

ANNUAL REPORT 2021

for the period
01st of January 2021 - 31st of December 2021



The Apex Representative Body of the Domestic Construction Industry
Chamber of Construction Industry of 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.

CHAMBER OF CONSTRUCTION INDUSTRY OF SRI LANKA

The Chamber of Construction Industry of 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, as a Company by Guarantee. The Chamber was subsequently re-registered under Companies Act No. 07 of 2007 on 3rd September, 2008. (Registration Number GA 95.)

Furthermore The Chamber of Construction Industry of Sri Lanka was incorporated under Act No.23 of 2019 by the Parliament of The Democratic Socialist Republic of Sri Lanka on 18th of November 2019

As the Chamber is administered by a Board of Directors elected by the Council which is also elected by the Members. All the stakeholders of the construction industry are very well represented in the Council, which is the main policy making body.

The formation of this apex representative body, largely contributed to the growing conviction that the capacity of the Construction Industry (which has great potential to stimulate economic growth) had not been properly harnessed.

The Chamber is now positioned as the "Main Voice" on issues affecting the Construction Industry and is committed to protecting and promoting the construction industry. CCI endeavour to mediate wherever possible on issues faced by the members. It also acts as a facilitator of investments on development projects on Public-Private Partnership model or as direct investments.

The Chamber enjoys a Consultative status with the Government, Multilateral Development Banks and International Funding Agencies among many others.

PRESIDENT'S MESSAGE



Eng. Maj. (Retd.) Ranjith Gunatilleke
President
Chamber of Construction Industry of Sri Lanka

Being the President of the Chamber, I send this message with mixed feelings of all types Excellent, Average and Worst.

The Chamber of Construction Industry's vision was very clear from the inception of the Chamber for the last 20 years, but the Mission has been disturbed at many times for many reasons, which are beyond the reasonable control of the Chamber.

In this CCISL Annual Report, which could be named as 2020-2021-2022 merely amplifies the disturbance in the industry, mainly due to Covid – 19 and the SL Bankruptcy in 2022, and which both occurrences could be identified as basically Pandemic.

All the stake holders of the Construction Industry was severely affected in all facets of the Industry. The present existence of the Chamber is purely due to our members and staffs' best commitment to the industry by means of diligently attending and defining issues at Board Meetings, Council Meetings and the general events and duties of the Chamber. Additionally I, as the President never spired to serve the Chamber for 05 years as against the constitutional 03 years, but purely due to the turbulent environment of the Industry a seamless follow through was necessary. In fact I actually enjoyed it all.

Also, we managed to achieve following significant milestones even with the difficulties encountered:

(a). Formal recognition by Incorporation of the Chamber by an Act of Parliament.

(b). Achieving a permanent allocation for Chamber's Secretariat Building at Colombo -05 and obtaining necessary permissions to proceed.

(c). Effective interaction with the Government Authorities to address the recurrent issues particular to the Industry by meeting & making representations to H.E the President, Prime Minister, Line Ministers, CIDA Advisory Panel, CIDA Management Board, Joint Chambers etc.

Whilst making our contributions as noted above, we are also faced with the worst drawbacks in the Industry affecting large numbers of people at all levels from unskilled workers to the professionals in the following areas,

- (a). Unemployment.
- (b). Scarcity of uniform practices.
- (c). Manufacturing difficulties due to less demand and the scarcity of Raw material.
- (d). Difficulties created by Authorities by volatile Tax regimes.

Finally, I wish to thank the Board of Directors, CEO and his staff who extended the fullest cooperation, during last 05 years, and particularly the last 02 ½ years, where the Industry faced many challenges.



COUNCIL 2020 - 2021

Seated Left to Right

- Mr. Manilal Fernando (Vice President), Eng. Col. (Retd) Nissanka N. Wijeratne (SG/CEO), Dr. Rohan Karunaratne (Vice President), Ar. Jayantha Perera (President Elect), Eng. Maj. (Retd) Ranjith Gunatilleke (President), Prof. Ranjith Dissanayake (Vice President), Mr. Mahanama Jayamanne (Vice President), Prof. Chitra Weddickara, Ar. D.H. Wijewardena

Standing Left to Right

- Mr. Lalith Kumara, Eng. Chandana Dalugoda, Ch. QS. Upul Shantha, Dr. Kamal Laksiri, Ar. Ranjan Nadesapillai, Mr. Chaturanga Fernando, Mr. Priyantha Perera, Mr. Kalana Alwis, Mr. Chandana Nanayakkara, Eng. K.L.S. Sahabandu, Mr. N.G.K Karunawansa, Eng. Kirthi Sri Senanayake, Mr. Anura Withanage

Absent

- Mr. L.P.A. Shantha Priya Perera, Mr. Anuradha Siriwardena, Mr. P.B. Kalugalagedara, Ar. Plmr. Piyal Silva, Mr. Asoka Siriwardena, Mr. Danister Thudellage, Ch. QS. H.D. Chandrasena, Eng. Sagara Gunawardana, Eng. Walter Perera, Mr. Suen Wenbin, Eng. Y.P.C. De Silva, Eng. U.S. Karunaratne, Eng. Rohan Tudawe, Mr. Lakshman Jayasekara, Mr. M.G. Kularatne, Mr. Nandana Ekanayake, Mr. Harsha De Saram

THE PRESENT COUNCIL

PRESIDENT

Eng. Maj. (Retd)Ranjith Gunatilleke

PRESIDENT ELECT

Arch. Jayantha Perera

PAST PRESIDENT

Ar/Plnr. Desamanya' Dr Surath Wickramasinghe

VICE PRESIDENTS

Eng. D.D. Wijemanne
Mr. Manilal Fernando
Mr. Mahanama Jayamanne
Prof. Ranjith Dissanayake
Dr. Rohan Karunaratne

INSTITUTIONAL MEMBER REPRESENTATIVES

SRI LANKA INSTITUTE OF ARCHITECTS
INSTITUTE OF QUANTITY SURVEYORS SRI LANKA
INSTITUTE OF TOWN PLANNERS SRI LANKA
INSTITUTE OF SURVEYORS SRI LANKA
INSTITUTE OF VALUERS OF SRI LANKA
ASSOCIATION OF CONSULTING ENGINEERS SRI LANKA
NATIONAL CONSTRUCTION ASSOCIATION OF SRI LANKA
INSURANCE ASSOCIATION OF SRI LANKA
CEYLON INSTITUTE OF BUILDERS
MAJOR CONSTRUCTORS OF SRI LANKA
LANKA READY-MIX CONCRETE ASSOCIATION
SOCIETY OF STRUCTURAL ENGINEERS SRI LANKA
GREEN BUILDING COUNCIL OF SRI LANKA

Ar. Russel Dandeniya
Ch. QS. Upul Shantha
Arch. Plnr. Piyal Silva
Mr. L.P.A.S.P. Perera
Mr. P.B. Kalugalagedara
Eng. Ms. Kamala Gunawardhana
Mr. N.G.K. Karunawansa
Mr. Anuradha Siriwardane
Dr. Rohan Karunaratne
Mr. Priyantha Perera
Mr. Anura Vithanage
Eng. K.L.S. Sahabandu
Eng. Chandana Dalugoda

CORPORATE MEMBER REPRESENTATIVES

Eng. Sagara Gunawardane
Mr. Lalith Kumarage
Mr. Asoka Siriwardena
Mr. Danister Thudellage
Eng. Walter Perera
Ch.QS. H.D. Chandrasena

Venora International Projects (Pvt) Ltd
Alucare (Pvt) Ltd
Bitumix (Pvt) Ltd
Solico International (Pvt) Ltd
Frigi Engineering (Pvt) Ltd
Cost Consultancy Services (Pvt) Ltd

