



CENTRAL ENGINEERING CONSULTANCY BUREAU

# ANNUAL REPORT 2024



# ANNUAL REPORT

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## 2024



**CENTRAL ENGINEERING CONSULTANCY BUREAU**

Ministry of Agriculture, Livestock, Lands & Irrigation  
No 415, Bauddhaloka Mawatha, Colombo 07, Sri Lanka  
[www.cecb.lk](http://www.cecb.lk)

**CECB ANNUAL REPORT 2024**



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# INSPIRED TO GO BEYOND

The CECB - Central Engineering Consultancy Bureau. The foremost Engineering consultancy services provider in Sri Lanka today: Multi-Disciplinary in Function, Futuristic in approach and, above all, Gifted with a team of Inspired Professionals yearning to go beyond.

That inspiration comes with a history - A history that has left its indelible marks numerous on the face of this country from over two millennia ago. A history that flourished when the developed world of today was hardly awake.

Fortunately, those indelible marks - ingenious engineering feats - of that distant time are still with us, not as some lifeless artifact, but as something that runs through our veins... feeding us...and breathing very life to our souls. And that sprouts inspiration in the men and women we have chosen.

**At CECB,  
we give wings to such inspiration.**



# OUR PHILOSOPHY

## VISION

“To be a World Class Engineering Organization”

## MISION

“To be a World Class Engineering Organization, acquiring excellence in Engineering, Architecture and Quantity Surveying, utilizing state of the art technology, with a highly motivated, trained and skilled workforce rewarded appropriately for their contribution in the optimum use of resources for the maximum benefit to mankind”

# CHAIRMAN'S MESSAGE

It is my pleasure and privilege to present the Annual Report and Consolidated Accounts of Central Engineering Consultancy Bureau (CECB) for the financial year 2024. In presenting my first annual statement as Chairman, let me first express my gratitude to Hon. Minister of Agriculture, Lands and Irrigation for giving me this great honour in appointing me as Chairman of this nationally respected engineering consultancy and construction organization carrying forward over half century of the Sri Lankan engineering heritage. I also wish to take this opportunity to place on record our appreciations to outgoing Chairman, Eng. Sunil Perera who steered CECB during its difficult years.



During the year, though the Sri Lankan economy showed signs of mild recovery, the politically indecisive period in the country continued till the presidential elections and parliamentary elections concluded in September 2024 and November 2024 achieving stability. Yet I am pleased to note that CECB performance has remained focused even under the slowed down business environment and extremely low construction business volumes experienced during the year achieving a Group revenue of Rs.12.33 billion in 2024.

As a state-owned enterprise, CECB stringently adheres to and complies with all regulatory requirements. A total Rs.287 million was remitted as cumulative taxes and other levies to the Government. Renewed efforts taken to enhance governance and accountability issues through setting strong controls and monitoring mechanisms that are continually assessed for improvement with Board directions. However, the long delays experienced in settlement from the Government projects add much to the financial constraints. Phased debt recovery measures are being undertaken with the support Treasury in this regard.

CECB continues to lead the market with its multi-disciplinary value engineering reputation built over the last fifty years. However, looking into the future potential, CECB is being fully geared for a share of commercial operations through participation in the open market competitive bidding locally and overseas, especially the sustainable energy systems sector. Central Engineering Services (Pvt) Ltd (CESL) as the commercially oriented construction subsidiary of CECB has also been market positioned for effective participation locally as well as overseas.

In conclusion, let me express my gratitude to my fellow Board Members for their valuable leadership support, to the senior management for their dedication and commitment and above all to our staff who are our greatest asset.

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke, positioned above the name of the Chairman.

**Eng. A.P. Jayathissa**  
Chairman



## GENERAL MANAGER'S MESSAGE

The year 2024 was a period of significant transition and challenge for CECB, both within the organization and in the broader operating environment. We marked a chairmanship transition with the appointment of our new Chairman, Eng. A.P. Jayathissa, and extended our appreciation and best wishes to our outgoing Chairman, Eng. Sunil Perera, for his dedicated service.

Externally the change in government brought in added emphasis towards good governance under the Clean Sri Lanka programme as well as continuing with the IMF debt sustainability programme. During 2024, the national economy improved steadily with macroeconomic indicators showing stable inflation, increasing revenue mobilization, foreign reserves accumulation etc. However, the construction sector continued to struggle with poor recovery and the impact of VAT increases.

Consequently, as a dynamic business organization, CECB strategically refocused to meet the challenges and strengthen its market position locally and expansion overseas. A market driven new business plan with structured roadmap for competitive market expansion and service diversification developed and implemented identifying new growth avenues while refining ongoing operations. Mitigatory measures including restructuring of operational management together with strict cost management measures are ongoing. However, the increasing trend in resignations by trained and qualified Engineers for migration abroad is of serious concern not only to the Bureau but nationally as well. In 2024 over 80 engineers resigned from Bureau service.

Despite these challenges, CECB Group recorded a healthy revenue growth of Rs.12.3 billion in 2024, nearly 25% increase over the year 2023 performances, realizing a PBT of Rs.1.27billion. A total of Rs.287 million was remitted as cumulative taxes to the Government. The skills of CECB engineers and allied professionals combined with the dedication of other staff members immensely supported this achievement.

As a consultancy organization CECB is mandated to support development of national engineering talent. Accordingly, the Bureau also contributed to national engineering education through providing Industrial training placements for 142 students from 08 universities and 11 Technical/Vocational training institutions free of charge.

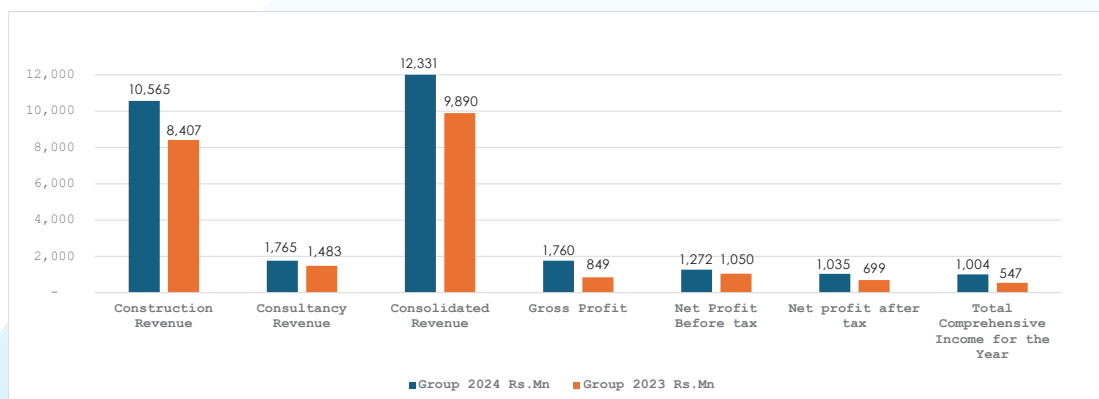
Let me end this note by acknowledging the cooperation and support received from Chairman, Senior management and all staff members for providing leadership to CECB to advance its respected and reputed niche in the engineering industry in Sri Lanka.



Eng. S.A.U.D.C. Siriwardhana  
General Manager

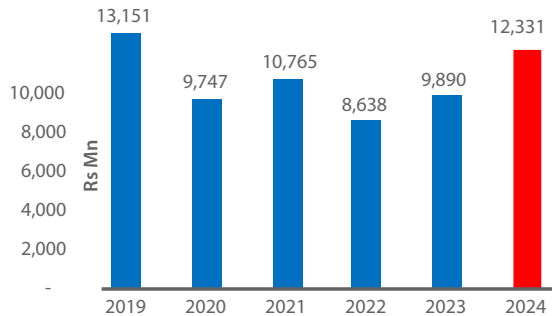
# FINANCIAL HIGHLIGHTS

	Group		CECB	
	2024 Rs.Mn	2023 Rs.Mn	2024 Rs.Mn	2023 Rs.Mn
Construction Revenue	10,565	8,407	7,157	4,009
Consultancy Revenue	1,765	1,483	1,777	1,494
Consolidated Revenue	12,331	9,890	8,934	5,503
Gross Profit	1,760	849	604	224
Net Profit Before tax	1,272	1,050	608	748
Net profit after tax	1,035	699	510	515
Total Comprehensive Income for the Year	1,004	547	483	378
Total assets	24,869	22,248	17,362	17,828
Contributed Capital	0.50	0.50	0.50	0.50
Total Equity	9,348	8,344	7,469	6,986
Total Equity Equilibrium	24,869	22,248	17,362	17,828
Current Assets	21,251	20,220	12,806	12,873
Current Liabilities	15,153	15,536	9,579	10,548

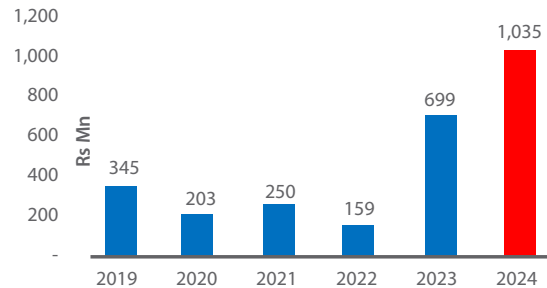


# FINANCIAL HIGHLIGHTS (CONTINUED)

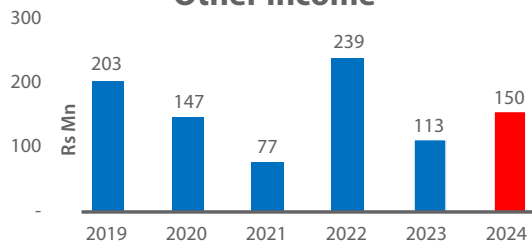
## Revenue



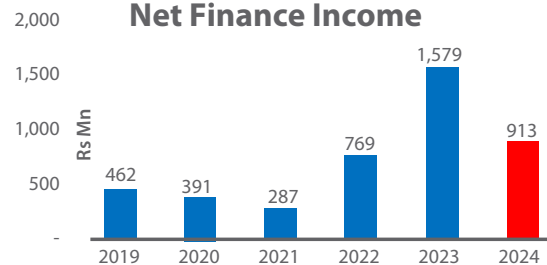
## Net Profit



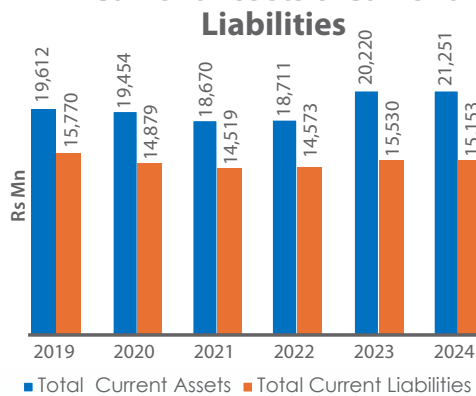
## Other Income



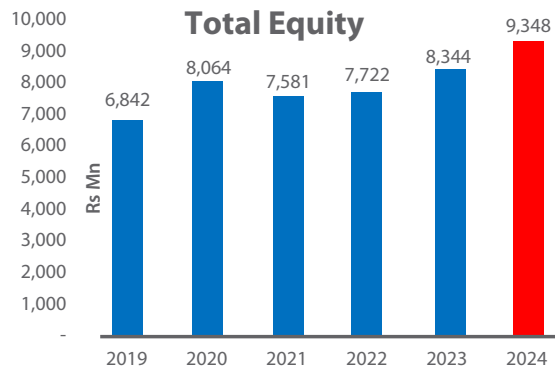
## Net Finance Income



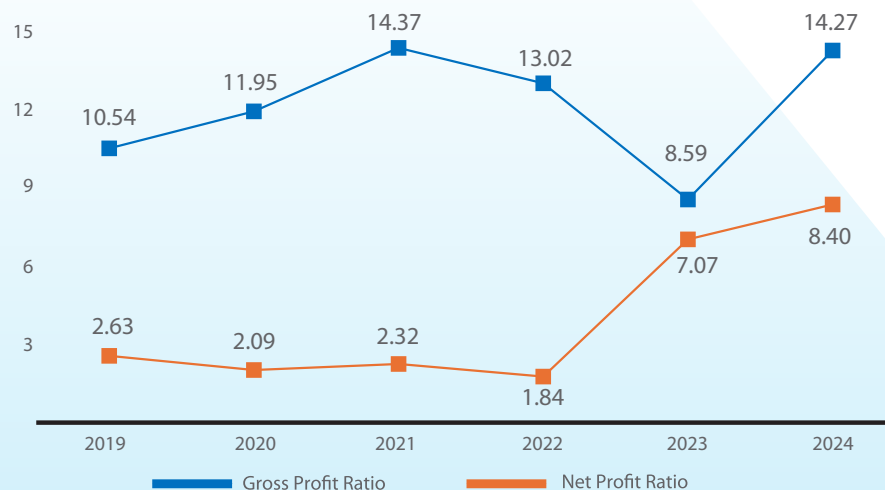
## Current Assets & Current Liabilities



## Total Equity



## Profitability Ratios



## BOARD OF DIRECTORS



### **ENG. A.P. JAYATHISSA**

**Chairman (From 18.12.2024 to present)**

BSc. Eng, C. Eng, MIE (SL)

**A**ppointed as Chairman of the Board on 18 December 2024, and concurrently serves as Chairman of Central Engineering Services (Pvt) Ltd (CESL), the construction subsidiary of CECB.

He holds a Bachelor of Science in Civil Engineering from the University of Peradeniya, Sri Lanka (1995), and a Chartered Member of the Institution of Engineers, Sri Lanka, and Member of the Geotechnical

Society, Sri Lanka. He has pursued a postgraduate MSc in Construction Management at The Open University of Sri Lanka, completed Diploma in Commercial Arbitration and a Project Management professional (PMP).

With over 29 years of experience in construction and construction supervision, he is a skilled contract manager with expertise in risk management, contract preparation, and service coordination. He effectively administers contract terms, overseeing progress and deliverables. His experience spans diverse projects, including buildings, roads, bridges, infrastructure, high-tension power lines, an oil and gas field (Oman), construction of nuclear power plant structures (UAE-Abu Dhabi), and detailed design of roads and bridges. He is adept at managing contract timelines and maintaining strict schedules. He works effectively with cross-functional teams to ensure operational and service excellence. His local experience includes construction, construction supervision of infrastructure, roads, and bridges, and contract administration.

He brings to the Board his specialized knowledge and wide expertise in Civil Engineering gained in managing diverse projects undertaken internally and in Sri Lanka

### **ENG. B.A.S.S. PERERA**

**Chairman (From 11.09.2023 to 30.09.2024)**

BSc. Eng, MBA, Chartered Engineer

**A**ppointed as Chairman of the Board from 11.09.2023 to 30.09.2024 and also concurrently served as Chairman, Central Engineering Services (Pvt) Ltd, (CESL), the construction engineering arm of CECB.

Eng. B.A.S. Sunil Perera is an academically and professionally recognized Sri Lanka Engineering Services Special Grade Professional with nearly 40 years illustrious career in providing leadership to the development of nationally important multipurpose water resources projects, irrigation networks and associated infrastructure in Sri Lanka, contributing to national agriculture and to power generation both solar and hydropower.

He started his career as design Engineer with the Irrigation Department and rising through the hierarchy has functioned as Project Director –Deduru Oya Multipurpose Development Project (2009 – 2014); Director of Irrigation, Kurunegala (2014 -2015); Director, Major Constructions (2015 – 2017) and then moving on as Additional Secretary, Ministry of Housing and Construction (2018 – 2019); Acting Chairman of State Engineering Corporation, and Director General Mahaweli Authority of Sri Lanka (2019 – 2021). Has provided his expertise as Consultant to CECB/CAMC International (2021-2023) and to several key steering committees appointed by the Government. A strategic leader in teaming and directing subject matter specialists, and stakeholders in multifaceted construction endeavors and to innovate in managing risks to realize development objectives and goals.



## ENG. G.D.A. PIYATILAKE

### Director

BSc. Eng. Hons, PG. Dip. (Const. Mgt), PG. Dip. (Port & Coastal Eng.)  
Norway, MIE(SL) CEng., MASCE



Appointed to the Board of Directors on 15.09.2022 to 30.09.2024 and concurrently served as Director of Central Engineering Services (Pvt) Ltd. From 2010 to 2014, he has provided direct support to the Board in its deliberations as Corporate Additional General Manager (EPC). He possesses over 40 years of wide experience in engineering and management, all of which were gained in CECB & CESL in various capacities. He started his career as Resident Engineer in Victoria Hydropower Project in 1983 and quickly gained progressive responsibilities and promotions throughout his career, such as becoming Project Engineer in 1995, Project Team Leader in 1996, Deputy General Manager in 2005, and Additional General Manager in 2010. He also served as Chairman of the Board from 2015 to 2020. He brings to the Board his specialized knowledge and wide expertise in the Civil Engineering field, gained in managing diverse projects he had undertaken throughout his long career.



## MS. B.N. GAMAGE

### Director

B.Sc. (Hons), MBA, MPM

Appointed to the Board of CECB as the Treasury Representative in 02.03.2022 to 07.01.2025. Concurrently serves as chairperson of the Audit and Management Committee of CECB. Being an officer belonging to the Sri Lanka Administrative Service she has worked in different institutions since 2000. Worked as an Assistant Secretary in Ministry of Agriculture from 2001 to 2007. Served the Department of Trade and Investment Policy as an Assistant Director, Deputy Director and

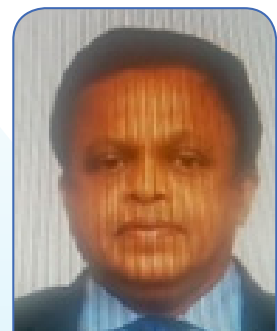
Director during the period of 2007 to 2013. Engaged in duties at the Department of National Budget in the capacity of the Director and an Additional Director General from 2013 to 2021. At present serves the Department of Fiscal Policy as an Additional Director General since 2021. Served as a Treasury Representative for Milco Pvt. Ltd., Geological Survey and Mine Bureau and Central Environment Authority

## ENG. KAMAL AMARAWEEERA

### Director

BSc. (Eng) Civil, CEng, MIESL, Diploma in HRM, AMCIPM

Appointed to the Board of Directors on 15.09.2022 to 15.01.2025. He works concurrently as Training Engineer at the Faculty of Engineering, Sri Lanka Institute of Information Technology (SLIIT). He graduated from the University of Moratuwa with a degree in Civil Engineering in 1991 and holds a Diploma in Human Resource Management from the Chartered Institute of Personnel Management (CIPM), of which he is a member. He possesses over 34 years of extensive engineering and management experience gained nationally, including roles as a Site Engineer, Design Engineer, Executive Engineer, Chief Engineer, Deputy Project Director, Director (Rural Bridge Construction), Director (Maintenance Management), and Acting Additional Director General (Projects), and Director General (CEO) of the Road Development Authority from 1986 to 2020. In 2021, He was CEO of the National Construction Association of Sri Lanka.





