



Central Engineering Consultancy Bureau

2017

Annual Report



2017

Annual Report

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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

Vision

"To be a
WORLD CLASS
Engineering
Organization"

Mission

"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"

A MESSAGE FROM THE CHAIRMAN



It is my pleasure and privilege to present the Annual Report and Consolidated Accounts of Central Engineering Consultancy Bureau (CECB) for the financial year 2017. We are proud to record a commendable performance both in financial and operational terms though external circumstances were not that favorable.

The Central Bank Annual Report 2017 records a deceleration of the Sri Lankan Economic Growth to 3.1% showing a slowing down from 4.5% in 2016. Compared to 8.5% growth in year 2016, the construction sector showed a 3.1% downturn in value addition to the national economy due to external factors such as elections, bad weather, inflationary pressures etc. This had its negative impact on government construction contracts as the Government, its Ministries and Departments continue to remain the largest clients for CECB consultancy and construction services. Notwithstanding this national slowdown, CECB was able to maintain its growth momentum in achieving a Group revenue of Rs.15.2 billion in 2017 showing a healthy increase by nearly 30% over the Rs.11.7 billion realized in 2016.

However PBT showed a 1.2% reduction in value to realize Rs.915 million in 2017 arising mainly from increase in administrative costs incurred for additional staff, hired staff for new projects such as Expressways, Railway, Megapolis and Construction Industry with annual salary increments. As a state-owned enterprise, we stringently adhere and comply with all regulatory requirements imposed by the Government. A total Rs.361.1million was remitted as cumulative taxes and other levies to the Government. Renewed efforts were taken to enhance governance and accountability issues through setting of strong controls and monitoring mechanisms that are continually assessed for improvement with directions of Board of Directors.

I believe that CECB is now better equipped and geared to support the National Development Drive. The Central Engineering Services (Pvt) Ltd (CESL) as the commercially oriented construction arm of CECB has now been market positioned for effective participation in the open market competitive bidding for engineering projects. As for consultancy, CECB leads the market with its multi-disciplinary value engineering reputation built over the last forty five years.

In conclusion, let me express my gratitude to my fellow Board Members for their valuable support and advice, special thanks to the General Manager for his leadership and commitment, to the senior management for their dedication and above all to our staff who are our greatest asset with their supporting staff from minor level to higher level.

Chairman

Eng. G.D.A. Piyatilake

BSc.Eng, PG.Dip (Const.Mgt), PG.Dip (Ports & Coastal) Norway, MIE (SL), C Eng, MASCE

A MESSAGE FROM THE GENERAL MANAGER



I am proud to report that Central Engineering Consultancy Bureau (CECB) continues to retain its lead position in the country as the foremost engineering consultancy organization while maintaining a sizable construction market share. CECB achieved this strategic position by not only contributing heavily to national infrastructure development from inception but importantly investing in building national engineering talents and human resources pool required for our market positioning.

As Chairman, CECB notes in his review, we have achieved a breakeven performance in terms of overall profitability despite the economic slowdown in the country affecting the construction sector. While the CECB Group revenue generation showed a 30% increase in 2017 over year 2016, the unavoidable increase in administrative costs which included hiring of several experienced engineering specialists, and other technical personnel from outside for projects such as Port City Development, Central and Southern Expressways, Water Resources projects etc., impacted the profit margins. During this period, the Consultancy Division maintained a healthy growth and realized a revenue of Rs.2.43billion in year 2017 while the EPC division realized a revenue of Rs.10.8 billion during the same period.

As a self-earning SOE, the Bureau continued to make exceptional contributions to national economy through its value engineering consultancies for development of nationally important infrastructure such as Central and Southern Expressways,

Port City Development, and several Water Resources and Hydropower Projects such as Kaluganga, Uma Oya and Broadland. While meeting all our regulatory commitments fully, the Bureau continued to generate employment for significant number of engineers and other professionals in the country.

CECB recognizes investments in training and skills development to be of utmost importance in maintaining its competitive edge. During 2017, CECB invested a total of Rs.9.8 million in fulfilling the in-house, post graduate, professional review training including foreign training requirements of CECB Staff. We will continue to invest in developing and upgrading their skills while ensuring opportunities for personal growth in their CECB career. CECB also contributed to national engineering education through providing Industrial Training placements for 602 students from 10 universities and 07 Technical/ Vocational training institutions free of charge.

Our focus on green building initiatives as well as the technical support provided to Construction Industry Development Authority (CIDA), Sri Lanka Standard Institution (SLSI) and other professional and regulatory organizations have helped Sri Lanka to maintain and regulate engineering quality standards in the country while upholding environmental sustainability. As part of our social obligations, we have built and provided new sanitary facilities for several marginalized schools in the Matale district undertaken as CSR initiative.

Let me end this note by acknowledging cooperation received from the Chairman, Senior Management and all staff members in providing leadership to CECB to advance its respected and reputed niche in the engineering industry in Sri Lanka. It is noteworthy that year 2017 was a fruitful year. We were able to achieve our targets, and we are positively looking forward to accomplishing our future goals in the coming years.

General Manager

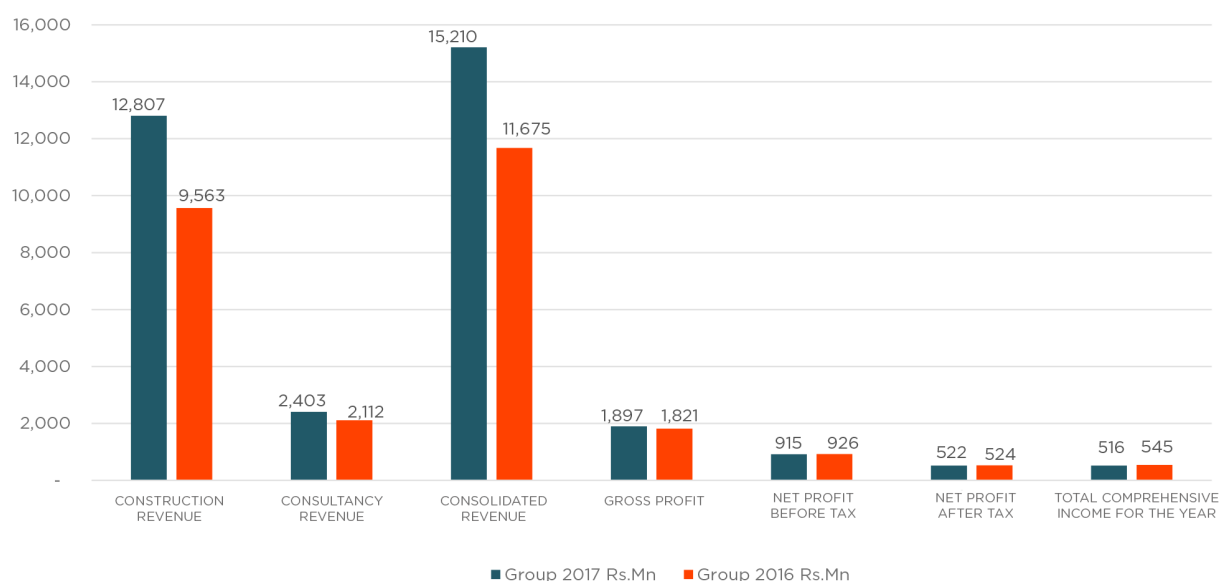
Eng. K.L.S. Sahabandu

Bsc.Eng (Hons), PG Dip (Hyd), MSc.(Struct.),CEng,
MICE (London),MIE (SL), M.Cons E(SL), FSSE (SL)

FINANCIAL HIGHLIGHTS

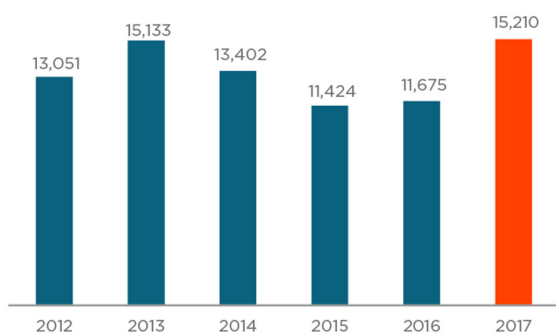
	Group		CECB	
	2017 Rs. Mn	2016 Rs. Mn	2017 Rs. Mn	2016 Rs. Mn
Construction Revenue	12,807	9,563	10,769	8,209
Consultancy Revenue	2,403	2,112	2,427	2,124
Consolidated Revenue	15,210	11,675	13,196	10,333
Gross Profit	1,897	1,821	1,120	1,153
Net Profit Before tax	915	926	757	816
Net profit after tax	522	524	401	440
Total Comprehensive Income for the Year	516	545	395	460
Total assets	23,302	19,945	21,856	18,434
Contributed Capital	0.50	0.50	0.50	0.50
Total Equity	6,016	5,501	5,603	5,208
Total Equity Equilibrium	23,302	19,945	21,856	18,434
Current Assets	20,398	17,001	19,422	15,878
Current Liabilities	17,097	14,265	16,092	13,069

FINANCIAL HIGHLIGHTS OF GROUP

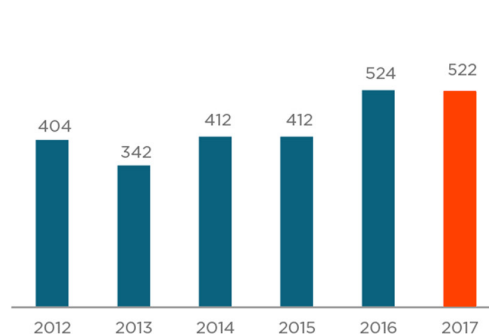


FINANCIAL HIGHLIGHTS Cont...

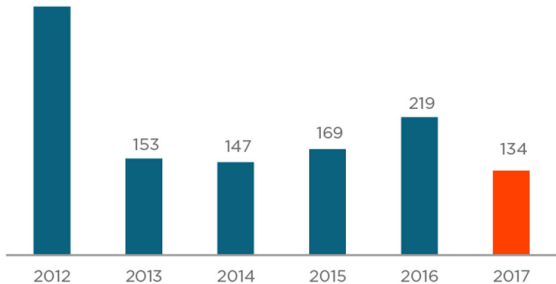
Revenue (Rs. Mn)



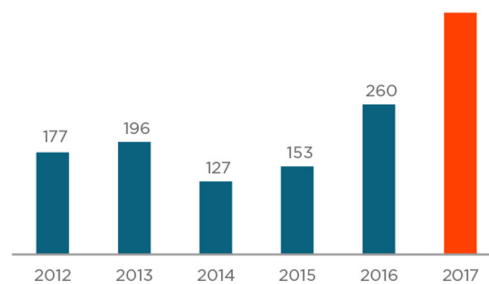
Net Profit (Rs.Mn)



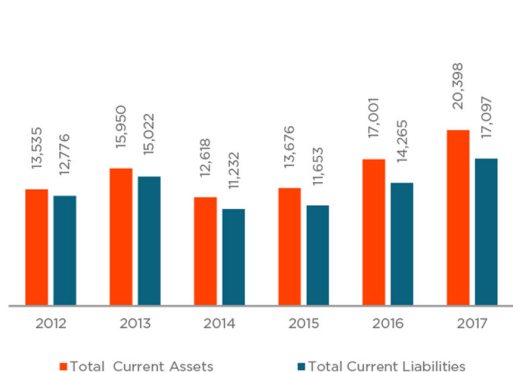
Other Income (Rs.Mn)



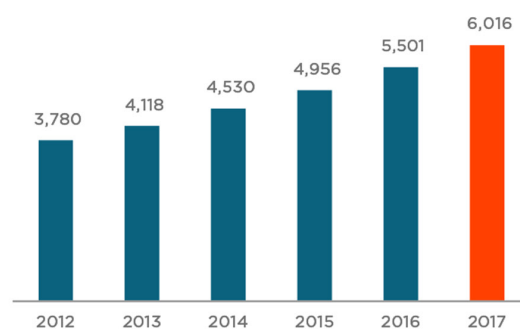
Net Finance Income (Rs.Mn)



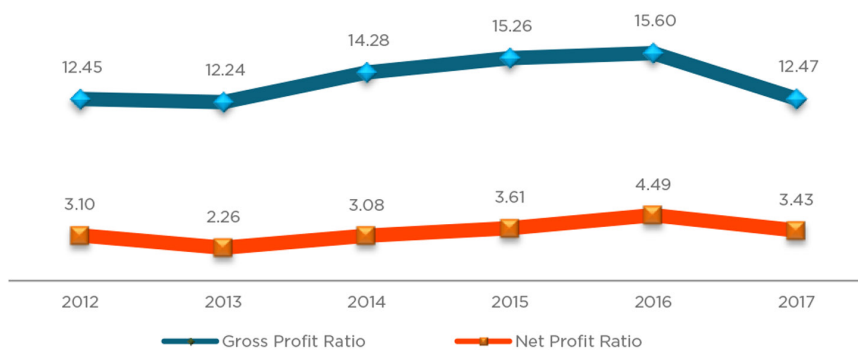
Current Assets & Current Liabilities (Rs.Mn)