OVERSEAS CORPORATE MEMBER REPRESENTATIVES

Mr. Suen Wenbin

CHEC Port City Colombo (Pvt) Ltd

STATUTORY AGENCY REPRESENTATIVES

Eng. Ivan De Silva
Eng. Y.P.C. De Silva
Mr. C.L. Fernando

Central Engineering Construction Bureau
Sri Lanka Land Reclamation & Development Corporation
Lanka Transformers Ltd

INDIVIDUAL MEMBER REPRESENTATIVES

Ar. Ranjan Nadesapillai

Ranjan Nadesapillai Associates

PRESIDENTS NOMINEES

Eng. Rohan Tudawe
Prof Chitra Weddikara
Dr. Kamal Laksiri
Mr. Kalana Alwis
Mr. Lakshman Jayasekara
Capt. M.G. Kularatne
Mr. Harsha De Seram
Mr. Nandana Ekanayake

Tudawe Brothers Ltd
Q Serve (Pvt) Ltd
Project Director - CEB Broadlands Project
Nawaloka Construction Company (Pvt) Ltd
Ministry of Western Region Megapolis Planning Project
Maga Engineering (Pvt) Ltd
International Construction Consortium (Pvt) Ltd
Siam City Cement (Lanka) Limited

Secretary General / CEO

Eng. Col. (Retd) Nissanka N. Wijeratne

ANNUAL REPORT : For the Period 01st January 2021 to 31st December 2021

The Board of Directors and Management of the Chamber of Construction Industry of Sri Lanka have pleasure in presenting the Annual Report highlighting the activities, initiatives, events and achievements of the Chamber for the Financial Period beginning 01st January 2021 upto 31st December 2021.

1. INTRODUCTION

The Chamber of Construction Industry of 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, as a Company by Guarantee. The Chamber was subsequently re-registered under Companies Act No. 07 of 2007 on 3rd September, 2008. (Registration Number GA 95.)

Subsequently The Chamber of Construction Industry of Sri Lanka was incorporated under Act No.23 of 2019 by the Parliament of The Democratic Socialist Republic of Sri Lanka on 18th of November 2019

The Annual General Meeting held on the 14th December 2021 on Zoom platform was the 17th AGM of the Chamber of Construction Industry Sri Lanka, after its incorporation.

2. THE CCI GOVERNING STRUCTURE : YEAR 2019-2020 & YEAR 2020 - 2021

2.1. BOARD OF DIRECTORS

As per the decisions taken at the 16th AGM held on 06th September 2019 at Hotel Galadari, Colombo 01 the Board of Directors comprised of following.

1. President	- Eng. Maj. Ranjith Gunatilleke
2. President Elect	- Ar. Jayantha Perera
3. Past President	- Desamanya Dr. Surath Wickramasinghe
4. Vice President	- Eng. D.D. Wijemanne
5. Vice President	- Mr. Manilal Fernando
6. Vice President	- Mr. Mahanama Jayamanne
7. Vice President	- Prof. Ranjith Dissanayake
8. Vice President	- Dr. Rohan Karunaratne

2.2. COUNCIL MEMBERS

As per the decisions taken at the AGM held on 06th September 2019 the Council comprised of following.

1. Ar. D. H. Wijewardena	09. Dr. Rohan Karunaratne	17. Mr. Danister Thudellage
2. Ch. QS. Upul Shantha	10. Mr. Priyantha Perera	18. Eng. Walter Perera
3. Ar. Plnr. Piyal Silva	11. Mr. Neil Mario Jeremy Adams	19. Ch. QS. H.D. Chandrasena
4. Mr. L.P.A.S.P. Perera	12. Eng. K.L.S. Sahabandu	20. Mr. David Wang
5. Mr. P.B. Kalugalagedara	13. Mr. Prasanna Abeyratne	21. Mr. G.D.A. Piyathilake
6. Eng. Kithsiri Senanayake	14. Eng. Sagara Gunawardane	22. Eng. Y.P.C. De Silva
7. Mr. N.G.K. Karunawansa	15. Mr. Lalith Kumarage	23. Mr. C.L. Fernando
08. Mr. Anuradha Siriwardane	16. Mr. Asoka Siriwardena	24. Ar. Ranjan Nadesapillai

2.3. FINANCE & MANAGEMENT COMMITTEE MEMBERS

President Elect - Ar. Jayantha Perera
Vice President - Mr. Mahanama Jayamanne

Council Members - H.D. Chandrasena
Mr. Lalith Kumarage
Mr. Danister Thudellage
Dr. Kamal Laksiri
Ar. Ranjan Nadesapillai

The above Board of Directors, the Council & Management Committee functioned until the 17th AGM held on 14th December 2021, as an AGM could not be held in 2020.

3. THE CCI GOVERNING STRUCTURE : YEAR 2021 - 2022

3.1 THE BOARD OF DIRECTORS

At the AGM held on 14th December 2021 following resolution was adopted.

" In consideration of the Covid – 19 pandemic and health restrictions on large gatherings, it is proposed that the present Board of Management, Council and the Management Committee will continue until July 2022 when a formal AGM will be held"

Consequently the following Board of Management Council & the Management Committee continued to function until next AGM in 2022.

President	- Eng. Maj. Ranjith Gunatilleke
President Elect	- Archt. Jayantha Perera

The following five continued as the Vice Presidents of the Chamber.

Vice President	- Eng. D.D. Wijemanne
Vice President	- Mr. Manilal Fernando
Vice President	- Mr. Mahanama Jayamanne
Vice President	- Proj. Ranjith Dissanayake
Vice President	- Dr. Rohan Karunaratne

3.2. Election of Seven (07) Representatives to the Council to Represent the Collective Interest of the Corporate Members

The following seven persons were elected to represent the collective interest of Corporate Members.

1. Not appointed	-GTB Colombo Corporation (Pvt) Ltd
2. Mr. Eranda Perera	- Frigi Engineering (Pvt) Ltd
3. Mr. Lalith Kumarage	- Alucare (Pvt) Ltd
4. Mr. Ashoka Siriwardena	- Bitumix (Pvt) Ltd
5. Mr. Danister Thudellage	- Solico International (Pvt) Ltd
6. Eng. Sagara Gunawardhana	- Verona International Projects (Pvt) Ltd
7. Ch. QS. H.D. Chandrasena	- Cost Consultancy Services (Pvt) Ltd

3.3. Election of Four (04) Representatives to the Council to Represent the collective interest of Statutory Agency Members

01. Eng. U.S. Karunaratne	- CENTRAL ENGINEERING CONSULTANCY BUREAU
02. Eng. Y.D.C. De Silva	- SRI LANKA LAND RECLAMATION & DEVELOPMENT CORPORATION
03. Not appointed	- LTL HOLDINGS (PVT) LTD
04. Vacant	

3.4. Election of One (01) Representative to the Council to Represent the Collective Interest of Overseas Corporate Members

Mr. Suen Wenbin	- CHEC PORT CITY COLOMBO (PVT)LTD
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3.5. Election of One (01) Representative to the Council to Represent the Collective Interest of Individual Members

Ar. Ranjan Nadesapillai	- Ranjan Nadesapillai Associates
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This Council that sat for the period up until 31st December 2021 had some changes in individuals representing Statutory Boards & Corporation & also Associations.

Central Engineering Consultancy Bureau:

Eng. U.S. Karunaratne (Former Chairman CECB was thereafter represented by Engineer Ivon De Silva as Chairman CECB in the present Council.

Association of Consulting Engineering of Sri Lanka:

Ms. Kamala Gunawardane is representing the present council after long stint by Eng. Kithsiri Sri Senanayake

Sri Lanka Institute of Architects:

Ar. H.P. Wijewardena's presence was handed over to Ar. Russel Dandeniya as the Present President of SLIA

3.6. INSTITUTIONAL MEMBER REPRESENTATIVES (10 MEMBERS)

The following members were appointed as Institutional member representatives by each Institutional member respectively for the period of 2021.