## ENG. (MS.) P.M. JAYADEERA

### Director

B.Sc. Eng. (Hons) Moratuwa, M.Eng.(Water Resources Engineering & Management) Moratuwa, C.Eng., MIE(SL)

**A**ppointed to the Board of CECB as the Ministry Representative from 06.07.2023 to 15.01.2025. Worked in NBRO in the Structural Engineering Research Centre for one year and gained experience in building designs. Joined Irrigation Department as an Irrigation Engineer in 1996 and worked at the Designs Branch and gained experience in design of irrigation Head works/ structures etc. Worked at the Regional Director of Irrigation office at Deberawewa for 6 years and another 6 years at the Divisional Irrigation Engineer's office at Weeraketiya an engaged in irrigation infrastructure developments and water management activities. Held the position of Chief Irrigation Engineer at the same office for 2 years. Held the position of chief engineer in the Environmental studies branch at the Head office for 6 years and obtained experience in EIA/ IEE works of reservoir projects and other projects too. Worked as the Director of Irrigation – Colombo Range which covers 4 districts, Colombo, Gampaha, Kalutara and Ratnapura for 4 years. After working another one year at the Head office as a Director of Irrigation – Regional development, got the special grade promotion and currently working as the Additional Secretary (Water Resources Development) in the Ministry of Irrigation from 01.01.2023.



## MR. ARIYASENA GALLAGE

### Director

Bachelor of Laws Degree (LL.B)

**A**ppointed to the Board of Directors on 15.09.2022 to 15.01.2025. Holds Bachelor of Laws degree (LL.B) and has 30 years of experience working as an Attorney-at-Law & Notary – Public (Sinhala & English). He has also worked as a Panel Lawyer for various organizations, including Bank of Ceylon, Peoples Bank, Pradeshiya Sanwardhana Bank, National Savings Bank, State Mortgage Bank, Commercial Bank, Hatton National Bank and Corporative Rural Development Bank in Polonnaruwa District, Sri Lanka Insurance Corporation, and Ceylon Electricity Board (Civil). He worked as the Chairman of the Provincial Road Development Authority in the North Central Province for over four years. Additionally, he has worked as the Managing Director of the Central Engineering Consultancy Bureau, as well as a Director of the Janatha Fertilizer Company, Employees' Trust Fund Board and the Coconut Research Institute. He is 306 (C) Lion District Senior Additional Secretary.



## DR. S.J.K.M.R.N.M. GUNATHILAKE

### Director

MBBS Sri Lanka

**A**ppointed to the Board of Directors on 15.09.2022 to 30.04.2024. Works concurrently as Deputy Director of DGH Polonnaruwa from 2016 to present. Possess over 25 years experiences as medical practitioner and medical administrator.



## MR. THUSHIRA RADDELLA

### Director

BBA (AUS), DIP. IND PSYC (UK), CIMA (UK), CIM (UK)



**A**ppointed to the Board of Directors on 18.06.2024 to 23.09.2024

# MANAGEMENT TEAM

■ **Eng. A.P. Jayathissa**

Chairman

■ **Eng. S.A.U.D.C Siriwardhana**

General Manager

■ **Eng. S. Wijesinghe**

Corporate AGM (Projects)

■ **Eng. (Ms) B.M. Welikala**

A/AGM (Projects)

■ **Eng. S.S.A. Kalugaldeniya**

Corporate AGM (Designs) / AGM (DHQC)

■ **Eng. J.J.Jayasinghe**

A/AGM (Mechanical)

■ **Arch. H.W. Lalith kumara**

AGM (Architectural)

■ **Eng. R.K.C.N. Thilakasiri**

A/AGM (Central Province)/ AGM (NC&N) / AGM (Consultancy East)

■ **Eng. W.A.D.D. Nandamumara**

AGM (Northern Roads),(WRP)

■ **Eng. M.N. Gunasena**

AGM (EPC-Central Province)

■ **Eng. K.N. Premathilaka**

A/AGM (SD)

■ **Eng. T.N. Thewarapperuma**

A/ AGM (Electrical)

■ **Eng. I.R.P. Gunathilake**

AGM (Special Projects-1)

■ **Eng. H.R.A.K. Dhammika**

A/AGM (SP 2)

■ **Eng. N.K. De Silva**

AGM (Justice & Prisons Works)

■ **Eng. J.D. Sunil**

A/AGM (EPC-Southern Province)

■ **Eng. J.A.D.R.S. KUMARA**

AGM (BP&PM), (A/L/WPE)

■ **Eng. L.W.J.N.De Alwis**

A/AGM (Regional-Western, South &Sabaragamuwa)

■ **Eng. P.M.P.C. Gunathilake**

A/AGM (EPC-East)

■ **Eng. W.E.P. Ranjan Kumara**

A/AGM (EPC-Sabaragamuwa), A/AGM (EPC-WP-2)

■ **Eng. A. Pushparajah**

A/AGM (EPC-North)

■ **Eng. H.R.W.K. Heendeniya**

A/AGM (EPC-WP1)

■ **Eng. S.B.A.D. Semasinghe**

CEO(CESL), A/AGM (EPC-NC/MKDP)

■ **Mr. W.T.D.P. Pathmendra**

A/DGM (C&QS)

■ **Eng. S.S.I. Kodagoda**

A/AGM (NRM&LS)

■ **Mrs.G.V.A.R.M De Silva**

A/DGM (Finance)

■ **Mrs. S.K. Thilakarathna**

Manager (Admin/HR)

■ **Mr. E.R.S. Amarasekara**

Chief Internal Auditor

■ **Mrs. R. Rizwana**

A/Chief Legal Officer

# DIRECTORS REPORT

## ANNUAL REPORT OF THE BOARD OF DIRECTORS -2024

### LEGAL STATUS

The Central Engineering Consultancy Bureau (CECB) was established on 10th April 1973 to provide multi-disciplinary consultancy services for water resources development projects. It is a statutory body established under the State Industrial Corporation Act No. 49 of 1957.

### RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board should exercise its mandate rights and responsibilities with integrity and in good faith as the custodian of public resources. The Board should at all times be conscious of its onerous responsibilities, as the outcome of any decisions and actions carried out without proper planning will ultimately be borne by the public at large.

### BEST PRACTICES

Best Practices in Corporate Governance advocate vigilant and well-functioning Boards that debate strategic decisions openly and constructively in the best interests of the enterprise. For this purpose dissenting views of members should also be heard. It is possible that a single dissenter could make a huge difference on a Board. "The highest performing companies have extremely contentious Boards that regard dissent as an obligation and treat no subject as undiscussable"

### LEADERSHIP ROLE

In its leadership role, the duties of the Board should include:

- a) Determine the Mission of the enterprise and how best it could serve the interests of its shareholders and other stakeholders.
- b) Ensure that legal requirements are fulfilled and the enterprise operates in accordance with the provisions of the Incorporation Act/ Memorandum and Articles of Association.
- c) Frame policies for implementation by Management, so as to achieve optimum returns and benefits to its shareholders and other stakeholders.
- d) Review public policy objectives periodically and provide strategic direction, to formulate

long – term goals and objectives for further growth.

- e) Ascertain that finances needed to meet goals and objectives are generated or obtained on a timely basis without interruptions, for the smooth functioning of the enterprise.
- f) Ensure proper accountability by maintaining adequate records and books of Accounts.
- g) Ensure that an effective risk management system is in place, to insulate the enterprise against disruptions, setbacks etc.

### OVERSIGHT ROLE

As regards its oversight role the Board is responsible for the overall management of the enterprise and to establish effective systems of control as checks and balances with responsibility shared widely amongst Senior Managers.

For this purpose the responsibility of the Board will:

- a) Ensure that Board policies are executed in the same spirit as it was framed and in the best interest of the institution and the public at large.
- b) Monitor the activities of Management by means of Management Information reports and evaluate performance, to ensure that the enterprise is on track in its operations.
- c) If results do not match desired expectations, take remedial action without delay to ensure that goals are achieved.
- d) Appoint competent personnel as Managers and ensure that there is proper delegation and team spirit amongst the Senior Management, by providing a conducive environment to carry out their respective functions independently and in a responsible manner.
- e) Report to shareholders at Annual General Meetings/attend Committee on Public Enterprises (COPE) meetings.

### COMPOSITION OF THE BOARD OF DIRECTORS

The Board comprises of Seven (07) Board Members, inclusive of the Chairman of Central Engineering Consultancy Bureau.

## MEMBERS OF THE BOARD OF DIRECTORS AS FOLLOWS;

■ Eng. A.P. Jayathissa	-	Chairman (From 18.12.2024 to date)
■ Eng. B.A.S.S.Perera	-	Chairman (From 11.08.2023 to 30.09.2024)
■ Ms. B.N.Gamage	-	Director (From 02.03.2022 to 07.01.2025)
■ Eng. G.D.A.Piyatilake	-	Director (From 15.09.2022 to 30.09.2024)
■ Eng. Kamal Amaraweera	-	Director (From 15.09.2022 to 15.01.2025)
■ Dr. S.J.K.M.R.N.M. Gunathilake	-	Director (From 15.09.2022 to 30.04.2024)
■ Mr. Ariyasena Gallage	-	Director (From 15.09.2022 to 15.01.2025)
■ Eng.(Ms.) P.M. Jayadeera	-	Director (From 06.07.2023 to 15.01.2025)
■ Eng. Thushira Raddella	-	Director (From 18.06.2024 to 23.09.2024)

## MEETINGS & ATTENDANCE

The Board met in 08 occasions to the Financial Year 2024 and the attendance of the Board of Directors was as follows.

Name	Position	2024							
		30th Jan	27th Feb	02nd April	30th April	28th May	25th June	23rd July	27th August
Eng. B.A.S.S. Perera	Chairman	✓	✓	✓	✓	✓	✓	✓	✓
Ms. B.N. Gamage	Director	✓	✓	✓	✓	✓	✓	✓	✓
Eng. G.D.A.Piyatilake	Director	✓	✓	✓	✓	✓	✓	✓	✓
Eng. Kamal Amaraweera	Director	✓	✓	✓	✓	✓	✓	✓	✓
Dr. S.J.K.M.R.N.M. Gunathilake	Director	ab	ab	ab	ab				
Mr. Ariyasena Gallage	Director	✓	✓	✓	✓	✓	✓	✓	✓
Eng.(Ms.) P.M. Jayadeera	Director	✓	✓	✓	✓	✓	ab	✓	✓
Mr. Thushira Raddella	Director						ab	✓	ab

# Audit & Management Committee Report

The Audit and Management Committee is governed by the specific Terms of Reference (TOR) of the Public Enterprises Circular No. 01/2021. The Committee focuses on the objectives in discharging its responsibilities as per Terms of Reference and the requirements of the Government. The Audit Committee has the responsibility of assisting the Board in the task of overseeing to ensure that financial reporting is done in compliance with relevant Sri Lanka Accounting Standards and other applicable legal requirements.

Further the committee should assist the Board to ensure that all relevant rules, regulations and Circulars issued by the Government and complied through continuous reviewing, monitoring, making recommendations to the Board on non-compliance. The Audit Committee should review the Internal/External Audit Reports, Management Letters, COPE recommendations, and help the Board to take remedial actions. Further it should assist the Board to introduce and implement adequate internal control system. The Committee shall meet at least once in three months and report its recommendations to the Board of Directors soon thereafter, along with the minutes of the meeting, to facilitate taking corrective measures. The Terms of Reference of the Audit Committee is guided by an audit committee charter approved by the Board of Directors.

Scope of the audit committee is to review significant accounting and reporting issues, including complex or unusual transactions, highly judgmental areas, and recent professional and regulatory pronouncements and understand their impact on the Financial Statements, review with management and the external auditors the results of the audit, including any difficulties encountered, review the annual Financial Statements, and consider whether they are complete and consistent with information known to committee members, and ensure that the information is presented in accordance with the appropriate accounting standards and policies, review other sections of the AR and related regulatory filings before the release and consider the accuracy and completeness of the information, review with management and the external auditors that all

matters required to be communicated to the AC have been properly communicated, review interim financial reports with management and if required with the external auditor before filing with regulators, and consider whether they are complete and consistent with the information known to committee members, review reports prepared by management and/or the independent auditor setting forth significant financial reporting issues, judgments made and key audit matters in connection with the preparation of the Financial Statements, approve the annual internal audit plan and all major changes to the plan, ensure that there are no unjustified restrictions or limitations in the scope of the internal audit, review the internal audit activity's performance relative to its plan, review the effectiveness of the internal audit functions, consider the effectiveness of the entity's internal control system, including security and the control of information technology, monitor the effectiveness, impartiality of the internal auditors, receiving regular reports from the internal audit function and addressing relevant issues concerning the subsidiaries of the SOE, if any on a regular basis, ensure that the scope of the internal auditor through the review of internal matters, review the procurement procedure and progress of implementation of the procurement plan, review the risk management framework, Identification, evaluation, and assessment of the risk profile having taken into account the legal and regulatory background, macro-economic dynamics etc.; develop and implement a risk management framework and internal control system including a risk rating mechanism; recommend strategies to mitigate the risks; examine and determine the sufficiency of the internal processes for reporting on and managing key risk areas, understand the scope of the external auditor's review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with the management's responses, on a regular basis, meet with the external auditors, separately, to discuss any matters that the committee or auditors believe should be discussed privately, review the effectiveness of the system for monitoring compliance with



laws and regulations, directives and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance, review the findings of any examinations by regulatory authorities, and any observations of the auditors, review the process for communicating the code of conduct to entity personnel, and for monitoring compliance therewith, obtain regular updates from management and entity legal counsel regarding compliance matters, establish a process to ensure compliance with laws and regulations relating to statutory obligations including EPF, ETF, taxes, custom duties, foreign exchange, and other levies applicable to the entity, report recommendations to the BoD soon thereafter, along with the minutes of the meeting to facilitate taking corrective measures, provide an open avenue of communication between internal audit, the external auditors, and the BoD, report annually to the shareholders, describing the committee's composition, responsibilities and how they were discharged, and any other information required by rules and regulations, review the effectiveness of the identification methodology of related party transactions and reliability of disclosures.

## COMPOSITION

According to the provisions of Public Enterprises Circular No. 01/2021, the Audit Committee of Bureau comprises of three (03) Non- Executive Board members, inclusive of Treasury Representative who chairs the committee

The Present Members of the Audit Committee are as follows:

- Chairman of the Committee – Ms. B.N Gamage (With effect from April 2022)
- Director – Eng. G.D.A Piyatilaka (September 2022 to September 2024)
- Director - Eng. Kamal Amaraweera (With effect from September 2022)

The Committee has a blend of experience in the commercial and public sector with financial and management expertise.

Ms. R. Rizwan Board Secretary functions as the Secretary to the Audit Committee and Mr. E.R.S. Amarasekara, Chief Internal

Auditor functions as the Convener to the Audit Committee.

## MEETINGS AND ATTENDANCE

The Audit Committee met on 2 occasions during the financial year 2024 and their attendances were as follows:

Name	2024	
	28th March	18th July
Ms. B.N Gamage – Chairman of the Committee	✓	✓
Eng. G.D.A Piyatilaka - Director	ab	✓
Eng. Kamal Amaraweera - Director	✓	ab

Other Members of the Board, Senior Managers, as well as the External Auditors and the Chief Internal Auditor of the line Ministry are invited to be present at the discussions where appropriate. The proceedings of the audit Committee are regularly reported to the Board of Directors.

## COMPLIANCE

The Committee has ensured the Board to act in compliance with the relevant legislations and the regulatory requirements and to ensure that the financial statement complies with the Sri Lanka Accounting Standards. The Committee assessed the adequacy of existing controls and risk management procedures and made recommendation to the Board, for additional controls and risk mitigating strategies necessary to strengthen the existing internal control system. Further the Committee has reviewed the routine operations of the Bureau and assessed future prospects for its business operations and accordingly makes sure that the going concern assumption used in the preparation of the financial statements, is appropriate.

## EXTERNAL AUDIT

The Auditor General acts as the External Auditor of the Bureau.

**Ms. B.N Gamage**  
**Chairman – Audit & Management**  
**Committee**

# CORPORATE INFORMATION AND ACCOUNTING POLICIES

## 1. CORPORATE INFORMATION

### 1.1 Domicile and Legal Form

Central Engineering Consultancy Bureau is a State Corporation established under the provisions of the State Industrial Corporations Act no. 49 of 1957 and domiciled in Sri Lanka. The Bureau's registered office and the principal place of business are located at No.415, Bauddhaloka Mawatha, Colombo 07.

The Consolidated Financial Statements of Central Engineering Consultancy Bureau as at and for the year ended 31st December 2024 comprises the Bureau and its subsidiaries (together referred to as the "Group").

The Financial Statements of all Companies in the Bureau have a common financial year which ends on December 31st.

### 1.2 Principal Activities and Nature of Operations

Central Engineering Consultancy Bureau is primarily involved in the business of construction, consultancy and any engineering related activities.

Central Engineering Service (Private) Limited (CESL) is a fully owned subsidiary of CECB engage in the business of undertaking and executing Design-Build, Turnkey and other types of construction work in the field of civil, electrical and mechanical engineering and all aspects connected therewith or ancillary or incidental thereto on its own or as a member of joint venture or a member of a consortium in Sri Lanka or elsewhere.

## 2. BASIS OF PREPARATION

### 2.1 Statement of Compliance

The financial statements of the Bureau and the Group comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the cash flow statement, together with the accounting policies and notes to the financial statements. These financial statements have been prepared

in accordance with Sri Lanka Accounting Standards (SLFRSs and LKASs) as issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).

Financial Statements of the subsidiary are prepared in compliance with the Accounting policies of the Bureau unless stated otherwise.

### 2.2 Basis of Measurement

The Consolidated Financial Statements have been prepared on the historical cost basis except for the following material items in the statement of Financial Position.