Total Equity (Rs.Mn)



Profitability Ratios



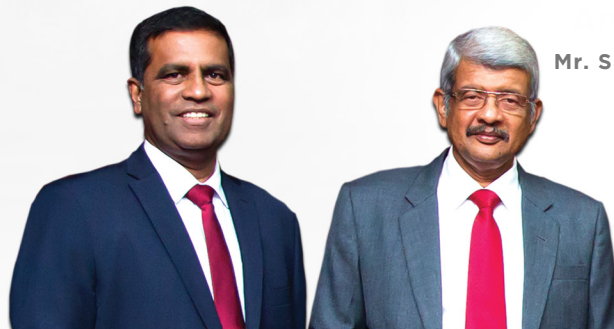
BOARD OF DIRECTORS

Eng. G.D.A. Piyatilake
Chairman



Eng. N. Rupasinghe
Director

Mr. P.B.S.C. Nonis
Director



Mr. S.M.N.L. Senanayake
Director

Mr. M.R.G. Ranathunge
Working Director



Eng. S.P.P. Nanayakkara
Director



Eng. H.B. Jayasekara
Director



Eng. G.D.A. Piyatilake

Chairman

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

Appointed as the Chairman of the Board in 2015. Functions concurrently as Chairman of the Central Engineering Services (PVT) Ltd, the construction Engineering arm of CECB. Since 2010 provided direct support to the Board in its deliberations as Corporate Additional General Manager (EPC). Possess over 34 years of wide experience in Engineering and Management all of which gained in CECB in various capacities and starting his career as Resident Engineer in Victoria Hydropower Project in 1983 and gaining progressive responsibilities and promotions over the years as Project Engineer (1995), Project Team Leader (1996), Deputy General Manager (2005) and as Additional General Manager in 2010. He brings to the Board his specialized knowledge and wide expertise of the Civil Engineering field gained in managing diverse projects he had undertaken in his long career.

Mr. M.R.G. Ranathunge

Working Director

LL.B (Sri Lanka), Attorney-at-Law, Notary Public, Company Secretary, Actg. Magistrate.

Appointed to the Board as Working Director in 2015. Previously served as Working Director, CECB during 2007 to 2010. Concurrently serves as Director, Central Engineering Services (PVT) Ltd. Concurrently functioning as Director, Ministry of Defence. Previously held the posts of Director, Water Resources Board, Director, Fertilizer Corporation and Secretary Rakhna Lanka (Pvt) Ltd. Earlier served as Zonal Vice President of the North Central Province, Bar Association of Sri Lanka.

Eng. N. Rupasinghe

Director

BSc. Eng.(Hons),PG Dip. (Hydropower)Norway, C.Eng.,MIE (SL), MICE (London), Licd. Surveyor

Appointed to the Board as Director in 2015. Holds nationally important development responsibilities as Secretary, Ministry of Megapolis and Western Development from 2015. Served as Chairman CECB from 2005 to 2014. Possess over 34 years of extensive Engineering and Management experience in the Bureau having joined CECB as Civil Engineer in 1981 and served as Civil Engineer, Resident Engineer, Chief Resident Engineer, Project Manager, Additional General Manager and General Manager. Pioneered the establishment of Engineering Procurement and Construction (EPC) Division starting as the Project Manager (Infrastructure Construction) and as Additional General Manager (EPC).

Eng. H.B. Jayasekara

Director

BSc.(Eng.), C.Eng., MICE(UK), FIE(SL)

Appointed to the Board as Director in 2015. Has earlier functioned as Chairman, CECB from 2000 to 2004. Extensive experiences in engineering and management gained nationally and overseas. Worked at State Engineering Corporation of Sri Lanka as Design Engineer (1965 to 1967), Resident Engineer (1967-1968) and Resident Construction Manager (1970 to 1972). Joined Central Engineering Consultancy Bureau as a Chief Project Engineer (1977), promoted as Deputy General Manager (1978 - 1985), as Additional General Manager Water Resources Planning (1986 - 1995) and elevated as General Manager, CECB (1995 to 1996). Served overseas in the Forestry Commission, Head Office, U.K (1968 to 1970) and as Deputy Section Engineer, Kent Country Council, UK (1972 to 1977)

Mr. S.M.N.L. Senanayake

Director

BSc., Dip. Mgt., FCA, Chartered Accountant.

Reappointed to the Board as Director in 2015, having functioned as Director, CECB since 2004. Functioned as Company Secretary, Central Engineering Services (PVT) Ltd till June 2016. Possess extensive finance management and accounting experiences. Functions as Director, Corporate Vision (Pvt) Ltd., since 1988 and as Director, Financial Consultants and Allied Services (Pvt) Ltd since 1994.

Mr. P.B.S.C. Nonis

Director

B.Sc. (Business Admin) Hons - University of Sri Jayawardenapura, Master of Public Administration - Flinders University Australia, LICA, Institute of Chartered Accountants of Sri Lanka

Appointed in 2015 as Director representing Treasury in the CECB Board Functions as the current Chairman of the Audit Management Committee of CECB. Currently serving as a Comptroller-General of Sri Lanka and providing valuable service to the Government and holds the substantive post of Director, Ministry of Finance and Department of Public Finance. Possess diverse and extensive Sri Lanka Administrative Service (SLAS) experiences. Started SLAS career in the Ministry of Fisheries and Aquatic Resources as Assistant Secretary (1998) and Ministry of Finance and Planning as Assistant Director, Department of Fiscal Policy & Economic Affairs (2002), Deputy Director of Department of Trade Tariff and Investment Policy (2009) and Director, Department of Fiscal Policy (2009) appointed as a Director of Customs in 2011 and as Additional Secretary (Procurement), Ministry of Petroleum Industries in 2014. Has served as Career Guidance Specialist, Ministry of Youth and Skills Development Skills Sector.

Eng. S.P.P. Nanayakkara

Director

B.Sc. Eng, C Eng, MICE (UK), MIE (SL)

Appointed to the Board as Director in 2016 and concurrently serves as Executive Director, Central Engineering Services (Pvt) Ltd. Functioned as Chief Executive Officer of Central Engineering Services (Pvt) Ltd till September 2016. Possess over 36 years of extensive Engineering and Management experience in the Bureau having joined CECB as a Civil Engineer in 1980 and served as Shift Engineer in Maduru Oya Irrigation and Hydropower Project, Design Engineer in the Canyon Hydropower Project, Civil Engineer in the Randenigala Hydropower Project, Senior Engineer at Samanalawewa Hydropower Project. In 2001 he started the EPC - Southern Province Section as a Project Manager and served there as Deputy General Manager (EPC-SP) from 2006 to 2007 and as Additional General Manager (EPC-SP) from 2007 to 2015 and as Corporate Additional General Manager (EPC) till September 2016.

MANAGEMENT TEAM

Eng. G.D.A. Piyatilaka

Chairman

Eng. K.L.S. Sahabandu

General Manager

Eng. T.D. Wickramaratne

Corporate AGM (Consultancy)

Eng. A.Galketiya

Corporate AGM (EPC) / AGM (Special Projects-2) /
AGM (International)

Eng. G.D.A. Piyatilake

AGM (EPC-WP-1)

Eng.E.P.U.S.Karunaratne

AGM (EPC-Western Province-2)

Eng.I.R.P.Gunathilake

AGM (Special Projects-1)

Eng.H.M.Nandasena

AGM (EPC-Central Province)

Arch. W.K.Lalith Hewage

AGM (Architectural)

Eng.G.A.D.L.J. Seneviratne

AGM (Electro & Mechanical)

Eng. (Mrs.) H.M.S.Rupasinghe

AGM (Central Province)

Eng.S.W.Jayawardana

AGM (Design-1)

Eng. (Mrs.) A.A.P.Adikari

AGM (Design-2) / AGM (DHQC)

Eng.S.A.U.D.C.Siriwardana

AGM (Water Resources Planning)

Eng.P.M.P.C.Gunathilake

A/AGM (EPC-East)

Eng.G.R.A.S.Gunathilake

AGM (Consultancy-East)

Eng.W.A.D.D.Nanda Kumara

AGM (Northern Roads)

Eng.M.N.Gunasena

AGM (EPC-UvaProvince)

Eng. T.G.D.T.Dharmawardana

AGM (Projects)

Eng. W.E.P.Ranjan Kumara

A/AGM (EPC-Sabaragamuwa)

Eng.G.R.A.S.Gunathilake

A/AGM (EPC-South East)

Eng.S.S.A.Kalugaldeniya

A/AGM (Design-3)

Eng. J.A.D.R.S.Kumara

A/AGM (EPC-NCP)

Eng. A.Pushparajah

A/AGM (EPC-North)

Eng.A.A.Virajh Dias

AGM (NRM&LS)

Mr.W.T.D.P.Pathmendra

A/DGM (C&QS)

Eng.S.B.A.D.Semasinghe

A/AGM (EPC-Polonnaruwa)

Eng.L.W.J.N.De Alwis

A/AGM (EPC-Southern Province)

Mr.U.N.B.Mawathagama

DGM Finance

Mrs. A.C. Jayathilake

DGM IT

Mr.E.R.S.Amarasekara

Chief Internal Auditor

Mrs. S.H.H.C.U.Senanayake

A/Senior Legal Officer

Mr. L.P.Jayasundara

DGM (HR&Admin)

DIRECTORS REPORT

ANNUAL REPORT OF THE BOARD OF DIRECTORS – 2017

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. G.D.A. Piyatilake	-	Chairman
Mr. M.R.G. Ranathunga	-	Working Director
Eng. N. Rupasinghe	-	Director
Mr. S.M.N.L. Senanayake	-	Director
Eng. H.B. Jayasekara	-	Director
Mr. P.B.S.C. Nonis	-	Director
Eng. S.P.P. Nanayakkara	-	Director

Meetings & Attendance

The Board met in 13 occasions to the Financial Year 2017 and the attendance of the Board of Directors was as follows.

Name	Position	2017												
		30 th Jan	23 rd Feb	27 th Mar	27 th April	24 th May	15 th June	22 nd June	27 th July	25 th Aug	28 th Sep	26 th Oct	11 th Dec	28 th Dec
Eng. G.D.A. Piyatilake	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. M.R.G. Ranathunga	Working Director	✓	✓	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	✓
Eng. N. Rupasinghe	Director	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr.S.M.N.L. Senanayake	Director	-	✓	✓	-	✓	✓	✓	✓	✓	-	-	✓	✓
Eng. H.B. Jayasekara	Director	✓	✓	✓	✓	-	-	-	✓	✓	-	✓	✓	✓
Mr. P.B.S.C. Nonis	Director	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Eng.S.P.P. Nanayakkara	Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

AUDIT COMMITTEE REPORT

The Audit and Management Committee is governed by the specific Terms of Reference (TOR) set out by the Board of Directors in terms of the Public Enterprises Circular No. PED 55. 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 issued by the Board of Directors.

Determination of the responsibilities of the Internal Audit Unit and review of the annual audit plans, Review and evaluate internal control systems for all activities of the entity, Review performance at regular intervals for cost effectiveness and to eliminate wasteful expenditure etc., Liaise with external auditors and follow up on Auditor General's / External auditors Management Letters, Ascertain whether statutes, regulations, rules and circulars are complied with, Review financial statements to ensure compliance with Accounting Standards, Review internal audit/external audit reports, Management Letters for remedial action, Review implementation of recommendations / directives of the Committee on Public Enterprises, Prepare report on the findings of the Committee for inclusion in the Annual Report, Address relevant issues concerning the subsidiaries of the enterprise, if any, on a regular basis.

Composition

According to the provisions of Public Enterprises Circular No. PED 55, 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:

- ◀ Mr. P.B.S.C. Nonis - Director /Chairman of the Committee
- ◀ Mr. S.M.N.L. Senanayake - Director
- ◀ Eng. H.B. Jayasekara - Director

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

Ms. S.H.H.C.U. Senanayake, 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 six occasions during the financial year 2017 and their attendances are as follows:

Name	2017					
	2 nd Feb	05 th April	21 st June	12 th Sept	23 rd Dec	28 th Dec
Mr. P.B.S.C. Nonis	✓	✓	✓	✓	✓	✓
Mr.S.M.N.L.Senanayake	✓	✓	✓	✓	✓	✓
Eng. H.B.Jayasekara	✓	✓	-	-	✓	✓

Other Members of the Board, Senior Managers, as well as the External Auditors 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.

Mr. P.B.S.C. Nonis

Chairman - Audit and Management Committee

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.

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 2017 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 there to 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 (SLFRS and LKAS) 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 currency.