01. SRI LANKA INSTITUTE OF ARCHITECTS	- Archt. D.H. Wijewardena
02. INSTITUTE OF QUANTITY SURVEYORS	- Ch. QS. Upul Shantha
03. INSTITUTE OF TOWN PLANNERS	- Archt. Plnr. Piyal Silva
04. INSTITUTE OF SURVEYORS SRI LANKA	- Mr. L.P.A.S.P. Perera
05. INSTITUTE OF VALUERS	- Mr. P.B. Kalugalagedara
06. ASSOCIATION OF CONSULTING ENGINEERS	- Eng. Ms. Kamala Gunawardhana
07. NATIONAL CONSTRUCTION ASSOCIATION	- Mr. N.G.K. Karunawansa
08. INSURANCE ASSOCIATION OF SRI LANKA	- Mr. Anuradha Siriwarda
09. CEYLON INSTITUTE OF BUILDERS	- Dr. Rohan Karunaratne
10. MAJOR CONSTRUCTORS OF SRI LANKA	- Mr. Priyantha Perera
11. LANKA READY-MIX CONCRETE ASSOCIATION	- Mr. Neil Mario Jeremy Adams
12. SOCIETY OF STRUCTURAL ENGINEERS SRI LANKA	- Eng. K.L.S. Sahabandu

3.7. PRESIDENTS NOMINEES

01. Eng. Rohan Tudawe	- Tudawe Brothers Ltd
02. Prof. Chittra Wedikara	- Q. Serve (Pvt) Ltd
03. Dr. Kamal Laksiri	-CEB Broadlands Projects
04. Mr. Kalana Alwis	-Nawaloka Construction Pvt Ltd
05. Mr. Lakshman Jayasekara	-Ministry of Western Region (Megapolis Planning Project)
06. Capt. M.G. Kularatne	-Maga Engineering (Pvt) Ltd
07. Mr. Harsha De Saram	-International Construction Consortium (Pvt) Ltd
08. Mr. Nandana Ekanayake	-Siam City Cement (Lanka) Limited

3.8 MANAGEMENT COMMITTEE (MC)

The Committee members are as follows;

Chairman

Archt. Jayantha Perera

Members

1. Mr. M. Jayamanne
2. Mr. Lalith Kumarage
3. Mr. Danister Thudellage
4. Ch. QS. H.D. Chandrasena
5. Archt. Ranjan Nadesapillai
6. Dr. Kamal Laksiri

4. MEETINGS OF BOARD OF DIRECTORS, COUNCIL OF COMMITTEES

4.1 THE DIRECTORS MEETINGS

The Board of Directors held 11 (Eleven) meetings during the Period 2021.

5. ATTENDANCE RECORD at COUNCIL MEETINGS

(01st January 2021 to 31st December 2021)

No.	Council Members	Jan 2021 210	Feb 2021 211	Mar 2021 212	Apr 2021	May 2021	Jun (Zoom) 2021 213	Jul 2021 214	Aug(zoom) 2021 215	Sep 2021	Oct 2021 216	Nov 2021 217	Dec 2021 218	Total Meetings Attended	%
1	Maj. Ranjith Gunathilake	1	1	1			1	1	1		1	1	1	9	100
2	Dr. Surath Wickramasinghe	AP	AP	AP			AP	AP	AP		AP	AP	AB	0	0
3	Eng. D D Wijemanne	AP	AP	AP			AP	AP	AP		AP	AP	AP	0	0
4	Mr. Manilal Fernando	1	AP	1			AP	AP	1		1	AP	1	5	56
5	Ar. Jayantha Perera	1	1	1			1	1	1		1	1	1	9	100
6	Mr. Mahanama Jayamanne	AP	1	1			1	AP	AP		AP	1	AP	4	44
7	Ch.Qs. Upul Shantha	1	1	1			1	1	AP		1	AP	AP	6	67
8	Ms. Kamala Gunawardena	AB	1	1			1	AP	AP		AP	AP	AP	3	33
9	Ar. Phm. Priyal Silva	AB	AB	AB			1	AP	AP		AP	AP	AP	1	11
10	Mr. W.A. Priyantha Perera	AP	1	AP			1	AP	1		AP	1	AP	4	44
11	Dr.Rohan Karunaratne	1	1	AP			1	1	1		1	AP	AP	6	67
12	Mr. Shantha Priya Perera	AB	AB	AB			AB	AB	AB		AP	AB	AB	0	0
13	Mr. Anuradha Siriwardana	AB	AB	AB			AB	AB	AB		AB	AB	AB	0	0
14	Mr. P B Kalugaledara	AP	AP	1			AP	AP	1		AP	1	AP	3	33
15	Mr. N G K Karunawansa	1	1	AP			1	1	1		1	1	1	8	89
16	Mr. Anura Vithanage	1	1	AP			AP	1	AP		AP	1	AP	4	44
17	Archt. D H Wijewardena	AP	1	1			1							3	33
18	Ar. Russell Dandeniya	-	-	-			1	AP	AP		1	AP	AP	2	22
19	Eng. K L S Sahabandu	AP	1	1			AP	1	AP		AP	AP	1	4	44
20	Eng. Ivan De Silva	-	-	AB			AP	1	AP		AP	AP	AP	1	11
21	Mr. Chathuranga L Fernando	AP	1	AP			AP	AB	1		AP	AP		2	22
22	Mr. Lalith Kumara	AP	1	AP			1	1	AP		1	AP	AP	4	44
23	Mr. Asoka Siriwardena	AP	AP	1			1	AB	1		1	1	AP	5	56
24	Mr. Danister Thudellage	1	1	1			1	1	AP		AP	1	AP	6	67
25	Mr. H D Chandrasena	1	AP	AP			AP	AP	AP		AP	AP	AP	1	11
26	Mr. Nandana Ekanayake	1	1	1			AP	AP	AP		AP	AP	AP	3	33
27	Eng. Sagara Gunawardana	AP	AP	AP			1	1	1		1	AP	AP	4	44
28	Eng. Walter Perera	1	1	1			AP	AB	AB		1	1	⊗	5	56
29	Mr. Eranda Perera												-	0	0
30	Archt. Ranjan Nadesapillai	AP	1	1			AP	1	1		AP	1	AP	5	56
31	Eng. Rohan Tudawe	AP	AP	AP			1	1	1		AP	1	⊗	4	44
32	Ms. Romali Tudawe												1	1	11
33	Prof. P B R Dissanayake	AP	1	AP			1	AP	1		AP	AP	AP	3	33
34	Dr. Kamal Laksiri	AP	1	AP			1	AP	AP		AP	AP	AP	2	22
35	Mr. Kalana Alwis	AP	1	1			1	AP	1		1	AP	1	6	67
36	Prof. Chitra Weddickara	1	1	1			1	AP	1		1	1	AP	7	78
37	Capt. M G Kularatne	AP	AP	AP			AP	AB	AB		AB	AB	AP	0	0
38	Mr. Harsha De Saram	AP	AP	AP			AP	AP	AP		AP	AP	AP	0	0
39	Mr. Lakshman Jayasekara	AP	AP	AP			AP	AP	AP		AP	1	AP	1	11
40	Mr. Suen Wenbin	AB	AP	AB			AB	AB	AB		AB	AB	AB	0	0
41	Eng. Y P C De Silva	AB	AB	AB			AB	AB	AB		AB	AP	AP	0	0
42	Eng. Chandana Dahugoda	1	1	1			1	AB	AP		1	1	AP	6	67
43	Mr. Hasith Prematillake												-	0	0
Total number present at each meeting		13/38	22/38	17/38			21/40	13/39	15/39		14/39	15/39	07/37	Average Attendance	35
Percentage (%) of attendance at each meeting		34	58	45			53	33	38		36	38	19		

AP - Apologies AB - Absent ⊗ - Deceased

4.2 THE COUNCIL MEETINGS

A total of 09 (Nine) meetings from Nos. 210 to 219 were held during the Period under review.