- Financial Assets and Financial Liabilities that have been measured at fair value (LKAS -39)
- Property Plant and Equipment are stated at fair value. (LKAS -16)
- Employee benefit liability recognized based on actuarial valuation (LKAS-19)

The Bureau's Directors have made an assessment of the Bureau's ability to continue as a going concern in the foreseeable future and they do not foresee a need for liquidation or cessation of business.

### 2.3 Functional and Presentation Currency

The Consolidated Financial Statements are presented in Sri Lankan Rupees (LKR), which is the Bureau's functional and presentation currency.

### 2.4 Significant Accounting Judgments, Estimates & Assumptions

The preparation of Financial Statements in conformity with Sri Lanka Accounting Standards (SLFRS) requires the management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses and disclosure of contingent liabilities. Actual results may differ from these estimates.

The Estimates and associated assumptions are based on historical experience and

various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from the other sources.

The Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that financial year or in the period of the revision and future periods if the revision affects both current and future financial years.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

Critical accounting estimate/ judgment	Note No	Page No
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Contract revenue, cost and percentage of completion	09	32
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Information about assumptions and estimates uncertainties that have a significant risk of resulting in a material adjustment in the financial statements are included in the table below:

Critical accounting estimate/ judgment	Note No	Page No
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Property, plant and equipment	15	33-35
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Employee Benefits	24	39
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Deferred Tax Liabilities	25	40
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### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Basis of Consolidation

##### (a) Business Consolidation

The group's financial statements comprise consolidation of the financial statements of the bureau, its subsidiaries in terms of the Sri Lanka Accounting Standards SLFRS 10-“Consolidated Financial Statements”

##### (b) Subsidiaries

Subsidiaries are entities controlled by the Group. The Financial Statements of Subsidiaries are included in the consolidated Financial Statements from the date that control commences, until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

##### (c) Transactions eliminated on consolidation

Intra-Group balances and transactions, and any unrealized income and expenses arising from intra Group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

#### 3.2 Current versus non-current classification

The Group presents assets and liabilities in the Statement of Financial Position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period;

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period;

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities including deferred tax liabilities as non-current.

### 3.3 Foreign Currency Transactions

All foreign exchange transactions are converted to functional currency, at the rates of exchange prevailing at the time the transactions are effected. Monetary assets and liabilities denominated in foreign currency are retranslated to functional currency equivalents at the spot exchange rate prevailing at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference.

Foreign exchange differences arising on translation of foreign exchange transactions are recognized as a profit or loss in the statement of Comprehensive Income.

#### 3.3.1 Foreign Operation

The assets and liabilities of foreign operations are translated into Sri Lanka Rupees at the rate of exchange prevailing at the reporting date and their Statements of Profit or Loss are translated at exchange rate prevailing at the dates of the transactions. The Exchange differences arising on transaction for consolidation are recognized in Other Comprehensive Income.

### 3.4 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists,

the Bureau estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses are recognised in the Statement of Profit or Loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Bureau estimates the asset's or cash-generating unit's recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable

amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

### 3.5 Statement of cash flows

The Statement Cash Flow has been prepared using the "indirect method" in accordance with Sri Lanka Accounting Standard LKAS 7 – "Statement of Cash Flows". Cash and cash equivalent

Comprise cash in hand, cash at bank and short-term investments that are readily convertible to known amount of cash and subject to an insignificant risk of change in value.

Interest received and dividends received are classified as investing cash flows, while dividend paid is classified as financing cash flow and interest paid is classified under the operating cash flows for the purpose of presentation of Statement of Cash Flows.

Cash and cash equivalent includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

### 3.6 Sri Lanka Accounting Standards (SLFRSs/ LKASs) Issued But Not Yet Effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Group has not early adopted them in preparing these consolidated financial statements.

### 3.7 Financial Instruments

#### 3.7.1 Financial Assets and Financial Liabilities

##### (a) Initial Recognition and Measurement

The Bureau recognizes a financial asset or a financial liability in its statement of financial position when the entity becomes party to the contractual provisions of the instrument.

Bureau initially measures its financial assets at fair value. In case of a financial asset not

at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset, are added to the cost of financial asset.

Bureau initially measures its financial liabilities at fair value. In case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liabilities, are deducted from carrying value.

Trade receivables are initially measured at transaction price as stated in SLFRS 15.

#### (b) Classification of Financial Assets

(i) Financial assets are classified as subsequently measured at amortised cost, Fair Value through other comprehensive income or fair value through profit or loss based on

- The company's business model for managing the financial assets and
- The contractual cash flow characteristics of the financial assets

(ii) Financial Assets measured at Amortized cost

A Financial asset is measured at amortised cost if both the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

(iii) Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through OCI if both of the following conditions are met.

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- The contractual terms of the financial



asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

- (iv) Financial assets measured at fair value through profit or loss

A financial asset is measured at Fair value through profit or loss unless it is measured at amortized cost or fair value through OCI in accordance with paragraph (ii) and (iii) above.

### **(c) Classification of Financial liabilities**

Financial liabilities are subsequently measured at amortized cost, except for,

- Financial liabilities at fair value through profit or loss.
- Commitments to provide a loan at a below-market interest rate.

### **3.7.1 Financial Assets and Financial Liabilities**

#### **(d) Reclassification**

- (i) Financial assets are reclassified when and only when the company changes its business model for managing financial assets.

If the company reclassifies financial assets, Such reclassification is applied prospectively from the reclassification date and previously recognized gains, losses (including impairment gains or losses) are not restated.

- (ii) Financial liabilities are not reclassified

#### **(e) Amortised cost Measurement**

Interest revenue is calculated by using the effective interest method by applying effective interest rate to the gross carrying value of financial assets

#### **(f) Impairment**

The company recognizes a loss allowances for expected credit losses on a financial asset.

Where on the reporting date the credit risk on the financial instrument has increased significantly since initial recognitions, loss

allowances at an amount equal to the lifetime expected credit losses is made.

Where on the reporting date the credit risk on the financial instrument has not increased significantly since initial recognitions, loss allowances is measured for that financial instrument at an amount equivalent to 12 month expected credit losses.

### **(g) Derecognition of Financial Assets**

The company derecognises a financial assets when:

- The contractual rights to the cash flows from the financial asset expire, or
- It transfers the financial asset and the transfer qualifies for derecognition.

### **(h) Derecognition of Financial Liabilities**

A financial liability is removed (or a part of a financial liability) from its statement the financial position when, and only when, it is extinguished—ie when the obligation specified in the contract is discharged or cancelled or expires.

## **3.8 Property, Plant and Equipment**

### **3.8.1 Recognition and Measurement**

Property, plant and equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be reliably measured.

All items of property, plant and equipment are initially recorded at cost. Where items of property, plant and equipment are subsequently revalued, the entire class of such assets is revalued at fair value.

The Group applies cost model to property, plant and equipment and records at cost of purchase or construction together with any incidental expenses thereon less accumulated depreciation and any accumulated impairment losses. The carrying values of property plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

When an asset's carrying amount is increased as a result of a revaluation, the increase

shall be recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

When an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

The revaluation surplus included in equity in respect of an item of property, plant and equipment may be transferred directly to retained earnings when the asset is de-recognised.

### **3.8.2 Freehold Assets**

The cost of an item of property, plant and equipment comprise of its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. The cost of Self-constructed assets includes the cost of materials, direct labour, and any other costs directly attributable to bringing the asset to the working condition for its intended use. This also includes cost of dismantling and removing the items and restoring in the site on which they are located and borrowing costs on qualifying assets.

Property, plant and equipment transferred from customers are initially measured at fair value at the date on which control is obtained.

Purchased software that is integrated to the functionality of the related equipment is capitalised as part of equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted as separate items (major component) of property, plant and equipment.

### **i. Leasehold Assets**

Leases in terms of which the Group assumes substantially all the risk and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured and capitalized at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

### **ii. Subsequent Costs**

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied. Within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day to day servicing of property, plant and equipment are recognized in profit or loss as incurred.

### **iii. De-recognition**

The carrying amount of an item of property, plant and equipment is de-recognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on de-recognition are recognized in profit or loss.

### **iv. Depreciation**

Depreciation is recognized in profit or loss on the straight-line basis over the estimated useful lives of each part of item of Property, Plant and Equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Depreciation of an asset begins when it is available for use where as depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal Group that is classified as held for sale) and the date that the asset is derecognised. Depreciation is not charged on Freehold Land and Capital Work in Progress.

<b>Asset Category</b>	<b>Useful Lives(years)</b>
Freehold Building, Prefabricated Houses, Structures	30-50
Office Equipment and Furniture and Fittings	5-8
Construction Instruments and Equipment	4-5
Motor Vehicles	4-10
Plant & Machinery	5
Containers	5
Computers	5
Library Books	8

The estimated useful lives are as follows:  
The residual value and the useful life of an asset shall be reviewed at least at each financial year end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with LKAS 08 Accounting Policies, Changes in Accounting Estimates and Errors.

### **3.8.7 Capital Work in Progress**

Capital expenses incurred during the year which are not completed as at the reporting date are shown as Capital Work-in-Progress, whilst the capital assets which have been completed during the year and available to use have been transferred to Property, Plant and Equipment.

### **3.9 Leasehold Property**

Prepaid lease rentals paid to acquire land use rights are amortised over the lease term in accordance with the pattern of benefits provided. Leasehold property comprising of land use rights and stated at valuation, are amortised on a straight line basis over the remaining lease term. The impairment loss if any is recognised in the Statement of Profit or Loss.

### **3.10 Intangible Assets**

An intangible asset is an identifiable non monetary asset without physical substance held for use in the production or supply of

goods or other services, rental to others or for administrative purposes. An intangible asset is initially recognised at cost, if it is probable that future economic benefit will flow to the enterprise, and the cost of the asset can be measured reliably. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

#### **(i) Computer software**

Computer software costs incurred, licensed for use by the Group, which are not integrally related to associated hardware, which can be clearly identified, reliably measured and it's probable that they will lead to future economic benefits, are included in the Statement of Financial Position under the category intangible assets and carried at cost less accumulated amortisation and any ac Amortisation

#### **(ii) Amortisation**

Intangible assets with finite lives are amortised over the estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets are amortised on a straight line basis in the Income Statement from the date on which the asset was available for use, over the best estimate of its useful life. The estimated useful life of software is 5 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. cumulated impairment losses.

Amortisation shall cease at the earlier of the date that the asset is classified as held for sale or the date that asset is de-recognised.

#### **(iii) De-recognition**

An intangible asset is de-recognised on disposal or when no future economic benefits are expected from its use and subsequent disposal.

### **3.11 Inventories**

Inventories are valued at lower of cost and net realizable value. Cost is determined on the weighted average cost basis and

includes expenses incurred in acquiring the inventories and bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the normal course of business less estimated cost of realization and/or cost of conversion from their existing state to saleable condition. The Company follows the first in first out (FIFO) cost formula to issue and measure the inventories other than agricultural produce.

Inventory movement is reviewed at the end of the Reporting Period by an expert to assess the recoverability of inventory and the items that are identified as irrecoverable are written off during the year.

The cost incurred in bringing agricultural produce to its present location and condition is accounted as follows:

#### **Broiler meat**

Broiler meat is valued at prime cost together with an appropriate proportion of overheads on weighted average basis, after making due allowance for weight losses

#### **Poultry feed, drugs and sundry inventories**

Poultry feed, drugs and sundry inventories are valued at actual cost on weighted average basis after making due allowance for obsolete and slow-moving items.

#### **3.11.1 Trading inventories**

Trading Inventories which include retail items for sale are valued at actual cost on weighted average basis.

#### **3.11.2 Sundry stocks**

Sundry stocks consist with packing materials and ingredients which are used for the production process. Stocks are valued at actual cost on weighted average basis after making due allowance for obsolete and slow-moving items.

### **3.12 Biological assets & agricultural produce**

#### **3.12.1 Bearer Biological Plant**

The cost of land preparation, rehabilitation, new planting, replanting, crop diversification,

inter-planting and fertilizing etc, incurred between the time of planting and harvesting (When the planted area attains maturity) are classified as immature plantations. These immature plantations are shown at direct costs plus attributable overheads, including interest (borrowing cost) attributable to long-term loans used for financing immature plantations. The expenditure incurred on bearer biological assets (Sugar cane roots, Passion fruit tree, Papaya tree, Mango tree, Sandriana tree & Coconut fields), which come into bearing during the year, has been transferred to mature bearer biological assets and depreciated over their useful life in accordance with the LKAS 16 – Property, Plant and Equipment.

#### **3.12.2. Immature and Mature Plantations**

The cost of replanting and new planting are classified as immature plantations up to the time of harvesting the crop. Further, the general charges incurred on the plantation can be apportioned based on the labour days spent on respective replanting and new planting and capitalized on the immature areas. The remaining portion of the general charges is expensed in the accounting period in which it is incurred. The cost of areas coming into bearing is transferred to mature plantations at end of the financial year.

#### **3.12.3 Infilling Costs**

The land development costs incurred in the form of infilling have been capitalized to the relevant mature field, only if it increases the expected future benefits from that field, beyond its pre-infilling standard of performance assessment. Infilling costs so capitalized are depreciated over the newly assessed remaining useful life of the relevant mature plantation or the unexpired lease period, whichever is lower.

Infilling cost that are not capitalized have been charged to the statement of Profit or loss for the year in which they are incurred.

#### **3.12.4 Growing Crop Nurseries**

Nursery cost includes the cost of direct materials, direct labour and an appropriate

proportion of directly attributable overheads.

### 3.12.5 Depreciation

Depreciation commences when the bearer biological plants are considered mature, which is when they produce their first commercially viable crop. Depreciation is as follows;

Description	Useful Lifetime
Sugar cane roots	05 year
Passion fruit	05 year
Coconut	20 year
Mango	20 year
Sandriana	05 year

### 3.12.6 Non-harvested Produce crop on Bearer Biological Plant

The Company recognizes its agricultural produce prior to harvest separately from its bearer plant. It is measured at fair value less costs to sell. Changes in the fair value of such agricultural produce are recognized in profit or loss at the end of each reporting period.

### 3.12.7 Bearer Animal

Bearer animals are those other than consumable animals. Bearer animals are not agricultural produce but, rather, are self-regenerating. The Company has identified Parent birds as bearer biological animals. Bearer animals are measured at fair value less costs to sell. The fair value of parent birds is determined using discounted cash flows model (specify any other method used) based on the internal rate of return, mortality rates of the parent birds, egg production rates, hatchability rates of eggs, estimated market selling price of day-old-chick and other estimated farming cost that will be incurred throughout the remaining life of the parent birds.

### 3.12.8 Consumable biological assets

Consumable biological assets are those that are to be harvested as agricultural produce or sold as biological assets. Vegetable plants, Broiler birds and hatching eggs have been identified as consumable biological assets.

Consumable biological assets are measured at fair value less costs to sell. In management's

opinion, cost is approximated as fair value of the broiler birds and hatching eggs mainly due to the associated short life cycle of those assets and the fact that a significant value addition on broiler birds arises from the manufacturing process and no or only little biological change was observed for hatching eggs as at the year end. Accordingly, the cost of consumable biological assets approximates its fair value.

### 3.12.9 Joint Operation

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The consolidated entity has recognized its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

Biological assets consist of perennial and annual crops relating to Agri Engineering Business which are measured at fair value less cost to sell, with any change therein recognized in profit or loss. In the instances where fair value cannot be measured reliably biological assets are carried at cost less accumulated amortization.

Gain or loss arising in initial recognition of biological assets at fair value less cost to sell and from a change in fair value is included in profit or loss for the period in which it arises.

### 3.13 Work in Progress

Work in Progress represent the cost incurred in respect of unbilled work done as at the end of the year. It is measured at the amount of expenditure incurred from the last date of billing (or Valuation) upto the end of the financial year. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

### 3.14 Trade receivables

Trade receivables are amounts due from customers for goods sold or services provided



in the ordinary course of business.

Most sales are made on the basis of normal credit terms, and the trade receivables do not bear interest. Where credit is extended beyond normal credit terms, trade receivables are measured at amortized cost using the effective interest rate method. Other receivables that are not financial assets measured at the cost.

At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, impairment loss is recognized immediately in the statement of comprehensive income.

The Company assesses at the reporting date whether there is objective evidence that trade receivables have been impaired. Impairment loss is calculated based on a review of the current status of existing receivables and historical collections experience. Such provisions are adjusted periodically to reflect the actual and anticipated impairment.

### **3.15 Employee benefits**

#### **(a) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which contributions are made in to a separate fund and the entity will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plan are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

#### **Defined Contribution Plans - Employees Provident Fund and Employees Trust Fund**

All employees who are eligible for Employees Provident Fund contribution and Employees Trust Fund contribution are covered by relevant contribution funds in line with respective statutes and regulations. The Group contributes 12 % and 3% of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively

#### **(a) Defined Benefit Plan - Gratuity**

The liability recognized in the Statement of Financial Position in respect of defined benefit plan is the present value of defined benefit obligation at the reporting date. The defined benefit obligation is calculated annually by independent actuaries using Projected Unit Credit (PUC) method as recommended by LKAS 19 - 'Employee

Benefits. Actuarial gains and losses for the defined benefit plans are recognized in full in the period in which they occur in Other Comprehensive Income.

The Group expects to carry out actuarial valuation atleast once in every three years. The gratuity liability is valued using the Projected Unit Credit (PUC) method considering the assumptions required to arrive at the present value of defined benefit obligation.

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.

### **3.16 Provisions**

Provisions are recognized if, as a result of a past event the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions and liabilities are recognized in the Statement of Financial Position. Provisions are determined by discounting expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risk specific to the liability. Unwinding of discount is recognized as finance cost.

#### **Capital commitments and contingencies**

Capital commitments and contingent liabilities of group are disclosed in respective note 30 to the Financial Statements.

### **3.17 Statement of Profit or Loss and Other Comprehensive Income**

#### **3.17.1 Revenue**

##### **(a) Construction Revenue**

Construction revenue is recognized in the

statement of profit or loss in proportion to the stage of completion of the contract (based on input method) in accordance with SLFRS 15-Revenue from contracts with customers.

Under input method, revenue is recognized on the basis of the group's input to the satisfaction of performance obligation relative to the total expected inputs (Estimated Cost) to the satisfaction of that performance obligation.

For projects pending STC approval, the contract revenue is recognized only to the extent of 90% of initial amount of revenue agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they

will result in revenue and can be measured reliably. Contract revenue is revised to the STC approved contract revenue approval once is received from STC. For other contracts the contract price includes initial amount agreed in the contract plus any variations in the contract work.