2.4 Use of 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 assumption 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
Contract revenue, cost and percentage of completion	09	28

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
Property, plant and equipment	15	29/30
Employee Benefits	22	32
Deferred Tax Liabilities	23	33

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 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 Financial Instruments

(a) Financial assets

The Group initially recognizes loans and receivables and deposits on the date that they originated. All other financial assets are recognized initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts intends either to settle on a net basis or realize the assets and settle the liability simultaneously.

The Group has the following financial assets: loans and receivables and available-for-sale financial assets.

(i) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivable comprise cash and cash equivalents, investment in debenture and trade and other receivables, including related party receivables.

(ii) Cash and cash equivalents

Cash and cash equivalents comprise cash balances. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(iii) Held to Maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Group has the positive intention and ability to hold them to maturity. After initial measurement, held to maturity investments are measured at amortised cost using the Effective Interest method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in finance income in the statement of comprehensive income.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale and that are not classified as any of the other financial assets. The Group's investments in equity securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, are recognized in other comprehensive income and presented within equity in the fair value reserve. When an investment is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss. However investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured therefore the equity instruments are measured at cost.

(b) Financial liabilities

Other financial liabilities are recognized initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognizes a financial liability when its contracted obligations are discharged, cancelled or expired.

The Group classifies non-derivative financial liabilities in to the other financial liabilities category. Such financial liabilities are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost. Other financial liabilities comprise: loans and borrowings, trade and other payables.

3.4 Impairment

3.4.1 Non-derivative Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

3.4.2 Financial assets

The Group considers evidence of impairment for receivables at a specific asset level. All individually significant receivables are as assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reserved through profit or loss. Impairment losses on available-for-sale investment securities are recognised by transferring the cumulative loss that has been recognised in other comprehensive income, and presented in the fair value reserve in equity, to profit or loss. The cumulative loss that is removed from other comprehensive income and recognised in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in profit or loss. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

3.4.3 Non-financial assets

The carrying amounts of the Group's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 risk specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest Group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Groups of assets (the "cash generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amounts of the other assets in the unit (Group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.5 Property, Plant and Equipment

3.5.1 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.

Property, plant and equipment are stated at cost/ revaluation less accumulated depreciation and accumulated impairment losses

3.5.2 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.

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.

3.5.3 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.

3.5.4 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.

3.5.5 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.

3.5.6 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.

The estimated useful lives are as follows:

Asset Category	Useful Lives (years)
Freehold Building	13-14
Office Equipment and Furniture and Fittings	5-8
Construction Instruments and Equipment	4-5
Motor Vehicles	4
Plant & Machinery	5
Containers	5
Computers	5
Library Books	8

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.

3.5.7 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.

3.6 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.

3.6.1 Work in Progress

Construction contracts in progress represent the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses. 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. Construction contracts in progress is presented as part of trade and other receivables in the statement of financial position for all contracts in which costs incurred plus recognised profits exceed progress billings. If progress billings exceed costs incurred plus recognised profits, then the difference is presented as part of trade and other payable in the statement of financial position.

3.7 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

(b) 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.

3.8 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.

3.9 Statement of Comprehensive Income

3.9.1 Revenue

(a) Construction Contracts

Contracts require Standard Technical Committee (STC) approval for the measurement of contract revenue

The projects pending STC approval, the contract revenue recognized only 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 and contract revenue is revised to the STC approved contract revenue once it is received.

Other Contracts

The contract revenue includes the initial amount 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.

As soon as the outcome of a Construction Contract can be estimated reliably, contract revenue is recognized in profit or loss in proportion to the stage of completion of the contract.

The stage of completion is assessed with reference to the proportion that contract cost incurred for work performed to date bear to the estimated total contract costs. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

(b) Consultancy Services

The Bureau generates revenue from consultancy services related to Engineering Projects. Revenue from consultancy services is recognized according to nature, scope, value and duration of the consultancy contracts in the following manner.

1. Stage of Completion Method

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

2. Invoice Method

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

3. Collection Method

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

3.9.2 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.

3.9.3 Dividend Income

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

3.9.4 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.

3.9.5 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.

3.9.6 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.

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 27 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 favourable and unfavourable 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

9 NEW ACCOUNTING STANDARDS ISSUED BUT NOT EFFECTIVE AS AT THE REPORTING DATE

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Company Financial Statements are disclosed below. The group intends to adopt these standards, if applicable, when they become effective.

(a) SLFRS 9 - Financial Instruments

SLFRS 9 as issued reflects the replacement of LKAS -39'- "Financial Instrument: Recognition and Measurement" and applies to the classification and measurement of financial assets and liabilities as defined in LKAS 39. This standard becomes effective for annual periods beginning on or after 1st January 2018. The adoption of SLFRS 9 will have an impact on the classification and measurement of the company's and group's financial instrument.

(b) SLFRS 15 - Revenue from Contracts with Customers

SLFRS 15 establish a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces the existing revenue recognition guidance including LKAS18-“Revenue” and LKAS 11-“Construction Contracts”. The adoption of SLFRS 15 is effective for annual periods beginning on or after 1st January 2018, with early adoption permitted.

The group will adopt these standards when they become effective. Pending a detailed review, the financial impact is not reasonable estimable as at the date of publication of these Financial statements.

CENTRAL ENGINEERING CONSULTANCY BUREAU
STATEMENT OF COMPREHENSIVE INCOME

		GROUP		CECB	
FOR THE YEAR ENDED 31ST DECEMBER 2017		2017 Rs	2016 Rs	2017 Rs	2016 Rs
	Note				
Revenue	9	15,209,624,006	11,674,570,503	13,195,637,498	10,333,280,821
Cost of Sales	10	(13,312,355,493)	(9,853,816,338)	(12,075,714,656)	(9,179,818,923)
Gross Profit		1,897,268,513	1,820,754,165	1,119,922,842	1,153,461,898
Other Income	11	134,210,273	218,971,425	179,759,198	272,930,388
Administration Expenses		(1,395,814,503)	(1,151,207,809)	(718,018,736)	(601,403,438)
Selling and Distribution Expenses		(140,237,585)	(222,937,513)	(131,766,570)	(213,573,602)
Results from Operating Activities		495,426,698	665,580,269	449,896,734	611,415,245
Finance Income		445,958,333	282,598,968	316,507,931	210,668,182
Finance Cost		(26,342,723)	(22,135,246)	(9,753,126)	(6,263,475)
Net Finance Income	12	419,615,611	260,463,722	306,754,804	204,404,707
Profit Before Tax	13	915,042,308	926,043,990	756,651,538	815,819,952
Income Tax Expense	14	(392,859,134)	(401,823,227)	(355,346,282)	(376,156,549)
Profit for the Year		522,183,174	524,220,763	401,305,256	439,663,403
Other Comprehensive Income					
Actuarial Gain on post employment benefit obligat	22	(6,529,540)	20,297,204	(5,919,064)	20,282,110
Total Comprehensive Income for the Year		515,653,634	544,517,967	395,386,192	459,945,513

Figures in brackets indicates deductions.

The Notes to the Financial Statements set out on pages 28 to 36 form an integral part of these Financial Statements.

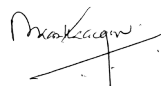
CENTRAL ENGINEERING CONSULTANCY BUREAU

STATEMENT OF FINANCIAL POSITION

		GROUP		CECB	
AS AT 31ST DECEMBER 2017		2017 Rs	2016 Rs	2017 Rs	2016 Rs
Assets	Note				
Non-Current Assets					
Property, Plant and Equipment	15	2,852,702,138	2,905,911,035	2,372,710,383	2,509,023,699
Investments	16	51,117,849	38,489,824	61,117,869	46,957,402
Total Non-Current Assets		2,903,819,987	2,944,400,859	2,433,828,252	2,555,981,101
Current Assets					
Inventories	17	832,849,205	785,057,154	10,638,501	16,857,933
Trade and Other Receivables	18	14,779,002,414	11,485,838,621	14,400,921,345	11,013,443,138
Short term Investments	16	4,094,534,947	4,081,356,846	2,983,463,922	3,035,639,354
Cash and Cash Equivalents	20	691,640,433	648,439,480	461,781,166	440,730,586
Amount Due from Related Parties	19			1,565,621,738	1,371,069,905
Total Current Assets		20,398,026,998	17,000,692,101	19,422,426,671	15,877,740,916
Total Assets		23,301,846,985	19,945,092,960	21,856,254,923	18,433,722,017
Equity and Liabilities					
Contributed Capital		500,000	500,000	500,000	500,000
Capital Reserve	26	3,028,000	3,028,000	3,028,000	3,028,000
Retained Earnings		6,012,648,538	5,496,994,903	5,599,699,524	5,204,313,332
Total Equity		6,016,176,538	5,500,522,903	5,603,227,524	5,207,841,332
Non-Current Liabilities					
Lease Creditors	21	-	-	-	-
Employee Benefits	22	165,820,347	158,063,895	161,242,343	156,587,664
Deferred Tax	23	22,581,183	21,820,955	-	-
Total Non-Current Liabilities		188,401,530	179,884,851	161,242,343	156,587,664
Current Liabilities					
Trade and Other Payables	24	16,124,875,069	13,293,081,842	15,156,893,565	12,120,903,654
Income Tax Payables	25	972,393,849	971,603,364	934,891,491	948,389,368
Total Current Liabilities		17,097,268,918	14,264,685,206	16,091,785,056	13,069,293,022
Total Liabilities		17,285,670,447	14,444,570,057	16,253,027,399	13,225,880,686
Total Equity and Liabilities		23,301,846,985	19,945,092,960	21,856,254,923	18,433,722,017

Figures in brackets indicates deductions.

The Notes to the Financial Statements set out on pages 28 to 36 form an integral part of these Financial Statements.
It is certified that the Financial Statements have been prepared in compliance with generally accepted accounting policies.



U.N.B. Mawathagama
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. G.D.A. Piyatilake
CHAIRMAN

04 December 2018
Colombo



Eng. S.P.P. Nanayakkara
DIRECTOR

CENTRAL ENGINEERING CONSULTANCY BUREAU
STATEMENT OF CHANGES IN EQUITY

CECB				
FOR THE YEAR ENDED 31ST DECEMBER 2017	Contributed Capital Rs	Capital Reserve Rs	Retained Earnings Rs	Total Rs
Balance as at 01st January 2016	500,000	3,028,000	4,744,367,819	4,747,895,819
Net Profit For the Year	-		439,663,403	439,663,403
Other Comprehensive Income for the Year			20,282,110	20,282,110
Balance as at 31st December 2016	500,000	3,028,000	5,204,313,332	5,207,841,332
Balance as at 01st January 2017	500,000	3,028,000	5,204,313,332	5,207,841,332
Net Profit For the Year	-	-	401,305,256	401,305,256
Other Comprehensive Income for the Year	-	-	(5,919,064)	(5,919,064)
Balance as at 31st December 2017	500,000	3,028,000	5,599,699,524	5,603,227,524

GROUP				
FOR THE YEAR ENDED 31ST DECEMBER 2017	Contributed Capital Rs	Capital Reserve Rs	Retained Earnings Rs	Total Rs
Balance as at 01st January 2016	500,000	3,028,000	4,952,476,936	4,956,004,936
Net Profit For the Year	-	-	524,220,763	524,220,763
Other Comprehensive Income for the Year			20,297,204	20,297,204
Balance as at 31st December 2016	500,000	3,028,000	5,496,994,903	5,500,522,903
Balance as at 01st January 2017	500,000	3,028,000	5,496,994,903	5,500,522,903
Profit For the Year			522,183,174	522,183,174
Other Comprehensive Income for the Year			(6,529,540)	(6,529,540)
Balance as at 31st December 2017	500,000	3,028,000	6,012,648,538	6,016,176,538

The Notes to the Financial Statements set out on pages 28 to 36 form an integral part of these Financial Statements.

