432,000 |
| <u>Current Liabilities</u> | | | |
| Trade & Other Payables | 16 | 34,897,611 | 32,668,485 |
| Bank Overdrafts | 17 | - | 511,276 |
| Deferred revenue | | 3,846,589 | - |
| Catalogue Deferred Income | | 3,216,233 | 3,216,233 |
| Total Equity & Liabilities | | <u>25,976,293</u> | <u>15,741,475</u> |

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


President


Vice President

Treasurer

02 September 2016

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2016

| | Accumulated Profit/(Loss) | Total Rs. |
|---------------------------------|--------------------------------------|----------------------|
| Balance as at 31.03.2014 | (26,705,252) | (26,705,252) |
| Profit/(Loss) for the Year | 5,618,733 | 5,618,733 |
| Balance as at 31.03.2015 | (21,086,519) | (21,086,519) |
| Profit/(Loss) for the Year | 4,521,377 | 4,521,377 |
| Balance as at 31.03.2016 | (16,565,142) | (16,565,142) |

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

| | <u>2016</u> | <u>2015</u> |
|--|--------------------|--------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| <u>Cash Flow from Operating Activities</u> | | |
| Profit/(Loss) Before Taxation | 5,250,526 | 6,244,446 |
| Adjustments for | | |
| Depreciation | 207,974 | 125,433 |
| Interest Income | (1,318,985) | (470,402) |
| Gratuity | 149,000 | 177,000 |
| | (962,011) | (167,969) |
| Operating Profit Before Changes in Working Capital | 4,288,515 | 6,076,477 |
| Decrease/(Increase) in trade & other receivables | (2,066,307) | (1,962,383) |
| (Decrease)/Increase in trade & other payables | 2,025,690 | (3,963,812) |
| Deferred Income | 3,846,589 | - |
| Deferred catalogue income | - | - |
| | 3,805,972 | (5,926,195) |
| Cash Generated From Operations | 8,094,486 | 150,282 |
| Gratuity Paid | - | - |
| Income Taxes Paid | (525,713) | (455,408) |
| | (525,713) | (455,408) |
| Net Cash inflow/(outflow) from operating activities | 7,568,773 | (305,126) |
| <u>Cashflow from Investing Activities</u> | | |
| Purchase of Property, Plant & Equipment | (954,548) | (366,200) |
| Interest Income Received | 1,318,985 | 470,402 |
| Disposal/(Acquisition) of in short term investment | - | - |
| Fixed Deposit investments | (5,533,607) | (868,787) |
| Net Cashflow used in Investing Activities | (5,169,170) | (764,585) |
| <u>Cashflow from Financing Activities</u> | | |
| Net Cashflow from Financing Activities | - | - |
| Net Increase in Cash & Cash Equivalents | 2,399,604 | (1,069,711) |
| Cash & Cash Equivalents at the beginning of the year | 1,374,616 | 2,444,327 |
| Cash & Cash Equivalents at the end of the year Note : A | 3,774,220 | 1,374,616 |

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

| | 2016 | 2015 |
|---------------------------------|-------------------|-------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| <u>Note : A</u> | | |
| Bank Of Ceylon A/C 5696 | 5,028 | 907,109 |
| Bank Of Ceylon A/C 6088 | 717,719 | (511,276) |
| Commercial Bank PLC A/C 5279 | 6,085 | 6,085 |
| Peoples' Bank A/C 220001816 | 827,016 | 314,164 |
| Peoples' Bank A/C 130001816 | 2,170,224 | 627,779 |
| Petty cash | 38,504 | 30,755 |
| Petty Cash Shortage/Excess | 90 | - |
| Petty Cash IOU | 8,943 | - |
| Cash for events (Disbursements) | 610 | - |
| | 3,774,220 | 1,374,616 |

THE CHAMBER OF CONSTRUCTION INDUSTRY, SRI LANKA

ACCOUNTING POLICIES & EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

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.