#### **a) Consultancy Services**

Revenue from consultancy services is recognized according to nature, scope, value and duration of the consultancy contracts in the following manner.

##### **■ Stage of Completion Method**

Revenue from consultancy services is recognized in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed with reference to survey of work performed.

##### **■ Invoice Method**

Revenue from consultancy services for which stage of completion of a contract cannot be reliably determined is recognized by invoice Method.

##### **■ Collection Method**

Revenue from "Maintenance Requests" projects is recognized on Cash Collection Method

#### **3.17.2 Interest Income**

For all financial instruments measured at amortised cost and interest bearing financial

assets classified as available for sale, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the Statement of Comprehensive Income.

#### **3.17.3 Dividend Income**

Dividend income is accounted when the shareholders' right to receive payment is established.

#### **3.17.4 Other Income**

Profits or losses from disposal of property, plant and equipments recognized having deducted from proceeds on disposal, the carrying value of the assets and the related expenses.

Foreign currency gains and losses are reported on a net basis.

#### **3.17.5 Expenditure Recognition**

##### **(a) Construction and consultancy Cost**

Contract expenses are recognised as incurred unless they create an asset related to future Contract activity. Expected losses are recognized as an expense when it is probable that the total cost pertaining to construction contracts will exceed its revenue.

##### **(b) Other Expenses**

All expenditure incurred in the running of the business and in maintaining the Property, Plant and Equipment in a state of efficiency has been charged to revenue in arriving at the profit for the year.

#### **3.17.6 Taxation**

##### **(a) Current Taxes**

Current Income tax liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the Commissioner General of Inland Revenue. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

The provision for income tax is based on the elements of income and expenditures reported in the Financial Statements and computed with in accordance with the provisions of the Inland Revenue Act.

The relevant details are disclosed in the respective notes to the Financial Statements.

### **(b) Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

### **3.18 Right of use assets**

The Company is recognized right of use assets when the underlying asset is available for use. Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful

life or the lease term. Right of use assets are subject to impairment.

#### **3.18.1 Lease liabilities**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

## **4. ORDINARY SHARE CAPITAL**

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity net of any tax effects.

## **5. GOING CONCERN**

The Management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the Financial Statements continue to be prepared on a going concern basis.

## **6. RELATED PARTY TRANSACTIONS**

Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies/decisions of the other, irrespective of whether a price is being charged. The relevant details are disclosed in the Note 29 to the Financial Statements.

## **7. CASH FLOW STATEMENT**

The Cash Flow Statement has been prepared using the indirect method in accordance with Sri Lanka Accounting Standard LKAS 7 – Statement of Cash Flows.

## **8. EVENTS OCCURRING AFTER THE REPORTING PERIOD**

Events after the reporting period are those events favorable and unfavorable that occurs between the end of the reporting period and the date when the Financial Statements are authorized for issue.

The materiality of the events occurring after the reporting period is considered and appropriate adjustments to or disclosures are made in the Financial Statements, where necessary.

# FINANCIAL STATEMENTS

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER	Note	GROUP		CECB	
		2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
<b>Revenue</b>	<b>9</b>	<b>12,330,515,017</b>	9,890,496,483	<b>8,933,921,313</b>	5,503,254,616
Cost of Sales	<b>10</b>	<b>(10,570,751,795)</b>	(9,041,339,729)	<b>(8,330,420,386)</b>	(5,279,523,650)
<b>Gross Profit</b>		<b>1,759,763,222</b>	849,156,754	<b>603,500,927</b>	223,730,966
Other Income	<b>11</b>	<b>150,536,834</b>	112,617,905	<b>183,450,324</b>	209,100,877
Administration Expenses		<b>(1,492,948,950)</b>	(1,475,078,166)	<b>(562,154,068)</b>	(577,795,010)
Selling and Distribution Expenses		<b>(58,563,559)</b>	(15,566,671)	<b>(56,571,033)</b>	(606,845)
<b>Results from Operating Activities</b>		<b>358,787,547</b>	(528,870,178)	<b>168,226,150</b>	(145,570,011)
Finance Income		<b>924,480,893</b>	1,598,124,215	<b>443,189,620</b>	896,766,120
Finance Cost		<b>(11,672,644)</b>	(19,009,910)	<b>(3,911,517)</b>	(3,650,202)
<b>Net Finance Income</b>	<b>12</b>	<b>912,808,249</b>	1,579,114,305	<b>439,278,103</b>	893,115,918
<b>Profit Before Tax</b>		<b>1,271,595,796</b>	1,050,244,127	<b>607,504,253</b>	747,545,907
Income Tax Expense	<b>14</b>	<b>(236,140,443)</b>	(351,112,951)	<b>(97,170,702)</b>	(232,682,618)
<b>Profit/(Loss) for the Year</b>		<b>1,035,455,353</b>	699,131,176	<b>510,333,551</b>	514,863,289
<b>Other Comprehensive Income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Remeasurement of Defined Benefit Liability	<b>24</b>	<b>(32,958,627)</b>	(136,607,436)	<b>(27,472,352)</b>	(121,778,932)
Revaluation of Non Current Assets	<b>28</b>	-	-	-	-
Related Tax	<b>25</b>	-	(15,498,549)	-	(15,498,549)
Net Exchange Differences on Translation of Foreign Operation		<b>1,205,016</b>	-	-	-
<b>Other Comprehensive Income for the Year, Net of Tax</b>		<b>(31,753,611)</b>	(152,105,985)	<b>(27,472,352)</b>	(137,277,481)
<b>Total Comprehensive Income for the Year, Net of Tax</b>		<b>1,003,701,742</b>	547,025,191	<b>482,861,199</b>	377,585,808

Figures in brackets indicates deductions.

The Notes to the Financial Statements set out on pages 5 to 37 form an integral part of these Financial Statements.



## STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER 2024		GROUP		CECB	
		2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
<b>Assets</b>	<b>Note</b>				
<b>Non-Current Assets</b>					
Property, Plant and Equipment	15	3,127,869,181	3,229,655,305	2,690,040,579	2,778,447,375
Biological Assets	15A	27,867,390	20,283,662	-	-
Right-of-use Assets	16	63,219,684	66,481,983	50,614,634	53,362,757
Intangible Assets	17	3,112,933	4,298,802	3,112,933	4,298,802
Investments	18	374,271,053	707,732,402	232,676,606	572,409,484
Deferred Tax	25	21,915,191	-	10,130,222	-
Amount Due from Related Parties	21	-	-	1,569,400,938	1,545,964,905
<b>Total Non-Current Assets</b>		<b>3,618,255,432</b>	<b>4,028,452,154</b>	<b>4,555,975,912</b>	<b>4,954,483,324</b>
<b>Current Assets</b>					
Inventories	19	873,069,114	834,134,941	7,320,677	25,200,147
Work in progress	19	133,953,904	116,073,806	-	-
Trade and Other Receivables	20	9,624,331,944	8,999,583,397	8,307,816,496	8,780,923,851
Short term Investments	18	8,912,058,934	7,458,978,011	4,181,882,587	3,495,296,737
Cash and Cash Equivalents	22	1,707,522,993	2,810,811,208	309,280,061	571,683,245
<b>Total Current Assets</b>		<b>21,250,936,889</b>	<b>20,219,581,362</b>	<b>12,806,299,821</b>	<b>12,873,103,980</b>
<b>Total Assets</b>		<b>24,869,192,321</b>	<b>24,248,033,519</b>	<b>17,362,275,733</b>	<b>17,827,587,307</b>
<b>Equity and Liabilities</b>					
Contributed Capital		500,000	500,000	500,000	500,000
Capital Reserve	28	197,939,233	197,939,233	197,939,233	197,939,233
Revaluation Reserve		666,888,864	666,888,864	516,618,300	516,618,300
Retained Earnings		8,482,227,716	7,478,525,975	6,753,924,257	6,271,063,057
<b>Total Equity</b>		<b>9,347,555,813</b>	<b>8,343,854,072</b>	<b>7,468,981,790</b>	<b>6,986,120,590</b>
<b>Non-Current Liabilities</b>					
Lease Creditors	23	1,734,463	2,980,115	1,734,463	2,980,115
Employee Benefit Liabilities	24	366,493,715	309,402,590	312,717,955	267,510,804
Deferred Tax	25	-	55,536,475	-	22,919,800
<b>Total Non-Current Liabilities</b>		<b>368,228,178</b>	<b>367,919,179</b>	<b>314,452,418</b>	<b>293,410,719</b>
<b>Current Liabilities</b>					
Trade and Other Payables	26	14,399,262,560	14,766,312,372	8,962,638,405	9,823,370,664
Income Tax Payables	27	753,884,496	769,575,620	615,941,846	724,313,059
Lease Creditors	23	261,274	372,276	261,274	372,276
<b>Total Current Liabilities</b>		<b>15,153,408,330</b>	<b>15,536,260,268</b>	<b>9,578,841,525</b>	<b>10,548,055,999</b>
<b>Total Liabilities</b>		<b>15,521,636,508</b>	<b>15,904,179,448</b>	<b>9,893,293,943</b>	<b>10,841,466,718</b>
<b>Total Equity and Liabilities</b>		<b>24,869,192,321</b>	<b>24,248,033,519</b>	<b>17,362,275,733</b>	<b>17,827,587,307</b>

Figures in brackets indicates deductions.

The Notes to the Financial Statements set out on pages 5 to 37 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 (LKAS s and SLFRS s) issued by the Institute of Chartered Accountants of Sri Lanka.


  
G.V.A.R.M. De Silva  
**A/DEPUTY GENERAL MANAGER (FINANCE)**

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

  
Eng A.P. Jayathissa  
**CHAIRMAN**

27th February 2025  
Colombo

  
Eng. S.A.U.D.C. Siriwardhana  
**GENERAL MANAGER**

  
Eng A.M.D.B. Atapattu  
**DIRECTOR**

## STATEMENT OF CHANGES IN EQUITY - CECB

### FOR THE YEAR ENDED 31ST DECEMBER 2024

	CECB				Total Rs.
	Contributed Capital Rs.	Capital Reserve Rs.	Revaluation Reserve Rs.	Retained Earnings Rs.	
<b>Balance as at 01st January 2023</b>	<b>500,000</b>	<b>92,439,233</b>	<b>516,618,300</b>	<b>5,896,505,522</b>	<b>6,506,063,054</b>
Net Profit For the Year	-	-	-	514,863,289	514,863,289
Correction between revaluation reserves and retained earnings	-	-	-	(137,277,481)	(137,277,481)
Prior Year Adjustment Note 1	-	105,500,000	-	(3,028,274)	102,471,726
<b>Balance as at 31st December 2023</b>	<b>500,000</b>	<b>197,939,233</b>	<b>516,618,300</b>	<b>6,271,063,056</b>	<b>6,986,120,589</b>
<b>Balance as at 01st January 2024</b>	<b>500,000</b>	<b>197,939,233</b>	<b>516,618,300</b>	<b>6,271,063,056</b>	<b>6,986,120,589</b>
Net Profit For the Year	-	-	-	510,333,552	510,333,552
Other Comprehensive Income for the year, net of tax	-	-	-	(27,472,352)	(27,472,352)
<b>Balance as at 31st December 2024</b>	<b>500,000</b>	<b>197,939,233</b>	<b>516,618,300</b>	<b>6,753,924,256</b>	<b>7,468,981,789</b>

	GROUP				Total Rs.
	Contributed Capital Rs.	Capital Reserve Rs.	Revaluation Reserve Rs.	Retained Earnings Rs.	
<b>Balance as at 01st January 2023</b>	<b>500,000</b>	<b>92,439,233</b>	<b>711,168,864</b>	<b>6,918,150,698</b>	<b>7,722,258,795</b>
Net Profit For the Year	-	-	-	699,131,178	699,131,178
Other Comprehensive Income for the year, net of tax	-	-	-	(152,105,985)	(152,105,985)
Prior Year Adjustment Note 1	-	105,500,000	-	(3,028,274)	102,471,726
Prior Year Adjustment Note 2	-	-	-	(27,901,643)	(27,901,643)
Prior Year Adjustment Note 3	-	-	(44,280,000)	44,280,000	-
<b>Balance as at 31st December 2023</b>	<b>500,000</b>	<b>197,939,233</b>	<b>666,888,864</b>	<b>7,478,525,975</b>	<b>8,343,854,072</b>
<b>Balance as at 01st January 2024</b>	<b>500,000</b>	<b>197,939,233</b>	<b>666,888,864</b>	<b>7,478,525,975</b>	<b>8,343,854,072</b>
Net Profit For the Year	-	-	-	1,035,455,353	1,035,455,353
Other Comprehensive Income for the year, net of tax	-	-	-	(31,753,611)	(31,753,611)
<b>Balance as at 31st December 2024</b>	<b>500,000</b>	<b>197,939,233</b>	<b>666,888,864</b>	<b>8,482,227,716</b>	<b>9,347,555,814</b>

## STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST DECEMBER 2024

### Cash Flows from Operating Activities

Profit Before Tax

#### Adjustments for:

Depreciation on Property, Plant and Equipments

Amortisation of Leased Hold Property

Amortisation of Intangible Assets

Depreciation on Biological Assets

Provision for Bad and Doubtful Debts

Reversal of Bad and Doubtful Debts

Provision / (Reversal) for Gratuity

Net Finance Income

(Profit) / Loss on disposal of Property, Plant and Equipments

Exchange Gain/(Loss)

### Operating Profit before Working Capital Changes

(Increase)/Decrease in Inventories

(Increase)/Decrease in Work In Progress

(Increase)/Decrease in Trade and Other

Receivables

(Increase)/Decrease in Amounts Due from Related Companies

Increase/(Decrease) in Trade and Other Payables

### Cash Generated from Operating Activities

Interest paid

Tax paid

Gratuity paid

### Net Cash Flows from Operating Activities

### Cash Flows from Investing Activities

Investment in Property Plant and Equipment

Acquisition of Biological Assets

Investment in Capital Work in Progress

Investment in Leased Hold Property

Sales Proceed on Disposal of Property Plant and Equipment

Investment / Disposal of Long Term Deposit

Investment / Disposal of Short Term Deposit

Interest Income

Discount received of Investment on long term treasury bond

### Net Cash Flows from Investing Activities

### Cash Flows from Financing Activities

Payment of Finance Lease Liabilities

### Net Cash from Financing Activities

Net Increase/(Decrease) in Cash and Cash Equivalents

Cash and Cash Equivalent at the beginning

### Cash and Cash Equivalent at the end (Note 22)

	GROUP		CECB	
	2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
Profit Before Tax	1,271,595,796	1,050,244,127	607,504,253	747,545,907
<b>Adjustments for:</b>				
Depreciation on Property, Plant and Equipments	208,945,749	305,082,146	87,062,093	164,213,346
Amortisation of Leased Hold Property	2,503,534	2,730,989	1,989,358	2,216,813
Amortisation of Intangible Assets	1,185,868	2,339,173	1,185,868	2,339,173
Depreciation on Biological Assets	10,294,296	-	-	-
Provision for Bad and Doubtful Debts	-	236,489	-	236,489
Reversal of Bad and Doubtful Debts	(36,066,461)	(69,256,678)	(36,066,461)	(69,256,678)
Provision / (Reversal) for Gratuity	69,059,990	45,031,075	56,001,023	36,115,039
Net Finance Income	(912,808,249)	(1,579,114,305)	(439,278,103)	(893,115,918)
(Profit) / Loss on disposal of Property, Plant and Equipments	1,795,703	33,895,979	4,540,221	-
Exchange Gain/(Loss)	1,205,016	-	-	-
<b>Operating Profit before Working Capital Changes</b>	<b>617,711,242</b>	<b>(208,811,005)</b>	<b>282,938,253</b>	<b>(9,705,830)</b>
(Increase)/Decrease in Inventories	(38,934,172)	169,001,708	17,879,471	(3,627,027)
(Increase)/Decrease in Work In Progress	(17,880,098)	(51,398,284)	-	-
(Increase)/Decrease in Trade and Other Receivables	(588,682,086)	2,030,080,424	509,173,816	733,782,270
(Increase)/Decrease in Amounts Due from Related Companies	-	-	(23,436,033)	(7,898,230)
Increase/(Decrease) in Trade and Other Payables	(367,049,811)	968,026,982	(860,732,259)	(247,123,529)
<b>Cash Generated from Operating Activities</b>	<b>(394,834,928)</b>	<b>2,906,899,828</b>	<b>(74,176,752)</b>	<b>465,427,653</b>
Interest paid	(11,672,644)	(19,009,910)	(3,911,517)	(3,650,202)
Tax paid	(329,283,233)	(370,401,054)	(238,591,936)	(264,170,758)
Gratuity paid	(44,927,492)	(42,025,355)	(38,266,224)	(32,036,117)
<b>Net Cash Flows from Operating Activities</b>	<b>(780,718,296)</b>	<b>2,475,463,510</b>	<b>(354,946,429)</b>	<b>165,570,576</b>
<b>Cash Flows from Investing Activities</b>				
Investment in Property Plant and Equipment	(91,229,279)	(48,679,274)	(2,287,022)	(619,791)
Acquisition of Biological Assets	(17,878,023)			
Investment in Capital Work in Progress	(38,364,777)	(20,456,854)	-	-
Investment in Leased Hold Property	758,765		758,765	-
Sales Proceed on Disposal of Property Plant and Equipment	20,638,730	6,006,693	(908,491)	
Investment / Disposal of Long Term Deposit	333,461,349	(411,536,254)	339,732,878	(266,213,316)
Investment / Disposal of Short Term Deposit	(1,453,080,923)	(1,704,536,402)	(686,585,850)	(487,039,894)
Interest Income	924,480,893	1,598,124,215	443,189,620	896,766,120
Discount received of Investment on long term treasury bond	-	(11,907,048)	-	(11,907,048)
<b>Net Cash Flows from Investing Activities</b>	<b>(321,213,264)</b>	<b>(592,984,924)</b>	<b>93,899,899</b>	<b>130,986,071</b>
<b>Cash Flows from Financing Activities</b>				
Payment of Finance Lease Liabilities	(1,356,654)	155,271	(1,356,654)	155,271
<b>Net Cash from Financing Activities</b>	<b>(1,356,654)</b>	<b>155,271</b>	<b>(1,356,654)</b>	<b>155,271</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,103,288,215)	1,882,633,857	(262,403,184)	296,711,920
Cash and Cash Equivalent at the beginning	2,810,811,208	928,177,351	571,683,245	274,971,325
<b>Cash and Cash Equivalent at the end (Note 22)</b>	<b>1,707,522,993</b>	<b>2,810,811,208</b>	<b>309,280,061</b>	<b>571,683,245</b>

Figures in brackets indicates deductions.