4.3 MANAGEMENT MEETINGS

During the period (1st January 2021 to 31st December 2021) 09 (Nine) Management Meetings were held. As usual the monthly accounts were tabled and Revenue Collection was reported. Upcoming events were discussed & scheduled. Revenue earners such as the bulletin's progress & Trade Directory & others were reviewed periodically. New membership applications were entertained at this meeting.

4.4 THE SECTOR COMMITTEE MEETINGS

Following issues faced by manufacturers & suppliers of construction material & goods have been identified & conveyed to the authorities.

1. Aluminium Steel & UPVC / HDPE Manufacturers - To remove PAL Tax for steel manufacturers & reduce (by 1/3) import levies or at least remove Cess on Raw materials for these Three sectors.
2. New innovative products & methods of construction & materials need to be recognised & encouraged in the Industry.
3. Quarrying & Mining Sector - practical difficulties in obtaining licences. The State to identify borings pits & mines
4. Liberalise import of bitumen without Annual Licensing & Quota systems. Introduce new Bitumen products which are cost effective.

5. Attendance Record at Council Meetings Given on page 09

6. CHAMBER SECRETARIAT

The Chamber continued to occupy leased premises at Red Cross Building, 8th Floor, No.106, Anagarika Dharmapala Maw, Colombo 07.

7. NEW MEMBERS

During the period under review 22 Sri Lankan companies & 16 Foreign companies & one Individual Member obtained ordinary membership of the Chamber.

A. INSTITUTIONAL MEMBERS - None

B. STATUTORY AGENCY MEMBERS - None

C. LOCAL CORPORATE MEMBERS

- Ajax Engineers (Pvt) Ltd
- Trading Root International (Pvt) Ltd
- Sirocco Air Technologies Pvt Ltd
- UVA Greenlands Estate (Private) Limited
- Reliance Trading Company
- St Theresa Industries Private Limited
- T.C.I. Enterprises (Pvt) Ltd
- Nemra Projects & Solutions (Pvt) Ltd
- Consulting Engineers and Architects Associated (Pvt) Ltd
- Melsta Gama (Private) Limited
- Advantis Projects & Engineering (Pvt) Ltd
- Orel Corporation Pvt Ltd
- Vipra Smart Solutions (Pvt) Ltd
- Soletro Power (Private) Limited
- Home Lands Constructions Pvt Ltd
- Home Lands Holding Pvt Ltd
- Swedish Trading Audio Visuals (Pvt) Ltd
- Micro Electric International (Pvt) Ltd
- Eco Power Holdings Limited
- Enviromec International (Pvt) Ltd

- St Anthony's Hardware (Pvt) Ltd
- Chint Energy Pvt Ltd
- Christo Martinez Pvt Ltd
- Sky Elevator Tech Pvt Ltd
- DFCC Bank PLC
- Prudence Engineering Services Pvt Ltd
- CADD Centre Lanka (Pvt) Ltd
- Design Consortium International (Pvt) Ltd
- Colors & Shades (Private) Limited

D. OVERSEAS CORPORATE MEMBERS

- China Harbour Engineering Company Ltd
- Sino Orient Construction Private Limited
- W.A.M. Equipment Trading (Private) Limited
- H.G.Lanka Industries (Pvt) Ltd
- Hongbo Decoration Engineering Company (Pvt) Ltd
- Tianyi Building Material Tech. Investment (Pvt) Ltd
- Chint Electric Solution (Pvt) Ltd
- Hanwei International Engineering Technology (Pvt) Ltd
- China National Aero Technology International Engineering Corporation
- Jinggong Steel International Co. Limited
- WORB Holdings (Pvt) Ltd
- Shanliu Engineering & Consultancy Lanka (Pvt) Ltd
- Guangdong Kin Long Lanka Pvt Ltd

E. INDIVIDUAL MEMBERS - None

8. 17TH ANNUAL GENERAL MEETING HELD ON 14TH DECEMBER 2021

The 17th AGM of the Chamber was held on a Zoom platform on 14th December 2021. A particular reason to hold the AGM thus, was to adopt the following Resolution. "In consideration of the Covid – 19 pandemic and health restrictions on large gatherings, it is proposed that the present Board of Management, Council and the Management Committee will continue until July 2022 when a formal AGM will be held". During the proceedings the following highlights are mentioned as below.

* Condolences were expressed at the demise of Founder & Council Member Eng. Rohan Tudawe.

* Subsequent to the incorporation of The Chamber the Rules of Management were revised & The Financial Year was changed to a Calendar year.

* A highlight during the past year was the appointment of the President & Secretary General to the Presidential Commission on "Simplifying of existing laws & regulations in the Construction Industry" & the submission of such report to the President of the Republic.

* Also it was highlighted in the CEO's Report that whereas in 2015 the negative net worth of the Chamber was Rs. 21 Million the present net worth of the Chamber is a positive net worth of Rs. 29 Million.

The President thanked the CEO & The Board of Directors for their efforts during the period of review.

9. 18TH ANNUAL GENERAL MEETING

It is planned to hold the 18th AGM with election of Office Bearers in July 2022.

10. PUBLICATIONS

10.1 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.



CCI CONSTRUCTION REVIEW

The Construction Review, being the only regular 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 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.

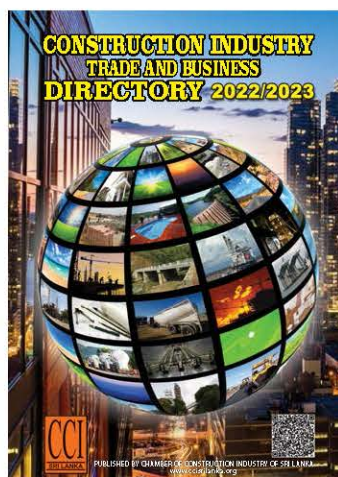
Every endeavour is been made to improve the content & out reach of the bulletin. Industry leaders have been interviewed for their views. A "Business News" page is a new feature. Space for advertising vacancies in the industry is available.

With the much wider readership of this Bulletin than could be anticipated on a publication similar to a supplement, those who advertised have yielded good responses. Indeed it has become a very effective medium to disseminate information among the construction community and those building their homes.

The current & archived copies of the Bulletin are available at CCI web site - <https://www.ccisrilanka.org>

10.2 CONSTRUCTION INDUSTRY TRADE AND BUSINESS DIRECTORY

The CCI Trade and Business Directory 2020/2021 is being revised & will be published in due course. The Directory is published once in two years and is the one and only Construction Industry focused Trade and Business Directory in Sri Lanka.



CCI TRADE & BUSINESS DIRECTORY

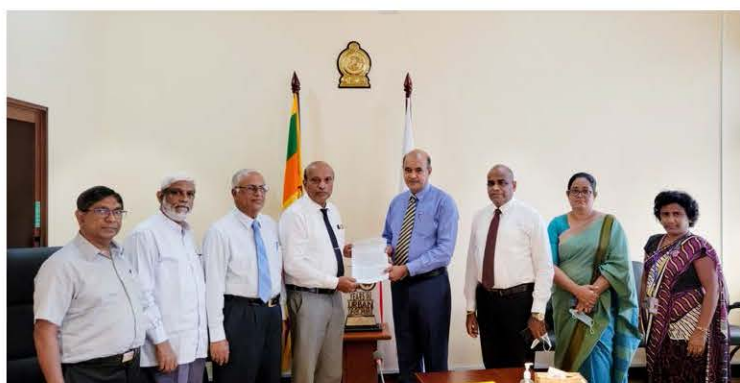
11. MAJOR ACTIVITIES, INITIATIVES, EVENTS & ACHIEVEMENTS

11.1 INCORPORATION OF CHAMBER BY ACT OF PARLIAMENT

As the CCI was re-established under the Chamber of Construction Industry of Sri Lanka (Incorporation) Act, No.23 of 2019 with effect from 18th November 2019, the Company by Guarantee that existed has to be wound up & this winding up of the Company by Guarantee is ongoing & likely to be realised within next few months.