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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 | 25 % |

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 amortized 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 | 2015 / 2016 | 2014 / 2015 |
|-------------------------|-------------|-------------|
| Income | <u>Rs.</u> | <u>Rs.</u> |
| Annual Subscriptions | 2,800,599 | 1,791,003 |
| Entrance Fees | - | 180,000 |
| Trade Directory | 2,896,676 | 8,833,739 |
| CCI English Bulletin | 15,546,765 | 11,906,910 |
| Contributions | 400,000 | 750,000 |
| Seminars | 5,791,624 | - |
| AGM Sponsorship | 240,000 | 4,149,002 |
| Build SL | 23,689,647 | 5,619,831 |
| Other Income | 100,000 | - |
| Income-Deferred Revenue | (3,846,589) | - |
| | 47,618,721 | 33,230,485 |
| Less: Discounts | (2,644,662) | (1,172,151) |
| | 44,974,059 | 32,058,334 |

| Note: 6 | 2015 / 2016 | 2014 / 2015 |
|----------------------------|-------------|-------------|
| Direct Expenses | <u>Rs.</u> | <u>Rs.</u> |
| Stamps | 357,500 | 362,000 |
| Commission | 3,068,082 | 1,200,507 |
| Printing Charges | 6,524,375 | 8,975,380 |
| Editing Charges | 7,000 | 110,000 |
| Direct Expenses : Build SL | 10,665,547 | 3,847,119 |
| Direct Expenses : Seminars | 3,396,506 | - |
| Travelling | - | 145,000 |
| Advertising | 95,350 | 122,976 |
| Designing | - | 285,000 |
| Meeting Expenses | - | 62,500 |
| RTC Expenses | - | 278,250 |
| Event Management | - | 35,659 |
| Total Direct Expenses | 24,114,360 | 15,424,391 |

| Note: 7 | 2015 / 2016 | 2014 / 2015 |
|-----------------------------|-------------|-------------|
| Other Income | <u>Rs.</u> | <u>Rs.</u> |
| Interests on Fixed Deposits | 1,318,985 | 470,402 |
| Accrued Expenses Write back | - | 1,249,603 |
| | 1,318,985 | 1,720,005 |

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

Note: 8

| | 2015 / 2016 | 2014 / 2015 |
|--|-------------|-------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| Administrative Expenses | | |
| Salary Arrears | 25,000 | 366,400 |
| Allowance | 1,537,333 | 430,500 |
| Salaries | 5,747,542 | 3,680,714 |
| Overtime | 42,670 | - |
| ETF | 172,101 | 110,535 |
| EPF | 688,405 | 442,140 |
| EPF Arrears | 202,740 | 1,635,387 |
| ETF Surcharges | 64,912 | 304,806 |
| Income Tax on Accrued Expenses Write Back | - | 124,960 |
| Penalty on Income Tax on Accrued Expenses Write Back | - | 6,248 |
| Staff Welfare | 140,881 | 72,578 |
| Staff Medical Insurance | 205,304 | - |
| Travelling Expenses | 600,373 | 1,061,890 |
| Motor Bike Hiring | 30,000 | - |
| Car Parking | 30,000 | - |
| Advertisement-Recruitment | 124,970 | 24,015 |
| Computer Equipment Maintenance | 38,800 | 20,750 |
| Electricity | 490,784 | 359,230 |
| Lawyer's Fees | - | 155,000 |
| Office Rent | 800,000 | 600,000 |
| Postage & Stamps | 130,021 | 13,507 |
| Printing & Stationery | 1,113,617 | 110,459 |
| Professional Services | 759,258 | 336,420 |
| Consultancy Fee | 85,000 | - |
| Repairs & Maintenance | 169,741 | 172,770 |
| Donations | 5,000 | 5,000 |
| Secretarial Services | 225,497 | 111,103 |
| Telephone Charges | 413,323 | 297,949 |
| Audit fees | 40,000 | 107,133 |
| Tax Computation Charges | 15,000 | 10,000 |
| Licence & Registration | 106,500 | 13,640 |
| Water Rates | 4,317 | 3,865 |