The Notes to the Financial Statements set out on pages 32 to 41 form an integral part of these Financial Statements.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2024

	GROUP		CECB	
	2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
<b>9 Revenue</b>				
Construction Revenue	10,565,400,993	8,407,458,589	7,156,875,780	4,008,968,630
Consultancy Revenue	1,765,114,025	1,483,037,894	1,777,045,533	1,494,285,985
	<b>12,330,515,017</b>	<b>9,890,496,483</b>	<b>8,933,921,313</b>	<b>5,503,254,616</b>
<b>10 Cost of sales</b>				
Construction Cost	9,151,065,583	7,695,948,906	6,902,117,993	3,933,142,666
Consultancy Cost	1,419,686,213	1,345,390,824	1,428,302,393	1,346,380,984
	<b>10,570,751,795</b>	<b>9,041,339,730</b>	<b>8,330,420,386</b>	<b>5,279,523,650</b>
<b>11 Other Income</b>				
Miscellaneous Revenue	63,282,389	65,339,773	57,949,631	57,187,128
Hiring Income	18,460,608	29,336,429	61,216,172	55,038,500
Gain on Disposal of property plant & equipment	2,744,518	(33,895,979)	-	-
Reimbursable costs	-	-	28,218,060	27,618,571
Bad Debt Provision Reversal	36,066,461	69,256,678	36,066,461	69,256,678
Loss on Asphalt/Crusher Plant	(2,661,902)	(18,959,901)	-	-
Commission Income	32,644,759	1,540,908	-	-
	<b>150,536,834</b>	<b>112,617,905</b>	<b>183,450,324</b>	<b>209,100,877</b>
<b>12 Net Finance Income</b>				
<b>Finance Income</b>				
Interest Income	941,751,875	1,617,198,965	460,460,602	915,840,870
Foreign exchange gain/(loss)	(17,270,982)	(19,074,750)	(17,270,982)	(19,074,750)
	<b>924,480,893</b>	<b>1,598,124,215</b>	<b>443,189,620</b>	<b>896,766,120</b>
<b>13 Finance Cost</b>				
Interest Expenses	(11,672,644)	(19,009,910)	(3,911,517)	(3,650,202)
<b>Finance Cost</b>	<b>(11,672,644)</b>	<b>(19,009,910)</b>	<b>(3,911,517)</b>	<b>(3,650,202)</b>
<b>Net Finance Income</b>	<b>912,808,249</b>	<b>1,579,114,305</b>	<b>439,278,103</b>	<b>893,115,918</b>
<b>14 Income Tax</b>				
<b>14.1 Current Tax Expense</b>	<b>420,120,447</b>	<b>386,321,731</b>	<b>203,029,298</b>	<b>265,748,558</b>
Deferred Tax Provision	(77,451,666)	(14,714,794)	(33,050,021)	(33,065,940)
Adjustment for Prior Years	(106,528,338)	(20,493,987)	(72,808,575)	-
	<b>236,140,443</b>	<b>351,112,951</b>	<b>97,170,702</b>	<b>232,682,618</b>
<b>14.2 Reconciliation of Accounting Profit to Taxable Profit</b>				
Income Tax Charge at				
Income Tax @ 24%	-	47,906,698	-	-
Income Tax @ 30%	420,120,447	313,886,006	203,029,298	265,748,558
Current Income Tax Expenses	<b>420,120,447</b>	<b>361,792,704</b>	<b>203,029,298</b>	<b>265,748,558</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 15 CECB PROPERTY PLANT AND EQUIPMENT

FOR THE YEAR ENDED 31ST DECEMBER 2024

CECB	Land Rs.	Buildings Rs.	Furniture & Fittings Rs.	Construction Instrument & Equipment Rs.	Office Equipment Rs.	Plant & Machinery Rs.	Containers Rs.	Computers Rs.	Motor Vehicles Rs.	Library Books Rs.	Capital Work In Progress Rs.	Total Rs.
<b>Cost</b>												
<b>Balance as at 01.01.2024</b>	<b>2,206,500,000</b>	<b>844,742,539</b>	<b>66,428,008</b>	<b>129,401,754</b>	<b>72,239,936</b>	<b>227,672,119</b>	<b>1,709,753</b>	<b>152,029,287</b>	<b>605,582,259</b>	<b>2,275,070</b>	<b>14,778,996</b>	<b>4,323,359,719</b>
Additions during the year	-	-	26,870	1,303,900	588,342	-	-	365,210	-	2,700	-	2,287,022
Disposals / Write off during the year	-	-	(8,181,529)	(49,416,607)	(19,219,521)	(15,171,880)	(1,407,435)	(20,760,935)	-	(93,112)	-	(114,251,020)
Transfer from Other Units	-	-	-	-	-	-	-	-	4,100,000	-	-	4,100,000
Transfer to Other Units	-	-	-	-	-	-	-	-	(4,100,000)	-	-	(4,100,000)
<b>Balance as at 31st December 2024</b>	<b>2,206,500,000</b>	<b>844,742,539</b>	<b>58,273,348</b>	<b>81,289,047</b>	<b>53,608,757</b>	<b>212,500,239</b>	<b>302,318</b>	<b>131,633,562</b>	<b>605,582,259</b>	<b>2,184,658</b>	<b>14,778,996</b>	<b>4,211,395,721</b>
<b>Accumulated Depreciation</b>												
<b>Balance as at 01.01.2024</b>	<b>-</b>	<b>719,392,646</b>	<b>56,926,969</b>	<b>122,413,791</b>	<b>65,059,073</b>	<b>214,364,266</b>	<b>1,709,752</b>	<b>138,047,056</b>	<b>225,090,667</b>	<b>1,908,160</b>	<b>-</b>	<b>1,544,912,381</b>
Charge for the year	-	3,264,213	2,744,059	2,523,432	2,207,327	9,514,314	-	5,786,553	60,952,980	69,213	-	87,062,093
Disposals during the year	-	-	(7,980,077)	(48,384,575)	(18,250,785)	(13,869,435)	(1,407,435)	(20,633,903)	-	(93,112)	-	(110,619,322)
Transfer from Other Units	-	-	-	-	-	-	-	-	2,848,000	-	-	2,848,000
Transfer to Other Units	-	-	-	-	-	-	-	-	(2,848,000)	-	-	(2,848,000)
<b>Balance as at 31st December 2024</b>	<b>-</b>	<b>722,656,859</b>	<b>51,690,952</b>	<b>76,552,648</b>	<b>49,015,615</b>	<b>210,009,145</b>	<b>302,317</b>	<b>123,199,707</b>	<b>286,043,647</b>	<b>1,884,261</b>	<b>-</b>	<b>1,521,355,153</b>
<b>Net Book Value</b>												
Balance as 31st December 2023	2,206,500,000	125,349,893	9,501,038	6,987,963	7,180,863	13,307,852	-	13,982,230	380,491,591	366,910	14,778,996	2,778,447,338
<b>Balance as at 31st December 2024</b>	<b>2,206,500,000</b>	<b>122,085,680</b>	<b>6,582,396</b>	<b>4,736,399</b>	<b>4,593,141</b>	<b>2,491,093</b>		<b>8,433,855</b>	<b>319,538,612</b>	<b>300,397</b>	<b>14,778,996</b>	<b>2,690,040,568</b>

\* Capital work in progress includes the cost of internally developed software & the improvement cost of leased hold land

The cost of fully depreciated assets which are still in use of the Bureau amounting to Rs. 419,921,179/- (Rs.417,588,196/- in 2023)

As at 31.12.2023

Fully depreciated

Depreciating

As at 31.12.2024

Fully depreciated

Depreciating

3,900,197	36,343,258	87,017,233	32,881,273	126,874,506	1,709,753	113,693,864	13,510,258	1,657,855	417,588,196
840,842,342	30,084,750	42,384,520	39,358,663	100,797,613	-	38,335,423	592,072,001	617,215	1,699,271,523
34,212,758	76,205,357	32,521,614	153,257,453	302,317	105,743,210	16,054,258	1,624,212	560,445	419,921,179
844,742,539	24,060,590	5,083,689	21,087,143	59,242,786	-	25,890,351	589,528,001	14,778,996	1,584,974,542



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 15 PROPERTY PLANT AND EQUIPMENT FOR THE YEAR ENDED 31ST DECEMBER 2024

Group	Land Rs.	Buildings Rs.	Furniture & Fittings Rs.	Construction & Instrument Equipment Rs.	Office Equipment Rs.	Plant & Machinery Rs.	Containers Rs.	Computers Rs.	Motor Vehicles Rs.	Library Books Rs.	Capital Work In Progress Rs.	Total Rs.
<b>Cost</b>												
<b>Balance as at 01.01.2024</b>	<b>2,214,915,147</b>	<b>942,942,833</b>	<b>107,410,382</b>	<b>773,452,471</b>	<b>132,605,079</b>	<b>621,329,242</b>	<b>56,672,629</b>	<b>239,173,881</b>	<b>754,895,426</b>	<b>2,954,063</b>	<b>79,490,221</b>	<b>5,925,841,374</b>
Additions during the year	33,635,000	19,051,280	3,853,032	13,827,439	7,149,949	4,537,713	-	9,142,807	-	32,058	38,364,777	129,594,055
Disposals during the year	-	-	(9,293,735)	(58,545,130)	(21,722,973)	(19,710,249)	(1,407,435)	(25,111,141)	-	(93,112)	(19,051,280)	(154,935,055)
<b>Balance as at 31st December 2024</b>	<b>2,248,550,147</b>	<b>961,994,113</b>	<b>101,969,679</b>	<b>728,734,779</b>	<b>118,032,055</b>	<b>606,156,706</b>	<b>55,265,194</b>	<b>223,205,548</b>	<b>754,895,426</b>	<b>2,893,010</b>	<b>98,803,718</b>	<b>5,900,500,374</b>
<b>Accumulated Depreciation</b>												
<b>Balance as at 01.01.2024</b>	-	<b>774,261,814</b>	<b>87,227,744</b>	<b>642,816,829</b>	<b>109,754,567</b>	<b>557,288,912</b>	<b>45,642,292</b>	<b>211,757,356</b>	<b>265,132,967</b>	<b>2,303,624</b>	-	<b>2,696,186,105</b>
Charge for the year	-	12,663,222	6,400,455	64,020,456	8,053,284	29,228,838	917,323	13,386,788	74,128,570	146,812		208,945,749
Disposals during the year	-	-	(9,250,343)	(57,813,533)	(20,609,767)	(18,341,630)	(1,407,435)	(24,984,827)	-	(93,112)	-	(132,500,647)
<b>Balance as at 31st December 2024</b>	-	<b>786,925,036</b>	<b>84,377,857</b>	<b>649,023,751</b>	<b>97,198,084</b>	<b>568,176,121</b>	<b>45,152,180</b>	<b>200,159,318</b>	<b>339,261,537</b>	<b>2,357,324</b>		<b>2,772,631,207</b>
<b>Net Book Value</b>												
Balance as 31st December 2023	2,214,915,147	168,681,020	20,182,637	130,635,642	22,850,511	64,040,330	11,030,337	27,416,525	489,762,459	650,440	79,490,221	3,229,655,270
<b>Balance as at 31st December 2024</b>	<b>2,248,550,147</b>	<b>175,069,077</b>	<b>17,591,822</b>	<b>79,711,028</b>	<b>20,833,970</b>	<b>37,980,585</b>	<b>10,113,014</b>	<b>23,046,230</b>	<b>415,633,889</b>	<b>535,686</b>	<b>98,803,718</b>	<b>3,127,869,167</b>

Capital work in progress includes the cost of internally developed software in the subsidiary (Central Engineering Services (Pvt) Ltd) .

	Group		CECB	
	As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
Internal Developed Software				
Balance at the beginning of the year	23,638,848	23,638,848	11,743,134	11,743,134
Cost incurred during the year	-	-	-	-
	<b>23,638,848</b>	<b>23,638,848</b>	<b>11,743,134</b>	<b>11,743,134</b>
Land/Building Construction				
Balance at the beginning of the year	55,851,373	35,394,519	3,035,862	3,035,861
Capitalized during the year	(19,051,280)			
Cost incurred during the year	38,364,777	20,456,854		
	75,164,870	55,851,373	3,035,862	3,035,862
	<b>98,803,718</b>	<b>79,490,221</b>	<b>14,778,996</b>	<b>14,778,995</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

As At 31ST DECEMBER 2024

### 15A Biological Assets

Group	Immature Plantation				Mature Plantation				As at 31.12.2024	As at 31.12.2023
	Coconut Rs.	Sugercane Rs.	Other Rs.	Total Rs.	Passion fruit Rs.	Sugercane Rs.	Others Rs.	Total Rs.		
<b>Balance as at 1st January</b>	111,300	1,322,386	384,754	1,818,440	445,463	-	-	445,463	2,263,903	-
Additions during the year	2,742,815	2,543,283	3,242,354	8,528,451	-	-	-	-	8,528,451	2,313,399
Transfer (to)/ from	-	3,865,669	1,099,206	4,964,875	1,099,206	3,865,669	-	4,964,875	-	-
Transfer (to) Statement of Comprehensive Income	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31st December</b>	<b>2,854,115</b>	<b>-</b>	<b>2,527,902</b>	<b>5,382,016</b>	<b>1,544,669</b>	<b>3,865,669</b>	<b>-</b>	<b>5,410,338</b>	<b>10,792,354</b>	<b>2,313,399</b>
<b>Depreciation</b>										
<b>Balance as at 1st January</b>	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	308,934	773,134	-	1,082,068	1,082,068	49,496
<b>Balance as at 31st December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>308,934</b>	<b>773,134</b>	<b>-</b>	<b>1,082,068</b>	<b>1,082,068</b>	<b>49,496</b>
<b>Net Carrying Value</b>	<b>2,854,115</b>	<b>-</b>	<b>2,527,902</b>	<b>5,382,016</b>	<b>1,235,736</b>	<b>3,092,535</b>	<b>-</b>	<b>4,328,270</b>	<b>9,710,287</b>	<b>2,263,903</b>

(i) Mature Bearer Biological Assets include Passion fruit. Bearer plants are stated at cost less accumulated depreciation and impairment in accordance with Sri Lanka Accounting Standard - LKAS 16 - Property, Plant & Equipment

(ii) The transfer of immature plantation to mature plantation commences at the time the plantation is ready for the commercial harvesting

(iii) Immature Plants include Coconut, Mango, Sandirana etc.

### Consumeable Biological Assets

Gross Carrying Amounts	Immature Asset				Mature Asset				As at 31.12.2024	As at 31.12.2023
	Chicks Rs.	Crops Rs.	Other Rs.	Total Rs.	Chicks Rs.	Crops Rs.	Total Rs.			
<b>Balance as at 1st January</b>	13,947,092	-	-	13,947,092	4,072,668	-	4,072,668	18,019,760	-	-
Additions during the year	9,349,572	-	-	9,349,572	-	-	-	9,349,572	18,098,870	-
Transfer (to)/ from	(23,296,664)	-	-	(23,296,664)	23,296,664	-	23,296,664	-	-	-
Transfer (to) Statement of Comprehensive Income	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31st December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,369,332</b>	<b>-</b>	<b>27,369,332</b>	<b>27,369,332</b>	<b>18,098,870</b>	<b>-</b>
<b>Depreciation</b>										
<b>Balance as at 1st January</b>	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	9,212,229	-	9,212,229	9,212,229	79,110	-
<b>Balance as at 31st December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,212,229</b>	<b>-</b>	<b>9,212,229</b>	<b>9,212,229</b>	<b>79,110</b>	<b>-</b>
<b>Net Carrying Value</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,157,103</b>	<b>-</b>	<b>18,157,103</b>	<b>18,157,103</b>	<b>18,019,759</b>	<b>-</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31ST DECEMBER 2024

GROUP		CECB	
2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.

### 16 Right-of-use Assets

Prepaid Lease rental paid to acquire land use right are amortized over the lease term in accordance with pattern benefits provided. Lease Hold Property Comprising of land use rights and stated at valuation are amortized on a Straight line basis over the remaining lease term. The impairment lose if any is recognized in the statement of Profit or Loss.

At Beginning of the year	<b>66,481,983</b>	69,212,972	<b>53,362,757</b>	55,579,570
Acquisition during the year	-	-	-	-
Reversal of Valuation	<b>(758,765)</b>	-	<b>(758,765)</b>	-
Amortization	<b>(2,503,534)</b>	(2,730,989)	<b>(1,989,358)</b>	(2,216,813)
At end of the year	<b>63,219,684</b>	66,481,983	<b>50,614,634</b>	53,362,757

Lease hold property is the land which use to construct WP 01 base office. The Lease hold land on a 30 years long term lease agreement entered with the Urban Development Authority (UDA) Sri Lanka. Which Commenced from 4th September 2018 and is being amortized on a straight line basis over a period of 30 year which commence from 4th September 2018. (CECB)

The Lease hold lands situated in No 10, Sri Rathana Mawatha, Ampara and Priyantha Mawatha, Kanthale on a 30 years long term lease agreement entered with the Land Commissioner General's Department. Which Commenced from year 2009 and are being amortized on a straight line basis over a period of 30 years which commence from 2019. (CECB)

Lease hold property is the land which use to construct Sabaragamuwa base office. The Lease hold land on a 30 years long term lease agreement entered with the Urban Development Authority (UDA) Sri Lanka. Which Commenced from 08th July 2019 and is being amortised on a straight line basis over a period of 30 year which commence from 08th July 2019. (CESL)

#### 16.1 Details of Right-of-use Assets

Property	Land Extent (in areas)	Lease Period				
Land at Parliament Road, Battaramulla	0A-2R-20.00P	30 Years from 04.09.2018	<b>53,430,066</b>	53,430,066	<b>53,430,066</b>	53,430,066
Plan No 582	(Lot nos 7,8 & 9)	30 Years	<b>12,605,050</b>	13,119,226		
New Town Ratnapura Ampara District Jayawardenapura Village Ha .1012	60P	From 08.07.2019	<b>1,773,759</b>	1,773,759	<b>1,773,759</b>	1,773,759
Plan No 484 Kanthale (A:1,R:1,P:11.93)	(Deed 280006)	30 years from 2008	<b>375,745</b>	375,745	<b>375,745</b>	375,745
			<b>68,184,620</b>	68,698,796	<b>55,579,570</b>	55,579,570

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31ST DECEMBER 2024

### 17 Intangible Assets

#### Cost/ Revaluation

##### At 1st January

Addition

##### At 31st December

#### Amortization and Impairment

##### At 1st January

Amortization

##### At 31st December

#### Carrying Value

As at 31st December 2023

As at 31st December 2024

	GROUP		CECB	
	2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
At 1st January	13,125,028	13,125,028	13,125,028	13,125,028
Addition	-	-	-	-
At 31st December	13,125,028	13,125,028	13,125,028	13,125,028
At 1st January	(8,826,227)	(6,487,053)	(8,826,227)	(6,487,053)
Amortization	(1,185,868)	(2,339,173)	(1,185,868)	(2,339,173)
At 31st December	(10,012,095)	(8,826,227)	(10,012,095)	(8,826,227)
As at 31st December 2023	4,298,801	6,637,975	4,298,802	6,637,976
As at 31st December 2024	3,112,933	4,298,801	3,112,933	4,298,802

Intangible Asset mainly consist of Transport Modelling ,Air Quality software and Architecture Engineering Construction Collection IC Commercial (Auto Desk) Software purchased from DHI (India) Water & Environment (Pvt) Ltd,Lakes Environmental consultants INC and Bloomberg Solutions (Pvt) Ltd respectively.