CENTRAL ENGINEERING CONSULTANCY BUREAU

CASH FLOW STATEMENT

	GROUP		CECB	
FOR THE YEAR ENDED 31ST DECEMBER 2017	2017 Rs	2016 Rs	2017 Rs	2016 Rs
Cash Flows from Operating Activities				
Profit Before Tax	915,042,308	926,043,990	756,651,538	815,819,952
<i>Adjustments for:</i>				
Depreciation on Property, Plant and Equipments	341,735,552	349,758,461	188,697,441	208,416,548
Provision for Bad and Doubtful Debts	133,851,153	216,792,372	127,634,446	210,702,562
Reversal of Bad and Doubtful Debts	(35,000,000)	(134,410,740)	(35,000,000)	(130,120,258)
Provision / (Reversal) for Gratuity	35,910,237	28,667,377	33,418,940	28,186,313
Net Finance Income	(419,615,611)	(260,463,722)	(306,754,804)	(204,404,707)
Previous Period Adjustments	-	-	-	-
(Profit) / Loss on disposal of Property, Plant and Equipments	25,577	(10,563,480)	(342,369)	(5,719,648)
Operating Profit before Working Capital Changes	971,949,217	1,115,824,259	764,305,192	922,880,761
(Increase)/Decrease in Inventories	(47,792,051)	(190,375,089)	6,219,432	75,633,401
(Increase)/Decrease in Trade and Other Receivables	(3,392,014,946)	(2,630,441,263)	(3,480,112,652)	(1,651,016,359)
(Increase)/Decrease in Amounts Due from Related Companies	0	-	(194,551,833)	(223,603,876)
Increase/(Decrease) in Trade and Other Payables	2,831,793,227	2,415,627,019	3,035,989,911	1,189,147,596
Cash Generated from Operating Activities	363,935,446	710,634,925	131,850,049	313,041,523
Interest paid	(26,342,723)	(22,135,246)	(9,753,126)	(6,263,475)
Tax paid	(391,308,423)	(200,458,436)	(368,844,159)	(179,132,891)
Gratuity paid	(34,683,325)	(27,764,111)	(34,683,325)	(27,755,450)
Net Cash Flows from Operating Activities	(88,399,024)	460,277,133	(281,430,561)	99,889,707
Cash Flows from Investing Activities				
Investment in Property Plant and Equipment	(300,348,314)	(157,028,151)	(71,917,615)	(30,958,688)
Investment in Capital Work in Progress	(9,385,324)	(13,102,338)	-	-
Sales Proceed on Disposal of Property Plant and Equipment	21,181,405	13,702,671	19,875,859	6,067,772
Investment / Disposal of Long Term Deposit	(12,628,025)	988,039	(14,160,467)	(2,703,815)
Investment / Disposal of Short Term Deposit	(13,178,100)	(739,505,984)	52,175,432	(464,660,405)
Interest Income	445,958,333	282,598,968	316,507,931	210,668,182
Net Cash Flows from Investing Activities	131,599,977	(612,346,795)	302,481,141	(281,586,955)
Cash Flows from Financing Activities				
Payment of Finance Lease Liabilities	-	(883,827)	-	-
Net Cash from Financing Activities	-	(883,827)	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents	43,200,953	(152,953,490)	21,050,580	(181,697,248)
Cash and Cash Equivalent at the beginning	648,439,480	801,392,970	440,730,586	622,427,835
Cash and Cash Equivalent at the end (Note 20)	691,640,433	648,439,480	461,781,166	440,730,586

Figures in brackets indicates deductions.

The Notes to the Financial Statements set out on pages 28 to 36 form an integral part of these Financial Statements.

CENTRAL ENGINEERING CONSULTANCY BUREAU

NOTES TO THE FINANCIAL STATEMENTS

	GROUP		CECB	
FOR THE YEAR ENDED 31ST DECEMBER 2017	2017 Rs	2016 Rs	2017 Rs	2016 Rs
9 Revenue				
Construction Revenue	12,806,742,018	9,562,536,642	10,768,630,876	8,209,198,474
Consultancy Revenue	2,402,881,988	2,112,033,861	2,427,006,622	2,124,082,347
	15,209,624,006	11,674,570,503	13,195,637,498	10,333,280,821
10 Cost of sales				
Construction Cost	11,675,869,253	8,479,188,921	10,415,157,725	7,790,481,593
Consultancy Cost	1,636,486,240	1,374,627,417	1,660,556,930	1,389,337,330
	13,312,355,493	9,853,816,338	12,075,714,656	9,179,818,923
11 Other Income				
Miscellaneous Revenue	86,727,323	71,354,350	71,082,503	62,430,692
Hiring Income	10,362,049	6,266,318	38,144,281	37,526,306
Gain on Disposal of Non C/A	350,827	5,785,636	350,826	5,785,636
Reimbursable costs	-	-	33,411,513	35,913,113
Foreign exchange gain	1,770,074	1,154,382	1,770,074	1,154,382
Bad Debt Provision Reversal	35,000,000	134,410,740	35,000,000	130,120,258
	134,210,273	218,971,425	179,759,198	272,930,388
12 Net Finance Income				
Finance Income				
Interest Income	445,958,333	282,598,968	316,507,931	210,668,182
	445,958,333	282,598,968	316,507,931	210,668,182
Finance Cost				
Finance Cost	(26,342,723)	(22,135,246)	(9,753,126)	(6,263,475)
Net Finance Income	419,615,611	260,463,722	306,754,804	204,404,707
14 Income Tax				
	392,098,907	397,620,085	355,346,282	376,156,549
14.1 Current Tax Expense	760,227	4,203,142	-	-
Deferred Tax Provision	392,859,134	401,823,227	355,346,282	376,156,549
14.2 Reconciliation of Accounting Profit to Taxable Profit				
	11,294,687	27,050,366	11,294,687	27,050,366
Tax on Construction Income @ 12%	233,571,118	203,776,311	196,818,493	182,312,775
Tax on Other Income @ 28%	147,233,101	166,793,408	147,233,101	166,793,408
Dividend Tax	392,098,907	397,620,085	355,346,282	376,156,549
Current Income Tax Expenses				

CENTRAL ENGINEERING CONSULTANCY BUREAU
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15 PROPERTY PLANT AND EQUIPMENT

15.1 CECB

FOR THE YEAR ENDED 31ST DECEMBER 2017												
	Land	Buildings	Furniture & Fittings	Construction Instrument & Equipment	Office Equipment	Plant & Machinery	Containers	Computers	Motor Vehicles	Library Books	Capital Work In Progress	Total
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Cost												
Balance as at 1st January 2017	1,701,736,867	820,129,995	67,037,896	223,719,126	72,639,548	502,540,042	12,380,896	144,675,350	382,708,511	1,776,940	19,331,449	3,948,676,619
Additions during the year	6,149,578	36,104,934	4,417,967	2,227,006	8,438,717	1,068,430	-	9,902,354	3,395,210	213,418	-	71,917,615
Disposals / Write off during the year	-	-	(132,765)	(104,094)	(614,955)	(2,613,863)	-	(984,592)	-	-	(19,331,449)	(23,781,718)
Balance as at 31st December 2017	1,707,886,445	856,234,929	71,323,099	225,842,037	80,463,310	500,994,609	12,380,896	153,593,111	386,103,721	1,990,358	-	3,996,812,515
Accumulated Depreciation												
Balance as at 1st January 2017	-	303,173,342	36,333,855	181,174,824	42,026,463	387,844,388	12,115,525	105,409,263	370,548,485	1,026,776	-	1,439,652,920
Charge for the year	-	67,698,817	8,151,267	14,691,928	8,627,247	66,382,497	250,017	15,498,587	7,171,782	225,297	-	188,697,441
Disposals during the year	-	-	(93,892)	(104,094)	(468,368)	(2,597,281)	-	(984,592)	-	-	-	(4,248,229)
Balance as at 31st December 2017	-	370,872,159	44,391,229	195,762,658	50,185,342	451,629,604	12,365,543	119,923,258	377,720,267	1,252,073	-	1,624,102,133
Net Book Value												
Balance as 31st December 2016	1,701,736,867	516,956,653	30,704,042	42,544,302	30,613,085	114,695,655	265,371	39,266,086	12,160,026	750,164	19,331,449	2,509,023,699
Balance as at 31st December 2017	1,707,886,445	485,362,770	26,931,870	30,079,379	30,277,968	49,365,006	15,353	33,669,853	8,383,454	738,285	-	2,372,710,383

CENTRAL ENGINEERING CONSULTANCY BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15 PROPERTY PLANT AND EQUIPMENT

15.2 Group

FOR THE YEAR ENDED 31ST DECEMBER 2017												
	Land	Buildings	Furniture & Fittings	Construction Instrument & Equipment	Office Equipment	Plant & Machinery	Containers	Computers	Motor Vehicles	Library Books	Capital Work In Progress	Total
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Cost												
Balance as at 1st January 2017	1,710,152,014	876,854,429	84,887,422	380,413,486	96,897,579	704,353,506	28,190,362	179,751,121	770,345,431	2,224,110	43,553,168	4,877,622,626
Additions during the year	6,149,578	37,449,525	10,184,136	97,533,255	21,074,342	79,843,618	15,773,550	24,440,351	6,990,210	909,748	9,385,324	309,733,637
Disposals during the year	-	-	(185,655)	(909,841)	(772,061)	(4,328,257)	-	(2,239,392)	-	-	(19,331,449)	(27,766,655)
Balance as at 31st December 2017	1,716,301,592	914,303,954	94,885,903	477,036,900	117,199,860	779,868,867	43,963,912	201,952,080	777,335,641	3,133,858	33,607,043	5,159,589,608
Accumulated Depreciation												
Balance as at 1st January 2017	-	318,940,293	41,327,105	246,860,886	49,161,807	479,884,957	21,136,040	119,294,827	694,062,513	1,043,163	-	1,971,711,591
Charge for the year	-	71,213,812	10,744,654	63,013,504	13,336,500	112,588,237	7,436,517	24,000,023	39,162,722	239,583	-	341,735,552
Disposals during the year	-	-	(116,170)	(626,952)	(551,450)	(3,265,319)	-	(1,999,782)	-	-	-	(6,559,673)
Balance as at 31st December 2017	-	390,154,104	51,955,589	309,247,438	61,946,857	589,207,875	28,572,557	141,295,068	733,225,235	1,282,746	-	2,306,887,470
Net Book Value												
Balance as 31st December 2016	1,710,152,014	557,914,136	43,560,317	133,552,600	47,735,771	224,468,549	7,054,322	60,456,294	76,282,918	1,180,946	43,553,168	2,905,911,035
Balance as at 31st December 2017	1,716,301,592	524,149,849	42,930,313	167,789,461	55,253,003	190,660,992	15,391,355	60,657,012	44,110,406	1,851,112	33,607,043	2,852,702,139

* Capital work in progress includes the cost of internally developed software in the subsidiary (Central Engineering Services (Pvt) Ltd). The details are as follows

	As at 31.12.2017	As at 31.12.2016
Balance at the beginning of the year	4,785,714	2,785,714
Cost incurred during the year	4,580,000	2,000,000
	9,365,714	4,785,714

CENTRAL ENGINEERING CONSULTANCY BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2017	GROUP		CECB	
	2017 Rs	2016 Rs	2017 Rs	2016 Rs
16 Investments				
Long term investment (Note 16.1)	51,117,849	38,489,824	61,117,869	46,957,402
Short term investment (Note 16.2)	4,094,534,947	4,081,356,846	2,983,463,922	3,035,639,354
	<u>4,145,652,796</u>	<u>4,119,846,670</u>	<u>3,044,581,791</u>	<u>3,082,596,756</u>
16.1 Long term investment				
Loans and receivable financial assets				
Investment in Fixed Deposit	49,117,849	36,489,824	49,117,849	34,957,382
Available for sale financial assets				
Investment in Shares	2,000,000	2,000,000	2,000,000	2,000,000
	<u>51,117,849</u>	<u>38,489,824</u>	<u>51,117,849</u>	<u>36,957,382</u>
Investment in subsidiary (Unquoted)				
Central Engineering Services (Private) Limited	-	-	10,000,020	10,000,020
	<u>-</u>	<u>-</u>	<u>10,000,020</u>	<u>10,000,020</u>
	<u>51,117,849</u>	<u>38,489,824</u>	<u>61,117,869</u>	<u>46,957,402</u>
16.2 Short term investment				
Repo	10,000,000	58,749,548	10,000,000	58,749,548
Short term investments	4,084,534,947	4,022,607,298	2,973,463,922	2,976,889,806
	<u>4,094,534,947</u>	<u>4,081,356,846</u>	<u>2,983,463,922</u>	<u>3,035,639,354</u>
17 Inventories	<u>832,849,205</u>	<u>785,057,154</u>	<u>10,638,501</u>	<u>16,857,933</u>
18 Trade and Other Receivables				
Trade Receivables (Note 18.1)	14,359,088,555	11,144,567,276	11,114,025,430	8,051,064,521
Other Receivables (Note 18.2)	107,228,112	74,425,943	65,471,318	56,874,387
Deposits, Prepayments and Advances (Note 18.3)	312,685,748	266,845,402	3,221,424,597	2,905,504,230
	<u>14,779,002,414</u>	<u>11,485,838,621</u>	<u>14,400,921,345</u>	<u>11,013,443,138</u>
18.1 Trade Receivables				
Debtors	9,241,972,617	6,838,763,494	8,475,707,071	5,863,186,580
Due from customers	3,446,997,122	2,876,396,109	1,166,933,362	940,101,284
Retention receivables	3,055,459,146	2,715,896,852	2,840,665,241	2,524,422,456
Less - Provision for Impairment (Note 18.1.1)	(1,385,340,330)	(1,286,489,179)	(1,369,280,245)	(1,276,645,799)
	<u>14,359,088,555</u>	<u>11,144,567,276</u>	<u>11,114,025,430</u>	<u>8,051,064,521</u>
18.1.1 Provision for Impairment				
Balance at the beginning of the year	1,286,489,178	1,221,474,256	1,276,645,799	1,213,430,205
Impairment loss recognised	133,851,153	216,792,372	127,634,446	210,702,562
Amounts written off/reversal	(35,000,000)	(151,777,449)	(35,000,000)	(147,486,967)
Balance at the end of the year	<u>1,385,340,330</u>	<u>1,286,489,179</u>	<u>1,369,280,245</u>	<u>1,276,645,799</u>
18.2 Other Receivables				
Staff Loans	37,481,440	35,664,283	36,913,705	35,664,283
Prepaid Staff Cost	4,372,592	3,624,582	4,372,592	3,624,582
Sundry Debtors	64,747,403	34,433,470	23,558,344	16,891,443
WHT Receivable	626,677	703,608	626,677	694,079
	<u>107,228,112</u>	<u>74,425,943</u>	<u>65,471,318</u>	<u>56,874,387</u>
18.3 Deposits, Prepayments and Advances				
Deposits	15,869,689	13,294,380	10,041,455	9,539,091
Mobilisation Advance paid	41,334,292	47,878,609	3,167,826,373	2,862,914,925
Advances	238,032,937	186,029,459	36,012,267	24,369,808
Prepayments	17,448,830	19,642,954	7,544,502	8,680,405
	<u>312,685,748</u>	<u>266,845,402</u>	<u>3,221,424,597</u>	<u>2,905,504,230</u>
19 Amount Due from Related Party Companies				
Central Engineering Services (Private) Limited	-	-	1,565,621,738	1,371,069,905
	<u>-</u>	<u>-</u>	<u>1,565,621,738</u>	<u>1,371,069,905</u>

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.