11.2 PERMANENT SECRETARIAT FOR CCI

CCI's effort to pursue a "permanent home" with a Lease from UDA in Colombo found fruition & UDA has approved the land allocation at Colombage Mawatha Colombo 05. The formal lease agreement was entered on 16th December 2021.



Lease Deed of Colombage Mawatha Land Presented to
Chamber of Construction Industry of Sri Lanka

11.3 EXHIBITIONS AND TRADE FAIRS OF THE CONSTRUCTION INDUSTRY

11.3.1 BUILD SL HOUSING & CONSTRUCTION EXPO 2021

Due to the prevailing COVID 19 Pandemic situation the much look forward to event in the Construction Industry, Build SL Expo 2021 in keeping with the ruling on "Gatherings" promulgated by the Government.

11.4. SEMINARS & WEBINARS

11.4.1. WEBINAR ON FAST TRACKING BUILDING APPROVALS TO ATTRACT MORE INVESTMENT

Held on 27th August 2021.

Moderated by Ar. Jayantha Perera, President Elect, Chamber of Construction Industry of Sri Lanka

This webinar was addressed by Eng. Maj. Ranjith Gunatilleke, President, Chamber of Construction Industry of Sri Lanka & Maj. Gen (Retd) V. Udaya B. Nanayakkara, Chairman, The Urban Development Authority (UDA)

Key topics presented were :-

- Problems Encountered now in Obtaining Building Approval
- One Stop Unit Concept for Planning / Building Approval
- A Proposal to Ensure Building Approvals in 3 Weeks
- Singapore's 20 – Year Journey & Experience in On Line Submission & Approval of Building Plans

11.4.2. WEBINAR ON IMPACT OF SUPPLY RESTRICTIONS ON CONSTRUCTION PROJECTS

Held on 02nd December 2021.

Moderated by Ch. QS Upul Shantha., Past President of Institute of Quantity Surveyors Sri Lanka (IQSSL)

Key topics presented were :-

- Recent Macro - Economic Development and Prospects.
- Problems on supply of local materials (aggregates, clay and cement products).
- Impacts due to shortages on sanitary ware & tiles
- High Cost and Shortage of Cement, Steel & Other Main Materials.
- Dilemma of Construction contractors with rising costs

The above two webinars were addressed by eminent personnel in their respective fields & were well attended by those locally & overseas.

12.0 INTERVENTIONS WITH THE GOVERNMENT

CCI representation in Statutory Authorities

12.1 CONSTRUCTION INDUSTRY DEVELOPMENT AUTHORITY

CCI is represented by Eng. Maj. Ranjith Gunatilleke, President of the Board of Directors. Many amendments to CIDA Act were proposed by the Chamber.
SBD 4 Document - Guidelines are necessary for Design & Build Projects

12.2 ASSISTING DRAFTING OF LEGISLATIONS

CCI actively involved itself in the drafting of following legislations

a) Drafting of 25 Rules and Regulations required under the Construction Industry Development Act, No.33 of 2014. Out of these 12 have been already Gazetted. (Can be viewed on www.ccisrilanka.org)

12.4 REPRESENTATIONS TO THE GOVERNMENT

Some issues facing Construction Industry & proposed remedial actions were forwarded to government after intensive consultations within the Chamber & Stake Holders.

- **Establishment of a specialized construction bank**
- **Construction Industry Security of Payments Act**
- **Delays in planning approvals**
- **Unequal competition from foreign companies**
- **Promoting export of construction services**
- **Factors Affecting property developers**
- **Setting up Real Investment Trust (REIT's) under Colombo Stock Exchange**
- **Making Government Procurement More Transparent**
- **Very High Construction Cost**
- **Income Tax Charged on Trade Chamber & Professional Institutes to be exempt**
- **Shortage of Skilled Construction Workers**

12.5 CONSTRUCTION INDUSTRY SITUATION

The period 2020 – 2021 has been a disastrous period for the construction industry. During 2020 the overall economy shrank by 3.6% and the construction industry shrank by 13.2%. In 2021 the overall economy registered a growth of 3.7% and the construction industry grew by 6.0% from the low levels it had fallen by end of 2020. This year it has been a total disaster. With the devaluation of the Rupee by 79%, diesel cost increased by 235%, foreign exchange crisis & import restrictions thus delivering the hardest blow to largely imports dependent construction industry. To add to these woes, Government has delayed payments to contractors to the tune of Rs.120 Billion & some of these payments are overdue for over one year. There has been no satisfactory response to the many remedial proposals submitted to the Government by the Chamber, with the Government leaders engrossed more in power politics.

CORPORATE INFORMATION

Red Cross Building, 8th Floor, No.106, Anagarika Dharmapala Mw, Colombo 07, Sri Lanka.
Tel +94 11 2667700 (Hunting) / +94 11 3050810 (Marketing) Fax +94 11 2667713
e-mail: adminsec@ccislanka.org web: www.ccislanka.org

NAME OF CHAMBER

Chamber of Construction Industry of Sri Lanka
Red Cross Building, 8th Floor, No.106,
Anagarika Dharmapala Mw, Colombo 07, Sri Lanka

LEGAL FORM

- Established by the Chamber of Construction Industry of Sri Lanka (Incorporation) Act, No. 23 of 2019

REGISTRATION

GA 95

DIRECTORS

PRESIDENT

Eng. Maj. (Retd)Ranjith Gunatilleke

PRESIDENT ELECT

Arch. Jayantha Perera

PAST PRESIDENT

Ar/Plnr. Desamanya' Dr Surath Wickramasinghe

VICE PRESIDENTS

Eng. D.D. Wijemanne
Mr. Manilal Fernando
Mr. Mahanama Jayamanne
Prof. Ranjith Dissanayake
Dr. Rohan Karunaratne

MANAGEMENT

Secretary General / CEO - Eng. Col. (Retd) Nissanka N. Wijeratne

AUDITORS

The Auditor General Department of Government Audit

BANKERS

Bank of Ceylon
Peoples Bank

REGISTERED OFFICE

Chamber of Construction Industry of Sri Lanka
Red Cross Building, 8th Floor, No.106,
Anagarika Dharmapala Mw, Colombo 07, Sri Lanka

CHAMBER OFFICE

Chamber of Construction Industry of Sri Lanka
Red Cross Building, 8th Floor, No.106,
Anagarika Dharmapala Mw, Colombo 07, Sri Lanka



ජාතික විගණන කාර්යාලය

தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல.
My No.

CAE/B/CCISL/02/FA/2021/17

ඔබේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date

09 June 2022

President
Chamber of Construction Industry of Sri Lanka

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Chamber of Construction Industry of Sri Lanka for the year ended 31 December 2021 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

The above-mentioned audit report together with audited financial statements is herewith sent.


W.P.C. Wickramaratne
Auditor General

Copy to: The Secretary, Ministry of Finance, Economic Stability, and National Policies



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தேசிய கணக்காய்வு அலுவலகம்

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Date

09 June 2022

President
Chamber of Construction Industry of Sri Lanka

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Chamber of Construction Industry of Sri Lanka for the year ended 31 December 2021 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

1. Financial Statements

1.1 Qualified Opinion

The audit of the financial statements of the Chamber of Construction Industry of Sri Lanka ("the Chamber") for the year ended 31 December 2021 comprising the statement of financial position as at 31 December 2021 and the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154(3) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 and section 10(3) of the Chamber of Construction Industry of Sri Lanka (Incorporation) Act, No.23 of 2019. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the Chamber as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for Small and Medium-sized Entities (SLFRS for SMEs).