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

Administrative Expenses (Contd...)

| | | |
|------------------------|-------------------|-------------------|
| Drinking Water | 10,878 | - |
| Internet & E-mail | 10,776 | 19,415 |
| Rates & Taxes | 387,231 | 57,864 |
| Meeting Expenses | 281,781 | 214,269 |
| Office Maintenance | 585,642 | 69,087 |
| Seminar Expenses | 491,380 | - |
| Janitorial Expenses | 37,000 | - |
| Newspapers & Magazines | 21,000 | - |
| Other Expenses | 576,204 | 42,148 |
| Depreciation | 207,974 | 125,433 |
| Bonus | - | 193,000 |
| Gratuity | 149,000 | 177,000 |
| VAT Expenses | - | 600,120 |
| NBT | 137,222 | - |
| VAT Penalty Charges | - | 18,438 |
| | 16,905,178 | 12,093,773 |

Note: 9

| | 2015 / 2016 | 2014 / 2015 |
|---------------------|--------------------|--------------------|
| <u>Finance Cost</u> | <u>Rs.</u> | <u>Rs.</u> |
| Bank Charges | 21,481 | 15,729 |
| Overdraft Interest | 1,500 | - |
| | 22,981 | 15,729 |

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA

Note: 10

PROPERTY, PLANT & EQUIPMENT

| | Motor Vehicles | Office Equipment | Office Refurbishments | Office Furniture | Computers | TOTAL Rs. |
|-----------------------|-------------------|---------------------|--------------------------|---------------------|-----------|--------------|
| <u>COST</u> | | | | | | |
| As at 01.04.2015 | - | 2,408,759 | 1,691,092 | 719,503 | 472,100 | 5,291,454 |
| Additions /Adjustment | 224,500 | 392,888 | - | 111,660 | 225,500 | 954,548 |
| Disposal /Adjustment | - | - | - | - | - | - |
| As at 31.03.2016 | 224,500 | 2,801,647 | 1,691,092 | 831,163 | 697,600 | 6,246,002 |

ACCUMULATED DEPRECIATION

| | | | | | | |
|---|--------|-----------|-----------|---------|---------|-----------|
| As at 01.04.2015 | - | 2,397,781 | 1,691,092 | 680,331 | 148,534 | 4,917,738 |
| Annual Depreciation | 19,322 | 33,706 | - | 20,821 | 134,125 | 207,974 |
| <u>Less</u> : Accumulated Depreciation on Assets Disposed of | - | - | - | - | - | - |
| As at 31.03.2016 | 19,322 | 2,431,487 | 1,691,092 | 701,152 | 282,659 | 5,125,712 |

NET BOOK VALUE

| | | | | | | |
|------------------|---------|---------|---|---------|---------|-----------|
| As at 31.03.2016 | 205,178 | 370,160 | - | 130,011 | 414,941 | 1,120,290 |
| As at 31.03.2015 | - | 10,978 | - | 39,172 | 323,566 | 373,716 |

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA

Note: 11

INTANGIBLE ASSETS

| <u>COST</u> | Computer Software | Total |
|-----------------------|----------------------|---------|
| As at 01.04.2015 | 107,000 | 107,000 |
| Additions /Adjustment | - | - |
| Disposal /Adjustment | - | - |
| As at 31.03.2016 | 107,000 | 107,000 |

**ACCUMULATED DEPRECIATION AND
IMPAIRMENT**

| | | |
|---|---------|---------|
| As at 01.04.2015 | 107,000 | 107,000 |
| Annual Depreciation | - | - |
| <u>Less</u> : Accumulated Depreciation on Assets Disposed of | | |
| As at 31.03.2016 | 107,000 | 107,000 |

NET BOOK VALUE

| | | |
|------------------|---|---|
| As at 31.03.2016 | - | - |
| As at 31.03.2015 | - | - |