CENTRAL ENGINEERING CONSULTANCY BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

		GROUP		CECB	
FOR THE YEAR ENDED 31ST DECEMBER 2017		2017 Rs	2016 Rs	2017 Rs	2016 Rs
20	Cash and Cash Equivalents				
	Favorable Balances				
	Cash in hand and at bank	672,602,070	625,895,435	443,083,574	430,012,186
	Bank Imprest	269,607	269,607	269,607	269,607
	Cash in Transit	18,768,755	22,274,438	18,427,985	10,448,793
	Cash and Cash Equivalents for the Cash Flow Purpose	691,640,433	648,439,480	461,781,166	440,730,585
21	Lease Creditors				
	Amount payable within one year	-	-	-	-
	Amount payable after one year	-	-	-	-
		-	-	-	-
22	Employee Benefits				
	Balance as at 1st January	158,063,895	177,457,833	156,587,664	176,438,911
	Provision for the year	35,910,237	28,667,377	33,418,940	28,186,313
	(Gain)/loss from changes in assumptions or due to (over)/under provision in the previous year	6,529,540	(20,297,204)	5,919,064	(20,282,110)
	Payment made during the year	(34,683,325)	(27,764,111)	(34,683,325)	(27,755,450)
	Balance as at 31st December	165,820,347	158,063,895	161,242,343	156,587,664
a)	The Employee benefit obligation of CECB as at 31 st December 2017 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 31 st December 2017 of CECB and Group is Rs.166 million.				
b)	Key assumptions used in the computation includes the following;				
	Rate of Discount	11%	11%	11%	11%
	Employee Turnover Factor	0.01% - 0.18%	0.01% - 0.18%	0.01% - 0.18%	0.01% - 0.18%
	Retirement Age	60 Years	60 Years	60 Years	60 Years
c)	Expenses recognised immediately in the statement of Comprehensive Income				
	Interest Cost	17,372,266	17,681,182	17,224,643	17,643,891
	Current Service Cost	18,537,971	10,986,195	16,194,297	10,542,422
	Net Actuarial Gain/(Loss) recognised immediately	6,529,540	(20,297,204)	5,919,064	(20,282,110)
	Provision for the year	42,439,777	8,370,173	39,338,004	7,904,203

CENTRAL ENGINEERING CONSULTANCY BUREAU
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2017	GROUP		CECB	
	2017 Rs	2016 Rs	2017 Rs	2016 Rs
23 Deferred Tax				
Balance at the beginning of the year	21,820,956	17,617,814	-	-
Provision during the year	760,227	4,203,142	-	-
Balance at the end of the year	22,581,183	21,820,955		
24 Trade and Other Payables				
Trade Payables (Note 24.1)	15,479,423,962	12,486,695,002	14,731,952,617	11,768,254,216
Other Payables (Note 24.2)	645,451,104	806,386,837	424,940,945	352,649,434
	16,124,875,069	13,293,081,842	15,156,893,565	12,120,903,650
24.1 Trade Payables				
Creditors	3,334,457,509	2,929,131,100	5,338,238,467	4,061,207,167
Due to Customers	6,840,692,367	4,674,673,186	3,514,238,015	2,400,071,753
Mobilization & Other Advances	4,744,736,743	4,418,734,914	3,877,389,406	3,864,822,978
Retention Payables to Contractors	559,537,342	464,155,803	2,002,086,729	1,442,152,319
	15,479,423,962	12,486,695,002	14,731,952,617	11,768,254,216
24.2 Other Payables				
Unpaid salaries	636,773	964,983	144,009	214,870
Sundry Creditors	60,354,494	51,829,482	47,546,107	47,498,952
Refundable Deposits	8,122,232	8,538,310	8,122,232	8,437,970
Accrued Expenses	274,972,227	505,205,680	201,362,694	201,586,760
Provision for VAT	-	-	-	-
PAYE Tax	8,535,505	5,915,352	6,523,995	5,251,890
Other Taxes	292,829,873	233,933,030	161,241,909	89,658,992
	645,451,104	806,386,837	424,940,945	352,649,434
25 Income Tax Payables				
Balance at the beginning of the year	971,603,364	774,441,715	948,389,368	751,365,710
Income tax for the year	392,098,907	397,620,085	355,346,282	376,156,549
Payments made during the year	(363,727,664)	(183,500,000)	(345,542,500)	(165,000,000)
Withholding Tax	(27,580,759)	(16,958,436)	(23,301,659)	(14,132,891)
Balance at the end of the year	972,393,849	971,603,364	934,891,491	948,389,368
26 Capital Reserve				

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

CENTRAL ENGINEERING CONSULTANCY BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2017

27.0 Related Party Transactions

27.1 Transaction with Subsidiaries

- a) Eng.G.D.A.Piyatilake is the Chairman of both parent (CECB) and subsidiary (CESL) of the group and Mr.M.R.G.Ranatunga, Eng.N.Rupasinghe and Eng.S.P.P.Nanayakkara who were Directors of CECB as at 31 December 2017, were also Directors of CESL. 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.K.L.S.Sahabandu	General Manager	Director
Eng.T.D.Wickramaratne	Corporate Addl General Manager (Consul)	Director
Eng.A.Galketiya	Corporate Addl General Manager (EPC)	Director
Mr.U.N.B.Mawathagama	Deputy General Manager (Finance)	Director

b)

Nature of the Transactions	Amount	
	2017 Rs	2016 Rs
Sub Construction Costs	10,256,040,492	7,332,478,747
Machine Hiring Expense	36,754,093	33,133,098
Vehicle Hiring Expenses	14,137,611	17,747,240
IT Maintenance & other Services	10,920,584	11,499,743
Reimbursement of Salary over head	33,411,513	35,913,113
Consultancy Fees	13,704,051	12,048,485
Other Miscellaneous Services	43,097,286	3,718,832

27.2 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	
	2017 Rs	2016 Rs	2017 Rs	2016 Rs
Compensation paid to Key Management Personnel				
Salaries and other Employment Benefits	<u>3,171,000</u>	<u>3,293,250</u>	<u>1,722,500</u>	<u>1,730,000</u>

CENTRAL ENGINEERING CONSULTANCY BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2017

28 Commitments and contingencies

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

28.1 Contingencies

a) Legal cases filed against CECB

- "Case No.SC (Special LA) 48/2017 Supreme Court "

The judgment of District Court, Matale Case No. MR/ 8748, was delivered on 2014.05.16 against CECB and case was appealed in Provincial Appellate High Court of the Central Province.(H.D.R.S. Diddeniya & A. J. A. P. Indrasiri are demanding Rs. 8,000,000.00 for the damages occurred their house which situated near Dambulla - Kandalama Road. The judgement was delivered to pay Rs. 3,000,000.00 as compensation.The above judgment was appealed to the Provincial Appellate High Court holden at Kandy by Case No. FA 11/2015 and the judgment in the District Court of Matale affirmed and appeal is dismissed.Therefore the judgment of Provincial Appellate High Court is appealed to Supreme Court.

Having sought professional advise Rs 3,000,000.00 provision had been made as at 31.12.2017.

- Case No. 296/ Damages District Court of Ampara

C. Samantha Nanda Silva is claiming Rs. 2,500,000.00 for the accident caused to death of his son by CECB Vehicle

- Case No. 155/Damages District Court of Kaduwela

Foreign Bureau has claimed to pay Rs. 1,664,677.00 stating that their Power Generator was damaged by construction materials which were fallen down from CECB constructions site. As such materials were not used by CECB for construction works. CECB is contesting the case. CECB is contesting the case.

- Case No.1564/13 District Court of Colombo

Eng. W.K.P.I. Rodrigo filed a defamation case and claiming Rs. 500,000,000.00 as compensation.

- Case No. 1820/13 DMR District Court of Colombo

Tuan Wamsa Caseem is claiming Rs. 1,000,000.00 as Labour Cost from CECB.

- Case No. L 446 District Court of Welimada

Mohamed Ali Abdul Hameed is claiming Rs. 4,108,000/- as compensation from RDA and CECB.

b) Legal cases filed by CECB

- "Case No.H.C.C. ARB 208/2016 Commercial High Court holden in Colombo"

The Bureau has filed the case claiming sum of Rs. Rs. 1,708,000/- for Generator from Soar Technology (Pvt) Ltd.

- "Case No.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.

Adjudication between CECB and EN Projects

Dispute arisen between CECB and EN Projects for taking over the building of project namely Construction of District General Hospital, Hambanthota and claiming dues, total sum of Rs.100,748,377/93 and interest amount of Rs.14,160,456/19 from EN projects. Rs.114,908,834/12 (Decision delivered on 17.10.2017 and Arbitration processing.)

Having sought legal advise, the management is confident that no liability would arise on said cases. Therefore no provision has been made in the financial statements.

CENTRAL ENGINEERING CONSULTANCY BUREAU

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2017

29 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.

29.1 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 .

29.2 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 .

29.3 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.

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.

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.

 AUDITOR GENERAL'S REPORT


ජාතික විගණන කාර්යාලය

தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



මගේ අංකය
எனது இல.
My No.

CEN/B/CECB/01/17/58

ඔබේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date } December 2018

The Chairman,
Central Engineering Consultancy Bureau.

Report of the Auditor General on the Financial Statements of the Central Engineering Consultancy Bureau (CECB) and the Consolidated Financial Statements of the CECB and its Subsidiary for the year ended 31 December 2017 in terms of Section 14(2)(c) of the Finance Act, No.38 of 1971.

The English version of the above mentioned report together with audited financial statements is sent herewith.

H.M. Gamini Wijesinghe
Auditor General

- Copies to: -
1. The Secretary, Ministry of Mahaweli Development and Environment
 2. The Secretary, Ministry of Finance and Economic Affairs



ජාතික විගණන කාර්යාලය

தேசிய கணக்காய்வு அலுவலகம்

NATIONAL AUDIT OFFICE



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Date

31 December 2018

The Chairman,
Central Engineering Consultancy Bureau

Report of the Auditor General on the Financial Statements of the Central Engineering Consultancy Bureau (CECB) and the Consolidated Financial Statements of the CECB and its Subsidiary for the year ended 31 December 2017 in terms of Section 14(2)(c) of the Finance Act, No.38 of 1971.

The audit of financial statements of the Central Engineering Consultancy Bureau (CECB) and the consolidated financial statements of the CECB and its Subsidiary for the year ended 31 December 2017 comprising the statements of financial position as at 31 December 2017 and the statements of comprehensive income, statements of changes in equity and cash flow statements for the year then ended and a summary of significant accounting policies and other explanatory 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 Section 13(1) of the Finance Act, No. 38 of 1971 and Section 29 (2) of the State Industrial Corporation Act, No. 49 of 1957. My comments and observations which I consider should be published with the annual report of the CECB in terms of Section 14(2)(c) of the Finance Act, appear in this report.