1.2.1 Basis for Qualified Opinion

- (a) An accounting policy for provide the provisions for bad and doubtful debts was not established and disclosed by the Chamber in the financial statements since its inception, though the Chamber had written-off 3 receivable balances aggregating Rs.473,500 against the surplus for the year under review.
- (b) Action had not been taken to reassess the useful economic life and rectify the estimation error of the fully depreciated assets costing Rs. 6,405,463 which are being currently used by the Chamber as per the provisions in Section 10.15 to 10.18 of Sri Lanka Accounting Standard for Small and Medium-sized Entities (SLFRS for SMEs).
- (c) A Projector and Refrigerator owned to the Chamber had not been valued and brought to the financial statements and fixed asset register even up to the date of this report.
- (d) The detailed schedules for Office Equipment and Office Furniture aggregating Rs.2,247,919 and Rs.644,218 respectively had not been submitted to audit.
- (e) Required discloses such as contingent rent, renewal or purchase options and escalation clauses, subleases, and restrictions imposed by lease arrangements etc. as per the paragraph 20.16(c) of SLFRS for SMEs had not been made in the financial statements with regard to the Right-of-use Assets (leasehold land) obtained from the Urban Development Authority (UDA) for 30 years lease period with the annual lease rental of Rs.1,680,000 (excluding VAT).

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Other information included in the Chamber's 2021 Annual Report.

The other information comprises the information included in the Chamber's 2021 Annual Report but does not include the financial statements and my auditor's report thereon, which is expected to be made available to me after the date of this auditor's report. Management is responsible for the other information.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the Chamber's 2021 Annual Report, if I conclude that there are material misstatements therein, I am required to communicate that matter to those charged with governance for correction. If further material uncorrected misstatements are existed those will be included in my report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution that will be tabled in due course.

1.4 Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards for Small and Medium-sized Entities (SLFRS for SMEs), and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Chamber's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Chamber or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Chamber's financial reporting process.

As per Section 16(1) of the National Audit Act No. 19 of 2018, the Chamber is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Chamber.

1.5 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of

assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Chamber's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Chamber's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Chamber to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

2. Report on Other Legal and Regulatory Requirements

2.1 National Audit Act, No. 19 of 2018 include specific provisions for following requirements.

2.1.1 Except for the effects of the matters described in the basis for Opinion section of my report, I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Chamber as per the requirement section 12 (a) of the National Audit Act, No. 19 of 2018.

2.1.2 The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.

2.1.3 The financial statements presented includes all the recommendations made by me in the previous year except the audit matters of 1.2 (b) described in the basis for Opinion section of my report as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention;

2.2.1 to state that any member of the governing body of the Chamber has any direct or indirect interest in any contract entered into by the Chamber which are out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018.

2.2.2 to state that the Chamber has not complied with any applicable written law, general and special directions issued by the governing body of the Chamber as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018 *except for*;

Reference to Laws/Direction	Description
(a) Chamber of Construction Industry of Sri Lanka Incorporated Act, No. 23 of 2019 - Sections 6 (g)	The Chamber does not have an approved cadre or scheme of recruitment and promotions in order to recruit competent and permanent staff for the smooth operation of

the Chamber although it is the responsibility of the Chamber to determine the number of employees to be deployed and appoint, dismiss or terminate the services of those employees and exercise disciplinary control over them and to pay them such salaries, allowances and gratuities. As a result, the all officers and employees were recruited on contract basis and out of them, 09 officers are being worked on contract basis for a period ranging from 05 to 16 years as at 31 December 2021.

- (b) Paragraph 319 of the Companies Act, No. 07 of 2007

Before incorporating the body, the Chamber was functioned as a company limited by guaranteed under the Companies Act, No. 07 of 2007. Nevertheless the Chamber had failed to complete the liquidation process of then entity due to delay in obtaining the tax clearance certificate from the Department of Inland Revenue even by 30 April 2022.

- (c) Section 40 (1) of the National Audit Act No.19 of 2018.

Although the all activities performed by the Chamber should be subjected to the internal audit, the Chamber had not appointed a qualified auditor to perform the internal audit functions within the organization.

2.2.3 To state that the Chamber has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018;

2.2.4 to state that the resources of the Chamber had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018 *except for*;

- (a) The Chamber had entered into a lease agreement with a Private Limited Company on 02 August 2019 to obtain an office premises for a period of 09 years commencing from 15 November 2018 by paying a sum of

Rs.15,000,000 as total lease rental for whole period in advance. Meanwhile, the Chamber has entered into another lease agreement with the Urban Development Authority (UDA) on 29 December 2021 to obtain a land with extent of 30 perches for a period of 30 years with an annual lease rental of Rs.1,680,000 in order to build a secretariat building for the Chamber within two years.

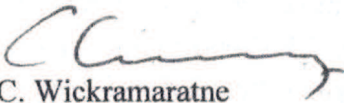
Despite the fact that the lease agreement entered into between the Chamber and a Private Limited Company on 02 August 2019 is being valid until the year 2027, the Chamber intends to construct the Secretariat Building and shift the existing office to the new building by 2024 without being taken any arrangement to recover the lease rental of Rs. 5,000,000 which is already paid for the period from 2024 to 2027 to the above private company. As a result, the possibility for incurring a loss of Rs. 5,000,000 to the Chamber in the future could not be ruled out in audit. Further, no fund had been established for the development of a new secretariat building within the stipulated time period mentioned in Clouse 1.9 of the lease agreement entered into with UDA.

- (b) The Chamber had entered into a Memorandum of Understanding (MOU) with the Associated Newspapers of Ceylon Limited (ANCL) on 06 March 2015 for a period of five years in order to obtain the services for print and publish the Chamber's monthly Construction News Bulletin and this agreement have been elapsed on 06 March 2020. However, the Chamber had not taken any action to extend or update this MOU even though the new rates were imposed by the ANCL after the elapsed of the MOU.

3. Other Matters

- (a) Three (03) item of accounts to the value of Rs.2,442,028 had been continuously brought to the financial statements for over 03 years under other payables and receivables without being taken action to clear those accounts even as at 31 May 2022.
- (b) The Chamber did not have a manual of procedure and a financial manual providing rules and regulations on all matters relating to management of human resources and financial resources to smooth and effective administration of the Chamber.
- (c) According to the Financial Statements for the year 2021, the income tax payable by the Chamber was Rs.2,304,743 out of which Rs.2,097,275 had not been remitted to the Department of Inland Revenue for over two years.

- (d) The cost of Office Refurbishment amounting to Rs.1,691,092 shown under the Property, Plant & Equipment (PPE) in financial statements as at 31 December 2021 had not been included in the Fixed Assets Register of the Chamber.
- (e) The Chamber had not properly coded its fixed assets costing Rs.7,993,623 as at 31 December 2021 and those codes were not included to the fixed asset register as enable to correctly identify the value of PPE shown in financial statements and carry out the annual asset verification accordingly.