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

Note: 12

| | | 31.03.2016 | 31.03.2015 |
|---------------------------|------|-------------------|-------------------|
| | | <u>Rs.</u> | <u>Rs.</u> |
| Trade & Other Receivables | | | |
| Trade Debtors | 12.1 | 5,292,797 | 4,326,112 |
| Other Receivables | 12.2 | 2,242,592 | 1,142,970 |
| | | 7,535,389 | 5,469,082 |

Note: 12.1

| | | 31.03.2016 | 31.03.2015 |
|-------------------------------|--|--------------------|--------------------|
| | | <u>Rs.</u> | <u>Rs.</u> |
| Trade Debtors | | | |
| Accounts Receivables | | 2,877,858 | 1,324,720 |
| Existing Member Subscriptions | | (121,353) | - |
| Trade Exhibition | | 612,553 | 1,439,800 |
| Trade Directory | | 1,688,597 | 2,686,829 |
| Bulletin Debtors | | 2,430,973 | 1,126,821 |
| Seminars | | (42,000) | (21,000) |
| Build SL 2013 & 2014 | | 2,073,972 | 2,073,972 |
| Entrance Fees | | 79,644 | 56,656 |
| Prepayments | | 54,238 | - |
| Projects | | 16,480 | 16,480 |
| | | 9,670,962 | 8,704,277 |
| Less: Provision For Bad Debts | | (4,378,165) | (4,378,165) |
| Trade Debtors | | 5,292,797 | 4,326,112 |

Note: 12.2

| | | 31.03.2016 | 31.03.2015 |
|---------------------------------|--|-------------------|-------------------|
| | | <u>Rs.</u> | <u>Rs.</u> |
| Other Receivables | | | |
| GTZ Project Expenses | | 471,478 | 471,478 |
| USAID Project | | 154,478 | 154,478 |
| BMICH Advance Paid | | 250,000 | 50,000 |
| Catalogue Expenses | | 50,000 | 50,000 |
| Refundable Deposits | | 900,500 | 292,500 |
| Staff Loans | | 45,000 | - |
| Rent Prepayment | | 225,000 | 50,000 |
| Interest Receivables | | 27,474 | 27,474 |
| WHT Receivables | | 118,662 | 47,040 |
| | | 2,242,592 | 1,142,970 |
| Total Trade & Other Receivables | | 7,535,389 | 5,469,082 |

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

Note: 13

| | 31.03.2016 | 31.03.2015 |
|--------------------------------|-------------------|-------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| Cash & Cash Equivalents | | |
| Bank Of Ceylon A/C 5696 | 5,028 | 907,109 |
| Bank Of Ceylon A/C 6088 | 717,719 | - |
| Commercial Bank PLC A/C 5279 | 6,085 | 6,085 |
| Peoples' Bank A/C 220001816 | 827,016 | 314,164 |
| Peoples' Bank A/C 130001816 | 2,170,224 | 627,779 |
| Petty cash | 38,504 | 30,755 |
| Petty Cash Shortage/Excess | 90 | - |
| Petty Cash IOU | 8,943 | - |
| Cash for events(Disbursements) | 610 | - |
| | 3,774,220 | 1,885,892 |

Note: 14

| | 31.03.2016 | 31.03.2015 |
|-------------------------------------|---------------------|---------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| Accumilated Funds | | |
| Balance as at beginning of the year | (21,086,519) | (26,705,252) |
| Profit/(Loss) for the Year | 4,521,377 | 5,618,733 |
| Balance as at end of the year | (16,565,142) | (21,086,519) |

Note: 15

| | 31.03.2016 | 31.03.2015 |
|--------------------------------------|-------------------|-------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| Provision For Gratuity | | |
| Balance at the beginning of the year | 432,000 | 255,000 |
| Add:Provision for the year | 149,000 | 177,000 |
| Balance at the end of the year | 581,000 | 432,000 |

Note: 16

| | 31.03.2016 | 31.03.2015 |
|------------------------|-------------------|-------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| Trade & Other Payables | | |
| Accounts Payables 16.1 | 24,863,559 | 22,199,320 |
| Other Payables 16.2 | 10,034,052 | 10,469,165 |
| | 34,897,611 | 32,668,485 |