1.2 Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

1.3 Auditors' Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Auditing Standards of Supreme Audit Institutions (ISSAI 1000 – 1810). Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the CECB's preparation and fair presentation of the financial statements 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 CECB's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Sub-sections (3) and (4) of Section 13 of the Finance Act, No.38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the audit.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

1.4 Basis for Qualified Opinion

My opinion is qualified based on the matters described in paragraph 2.2 of this report.

2. Financial Statements

2.1 Opinion

(a) Qualified opinion - Group

In my opinion, except for the effects of the matters described in paragraph 2.2 of this report, the consolidated financial statements give a true and fair view of the financial position of the CECB and its Subsidiary as at 31 December 2017 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

(b) Qualified opinion - CECB

In my opinion, except for the effects of the matters described in paragraph 2.2 of this report, the financial statements give a true and fair view of the financial position of the CECB as at 31 December 2017 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards

2.2 Comments on the Financial Statements

2.2.1 Sri Lanka Accounting Standards

(a) SLFRS 7- Financial Instruments Disclosures

The carrying amount of the each category of financial assets and liabilities had not been disclosed in the statement of financial position.

(b) LKAS 01 - Preparation of Financial Statements

According to the Standard, the entity had not disclosed accounting policy for current and non-current classification.

(c) LKAS 12 – Income Taxes

According to the Paragraph 81 (g) of the Standard, the amount of deferred tax assets and liabilities recognized in the statement of financial position for each period in respect of each type of temporary difference, each type of unused tax losses and unused tax credits shall be disclosed. However, the CECB had not disclosed in terms of the Provisions of the Standard.

(d) LKAS 32- Financial Instrument Presentation

According to the Standard, prepayments of the entity neither receive cash or any other financial asset nor have the right to receive the same. Hence, prepaid expenses cannot be treated as financial asset. However, prepayments amounting to Rs. 7,544,502 as at 31 December 2017 had been treated as financial assets.

2.2.2 Accounting Deficiencies

The following observations are made.

- (a) The credit balance of debtors, retention receivables and mobilization advances aggregating to Rs.11,433,011 in relating to 02 Base Offices had been set-off against respective debit balance. Therefore the trade and other receivables had been understated by that amount. Similarly, the debit balance of creditors amounting to Rs.23,419,945 had been set-off against the creditors of the Battaramulla Base Office. Therefore, trade and other payables had been understated by that amount.

- (b) Fixed Assets valued at Rs.3,351 million received from then Ministry of Economic Development as capital grant to carry out the road projects in the year 2012 had not been accounted as property plant and equipment and Government grant. However, in responding to previous year report, it was mentioned that “an action has already been taken to revalue the plant and machineries as at 01.01.2017 and incorporate the value accordingly. However, CECB had not taken action to revalue those assets at the end of the year 2017.

2.2.3 Accounts Receivable and Payable

Receivables and payables aggregating to Rs.1,703,121,917 and Rs.642,350,707 respectively in two divisions had remained outstanding without being settled for more than four years and a receivable balance amounting to Rs.2,119,986 of the International Division had remained outstanding for more than two years as at 31 December 2017.

2.2.4 Unidentified Differences

A difference of Rs.17,095,967 was observed in amounts due to customer between the balance shown in the financial Statements of Central Province Engineering Procurement Construction Division and the detailed schedules given by the CECB.

2.2.5 Lack of Evidence for Audit

Confirmations were not made available to audit relating to the debtors and creditors aggregating to Rs.8,475,707,071 and Rs.5,338,238,467 respectively shown in the financial statements as at 31 December 2017.

3 Financial Review

3.1 Financial Results

According to the financial statements presented, the operations of the CECB and the Group for the year under review had resulted in a after tax net profit of Rs.401,305,256 and Rs.522,183,174 respectively for the year under review as compared with the corresponding after tax net profit of Rs.439,663,403 and Rs.524,220,763 respectively for the preceding year, thus indicating a deterioration of Rs.38,358,147 and Rs.2,037,589 respectively in the financial results for the year under review. The decrease of other

income by Rs.93,171,190 and the increase of administration expenditure by Rs.116,615,298 as compared with previous year were the main reasons attributed for this deterioration of the CECB.

In analyzing financial results of the year under review and preceding four years, the after tax net profit of Rs.328,222,120 in the year 2013 had become an after tax net profit of Rs.401,305,256 in the year 2017. After adjusting the Employees emoluments, depreciation and taxation, the value addition of the CECB was Rs.2,356 million for the year under review. The value addition of the preceding year was Rs.2006 million.

3.2 Analytical Financial Review

The following observations are made.

- (a) The CECB had earned a pre – tax net profit of Rs.756 million during the year under review by utilizing its staff strength of 1,350 and total assets base of Rs. 21,856 million. Hence, the Return on Total Assets was 3.46 per cent for the year under review.
- (b) Operating profit margin and net profit margin of the year under review was 3.4 per cent and 3.04 per cent respectively and as compared with the previous year, these profit margins had been decreased by 2.5 per cent and 1.2 per cent respectively.

4. Performance Review

4.1 Performance

According the Annual Action Plan of the CECB, cooperate goals of the International Division such as maximizing customer satisfaction, confidence and expecting to undertake infrastructure development and water resource development in the East African Region had not been achieved during the year under review.



4.2 Transactions of Contentious Nature

The following observations are made.

- (a) Three official residences had been handed over to the three Members of Parliament and they had not paid the monthly rental during the preceding year. Further, It was observed that, Out of them, one member had not paid monthly rental from the year 2004.
- (b) Board of Directors of the CECB had approved several incentive schemes to its staff without getting prior approval of the General Treasury. Total amount of such incentive paid in the year 2017 was Rs.67,027,249.

5. Accountability and Good Governance

5.1 Procurements and Contract Administration

5.1.1 Procurements

The following observations are made.

- (a) According to the Delegation of Financial Authority of the CECB for the procurements over Rs. 2 million, Competitive Bidding Method should be applied. However, the Head Office had applied Shopping Method for 6 procurements which exceeded the above limit.
- (b) According to the Supplementary No.32 to the Procurement Manual, for the Procurements carried out under Direct Contract Method no payments should be made for Committee Members. However, the CECB had paid Rs.53,000 as procurement Committee fees and Rs.16,000 as Technical Evaluation Committee Fees contrary to the Procurement Guideline.
- (c) Unrecovered mobilization advances aggregating to Rs.22,067,146 had remained in the accounts in relation to 13 No's Projects of the Engineering Procurement Construction Division which had been fully completed as at 31 December 2017. That balance was abnormal in its nature because the mobilization advance had not been fully recovered before the project arrived at 90 per cent completion stage as per the Section 03 of Conditions of Contract and Clause No.14.2 (b) of Standard Bidding Document No. ICTAD/SBD/02 issued by the Construction Industry Development Authority.

5.2 Budgetary Control

Significant variances ranging from 44 percent to 137 percent were observed between the budgeted and actual income items thus indicating that the budget had not been made use as an effective instrument of management control.

6. Systems and Controls

Deficiencies in systems and controls observed during the course of audit were brought to the notice of the Chairman of the Central Engineering Consultancy Bureau from time to time. Special attention is needed in respect of the following areas of control.

Areas of Control	Observation
(a) Accounting	Inventory and returnable stock at sites as at 31 December 2017 had not been brought to the financial statements
(b) Assets Management	Fixed Assets received from the Ministry had not been accounted.
(c) Income Management	Actual work done relating to the Consultancy services had not been taken to the financial statements.



H.M. Gamini Wijesinghe

Auditor General

COMPARATIVE FINANCIAL STATEMENTS

CENTRAL ENGINEERING CONSULTANCY BUREAU

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER

	2013			2014			2015			2016			2017		
	GROUP	CECB		GROUP	CECB		GROUP	CECB		GROUP	CECB		GROUP	CECB	
	Rs.	Rs.		Rs.	Rs.		Rs.	Rs.		Rs.	Rs.		Rs.	Rs.	
Revenue	15,132,718,158	15,131,164,037		13,401,582,667	13,259,699,366		11,423,536,967	10,710,472,734		11,674,570,503	10,333,280,821		15,209,624,006	13,195,637,498	
Cost of Sales	(13,280,839,809)	(13,414,329,871)		(11,487,873,150)	(11,656,600,792)		(9,679,902,097)	(9,448,860,733)		(9,853,816,338)	(9,179,818,923)		(13,312,355,493)	(12,075,714,656)	
Gross Profit	1,851,878,349	1,716,834,166		1,913,709,517	1,603,098,574		1,743,734,870	1,261,612,002		1,820,754,165	1,153,461,898		1,897,268,513	1,119,922,842	
Other Income	153,445,158	144,727,925		147,476,316	169,674,146		168,515,920	173,393,789		218,971,425	272,930,388		134,210,273	179,759,198	
Administration Costs	(1,255,752,763)	(1,151,711,425)		(1,189,348,793)	(1,033,810,083)		(1,142,902,688)	(773,676,196)		(1,151,207,809)	(601,403,438)		(1,395,814,503)	(718,018,736)	
Selling & Distribution Expenses	(335,210,717)	(321,479,322)		(314,175,035)	(314,175,035)		(222,249,855)	(220,503,209)		(222,937,513)	(213,573,602)		(140,237,585)	(131,766,570)	
Results from Operating Activities	414,360,027	388,371,344		557,662,005	424,787,602		547,098,247	440,826,385		665,580,269	611,415,245		495,426,698	449,896,734	
Finance Income	217,808,170	213,907,634		154,451,475	145,235,138		168,766,491	150,007,977		282,598,968	210,668,182		445,958,333	316,507,931	
Financial Charges	(22,154,752)	(17,532,829)		(27,890,447)	(17,589,492)		(16,207,048)	(8,789,218)		(22,135,246)	(6,263,475)		(26,342,723)	(9,753,126)	
Net Finance Income	195,653,418	196,374,805		126,561,028	127,645,646		152,559,443	141,218,758		260,463,722	204,404,707		419,615,611	306,754,804	
Profit Before Income Tax	610,013,445	584,746,149		684,223,033	552,433,247		699,657,690	582,045,143		926,043,990	815,819,952		915,042,308	756,651,538	
Income Tax	(267,791,716)	(256,524,029)		(271,949,391)	(243,267,389)		(287,358,436)	(250,935,705)		(401,823,227)	(376,156,549)		(392,859,134)	(355,346,282)	
Net Profit For The Year	342,221,729	328,222,120		412,273,642	309,165,858		412,299,253	331,109,438		524,220,763	439,663,403		522,183,174	401,305,256	
Other Comprehensive Income	-	-		-	-		13,927,098	13,927,098		20,297,204	20,282,110		(6,529,540)	(5,919,064)	
Total Comprehensive Income for the Year	342,221,729	328,222,120		412,273,642	309,165,858		426,226,351	345,036,536		544,517,967	459,945,513		515,653,634	395,386,192	