### 18 Investments

Long term investment (Note 18.1)

Short term investment (Note 18.2)

374,271,053	707,732,402	232,676,606	572,409,484
8,912,058,934	7,458,978,011	4,181,882,587	3,495,296,737
9,286,329,986	8,166,710,412	4,414,559,193	4,067,706,221

#### 18.1 Long term investment

##### Loans and receivable financial assets

Investment in Treasury Bonds/Fixed Deposit

##### Available for sale financial assets

Investment in Shares

372,271,053	705,732,402	220,676,586	560,409,464
2,000,000	2,000,000	2,000,000	2,000,000
374,271,053	707,732,402	222,676,586	562,409,464

CECB has been received a long term treasury bond against trade receivable amount of Rs 235,086,151.82 and Rs 52,333,695.07 from Ministry of Defence. The Bonds are to be matured on 15th January 2025 and 15th September 2027 and classified as long term investment in the financial statements.CESL has been received a long term treasury bond against trade receivable amount of Rs 148,015,856.66 from Ministry of Urban Development & Housing. The Bonds is to be matured on 15th September 2027.

The valuation of the bond has been calculated based on future cash flows and shown at amortised cost in financial statements.

##### Investment in subsidiary (Unquoted)

Central Engineering Services (Private) Limited

-	-	10,000,020	10,000,020
-	-	10,000,020	10,000,020
374,271,053	707,732,402	232,676,606	572,409,484

#### 18.2 Short term investment

Short term investments

Short term investment

8,912,058,934	7,458,978,011	4,181,882,587	3,495,296,737
8,912,058,934	7,458,978,011	4,181,882,587	3,495,296,737

## FIXED DEPOSITS PLEDGED AS SECURITY

Fixed deposit amounting to Rs. 25Mn held at Bank of Ceylon has been pledged against individual loan facilities granted to CECB employees by Bank of Ceylon under concessionary personal loan scheme . Out of total interest paid by employees 40% on interest cost is subsidized by CECB through the interest income earned on deposit pledged against the loan facilities and such expenses (Rs 326,439 in 2024 and Rs. 803,458 in 2023) have been charged in the income statement.) As at reporting date Fixed Deposits amounting to Rs. 633 Mn & Rs1,709 Mn have been pledged by CECB and CESL respectively as securities against bank guarantee facilities obtained from banks.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31ST DECEMBER 2024

AS AT 31ST DECEMBER 2024	GROUP		CECB	
	2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
<b>19 Inventories</b>				
Inventories	872,921,816	816,024,180	7,320,677	7,923,244
Biological Assets (Work in Progress-Agriculture)	147,298	18,110,762	-	17,276,904
	873,069,114	834,134,941	7,320,677	25,200,147
<b>19 Work in Progress</b>	133,953,904	116,073,806		
<b>20 Trade and Other Receivables</b>				
Trade Receivables (Note 20.1)	9,047,838,006	7,909,461,678	6,006,092,956	5,251,282,012
Other Receivables (Note 20.2)	85,075,682	73,565,376	42,204,569	44,675,949
Deposits, Prepayments and Advances (Note 20.3)	491,418,255	1,016,556,343	2,259,518,971	3,484,965,890
	9,624,331,944	8,999,583,397	8,307,816,496	8,780,923,851
<b>20.1 Trade Receivables</b>				
Debtors	6,593,244,988	5,591,918,175	5,188,581,999	4,549,283,929
Due from customers	1,338,205,525	1,365,171,810	500,405,682	489,786,190
Retention receivables	3,656,000,373	3,498,933,621	2,712,453,370	2,614,509,037
Less - Provision for Impairment (Note 20.1.1)	(2,539,612,880)	(2,546,561,929)	(2,395,348,094)	(2,402,297,144)
	9,047,838,006	7,909,461,678	6,006,092,956	5,251,282,012
<b>20.1.1 Provision for Impairment</b>				
Balance at the beginning of the year	1,925,579,311	1,988,759,322	1,783,721,248	1,846,901,259
Impairment loss recognized	40,991,898	-	40,991,898	-
Amounts written off	-	(188,216)	-	(188,216)
Reversal of bad debt provision	(33,915,148)	(63,228,284)	(33,915,148)	(63,228,284)
Provision for Bad Debt - Specific Provision	-	236,489	-	236,489
Balance at the end of the year	1,932,656,061	1,925,579,311	1,790,797,999	1,783,721,248
<b>20.1.1.2 Retention receivables</b>				
Balance at the beginning	620,982,617	627,011,012	618,575,894	624,604,289
Impairment loss recognized	4,487,131	-	4,487,131	-
Amounts written off	(18,512,930)	(6,028,395)	(18,512,930)	(6,028,395)
	606,956,818	620,982,617	604,550,095	618,575,894

The Group assesses whether there is any objective evidence that trade receivables have been impaired at the reporting date. Impairment loss is calculated based on a review of the current status of existing receivables and historical collections experience. Such provisions are adjusted periodically to reflect the actual and anticipated impairment.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31ST DECEMBER 2024

	GROUP		CECB	
	2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
<b>20.2 Other Receivables</b>				
Staff Loans	31,941,175	27,559,070	23,667,028	23,548,641
Prepaid Staff Cost	3,523,439	6,185,844	3,523,439	5,462,559
Sundry Debtors	41,985,005	34,284,397	8,717,408	12,598,607
WHT Receivable	7,626,063	5,536,064	6,296,694	3,066,141
	<b>85,075,682</b>	<b>73,565,376</b>	<b>42,204,569</b>	<b>44,675,949</b>
<b>20.3 Deposits, Prepayments and Advances</b>				
Deposits	143,892,139	85,824,123	7,845,121	8,395,641
Mobilization Advance paid	266,965,339	800,651,423	2,245,985,456	3,469,585,696
Advances	56,951,625	127,323,503	4,363,162	4,837,634
Prepayments	23,609,152	2,757,295	1,325,232	2,146,920
	<b>491,418,255</b>	<b>1,016,556,343</b>	<b>2,259,518,971</b>	<b>3,484,965,890</b>
<b>21 Amount Due from Related Party Companies</b>				
Central Engineering Services (Private) Limited			1,569,400,938	1,545,964,905
			<b>1,569,400,938</b>	<b>1,545,964,905</b>
<b>22 Cash and Cash Equivalents</b>				
<b>Favorable Balances</b>				
Cash in hand and at bank	1,494,574,279	2,806,692,674	305,725,445	567,564,712
Bank Imprest	269,607	269,607	269,607	269,607
Cheque in Transit	212,679,107	3,848,926	3,285,009	3,848,926
Cash and Cash Equivalents for the Cash Flow Purpose	<b>1,707,522,993</b>	<b>2,810,811,208</b>	<b>309,280,061</b>	<b>571,683,245</b>
<b>23 Lease Creditors</b>				
Balance as at 1st January	3,362,402	3,197,121	3,352,391	3,197,121
Additions/(Reversal )	(758,765)	-	(758,765)	-
Interest Expense	(336,616)	383,009	(336,616)	383,009
Payments made during the year	(261,274)	(217,728)	(261,274)	(217,728)
Balance as at 31st December	<b>2,005,747</b>	<b>3,362,402</b>	<b>1,995,737</b>	<b>3,362,402</b>
Amount payable within one year	261,274	372,276	261,274	372,276
Amount payable after one year	1,734,463	2,980,115	1,734,463	2,980,115
	<b>1,995,737</b>	<b>3,352,391</b>	<b>1,995,737</b>	<b>3,352,391</b>
<b>24 Employee Benefits</b>				
Balance as at 1st January	309,402,590	169,789,433	267,510,804	141,652,950
Provision for the year	69,059,990	45,031,075	56,001,023	36,115,039
(Gain)/loss from changes in assumptions or due to (over)/under provision in the previous year	32,958,627	136,607,436	27,472,352	121,778,932
Payment made during the year	(44,927,492)	(42,025,355)	(38,266,224)	(32,036,117)
<b>Balance as at 31st December</b>	<b>366,493,715</b>	<b>309,402,590</b>	<b>312,717,955</b>	<b>267,510,804</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31ST DECEMBER 2024

GROUP		CECB	
2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.

a) The Employee benefit obligation of CECB & Group as at 31st December 2024 are based on the actuarial valuation carried out by professionally qualified firms of actuaries Messers. Actuarial and Management Consultants (Pvt) Limited. Accordingly, the unfunded present value of defined benefit obligations as at 31st December 2024 of CECB Rs 312.7 Mn and Group is Rs.366.5 Mn including Abu Dabhi Provision End of Service Benefit for full time workers- Calculated based on the Federal Decree Law No. (33) of 2021, Article 51 amounting to Rs 2 Mn..

b) Key assumptions used in the computation includes the following;

Rate of Discount	11%	13%	11%	13%
Employee Turnover Factor	Avg 9%	7%	Avg 9%	7%
Retirement Age	60 Years	60 Years	60 Years	60 Years

c) Expenses recognised immediately in the statement of Comprehensive Income

Interest Cost	40,222,337	30,562,098	34,776,405	25,497,531
Current Service Cost	28,837,653	14,468,977	21,224,618	10,617,508
Net Actuarial Gain/(Loss) recognised immediately	32,958,627	136,607,436	27,472,352	121,778,932
Provision for the year	102,018,617	181,638,511	83,473,375	157,893,971

### 25 Deferred Tax Assets/Liabilities

Balance at the beginning of the year	55,536,474	54,752,719	22,919,800	40,487,189
Expense for the year recognized in profit/loss	(77,451,666)	(14,714,794)	(33,050,021)	(33,065,940)
Expense for the year recognized in OCI	-	15,498,549	-	15,498,549
Balance at the end of the year	(21,915,191)	55,536,474	(10,130,222)	22,919,800

### 26 Trade and Other Payables

Trade Payables (Note 26.1)	13,778,813,990	14,069,481,793	8,724,875,571	9,468,473,641
Other Payables (Note 26.2)	620,448,570	696,830,579	237,762,834	354,897,023
	14,399,262,560	14,766,312,372	8,962,638,405	9,823,370,664

#### 26.1 Trade Payables

Creditors	2,130,286,878	2,171,082,859	2,103,676,349	1,874,153,607
Due to Customers	7,124,535,294	5,690,807,253	1,584,612,531	1,501,895,088
Mobilization & Other Advances	3,363,520,359	5,251,586,214	2,643,839,863	3,824,580,539
Retention Payables to Contractors	1,160,471,460	956,005,467	2,392,746,828	2,267,844,406
	13,778,813,990	14,069,481,793	8,724,875,571	9,468,473,641

#### 26.2 Other Payables

Unpaid salaries	22,109,422	16,417,267	-	-
Sundry Creditors	116,870,827	197,075,781	67,421,641	172,690,509
Refundable Deposits	713,595	38,287	713,595	38,287
Accrued Expenses	123,058,240	109,734,408	96,091,845	88,684,314
PAYE Tax	3,142,479	11,477,669	1,014,487	7,416,906
Withholding Tax Provisions	1,290,481	1,325,943	-	-
Other Taxes	353,263,527	360,761,225	72,521,267	86,067,006
	620,448,570	696,830,579	237,762,834	354,897,023

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31ST DECEMBER 2024

### 27 Income Tax Payables

Balance at the beginning of the year  
Income tax for the year  
Provision in respect of the last year  
Payments made during the year  
Withholding Tax  
Balance at the end of the year

GROUP		CECB	
2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
769,575,620	774,148,929	724,313,059	722,735,259
420,120,447	386,321,731	203,029,298	265,748,558
(106,528,338)	(20,493,987)	(72,808,575)	-
(287,279,939)	(317,886,328)	(219,404,594)	(239,273,088)
(42,003,294)	(52,514,726)	(19,187,342)	(24,897,670)
753,884,496	769,575,620	615,941,846	724,313,059

### 28 Capital Reserve

Vehicles were revalued in 1995 and the result of such revaluation was incorporated in the financial statements under the Capital Reserve.

Plant & Machinery were valued by M/s Upali Doranegama Associates (Pvt)Ltd,an idependant Chartered Valuer as at 31.12.2018 and the book values were written up to corresponded with the valuation.

Motor vehicles were revalued by Professional Independant Chartered Valuers as at 31.12.2019 and the book values were written up to corresponded with the valuation.

PPE amounting to Rs. 4,162,233.00 were taken into books at current market value in the year 2020.

PPE amounting to Rs. 105,500,000.00 were taken into books at current market value in the year 2023.

### 29.0 Related Party Transactions

#### 29.1 Transaction with Subsidiaries

a) Eng.B.A.S.S Perera was the Chairman of both parent (CECB) and subsidiary (CESL) up to 30.09.2024 and Eng A.P.J. Jayathilake is the Chairman of both parent (CECB) and subsidiary (CESL) from 18.12.2024 . The Company has carried out transactions with CECB during the year and the details were as follows,

Further key management personnel of CECB and also Directors of CESL are as follows

Name	Designation	
	CECB	CESL
Eng. S.A.U.D.C.Siriwardana	General Manager	Director
Eng.Aravinda Kalugaldeniya	Coporate Addl General Manager Design	Director

b)

Nature of the Transactions	Amount	
	2024 Rs.	2023 Rs.
Sub Construction Costs	6,898,540,123	2,455,588,222
Hiring	61,793,672	48,239,295
Reimbursement of Salary over head	28,218,060	27,618,571
Consultancy services	22,146,528	16,916,334
Other Miscellaneous Services	15,989,520	12,664,139

#### 29.2 Terms and conditions of transactions with related parties

The Income from related party and expenditure incurred or purchases from related parties are made at terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This note should be read in conjunction with Note No. 19 to these Financial Statements.

## TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

LKAS 24 'Related Party Disclosures', Key Management Personnel are those having authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, the Board of Directors (including Executive and Non-Executive Directors) as key management personnel of the CECB/Group have been classified as Key Management Personnel.

	GROUP		CECB	
	2024 Rs.	2023 Rs.	2024 Rs.	2023 Rs.
<b>Compensation paid to Key Management Personnel</b>				
Salaries and other Employment Benefits	2,754,661	3,940,405	1,692,161	2,537,242

## 30.0 Commitments and contingencies

There were no material Commitments and Contingent liabilities in CECB / Group as at the reporting date except below.

CECB has requested 150 Acres land from Ministry of Mahaweli to carry out Agricultural activities in Rambakanoya division in Ampara District on long term lease and this has not yet been finalised.

### 30.1 Contingencies

#### a) Legal cases filed against CECB

##### MR 609/14 District Court of Nawalapitiya

The District Court, Nawalapitiya Case No. MR 609/14, was dismissed on 2017.05.17 and case was appealed in Provincial Appellate High Court of the Central Province. (Ms. A.D.K. Pitiyekumbura has filed to claim Rs. 3,000,000.00 against CECB and two others. But the works were done by CESL.) Again case was referred to Nawalapitiya District Court to hear.

##### M/15141/17 District Court Embilipitiya

Ms. G. Chandima Sujeewani Abeywickrama (wife of Mr. H.M. Saman Indika Hennayake) & Rusadhu Vidunitha Hennayake (Minor – Son of Mr. H.M. Saman Indika Hennayake)

claiming Rs. 11,000,000/-) as damages for death of Mr. H.M. Saman Indika Hennayake.

#### 1/Add/19/2014 Labour Tribunal, Colombo

Eng. W.K.P.I. Rodrigo filed against CECB challenging his termination, mainly claiming Rs. 60,000,000/-, 50% of salary retention from his service termination and gratuity.

The case was filed in 2014 and dismissed by the LT. Thereafter Eng. Rodrigo appealed to the High Court and the Supreme Court. The Supreme Court has directed LT to rehear the case and the LT was noticed to hear on 18.08.2021.

#### CA Writ Application No. 273/2019, Court of Appeal

Super Neat Technology (Pvt) Ltd. has filed against CECB and 7 Others for obtain Writ of Certiorari, Writ of Prohibition and Writ of Mandamus. No specific claim prayed against CECB.

#### CA Writ Application No. 153/2019, Court of Appeal

Super Commercial Complex Traders & 10 Others have filed against CECB and 12 Others to obtain Writ of Certiorari and Writ of Prohibition, restraining outstanding rate of amended monthly rent for the stalls of Nawalapitiya Super Commercial Complex inter alia other claims. No specific claim prayed against CECB.

#### 27/Anu/2601/2021, Labour Tribunal, Anuradhapura

Mr. W.M.U.S.B. Wijesundara filed against CECB claiming compensation considering until his retirement or reinstatement with back wages.

#### LT 03/92/2021 ,Labour Tribunal, Kandy

R.M. Rasika Sandamali Kumari has filed the case against CECB & CESL claiming reinstatement and compensation.

#### LT 08/51/2023,Labour Tribunal, Colombo

Mr. R.A.M. Rajitha Ranaweera has filed the case against CECB claiming reinstatement with back wages and compensation.

#### LT 08/52/2023 ,Labour Tribunal, Colombo

Mr. K.N. Madhushanka de Silva has filed the case against CECB claiming reinstatement with back wages and compensation.