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

Note: 16.1

| <u>Accounts Payables</u> | 31.03.2016 | 31.03.2015 |
|--------------------------|-------------------|-------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| Accounts Payables | 23,714,547 | 19,450,307 |
| Mr.D.Thalgodapitiya | 1,149,012 | 1,149,012 |
| Mr.M.Fernando | - | 1,600,000 |
| | <u>24,863,559</u> | <u>22,199,320</u> |

Note: 16.2

| <u>Other Payables</u> | 31.03.2016 | 31.03.2015 |
|---|-------------------|-------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| Provision for CEO Expenses | 5,117,040 | 5,117,040 |
| NBT Payable | (41,582) | 163,933 |
| VAT Payable | 4,000,674 | 4,238,499 |
| VAT Penalty Payable | 18,438 | 18,438 |
| Income Tax Payable | 838,482 | 735,046 |
| Income Tax on Accrued expenses write back payable | - | 124,960 |
| Income Tax Penalty Payable | - | 6,248 |
| Audit Fees Payable | 40,000 | 30,000 |
| Tax Computation Charges Payable | 15,000 | 10,000 |
| Recoveries for Motor Bike | 21,000 | - |
| Advance Received | 25,000 | 25,000 |
| | <u>10,034,052</u> | <u>10,469,165</u> |

Note: 17

| <u>Bank Overdrafts</u> | 31.03.2016 | 31.03.2015 |
|-------------------------|-------------------|-------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| Bank Of Ceylon A/C 6088 | - | 511,276 |
| | <u>-</u> | <u>511,276</u> |

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA

TAX ADJUSTMENT ACCOUNT

Y/A 2015/2016

2016

Rs.

Profit/(Loss) for the year 5,250,526

Less : Interest Income 1,318,985
3,931,541

Add: Disallowable Expenses

| | | |
|--------------------|---------|-----------|
| Depreciation | 207,974 | |
| Other Expenses | 823,444 | |
| Gratuity Provision | 149,000 | |
| E.T.F Surcharge | 64,912 | |
| Donations | 5,000 | 1,250,330 |
| | | 5,181,871 |

Less : Depreciation Allowances

Motor Vehicles

| | | | |
|-----------|---------|-----|--------|
| 2015/2016 | 224,500 | 20% | 44,900 |
|-----------|---------|-----|--------|

Office Equipment

| | | | |
|-----------|---------|------------|---------|
| 2009/2010 | 106,200 | 12.5% | 13,275 |
| 2011/2012 | 133,650 | 12.5% | 16,706 |
| 2013/2014 | 9,990 | 12.5% | 1,249 |
| 2014/2015 | 17,200 | 33 1 / 3 % | 5,733 |
| 2015/2016 | 392,888 | 33 1 / 3 % | 130,963 |

Office Furniture

| | | | |
|-----------|---------|-----|--------|
| 2011/2012 | 41,635 | 20% | 8,327 |
| 2014/2015 | 33,650 | 20% | 6,730 |
| 2015/2016 | 111,660 | 20% | 22,332 |

Computers

| | | | |
|-----------|---------|-----|-----------|
| 2012/2013 | 142,000 | 25% | 35,500 |
| 2013/2014 | 14,750 | 25% | 3,688 |
| 2014/2015 | 315,350 | 25% | 78,838 |
| 2015/2016 | 225,500 | 25% | 56,375 |
| | | | 424,615 |
| | | | 4,757,256 |

Less : Gratuity Paid -

Profit on Business Operations 4,757,256

Add : Interest Income 1,318,985

Taxable Profit 6,076,241

Income Tax

| | | | |
|--------------------|-----------|-----|---------|
| On Interest Income | 1,318,985 | 12% | 158,278 |
| On Taxable Income | 4,757,256 | 12% | 570,871 |
| | | | 729,149 |

NOTES



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