W.P.C. Wickramaratne
Auditor General

THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED
31 DECEMBER 2021

		2021	2020
	Notes	31/12/2021	31/12/2020
REVENUE	5	33,330,682	62,277,646
Less: Direct Costs	6	(7,515,871)	(24,621,161)
		25,814,811	37,656,485
Add: Other Income	7	4,333,556	3,408,050
		30,148,367	41,064,535
Less: Administrative Expenses	8	(25,138,647)	(22,353,458)
Finance Costs	9	(15,002)	(28,865)
		4,994,718	18,682,212
		4,994,718	18,682,212
Add/Less: Prior year Adjustments		945,227	456,755
Profit/(Loss) prior to Taxation		5,939,945	19,138,967
Less Income Tax Expenses		(1,324,357)	(2,469,896)
Surplus/(Loss) after Taxation		4,615,588	16,669,071
		77.45%	60.47%



THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER 2021

		2021	2020
		31/12/2020	31/12/2020
ASSETS			
Non Current Assets			
Property Plant & Equipment	10	771,101	775,025
Intangible Asset	11	46,187	97,161
Fixed Deposits		40,786,093	36,488,456
		41,603,380	37,360,642
Current Assets			
Trade & Other Receivables	12	18,202,888	19,561,313
Cash & Cash Equivalents	13	5,788,275	3,363,018
		23,991,163	22,924,331
Total Assets		65,594,543	60,284,973
EQUITY & LIABILITIES			
Capital Reserves			
Accumulated Fund	14	40,343,886	35,728,297
Non Current Liabilities			
Provision for Gratuity	15	2,691,380	2,668,463
		43,035,266	38,396,760
Current Liabilities			
Trade & Other Payables	16	22,559,277	21,098,137
Bank Overdrafts	17	-	790,077
		65,594,543	60,284,973

Figures in brackets indicate deductions

The Notes to the Financial Statements set out on Pages 6 to 14 form an integral part of these Financial Statements.
It is certified that the Financial Statements have been prepared in accordance with Sri Lanka accounting Standards for Small And Medium -Sized Entities.

ASG(Finance)
Chief Finance Officer

Secretary General / Executive Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.
Approved and signed on and behalf of the Board

President

President Elect



**THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED
31 DECEMBER 2021**

	Accumulated Fund
Balance as at 31.03.2019	24,197,335
Profit/(Loss) for the Period	(5,138,109)
Balance as at 31.12.2019	19,059,226
Profit/(Loss) for the Year	16,669,071
Balance as at 31.12.2020	35,728,297
Profit/(Loss) for the Year	4,615,588
Balance as at 31.12.2021	40,343,886



THE CHAMBER OF CONSTRUCTION INDUSTRY SR+H49:L107I LANKA
STATEMENT OF CASH FLOW FOR THE PERIOD ENDED
31 DECEMBER 2021

	Year To 31 . 12 . 2021	Year To 31 . 12 . 2020
Cash Flow from Operating Activities		
Profit / (Loss) Before Taxation	5,939,945	19,138,967
<u>Adjustments for</u>		
Depreciation	396,849	546,202
Interest Income	(4,297,636)	(2,282,478)
Exchange gain	(35,919)	
Gratuity	391,293	713,463
Gratuity Over Provision	(252,875)	
Write Off / Back - Previous year Dep: adjustment	-	16,285
	(3,798,289)	(1,006,528)
Operating Profit Before Changes in Working Capital	2,141,656	18,132,439
Decrease/(Increase) in Trade & Other Receivables	3,805,616	(26,675,571)
(Decrease)/Increase in Trade & Other Payables	1,408,951	10,495,611
Work in Progress Build SL 2022	(2,447,191)	
Deferred Income	(155,279)	1,167,729
	2,612,097	(15,012,231)
Cash Generated from Operations	4,753,753	3,120,208
Gratuity Paid	(115,500)	
Income Tax Paid	(1,116,888)	580,622
	(1,232,388)	580,622
Net Cash inflow/(outflow) from operative activities	3,521,365	3,700,830
<u>Cashflow from Investing Activities</u>		
Purchase of Property, Plant & Equipment	(341,950)	
Interest Income Received	4,333,556	2,282,478
Disposal of Property, Plant & Equipment	(4,333,556)	
Fixed Deposit Investment	-	(8,129,451)
Net Cashflow used in Investing Activities	(341,950)	(5,846,973)
<u>Cashflow from Financing Activities</u>		
Exchange gain	35,919	
Net Cashflow from Financing Activities	35,919	---
Net Increase in Cash & Cash Equivalents	3,215,334	(2,146,143)
Cash & Cash Equivalents at the beginning of the year	2,572,941	4,719,084
Cash & Cash Equivalents at the end of the year	Note A 5,788,275	2,572,941



THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
STATEMENT OF CASH FLOW FOR THE PERIOD ENDED
31 DECEMBER 2020

Note: A

	Year To 31 . 12 . 2021	Year To 31 . 12 . 2020
0110 - Event Cash for Disbursement	-	-
012 - Bank of Ceylon 007213 5696	1,423,400	108,754
011 - Bank of Ceylon 007284 6088	800,100	(790,077)
013 - Peoples Bank 200100 22 000 1816	2,328,496	899,811
014 - Peoples Bank 200100 13000 1816	838,950	1,971,744
015 - Peoples Bank \$200402 13000 1816	202,733	166,814
016 - Sampath Bank 01751000 6210	124,595	125,895
017 - Commercial Bank 5279	-	-
018 - Petty Cash Control	14,984	25,444
0181 - IOU Outstandings	1,976	2,057
0182 - Excess/Shortage - Petty Cash	-	-
019 - Special Cash Imprest (CEO)	-	20,000
024. Petty Cash Encashment Cheques	53,040	42,499
	5,788,275	2,572,941



CHAMBER OF CONSTRUCTION INDUSTRY OF SRI LANKA

ACCOUNTING POLICIES & EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. GENERAL INFORMATION

Previously the Chamber of Construction Industry of Sri Lanka was incorporated as a guarantee limited company. Subsequently incorporated by an Act of Parliament No. 23 of 2019. (Certified on 18th November, 2019)

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 sale 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 accrual basis.

2.3 INCOME TAX

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

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 Furniture	20%
Office Refurbishment	20%
Motor Vehicles	25%

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



2.6 INTANGIBLE ASSETS

Tangible 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 and loss.

If an impairment loss is subsequently reversed, 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 and 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 date 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 and 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. Obligation for contribution to Employee Provident and Employee Trust Funds covering all employees are recognized as an expense in profit and loss as incurred.

The corporation 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 section 28 of the Sri Lanka Accounting Standards for Small and Medium Entities - "Employee Benefits" at half (1/2) month's salary for each year of 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 accounts.



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

NOTE: 5

Income

	Year To 31/12/21	Year To 31/12/20
Annual Subscription	4,527,000.00	4,271,216.74
Bulletin-CCI English Bulletin	17,292,791.70	11,488,728.49
Trade Directory	-	-
Seminars	100,000.00	730,000.00
Build SL Exhibition	-	42,228,016.89
Diary	530,000.00	467,729.59
Sampath Affinity Card Commission	1,473,262.41	112,454.66
FOREIGN LABOUR	9,365,000.00	2,979,500.00
E Campaigning	5,000.00	-
Thermometer Project	37,000.00	-
Contributions	627.98	-
	33,330,682.09	62,277,646.37

NOTE: 6

Direct Expenses

	Year To 31/12/21	Year To 31/12/20
Bulletin Printing & Distribution	5,184,000.00	4,622,400.00
Bulletin A4 Paper & Delivery Postage	216,000.00	345,600.00
Bulletin Travelling - Delivery	135,860.00	77,310.00
Bulletin Other Direct Costs	107,925.00	63,725.00
Bulletin Sales Commission	1,793,367.04	1,124,353.95
Bulletin Postage Charges	2,650.00	585.00
Trade Directory Travelling	3,455.00	1,440.00
Trade Directory Postage for Delivery	315.00	1,955.00
Trade Directory Other Costs	700.00	-
Seminars Venue Charges	-	312,050.00
Seminars E - Marketing	20,040.00	10,200.00
Seminars Event Operational Expenses	51,559.00	136,184.80
Build SL Venue Related Expenses	-	5,383,721.00
Build SL Sales Commission	-	121,437.81
Build SL Advertising - Targetting Exhibitors	-	118,924.00
Build SL Advertising - Targetting Public	-	586,716.80
Build SL Media Advertising	-	4,544,000.00
Build SL Branding & Publicity	-	1,061,250.00
Build SL Printing (Event Operational)	-	896,970.00
Build SL Delivery - Postage, Travelling	-	122,003.00
Build SL Opening Ceremony	-	393,220.00
Build SL Event Operational Costs	-	1,174,797.08
Build SL Travelling	-	307,144.00
Build SL Stall Construction	-	775,494.00
COMMISSION PAYMENTS	-	2,439,679.50
	7,515,871.04	24,621,160.94