**LT 03/85/2023, Labour Tribunal, Kandy**

Mr. W.G.P. Aruna Jayawardhana has filed the case against CECB claiming reinstatement with back wages, compensation, gratuity and service certificate.

**LT 03/93/2023, Labour Tribunal, Kandy**

Ms. K.U.U.S.K. Chandrasiri has filed the case against CECB claiming compensation.

**LT 01/68/2023, Labour Tribunal, Colombo**

Mr. S.J.H.M. Eranga Lochana Bandara has filed the case against CECB claiming reinstatement, salary arrears and compensation.

**LT 01/69/2023, Labour Tribunal, Colombo**

Ms. H.H.S. Shashikala Jayathilake has filed the case against CECB claiming reinstatement, salary arrears and compensation.

**LT 01/70/2023, Labour Tribunal, Colombo**

Ms. R.G.U. Narmada Kumari has filed the case against CECB claiming reinstatement, salary arrears and compensation.

**LT 01/71/2023 Labour Tribunal, Colombo**

Ms. A.N. Anuradha Sirimewan has filed the case against CECB claiming reinstatement, salary arrears and compensation.

**LT 01/72/2023 Labour Tribunal, Colombo**

Ms. Menaka Wathsala Weerasekera has filed the case against CECB claiming reinstatement, salary arrears and compensation.

**LT 01/73/2023 Labour Tribunal, Colombo**

Ms. M.T. Chathurani Peiris has filed the case against CECB claiming reinstatement, salary arrears and compensation.

**LT 01/74/2023 Labour Tribunal, Colombo**

Mr. B.E. Priyankara Fernando has filed the case against CECB claiming reinstatement, salary arrears and compensation.

**LT 01/75/2023 Labour Tribunal, Colombo**

Mr. H. K.S. Pradeep Priyadharshana has filed the case against CECB claiming reinstatement, salary arrears and compensation.

**b) Legal cases filed by CECB**

**Arbitration between CECB & Soar Technology**

The Bureau has referred Arbitration claiming sum of Rs. 3,485,343/22 for Generator from Soar Technology (Pvt) Ltd.,

The Arbitrator was resigned for the personnel grounds.

Settlement was entered between the parties for installment payments, total amounting to Rs.

1,178,288/36 with the approval of the Board of Directors. One installment of Rs. 235,000/00 paid on 11.07.2022

**DMR 2677/16 - District Court of Colombo**

Bureau has filed a case against Eng. (Ms.) K.G.S. Sandamali regards to fail to fulfill the obligation as per the Agreement signed with Bureau to claim sum of Rs. 257,326.67

**DMR 1719/18 - District Court of Colombo**

Bureau has filed a case against Eng. (Ms.) W.C.B. Wickramarathna regards to fail to fulfill the obligation as per the Agreement signed with Bureau to claim sum of Rs. 515,520/-.

**37505/M District Court of Rathnapura**

Bureau has filed a case against Mr. Munasinghe.Patabendige Ranjith and Ceylinco General Insurance Ltd. regards to claim accident damages of Rs. 800.000/- caused to the Bureau vehicle.

**CHC 494/2021 ARB Commercial High Court**

CECB has filed the case against Star Construction (Pvt) Ltd., to appoint Arbitrator to recover dues of Rupees 2,240,726/98 payable by Star Constructions (Pvt) Ltd., to CECB.

**DMR 4176/21 District Court of Colombo**

Bureau has filed the case against Mr. O.E.H. Fonseka regards to fail to fulfill the obligation as per the Agreement signed with Bureau to claim sum of Rs. 958,703/83.

**DMR 4377/21 District Court of Colombo**



Bureau has filed the case against Ms. A.V.G.S. Sandamini regards to fail to fulfill the obligation as per the Agreement signed with Bureau to claim sum of Rs. 781,953/-

#### **DMR (SC) 51/2023 Small Claim Court, Colombo**

Bureau has filed the case against Mr. W.A.Y.S. Fernando regards to fail to fulfill the obligation as per the Agreement signed with Bureau to claim sum of Rs. 665,714/64

#### **Details of Industrial Disputes (Arbitration as at 31.12.2024)**

##### **Arbitration Case No. A/74/2023**

Dispute mentioned is whether Mr. L.P. Jayasundara, DGM (HR & Administration) has been caused injustice by

- (1) The appointment date not being backdated
- (2) Not being appointed to the post of Additional General Manager
- (3) Non-payment of transport allowance
- (4) Non-payment of retaining allowance
- (5) Non-payment of professional allowance
- (6) Membership fee not being reimbursed
- (7) Non-payment of interview board allowance
- (8) Non-payment of communication allowance

Not being appointed as Human Resources Head and/ or a member of the Board of Directors of the Bureau replacement company

##### **Arbitration Case No. A/61/2024**

Dispute mentioned is whether 144 employees inclusive of Mr. A.M. Rohana Dissanayake working in the CECB have been caused injustice by their employment not being confirmed and if so, to what relief they entitled

## **31 Financial risk management**

### **overview**

- The group has exposure to the following risk arising from financial instruments
- Credit risk
- Liquidity risk

### ■ Market risk

The note presents information about the Group's exposure to each of the above risk, the Group's risk management objectives, policies and processes for measuring and managing risk and the Group's management of capital.

### **Risk management Framework**

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Audit and Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Audit and Management Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit and Management Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Management Committee.

### **31.1 Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

### **31.2 Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses .

### **31.3 Market risk**

Market risk is the risk that fair value of future cash flows of financial instruments will fluctuate because of changes in market price. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**Market risk comprise the following types of risks.**

### **31.4 Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

### **31.5 Foreign exchange risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities related to foreign operations.



# ජාතික විගණන කාර්යාලය

## தேசிய கணக்காய்வு அலுவலகம்

### NATIONAL AUDIT OFFICE



මගේ අංකය  
எனது இல.  
My No.

CAE/D/CECB/02/FS/2024/02

දිනය  
திகதி  
Date

30 June 2025

Chairman  
Central Engineering Consultancy Bureau

#### Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Central Engineering Consultancy Bureau and its subsidiary for the year ended 31 December 2024 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 consolidated financial statements of the Central Engineering Consultancy Bureau ("the Bureau") and its subsidiary ("the Group") for the year ended 31 December 2024 comprising the statement of financial position as at 31 December 2024 and the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information was carried out under my direction in pursuance of provisions in Article 154(1) 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 Finance Act No. 38 of 1971. 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 of the Bureau and the Group give a true and fair view of the financial position of the Bureau and the Group as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

### 1.2 Basis for Qualified Opinion

#### 1.2.1 Central Engineering Services (Private) Limited

The Qualified Opinion on the financial statements of the Central Engineering Services (Private) Limited for the year ended 31 December 2024 had been expressed by me based on the following observations.

- In terms of Section 51 of Sri Lanka Accounting Standard No. 16 and as per Note No. 2.3.6 to the Company's financial statements, the useful economic life of the property, plant and equipment should be reviewed annually. However, the fully depreciated assets approximately costing Rs. 883.88 million as at 31 December 2024 are being continuously used by the Company without reassessing the useful economical lifetime of those assets and rectifying the estimation error and showing the accurate carrying value in the financial statements as per the LKAS 8.
- The profit on disposal of assets amounting to Rs. 2.74 million shown under other income for the year under review had been overstated by Rs. 1.69 million due to the inclusion of over depreciation adjustments relating to disposals in previous years.
- The Company had recognised amounting to Rs. 62.16 million and Rs.

2,242.95 million as trade creditors and mobilization advances payable to the parent company respectively. However, the parent company had recognised amounting to Rs. 53.20 million and Rs. 2,239.57 million as trade debtors and mobilization advances receivable from the Company respectively. Accordingly, the differences of Rs. 8.96 million and Rs. 3.37 million were observed between the balances of trade debtors/creditors and mobilization advances receivable/payable shown in the financial statements of the Company and the parent company respectively.

- (d) During the annual stock and asset verification held in January 2024, it was revealed that there was an excess of several stock and asset items belonging to the 03 project units in Galle and Matara in the Southern Province. Further, the fixed assets removed through auctions and other activities had been included in the Enterprise Resource Planning (ERP) system. Moreover, there were shortages in several asset items. However, the financial value of those excesses and shortages had not been adjusted in the system and included in the financial statements even as at the reporting date.
- (e) As per the detailed schedules with regard to trade payables, accounts payable and trade receivables to the Company, sums of Rs. 64.85 million, Rs. 28.42 million and Rs. 26.54 million respectively were included in the name of the Company. Accordingly, the management of the Company had not paid its attention to the transactions occurring between the internal units of the Company in the preparation of the final financial statements and to present the financial statements fairly by comparing and correcting them.
- (e) Although the internal transactions occurring between the Base Offices of the Company should have been eliminated in the preparation of the financial statements, the internal transactions aggregating Rs. 27.71 million had been accounted under other income. As a result, the income for the year under review had been overstated by that amount.

- (g) A Memorandum of Understanding (MoU) was signed with the Sri Lanka Hadabima Authority on 28 February 2023 for a poultry breeding project and a Joint Venture Agreement was entered into on 09 April 2025. According to the agreement, it was agreed to share 70 percent of the net profit with the Company and 30 percent with the Authority under the relevant conditions during the first 06 years. Although the Hadabima Authority had earned a net profit of Rs. 3.56 million as per the financial statements for the year ended 31 December 2024, no profit was distributed to the Company as per the agreement. Furthermore, the profit receivable by the Company had not been recognized in the financial statements and the total cost incurred by the Company for this project to date amounting to Rs. 87.39 million only was shown as work in progress under the current assets of the Company. Further, no disclosures had been made in the financial statements with regard to the implementation of this project.

### **1.2.2 Central Engineering Consultancy Bureau**

- (a) In terms of Section 51 of Sri Lanka Accounting Standard No. 16 and as per Note No. 3.8 to the financial statements of the Bureau, the useful economic life of the property, plant and equipment should be reviewed annually. However, the fully depreciated assets approximately costing Rs. 419.92 million as at 31 December 2024 are being continuously used by the Bureau without reassessing the useful economical lifetime of those assets and rectifying the estimation error and showing the accurate carrying value in the financial statements as per the LKAS 8.
- (b) The Bureau had written off an old balance of Rs. 14.85 million against the profit for the year under review as corrections which are receivable from 8 government institutions on behalf of 10 projects. Therefore, the profit of the year under review had been understated by that amount.
- (c) The Subsidiary to the Bureau had recognised an amount of Rs. 62.16 million and Rs. 2,242.95 million as trade creditors and mobilization advances

respectively payable to the Bureau, while the Bureau had recognised only an amount of Rs.53.20 million and Rs. 2,239.57 million as trade debtors and mobilization advances respectively in their accounts. Accordingly, there was a difference of Rs. 8.96 million and Rs. 3.38 million in the financial statements of the Bureau and the Subsidiary in these receivable and payable balances respectively.

- (d) According to the audit test check, it was revealed that the outstanding debtor balances to the Bureau with regard to 12 construction projects of the Sabaragamuwa University of Sri Lanka, the Anti-Doping Agency and the Ministry of Sports and Youth Affairs was Rs. 140.29 million. However, as per the audited financial statements of the said 03 organization this amount was stated as Rs. 42.14 million, thus a difference of Rs. 98.15 million was observed between these two figures. Further, according to the the financial statements of the Bureau it had shown a total sum of Rs. 64.87 million receivable from the Department of Sports Development and the Ministry of Sports and Youth Affairs in respect of 40 consultancy projects as at the end of the year under review. However, according to the financial statements of those two organization there were no such balances payable to the Bureau. Accordingly, a total difference of Rs. 163.01 million was observed in the construction and consultancy services debtor balance when compared with the relevant organizations. Furthermore, balance confirmations had not been submitted for audit to confirm these debtor balances.

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 Group's 2024 Annual Report.**

The other information comprises the information

included in the 2024 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 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, 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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



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

### **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 internal control of the Bureau and the Group.
- 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 Group'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 Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion

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 Qualified 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 Bureau as per the requirement of

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 1.2.2 (a), (b) described in the basis for Qualified 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 Bureau has any direct or indirect interest in any contract entered into by the Bureau 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 Bureau has not complied with any applicable written law, general and special directions issued by the governing body of the Bureau as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018 except for;

### **Reference to law/Direction**

- (a) Section 83 of the Inland Revenue Act, No. 24 of 2017, Section 114 of the Inland Revenue Act, No. 10 of 2006 and Section 26 (1) of the Value Added Tax Act, No. 14 of 2002
- (b) Operational Manual for State-Owned Enterprises introduced by the Public Enterprises Circular No. 01/2021 dated 16 November 2021.
- (i) Paragraph 3.2 and 3.4
- (ii) Paragraph 6.8

### **Description**

The Department of Inland Revenue had confirmed that a total of Rs. 24.94 million in arrears of Value Added Tax (VAT) and Pay As You Earn (PAYE) etc. and a total of Rs. 33.89 million surcharge thereon, aggregating Rs. 58.83 million as at 31 December 2009, remained unpaid by the Bureau as per the information submitted to the audit on 18 September 2024. However, as per the information submitted to the audit on 31 May 2025, a balance of Rs. 42.07 million as total arrears of taxes and surcharges, was still due to be paid to the Department of Inland Revenue.

A scheme of recruitment and a recruitments, promotions and succession plan for the middle management level and senior management level of the Bureau was not prepared and approved even by 31 March 2025.

The Ministries and other government institutions should not use the resources of public enterprises to carry out their functions. However, the land located at T.B. Jaya Mawatha (Dali Road) with an extend of 02 rood and 24.5 perches which was purchased by the Bureau for Rs. 3 million in the year 1990 is being used by the Ministry of Irrigation at free of charge.

2.2.3 to state that the Bureau 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 Bureau 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

## 2.3 Other Matters

(a) As per the financial statements, the operating profit of the Engineering Procurement Construction (EPC) division for the years 2023 and 2024 was Rs. 74.73 million and Rs. 86.49 million respectively. However, 7 divisions out of its 13 divisions had sustained an operating loss of Rs. 34.34 million for the year under review.

(b) According to the financial statements submitted by the Consulting Division, an operating profit of Rs. 72.50 million was shown for the year under review. Whereas, 8 divisions out of its 20 divisions had sustained an operating loss of Rs. 130.47 million.

(c) A balance of Rs. 1,569.4 million receivable from the Subsidiary as at the end of the year under review and proper and updated agreements had not been maintained between the two parties in this regard. Furthermore, no fruitful action had been taken to settle this balance or to manage the future transactions and this balance had been continuously increased since 2017.

(d) The total outstanding debtor balance due to the Bureau as at the end of the year under review was Rs. 5,188.58 million, which included outstanding balances of Rs. 200.29 million and Rs. 1342.39 million dues between 3-5 years and over 5 years respectively relating to the Engineering Procurement Construction (EPC) division, and outstanding balances of Rs. 658.45 million and Rs. 130.94 million dues between 3-5 years and over 5 years respectively

relating to the Consultancy sector. Accordingly, proper arrangements had not been made to collect the receivables to the Bureau in a timely manner, and since the supporting documents of the receivables were not submitted to the audit, it was not possible to satisfactorily examine the existence and value of the receivables.

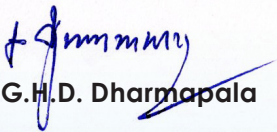
(e) A balance of Rs. 40.99 million due from 3 government institutions had been recorded as impairment loss without taking prompt actions to recover it during the year under review.

(f) The total creditors balance as at the end of the year under review was Rs.2,103.68 million and the creditor balances between 3-5 years and more than 5 years in the Engineering Procurement Construction (EPC) division were Rs.162.76 million and Rs.696.83 million respectively and the creditor balances between 3-5 years and more than 5 years in the Consulting Division were Rs.3.89 million and Rs.40.08 million respectively. Accordingly, it was observed that the Bureau had not taken action to settle the outstanding creditor balances on timely manner.

(g) The service of an executive officer of the subsidiary was suspended from 11 January 2021 due to alleged misconduct at the Anuradhapura Base of the subsidiary from 01 January 2016 to 22 June 2020. Subsequently, this officer was reinstated as an employee of the Bureau with effect from 11 January 2021 by the Chairman of the Bureau in his letter dated 24 May 2021. It was observed in audit that the failure of the Bureau or the subsidiary to conduct any investigation in this regard, led to further financial irregularities and misuse.

(h) The Bureau had not taken proper steps to release the retention money in a timely manner by conducting proper follow up with regard to construction projects. As a result, sums of Rs. 691.21 million and Rs. 944 million out of the retention receivable balance of Rs. 2,712.45 million at the end of the year under review, was due between 3 to 5 years and for more than 05 years respectively.

- (i) The retention payable balance shown under current liabilities as at the end of the year under review was Rs. 2,392.75 million and according to the age analysis submitted to the audit, Rs. 756.86 million and Rs. 574.52 million had not been settled between 3 to 5 years and more than 05 years respectively.
- (j) The Mobilization Advances receivable and payable at the end of the year under review were Rs. 2,245.99 million and Rs. 2,643.84 million respectively. Out of that, sums of Rs. 643.07 million and Rs. 718.53 million receivable and payable respectively had not been settled for more than 05 years to date.
- (k) 43 vehicles owned by the Bureau had been parked at various places without being utilized and no action had been taken to repair them and put them into use or dispose of them.
- (l) A total sum of Rs. 29.90 million had been paid as transportation allowances to 186 professionals employed by the Bureau for using their private vehicles to transport them from their residences to the office as per the approval of the Board of Directors dated 22 December 2011 without being obtained the approval from the General Treasury.
- (m) 13 officers had entered into bond agreements with the Bureau for a total of Rs. 17.08 million for overseas travel on no-pay leave, and the Bureau had not been able to recover a total of Rs. 6.56 million from 08 officers who had breached the bond agreements by the end of the year under review.
- (n) Twelve (12) Base Offices belonging to the Engineering Procurement Construction (EPC) Division of the Bureau had provided temporary loans to the Base Offices of the Subsidiary on 15 occasions and out of the total loan amount of Rs. 766.34 million at the end of the year under review, a total of Rs. 526.80 million was to be recovered in between 2 to 4 years and a total of Rs. 260.14 million was to be recovered for more than 5 years. No action had been taken to recover interest on these loans and no plan had been prepared to recover the loans.