COMPARATIVE FINANCIAL STATEMENTS

CENTRAL ENGINEERING CONSULTANCY BUREAU

STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER

	2013			2014			2015			2016			2017		
	GROUP	CECB		GROUP	CECB		GROUP	CECB		GROUP	CECB		GROUP	CECB	
	Rs.	Rs.		Rs.	Rs.		Rs.	Rs.		Rs.	Rs.		Rs.	Rs.	
ASSETS															
Non-Current Assets															
Property, Plant & Equipment	3,362,855,558	3,134,280,527		3,298,246,727	2,886,020,996		3,088,678,195	2,686,829,682		2,905,911,035	2,509,023,699		2,852,702,138	2,372,710,383	
Investments	38,326,397	38,328,417		34,521,663	44,521,683		39,477,863	44,253,587		38,489,824	46,957,402		51,117,849	61,117,869	
Total Non Current Assets	3,401,181,955	3,172,608,944		3,332,768,390	2,940,542,679		3,128,156,058	2,731,083,269		2,944,400,859	2,555,981,101		2,903,819,987	2,433,828,252	
Current Assets															
Inventories	746,822,316	414,331,509		661,739,053	320,879,617		594,682,065	92,491,334		785,057,154	16,857,933		832,849,205	10,638,501	
Trade & Other Receivables	13,034,273,723	9,465,448,814		8,582,269,469	9,581,357,319		8,937,778,990	9,443,009,084		11,485,838,621	11,013,443,138		14,779,002,414	14,400,921,345	
Short Term Investments	1,769,259,420	1,728,581,897		2,753,124,096	2,457,313,968		3,341,850,862	2,570,978,949		4,081,356,846	3,035,639,354		4,094,534,947	2,983,463,922	
Cash and Cash Equivalents	399,435,851	310,353,679		620,947,793	449,363,357		801,392,970	622,427,835		648,439,480	440,730,586		691,640,433	461,781,166	
Inter company current accounts	-	1,083,035,301		-	1,278,026,970		-	1,147,466,029		-	1,371,069,905		-	1,565,621,738	
Total Current Assets	15,949,791,310	13,001,749,200		12,618,080,411	14,086,941,231		13,675,704,887	13,876,373,232		17,000,692,101	15,877,740,916		20,398,026,998	19,422,426,671	
Total Assets	19,350,973,265	16,174,356,144		15,950,848,801	17,027,483,910		16,803,860,945	16,607,456,501		19,945,092,960	18,433,722,017		23,301,846,985	21,856,254,923	
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	3,028,000	3,028,000		3,028,000	3,028,000		3,028,000	3,028,000		3,028,000	3,028,000		3,028,000	3,028,000	
Retained Earning	4,113,976,942	4,090,165,425		4,526,250,584	4,399,331,283		4,952,476,935	4,744,367,819		5,496,994,903	5,204,313,332		6,012,648,538	5,599,699,524	
Total Equity	4,117,504,942	4,093,693,425		4,529,778,584	4,402,859,283		4,956,004,935	4,747,895,819		5,500,922,903	5,207,841,332		6,016,176,538	5,603,227,524	
Non-Current Liabilities															
Lease Creditors	7,199,960	604,418		888,699	-		-	-		-	-		-	-	
Retirement Benefit Obligation	204,004,898	204,004,898		182,165,317	182,165,317		177,457,833	176,438,911		158,063,895	156,587,664		165,820,347	161,242,343	
Deferred Tax	228,141	-		6,477,006	-		17,617,814	-		21,820,955	-		22,581,183	-	
Total Non Current Liabilities	211,432,999	204,609,316		189,531,022	182,165,317		195,075,647	176,438,911		179,884,851	156,587,664		188,401,530	161,242,343	
Current Liabilities															
Trade & Other Payables	14,451,694,061	11,333,291,954		10,485,704,301	11,724,834,406		10,877,454,823	10,931,756,058		13,293,081,842	12,120,903,654		16,124,875,069	15,156,893,565	
Income Tax Payables	546,972,887	531,111,429		737,897,410	717,039,064		774,441,715	751,365,709		971,603,364	948,389,368		972,393,849	934,891,491	
Lease Creditors	23,368,376	11,650,020		7,937,483	585,840		883,827	-		-	-		-	-	
Total Current Liabilities	15,022,035,324	11,876,053,403		11,231,539,196	12,442,459,310		11,652,780,363	11,683,121,770		14,264,685,206	13,069,293,022		17,097,268,918	16,091,785,056	
Total Liabilities	15,233,468,323	12,080,662,719		11,421,070,218	12,624,624,627		11,847,856,010	11,859,560,681		14,444,570,057	13,225,880,686		17,285,670,447	16,253,027,399	
Total Equity and Liabilities	19,350,973,265	16,174,356,144		15,950,848,801	17,027,483,910		16,803,860,945	16,607,456,501		19,945,092,960	18,433,722,017		23,301,846,985	21,856,254,923	

Figures in brackets indicate deductions

 PERFORMANCE OF CECB

CENTRAL ENGINEERING CONSULTANCY BUREAU

OUR STORY

Central Engineering Consultancy Bureau (CECB) was established on 12th April 1973 to provide multi-disciplinary engineering consultancy services for water resources development projects. It is a statutory body established under the State Industrial Corporations Act No.49 of 1957.

As the acclaimed business icon for national engineering consultancy and construction excellence in Sri Lanka and Overseas, CECB spans 44 long years of solid engineering performances as a state owned, commercially successful self-financing entity. Our engineering roots entrenched firmly in the massive multipurpose Mahaweli Development infrastructure project has since then been extended and grown to add engineering expertise to the development of diversified array of social and economic infrastructures in Sri Lanka and overseas.

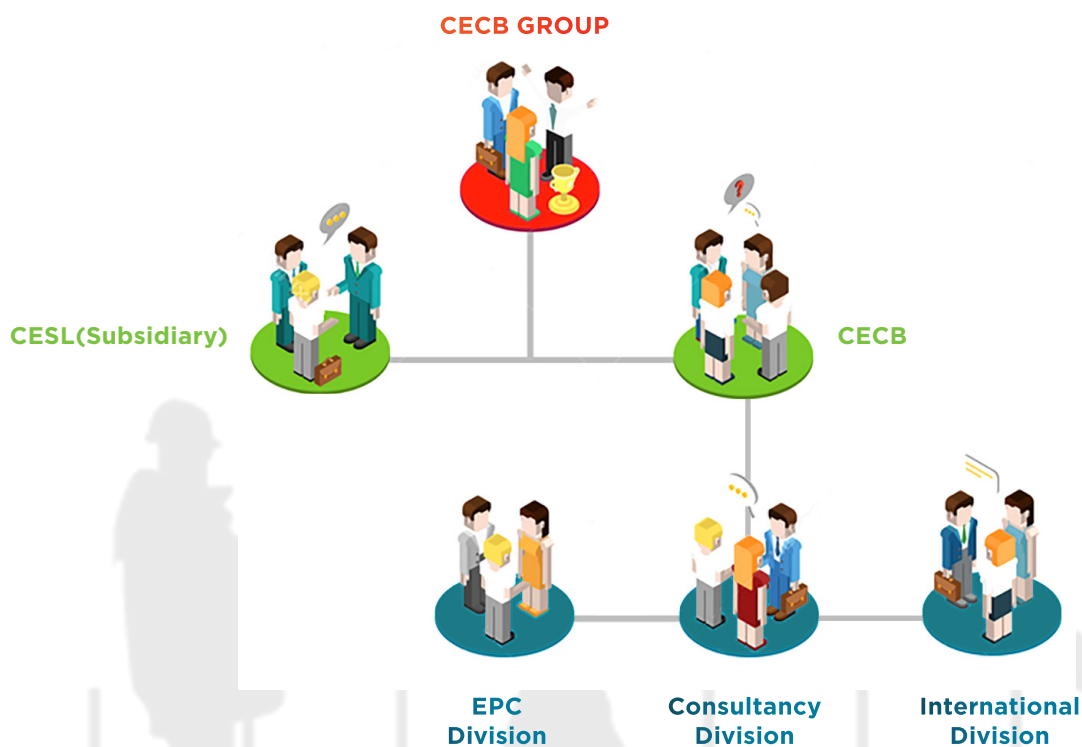
Our integrated strengths and capabilities covers – Dams, Tunnels, Hydropower Engineering (Sri Lanka/ Eastern Africa), Irrigation, Water Supply/Sanitation & Environmental Engineering, Highways, Bridges, Rail Roads, Airports, High-Rises, Buildings & Urban infrastructure, University Campuses, Laboratories, Health Care, Coastal & Marine, Defense infrastructure, Sri Lankan High Commissions overseas to name a few. Our range of expertise further covers environmental studies, natural resources management, socioeconomic aspects of resettlement, community development, ICT networks etc. Truly we are the one stop shop for all engineering design, consultancy and construction needs.

We have continuously met our national obligations towards the post conflict era changes and aspirations of our people. As we near our golden jubilee, our position is among the strongest in the industry. CECB with its trained multidisciplinary expertise and advanced engineering capabilities will redouble its efforts to face the future national challenges in protecting environment while creating attractive public and private infrastructures and utilities.

THE JOURNEY SO FAR

- Our Journey began in the year 1973 as a specialist for Water Resource and Hydro Power projects.
- We diversified into the construction consultancy sector after concluding of mahaweli accelerated program.
- The wings of CECB were further expanded beyond the borders to deliver overseas projects, giving international exposure to the human capital.
- In the year 2016 CECB made a strategic decision to exit from the Construction business and transferred the same to its fully owned subsidiary, Central Engineering Services (Pvt) Ltd (CESL).
- Today, CECB functions as a fully-fledged Engineering Consultancy and related services provider to both public and private sector clients.

MAIN DIVISIONS



HIGHLIGHTS OF THE YEAR 2017

Achievements up to the end of December 2017 - Consultancy Division

Number of new consultancy projects
undertaken in the year 2017

83

Total value of consultancy services

LKR **1,574 MILLION**

Numbers of consultancy
projects completed in the year 2017

238

Total value of consultancy services

LKR **1,381 MILLION**

Construction of proposed Prison Complex at Angunukolapalessa

Total Value
of the Project:



LKR
3,300 Million

Total Value of
the Consultancy:



LKR
159 Million

Physical
Progress:



Completed



Matara - Katharagama Railway Extension Project

Total Value
of the Project:



LKR
40 Billion

Total Value of
the Consultancy:



LKR
645 Million

Physical
Progress:



80%



Extension of Southern Expressway Project (ESEP) – Matara to Beliatta and Mattala to Hambantota

Total Value
of the Project:



LKR
255 Billion

Total Value of
the Consultancy:



LKR
280 Million

Physical
Progress:



55%



Defense Headquarters Complex (DHQC) at Akuregoda

Total Value
of the Project:



LKR
43 Billion

Total Value of
the Consultancy:



LKR
1,557 Million

Physical
Progress:



77%



Broadland Hydropower Project

Total Value
of the Project:



LKR
11,480 Million

Total Value of
the Consultancy:



LKR
697 Million

Physical
Progress:



44%



Kaluganga Head Works Development Project

Total Value
of the Project:



LKR
12,000 Million

Total Value of
the Consultancy:



LKR
700 Million

Physical
Progress:



85%



Colombo District Secretariat Building Complex

Total Value
of the Project:



LKR
2,515 Million

Total Value of
the Consultancy:



LKR
88 Million

Physical
Progress:



65%



Construction of District Level Sports Complex, Polonnaruwa.

Total Value
of the Project:



LKR
81 Million

Total Value of
the Consultancy:



LKR
16 Million

Physical
Progress:



Completed



Construction of National School in Polonnaruwa - Stage 1

Total Value of the Project:



LKR
8.5 Million

Total Value of the Consultancy:



LKR
8.5 Million

Physical Progress:



99%



Central Expressway Project - Stage 2

Total Value of the Project:



LKR
137 Billion

Total Value of the Consultancy:



LKR
280 Million

Physical Progress:



13%



Construction of AVIC Residential Project, Colombo 3

Total Value of the Project:



LKR
25 Billion

Total Value of the Consultancy:



LKR
148 Million

Physical Progress:



Completed



Shifting of Manning Market to Paliyagoda

Total Value of the Project:



LKR
4000 Million

Total Value of the Consultancy:



LKR
218 Million

Physical Progress:



58%



Uma Oya Development Project

Total Value of the Project:



LKR
71,400 Million

Total Value of the Consultancy:



LKR
232 Million

Physical Progress:



52%



Design of a Jetty at Naval Dockyard, Trincomalee

Total Value
of the Project:



LKR
3,000 Million

Total Value of
the Consultancy:



LKR
12 Million

Physical
Progress:



80%

Construction of New Building for Attorney General's Department

Total Value
of the Project:



LKR
900 Million

Total Value of
the Consultancy:



LKR
55 Million

Physical
Progress:



33%

National Stroke Center Building Complex at Base Hospital, Mulleriyawa

Total Value
of the Project:



LKR
1,220 Million

Total Value of
the Consultancy:



LKR
40 Million

Physical
Progress:



55%

Achievements up to the end of December 2017 - Construction Division



Construction of Morana Reservoir

Total Value of the Project:



LKR
1,210 Million

Physical Progress:



82%

Construction of Proposed Building Complex for Accident Services, Theatre Complex, ICU and Wards - Stage III (Finishing) at North Colombo Teaching Hospital, Ragama.

Total Value of the Project:



LKR
1,005 Million

Physical Progress:



75%

National Environment Secretariat Building at Battaramulla

Total Value of the Project:



LKR
1,126 Million

Physical Progress:



Completed



Construction of Head Office Building for Ministry of Health, Colombo

Total Value
of the Project:



LKR
5,199 Million

Physical
Progress:



19%



Construction of proposed Nephrology, Dialysis & Transplant Unit at Teaching Hospital, Karapitiya

Total Value
of the Project:



LKR
790 Million

Physical
Progress:



42%

Construction of Accident & Emergency Treatment Unit, Teaching Hospital, Jaffna

Total Value
of the Project:



LKR
501 Million

Physical
Progress:



67%

Establishment of Emergency & Accident Center at Teaching hospital, Batticaloa

Total Value
of the Project:



LKR
773 Million

Physical
Progress:



49%

Construction of Proposed Cancer Treatment Center - Stage II, General Hospital (Teaching) - Kandy

Total Value
of the Project:



LKR
1,279 Million

Physical
Progress:



8%

Construction of Maternity Ward Complex at General Hospital, Kurunegala (Stage -3)

Total Value
of the Project:



LKR
915 Million

Physical
Progress:



41%



Construction of Proposed Museum & Resource Center at Polonnaruwa - Phase 1

Total Value
of the Project:



LKR
167 Million

Physical
Progress:



Completed



Construction of Vidyalankara International Buddhist Conference Hall at Vidyalankara Pirivena, Kelaniya.