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

NOTE: 10

PROPERTY, PLANT & EQUIPMENT

	Office Equipment	Office Refurbishment	Office Furniture	Computers	TOTAL Rs.
COST					
As At 01/01/21	2,667,292	1,691,092	1,567,289	1,726,000	7,651,673
Additions/Adjustments				341,950	341,950
Disposals/Adjustments					
As At 31/12/21	2,667,292	1,691,092	1,567,289	2,067,950	7,993,623
ACCUMULATED DEPRECIATION					
As At 01/01/21	2,617,839	1,691,092	1,155,340	1,412,378	6,876,648
Depreciation for the year	40,919	-	97,232	207,724	345,875
Add/(Deduct) Previous year under/over provision					-
	2,658,758	1,691,092	1,252,572	1,620,101	7,222,522
NET BOOK VALUE					
As At 31/12/20	8,534	-	314,717	447,849	771,101
As At 01/01/20	49,453	-	411,949	313,622	775,025



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

NOTE: 11

INTANGIBLE ASSETS

	Computer Software	TOTAL Rs.
COST		
As At 01/01/21	548,098.00	548,098.00
Additions/Adjustments		
Disposals/Adjustments		
As At 31/12/21	548,098.00	548,098
ACCUMULATED DEPRECIATION		
As At 01/01/21	450,937	450,937
Depreciation for the year	50,975	50,975
Add/(Deduct) Previous year under/over provision		-
As At 31/12/21	501,911	501,911
NET BOOK VALUE		
As At 31/12/21	46,187	46,187
As At 01/01/21	97,161	97,161



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

NOTE: 12

Trade & Other Receivables

		Year To 31/12/21	Year To 31/12/20
Trade Debtors	12.1	2,912,053	4,755,654
Other Receivables	12.2	12,843,643	14,805,659
Other Assets	12.3	2,447,191	-
		<u>18,202,888</u>	<u>19,561,313</u>

Note: 12.1

Trade Debtors

	Year To 31/12/21	Year To 31/12/20
Accounts Receivables	-	14,000
Existing Member Subscription	7,499	89,000
New Member Subscription	-	-
Bulletin Debtors	2,318,078	2,728,207
Build SL Debtors	-	1,807,687
Trade Directory Debtors	-	47,500
Seminar Debtors	50,000	-
Sundry Debtors	536,477	69,360
	<u>2,912,053</u>	<u>4,755,654</u>

Note: 12.2

Other Receivables

	Year To 31/12/21	Year To 31/12/20
Other Receivables	-	7,500
Refundable Deposits	-	500,000
Pre Paid Rent	10,000,000	11,666,667
Pre Paid Expenses	50,141	35,836
WHT Receivable	229,792	229,792
Employee Advances & Loans	197,845	-
Refundable Advance BMICH	500,000	500,000
Income Tax Refund Receivable	1,865,865	1,865,865
	<u>12,843,643</u>	<u>14,805,659</u>

Note: 12.3

Other Assets

	Year To 31/12/21	Year To 31/12/20
Work in Progress- Build SL Exp.	2,447,191	-
	<u>2,447,191</u>	<u>-</u>

NOTE: 13

Cash & Cash Equivalent

	Year To 31/12/21	Year To 31/12/20
Event Cash for Disbursement	-	-
Bank of Ceylon 007284 6088	800,100	-
Bank of Ceylon 007213 5696	1,423,400	108,754
Peoples Bank 200100 22 000 1816	2,328,496	899,811
Peoples Bank 200100 13000 1816	838,950	1,971,744
Peoples Bank \$200402 13000 1816	202,733	166,814
Sampath Bank 01751000 6210	124,595	125,895
Commercial Bank 5279	-	-
Petty Cash Control	14,984	25,444
IOU Outstandings	1,976	2,057
Excess/Shortage - Petty Cash	-	-
Special Cash Imprest (CEO)	-	20,000
Petty Cash Encashment Cheques	53,040	42,499
	<u>5,788,275</u>	<u>3,363,018</u>

NOTE: 14

Accumulated Fund

Balance as at the beginning of the year

	Year To 31/12/21	Year To 31/12/20
Balance as at the beginning of the year	35,728,297	19,059,226
Profit/(Loss) for the Period	4,615,588	16,669,071
Balance as at end of the year	<u>40,343,886</u>	<u>35,728,297</u>



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

NOTE: 15

Provision for Gratuity

	Year To 31/12/21	Year To 31/12/20
Balance at the beginning of the year	2,668,463	1,955,000
Add: Provision for the year	391,293	713,463
Less: Last Year Over Provision	(252,875)	-
Less: Gratuity paid in the year	(115,500)	-
Balance at the end of the year	<u>2,691,380</u>	<u>2,668,463</u>

NOTE: 16

Trade & Other Payables

		Year To	Year To
NOTE: 16		31/12/21	31/12/20
Trade & Other Payables			
Accounts Payable	16.1	3,819,622	5,961,479.66
Other Payables	16.2	15,695,888	11,227,413
Amount Payable on Foreign Labour	16.3	3,043,767	3,909,244
		<u>22,559,277</u>	<u>21,098,137</u>

NOTE: 16.1

Accounts Payable

	Year To 31/12/21	Year To 31/12/20
Trade Creditors	811,184	455,162.95
Accounts Payable Other	2,951,198	5,459,677.71
Trade Creditors	57,240	46,639.00
	<u>3,819,622</u>	<u>5,961,480</u>

NOTE: 16.2

Other Payables

	Year To 31/12/21	Year To 31/12/20
Deferred Revenue	1,012,450	1,167,729
IncomeTax Payable	2,304,743	2,097,275
PAYE Payable	1,576	1,973
VAT Payable - Over paid	(346,371)	(346,371)
Advance Payments - Customers	12,269,889	8,176,806
Electricity Payable		
NBT Payable		
Audit Fee Payable	453,600.00	130,000
	<u>15,695,888</u>	<u>11,227,413</u>

NOTE: 16.3

Amount Payable on Foreign Labour Project

	Year To 31/12/21	Year To 31/12/20
Funds for Reimbursement of Expenses	9,650,202	12,801,202
Expenses on Reimburse basis	(6,606,435)	(8,891,958)
	<u>3,043,767</u>	<u>3,909,244</u>

NOTE: 17

Bank Overdraft

	Year To 31/12/21	Year To 31/12/20
Bank of Ceylon 007284 6088		790,077
		<u>790,077</u>



THE CHAMBER OF CONSTRUCTION INDUSTRY SRI LANKA
TAX ADJUSTMENT ACCOUNT
Y/A 2021/2022

2021/2022

Rs.

Profit/ (Loss) for the year 5,939,945.24

Less Interest Income 4,297,636.00
1,642,309.24

Add: Disallowable Expenses

Depreciation 396,849.00
General Expenses 1.79
Gratuity 377,742.50 774,593.29
2,416,902.53

Less: Depreciation Allowance For Period

Office Equipment

2018/2019 92,854.00 20% 18,571

Office Equipment

2017/2018 62,169.00 20% 12,434

2018/2019 460,957.00 20% 92,191

2019/2020 158,000.00 20% 31,600

Computers

2018/2019 359,200.00 20% 71,840

2021/2022 341,950.00 20% 68,390

Computer Software

2018/2019 147,798.00 20% 29,560 324,585.60

Taxable Profit /(Loss) 2,092,316.93

Less: Loss Carried Forward

2,092,316.93

Tax Rate on Normal Couse of Business 14%

Taxable amount from Normal Couse of Business 292,924.37

Investment Income 4,297,636.00

Tax Rate on Investment Income 24%

Tax Payable Amount 1,031,432.64 1,031,432.64

Total Income Tax 1,324,357.01