  
**G.H.D. Dharmapala**  
Auditor General (Acting)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER

COMPARATIVE FINANCIAL STATEMENTS

	2020 (Restated)			2021 (Restated)			2022			2023			2024		
	GROUP Rs.	CECB Rs.	GROUP Rs.	CECB Rs.	GROUP Rs.	CECB Rs.	GROUP Rs.	CECB Rs.	GROUP Rs.	CECB Rs.	GROUP Rs.	CECB Rs.	GROUP Rs.	CECB Rs.	GROUP Rs.
Revenue	9,747,362,699	6,131,839,853	10,764,945,256	6,070,358,395	8,637,928,334	4,495,657,876	9,890,496,483	5,503,254,616	12,330,515,017	8,933,921,313					
Cost of Sales	(8,582,940,839)	(5,633,697,100)	(9,217,700,680)	(5,409,764,379)	(7,513,664,938)	(4,038,496,551)	(9,041,339,729)	(5,279,523,650)	(10,570,751,795)	(8,330,420,386)					
Gross Profit	1,164,421,860	498,142,752	1,547,244,576	660,594,017	1,124,263,396	457,161,325	849,156,754	223,730,966	1,759,763,222	603,500,927					
Other Income	146,847,310	161,989,858	76,943,918	116,258,385	317,964,655	228,154,290	112,617,905	209,100,877	150,536,834	183,450,324					
Administration Costs	(1,369,989,913)	(656,533,976)	(1,379,582,400)	(681,485,059)	(1,374,735,755)	(602,861,755)	(1,475,078,166)	(577,795,010)	(1,492,948,950)	(562,154,068)					
Selling & Distribution Expenses	(600,352)	(468,627)	(227,998,916)	(217,674,376)	(433,889,642)	(390,454,796)	(15,566,671)	(606,845)	(58,563,559)	(56,571,033)					
Results from Operating Activities	(59,321,096)	3,130,007	16,607,177	(122,307,033)	(366,397,346)	(308,000,735)	(528,870,178)	(145,570,011)	358,787,547	168,226,150					
Finance income	411,215,478	263,172,677	304,566,882	175,841,764	701,916,821	381,000,502	1,598,124,215	896,766,120	924,480,893	443,189,620					
Financial Charges	(20,134,970)	(4,942,514)	(17,749,366)	(5,031,999)	(11,586,797)	(3,604,800)	(19,009,910)	(3,650,202)	(11,672,644)	(3,911,517)					
Net Finance Income	391,080,508	258,230,163	286,817,516	170,809,765	690,330,024	377,395,702	1,579,114,305	893,115,918	912,808,249	439,278,103					
Profit Before Income Tax	331,759,412	261,360,170	303,424,693	48,502,732	323,932,679	69,394,967	1,050,244,127	747,545,907	1,271,595,796	607,504,253					
Income Tax	(128,440,689)	(117,188,584)	(53,643,363)	(9,338,204)	(164,891,451)	(70,987,105)	(351,112,951)	(232,682,618)	(236,140,443)	(97,170,702)					
Net Profit For The Year	203,318,724	144,171,586	249,781,330	39,164,528	159,041,228	(1,592,139)	699,131,176	514,863,289	1,035,455,353	510,333,551					
Other Comprehensive Income	217,932,482	25,050,838	36,425,819	41,460,591	(17,924,872)	(19,505,071)	(152,105,985)	(137,277,481)	(31,753,611)	(27,472,352)					
Total Comprehensive Income for the Year	421,251,206	169,222,424	286,207,150	80,625,119	141,116,356	(21,097,209)	547,025,191	377,585,808	1,003,701,742	482,861,199					



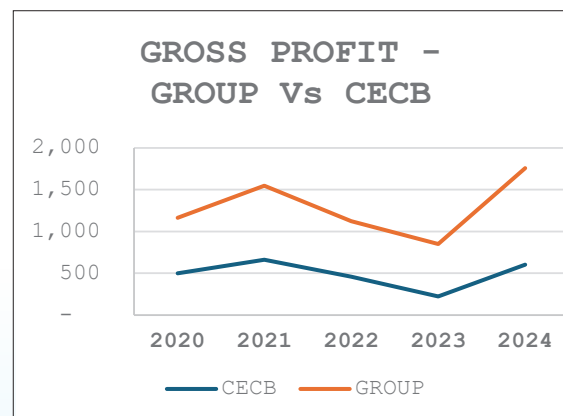
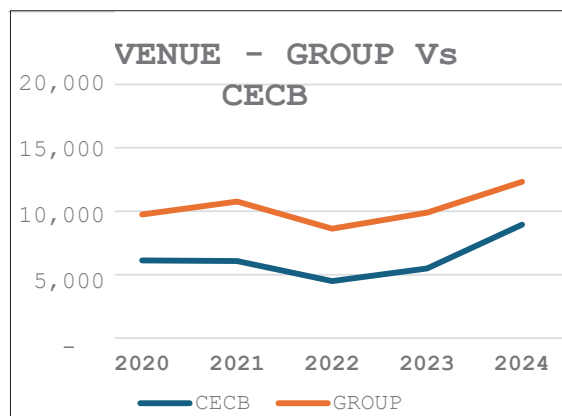
	2020 (Restated)			2021 (Restated)			2022			2023			2024	
	GROUP Rs.	CECB Rs.		GROUP Rs.	CECB Rs.		GROUP Rs.	CECB Rs.		GROUP Rs.	CECB Rs.		GROUP Rs.	CECB Rs.
ASSETS														
Non-Current Assets														
Property, Plant and Equipment	3,716,436,400	3,120,934,669		3,559,944,053	2,982,804,753		3,451,217,545	2,839,569,171		3,249,938,971	2,778,447,375		3,127,869,181	2,690,040,579
Biological Assets													27,867,390	
Right-of-use Assets	74,674,948	60,013,196		71,943,960	57,796,383		69,212,972	55,579,570		66,481,983	53,362,757		63,219,684	50,614,634
Intangible Assets	6,711,130	6,711,131		9,005,593	9,005,594		6,637,975	6,637,976		4,298,802	4,298,802		3,112,933	3,112,933
Investments	57,652,773	67,652,793		46,040,967	56,040,987		296,196,148	306,196,168		707,732,402	572,409,484		374,271,053	232,676,606
Differed Tax	--	--		--	--		--	--		--	--		21,915,191	10,130,222
Amount Due to Related Parties		1,652,545,484			1,431,239,453		--	1,538,066,675			1,545,964,905			1,569,400,938
Total Non Current Assets	3,855,475,251	4,907,857,272		3,686,934,573	4,536,887,170		3,823,264,639	4,746,049,561		4,028,452,154	4,954,483,324		3,618,255,432	4,555,975,912
Current Assets														
Inventories	740,289,209	17,074,984		1,038,295,881	11,271,578		1,003,136,649	21,573,121		834,134,941	25,200,147		873,069,114	7,320,677
Working progress	105,091,340	--		35,198,733	--		64,675,522	--		116,073,806	--		133,953,904	--
Trade & Other Receivables	12,222,371,215	10,743,096,216		11,034,818,611	9,683,219,443		10,960,643,631	9,445,685,931		8,999,583,397	8,780,923,851		9,624,331,944	8,307,816,496
Short Term Investments	5,643,211,450	3,352,001,738		5,503,658,320	3,167,309,884		5,754,441,609	3,008,256,843		7,458,978,011	3,495,296,737		8,912,058,934	4,181,882,587
Cash and Cash Equivalents	742,951,485	434,517,368		1,058,033,180	406,837,411		928,177,351	274,971,326		2,810,811,208	571,683,245		1,707,522,993	309,280,061
Inter company current accounts	--	--		--	--		--	--		--	--		--	--
Total Current Assets	19,453,914,699	14,546,690,306		18,670,004,725	13,268,638,316		18,711,074,763	12,750,487,221		20,219,581,362	12,873,103,980		21,250,936,889	12,806,299,821
Total Assets	23,309,389,950	19,454,547,579		22,356,939,298	17,805,525,486		22,534,339,402	17,496,536,781		24,248,033,519	17,827,587,307		24,869,192,321	17,362,275,733
EQUITY AND LIABILITIES														
Contributed Capital	500,000	500,000		500,000	500,000		500,000	500,000		500,000	500,000		500,000	500,000
Capital Reserves	92,439,233	92,439,233		92,439,233	92,439,233		92,439,233	92,439,233		197,939,233	197,939,233		197,939,233	197,939,233
Revaluation Reserve	711,168,864	516,618,300		711,168,864	516,618,300		711,168,864	516,618,300		666,888,864	516,618,300		666,888,864	516,618,300
Retained Earning	7,259,945,772	6,607,602,081		6,777,034,330	5,917,602,731		6,918,150,698	5,896,505,525		7,478,525,975	6,271,063,057		8,482,227,716	6,753,924,257
Total Equity	8,064,053,870	7,217,159,614		7,581,142,428	6,527,160,264		7,722,258,795	6,506,063,057		8,343,854,072	6,986,120,590		9,347,555,813	7,468,981,790
Non-Current Liabilities														
Lease Creditors	2,698,968	2,698,968		2,831,243	2,831,243		2,968,736	2,968,736		2,980,115	2,980,115		1,734,463	1,734,463
Employee Benefit Liabilities	221,132,721	201,956,738		217,265,979	188,056,503		169,789,433	141,652,950		309,402,590	267,510,804		366,493,715	312,717,955
Deferred Tax	142,746,184	125,258,726		36,680,687	20,275,357		54,752,719	40,487,190		55,536,474	22,919,800		--	--
Discount Received	--	--		--	--		11,907,048	11,907,048		--	--		--	--
Total Non Current Liabilities	366,577,873	329,914,432		256,777,909	211,163,102		239,417,937	197,015,925		367,919,179	293,410,719		368,228,178	314,452,418
Current Liabilities														
Trade & Other Payables	14,212,538,224	11,261,362,847		13,836,300,469	10,401,415,573		13,798,285,356	10,070,494,156		14,766,312,372	9,823,370,664		14,399,262,560	8,962,638,405
Income Tax Payables	666,002,256	645,892,958		682,500,764	665,568,818		774,148,929	722,735,259		769,575,620	724,313,059		753,884,496	615,941,846
Lease Creditors	217,728	217,728		217,728	217,728		228,384	228,384		372,276	372,276		261,274	261,274
Total Current Liabilities	14,878,758,207	11,907,473,533		14,519,018,961	11,067,202,119		14,572,662,671	10,793,457,799		15,536,260,268	10,548,055,999		15,153,408,330	9,578,841,525
Total Liabilities	15,245,336,080	12,237,387,965		14,775,796,870	11,278,365,221		14,812,080,607	10,990,473,724		15,904,179,448	10,841,466,718		15,521,636,508	9,893,293,943
Total Equity and Liabilities	23,309,389,950	19,454,547,579		22,356,939,298	17,805,525,486		22,534,339,402	17,496,536,781		24,248,033,519	17,827,587,307		24,869,192,321	17,362,275,733

## FINANCIAL PERFORMANCE OF CECB

It is evident that the Bureau is becoming a change agent of the public sector in multi-disciplinary Engineering and has also been Branded as a Public Sector organization which has capability and capacity to handle any dicey situation on a fast-track basis on behalf of the Government. In other words, it is the only Public Sector Engineering Organization with a strong Human Resource base that consists of multi-disciplinary professionals and technical staff representing various Engineering disciplines. It should also be noted that our organization is trained to think 'beyond Engineering' solutions as an organization, CECB acts as a result-oriented team dedicated for the service. The team comprises of two major groups, namely, the technical / engineering staff and non-technical Staff. The staff is supported by teams of para technical, technical and secretarial staff who have a wide range of experience and skills in their respective fields.

The CECB Group Revenue of the year 2024 was Rs.12.3 billion, reflecting a 25% increase over the Previous year Revenue. CECB Revenue compared with the previous year shows an increase of 62%.

Operations of the CECB and the Group for the year 2024 had resulted before tax profit of Rs. 608 Million and Rs. 1,272 Million respectively as compared with the corresponding year before tax profit Rs 748 Million and Rs. 1,050 Million respectively. Total assets value of the Bureau Rs. 17,362 Million and profit is represented 4% of the Total Assets of the Bureau.



The Operational and financial performances achieved hence are all the more creditable considering the institutional constraints faced by the Bureau as a self - earning state owned enterprise (SOE) with due compliance to financial and procurements guidelines and procedures governing for public enterprises.

# CECB's Current Positioning as an Engineering Consultancy Firm



With a history of nearly 50 years, Engineering Consultancy is the main line of service of CECB. Its service portfolio extends from project conceptual designs and feasibility studies, through preparation of bid documents and assisting bid evaluation, to detailed design and construction management and supervision and finally up to handover the project to the Employer. Our present capacity and in-house expertise expand in many sectors, with key specialties as follows.

- Hydropower & Water Resource Planning
- Structural engineering
- Architectural Designs
- Mechanical, Electrical, Plumbing & ICT
- Material Testing Laboratory Services
- Quantity Surveying, Contract Management and Comprehensive Project Management

- Ports & Coastal Engineering
- Railway Highways & Airports Infrastructure Development
- Geotechnical Engineering, Engineering Geology and Engineering Surveying
- Natural Resource Management, EIA & Feasibility Studies
- Consultancy Services in Health Care Infrastructure Developments

After diversifying into numerous sectors, CECB has successfully completed several largescale national and international projects. While extending its expertise, CECB has gained the recognition of national advice for infrastructure development in some areas such healthcare sector, infrastructure developments for the Ministry of Justice.



# Highlights of the year

Completed Projects during the year

## Defence headquarters complex project

Total Project Cost :- LKR 63Bn



## Galle courts complex

Total Project Cost :- LKR 923 Mn





## **Proposed central market building at nuwara eliya**

Total Project Cost :- LKR 285Mn



## **Construction of courts complex - Rathnapura**

Total Project Cost :- LKR 1800 Mn





## Construction & Remedying defects of the Magistrate Courts Complex

Total Project Cost :- LKR 1800Mn



## Establishment of a temperature and humidity controlled warehouse at dambulla

Total Project Cost :- LKR 525 Mn





## Uma oya Multi purpose project

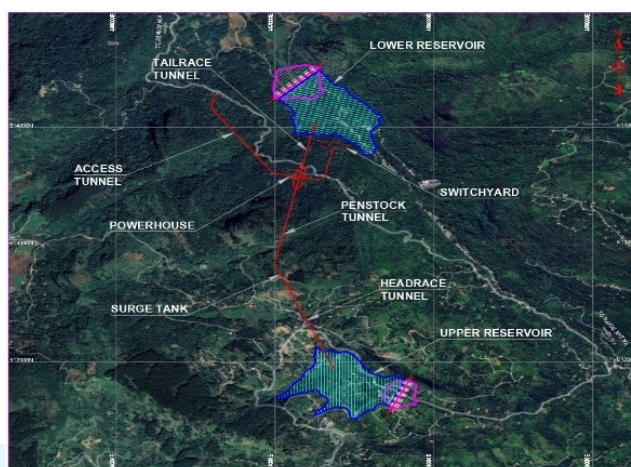
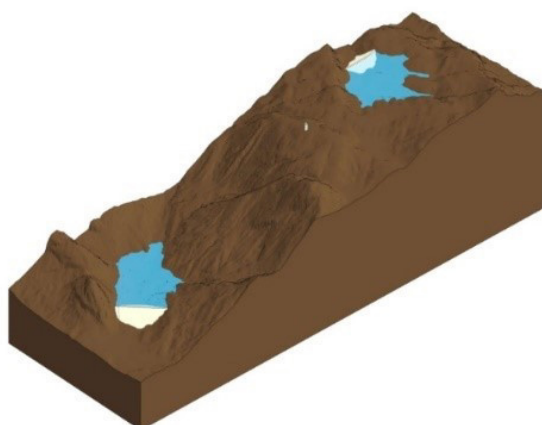
Total Project Cost :- LKR 714Mn



## PUMP STORAGE HYDRO-POWER :

### Wewathenna - Victoria & Maha Oya Feasibility Study Project (1400MW)

Total Project Cost :- USD 1Bn





## Broadland hydropower project

Total Project Cost :- LKR 30,000 Mn



## INTERNATIONAL

### Air Traffic Management System Engineering of South Sudan

Total Project Cost :- LKR 42Bn





## Ongoing Projects

### Up gradation of railway line from Maho-Omanthai

Total Project Cost :- LKR 16,500Mn



### Re-construction of quay at naval dockyard, Trincomalee

Total Project Cost :- LKR 3,090Mn





## Cardiac & critical care complex of lady ridgway hospital- Little Heart Building

Total Project Cost :- LKR 2,631Bn



## Colombo Port City development project

Total Project Cost :- LKR 223.87Bn

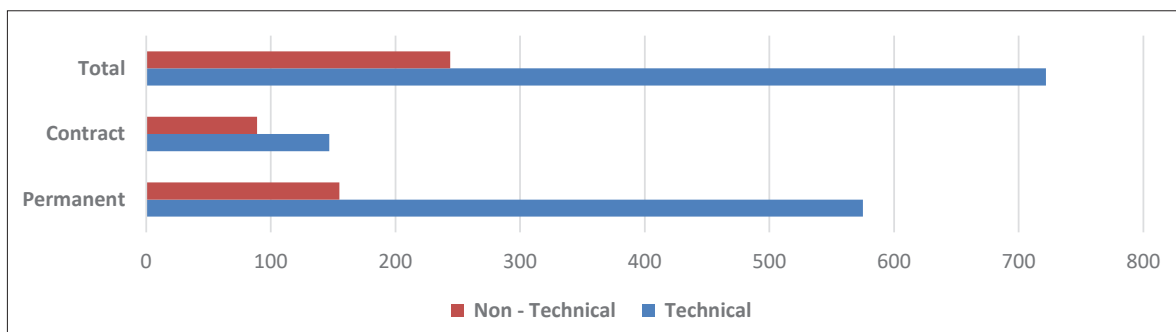




# HUMAN RESOURCE

The Bureau is committed to create a workplace where the performance and behavior of our employees are governed by a strong organizational culture supported by the procedures laid down by the Management and the aligned Ministries.

## WORKFORCE 2024



	Permanent	Contract	Total
Technical	575	147	722
Non - Technical	155	89	244
	730	236	966

Total Workforce in 2024 – 966 Employees.

In 2023, bureau had total of 1048 employees and compared to last year there is a decrease by 8 %.

Bureau Human Resources unit is under the direct supervision of the General Manager and is responsible for all HR functions which take place in the Bureau. Employees' professional development, safety and rights are protected by protocols which are ensured via regular internal audit inspections. Formal policy frameworks are adhered to in accordance with the procedures set by the government and cover recruitment, performance appraisal based on the KPI's given by the government guidelines, grievance handling, training and development and compensation.







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