Total Value
of the Project:



LKR
685 Million

Physical
Progress:



73%



Proposed Prison Complex in Jaffna - Stage 2

Total Value
of the Project:



LKR
447 Million

Physical
Progress:



34%

Proposed Design and Construction of Proposed Administrative Complex at new Town, Polonnaruwa.

Total Value
of the Project:



LKR
1,304 Million

Physical
Progress:



20%

Proposed Government officers' Quarters Complex at new town, Polonnaruwa

Total Value
of the Project:



LKR
1,737 Million

Physical
Progress:



14%

Provincial Level Sports Complex, Rathnapura

Total Value
of the Project:



LKR
406 Million

Physical
Progress:



70%

Construction of Proposed Road Projects at Polonnaruwa District - Package 1

Total Value
of the Project:



LKR
1,828 Million

Physical
Progress:



95%

CECB FINANCIAL PERFORMANCE

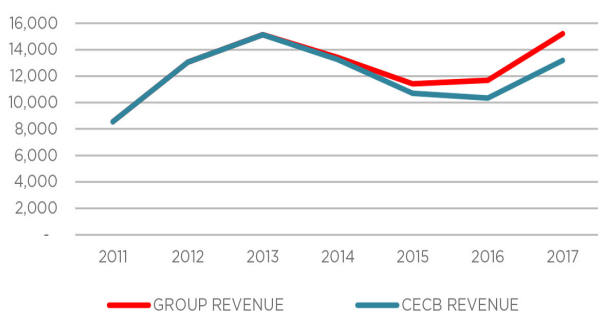
It is evident that the Bureau is becoming a change agent of the public sector in multi-disciplinary Engineering and has also been Branded as a Public Sector organization which has capability and capacity to handle any dicey situation on a fast-track basis on behalf of the Government. In other words it 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 has a wide range of experience and skills in their respective fields.

The CECB Group Revenue of the year 2017 was Rs.15.2 billion reflecting a 30% increase over the previous year Revenue. CECB Revenue Comparing with the previous year increased by 28% and Gross Profit reduced by 3% due to all construction works assigned to CECB fully owned subsidiary of Central Engineering Services (Pvt) Limited (CESL).

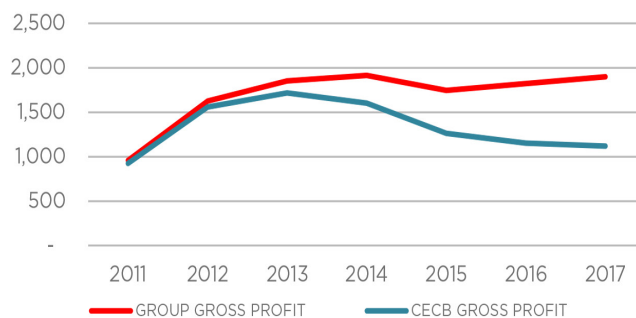
Operations of the CECB and the Group for the year 2017 had resulted a before tax profit of Rs. 757 million and Rs.915 million respectively as compared with the corresponding year before tax profit Rs.816 million and Rs.926 million respectively for the preceding year. CECB has decreased it's profit by 7% and Group profit has also decreased by 1%. Total Assets Value of the Bureau Rs. 21,856 million and profit is represented 2% of the Total Assets of the Bureau.

The operational and financial performances achieved hence are all the more creditable considering the institutional constrains 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.

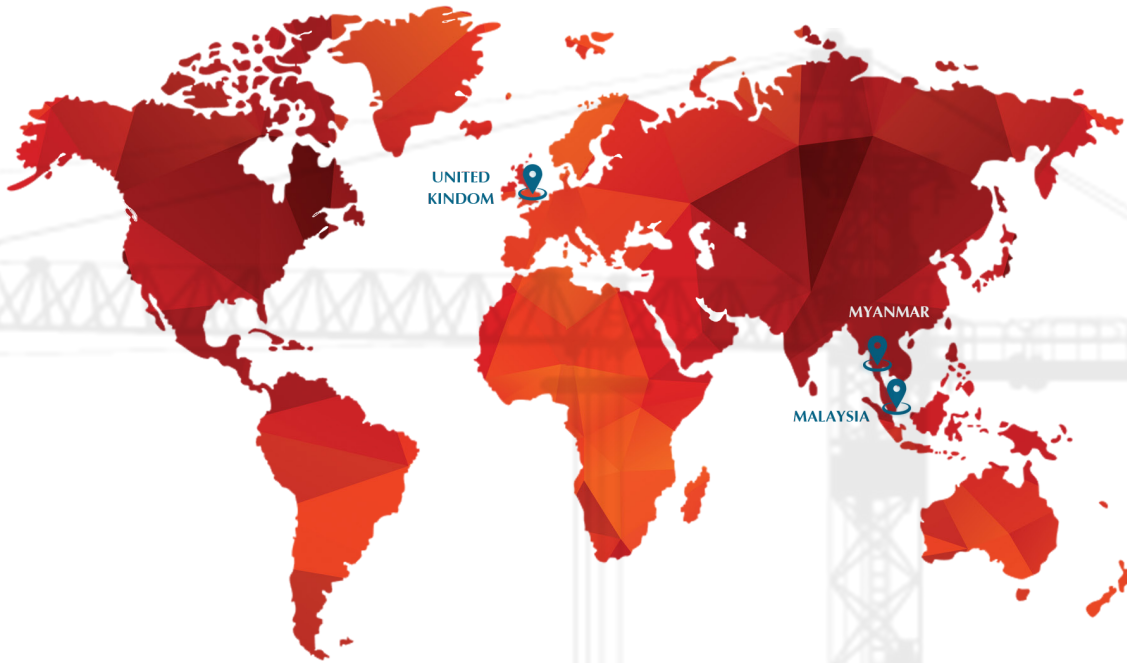
REVENUE - GROUP Vs. CECB



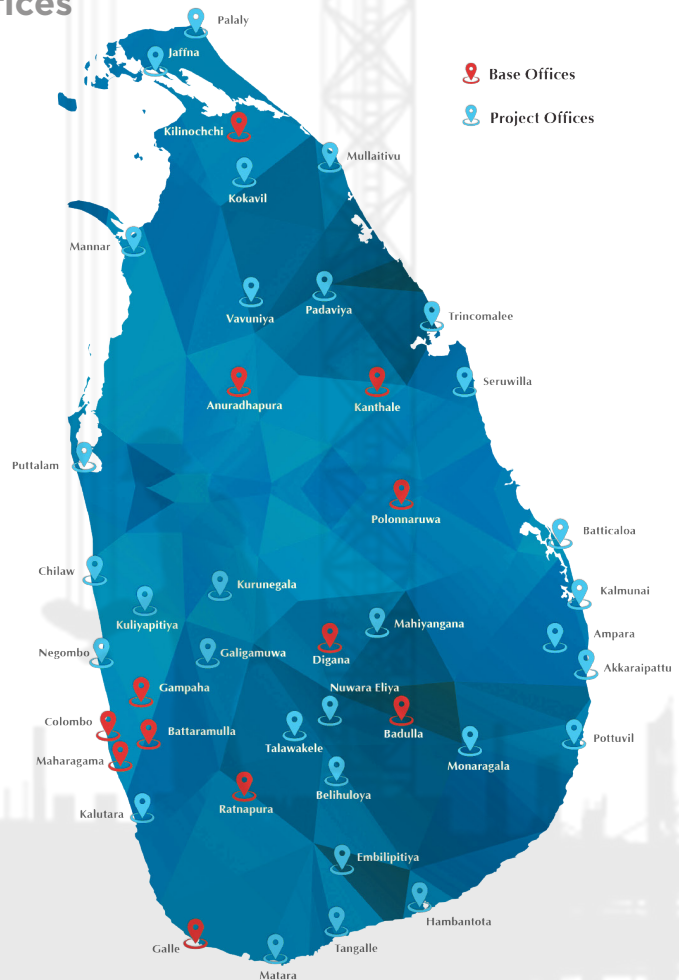
GROSS PROFIT - GROUP Vs. CECB



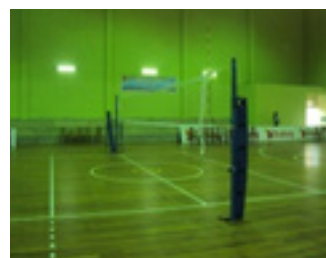
CECB Worldwide Projects



CECB Regional & Project Offices



SPECIALIZED AREAS & SERVICES



- ◀ Building Services
- ◀ Hospital Development
- ◀ Architectural Services
- ◀ Structural Designs
- ◀ Quantity Surveying
- ◀ Roads and Bridges
- ◀ Railway Works
- ◀ Port/ Coastal Works
- ◀ Airport Development
- ◀ Water Supply and Drainage
- ◀ Hydro Power and Energy
- ◀ Power Transmission and Distribution
- ◀ Water Resource Development
- ◀ Technical Audit / Dam Safety
- ◀ Electrical & Mechanical Work
- ◀ Land Surveying
- ◀ Information Technology (IT)
- ◀ Environmental Studies
- ◀ Project Management
- ◀ Geo-technical Investigation & Laboratory Services

HUMAN RESOURCE

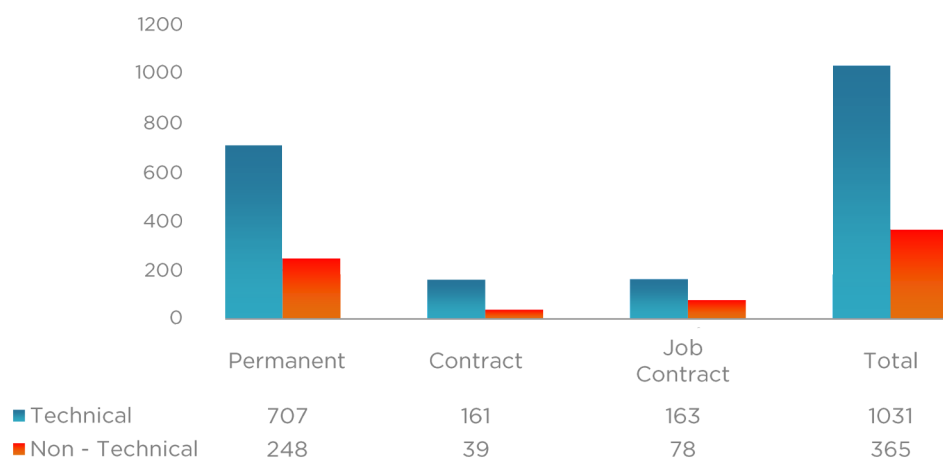
Human Capital

The CECB benefits from the diverse mix of skills, industry experience and talent available to it, which enables the Bureau to provide a range of multidisciplinary engineering services to clients in both the public and private sectors.

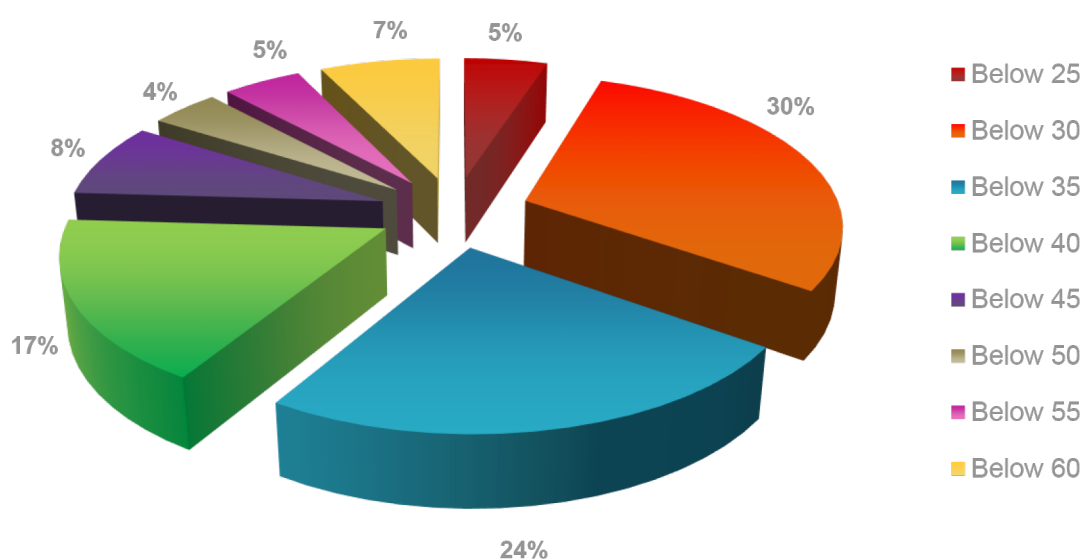
The human capital of the Bureau is considered as the primary component of its earning potential, productivity and long term sustainability. Employees contribute positively towards upholding the principles of corporate governance as they have been encouraged and empowered to do so.

Human Capital at a glance

Workforce - 2017



Age-wise breakup



Governance

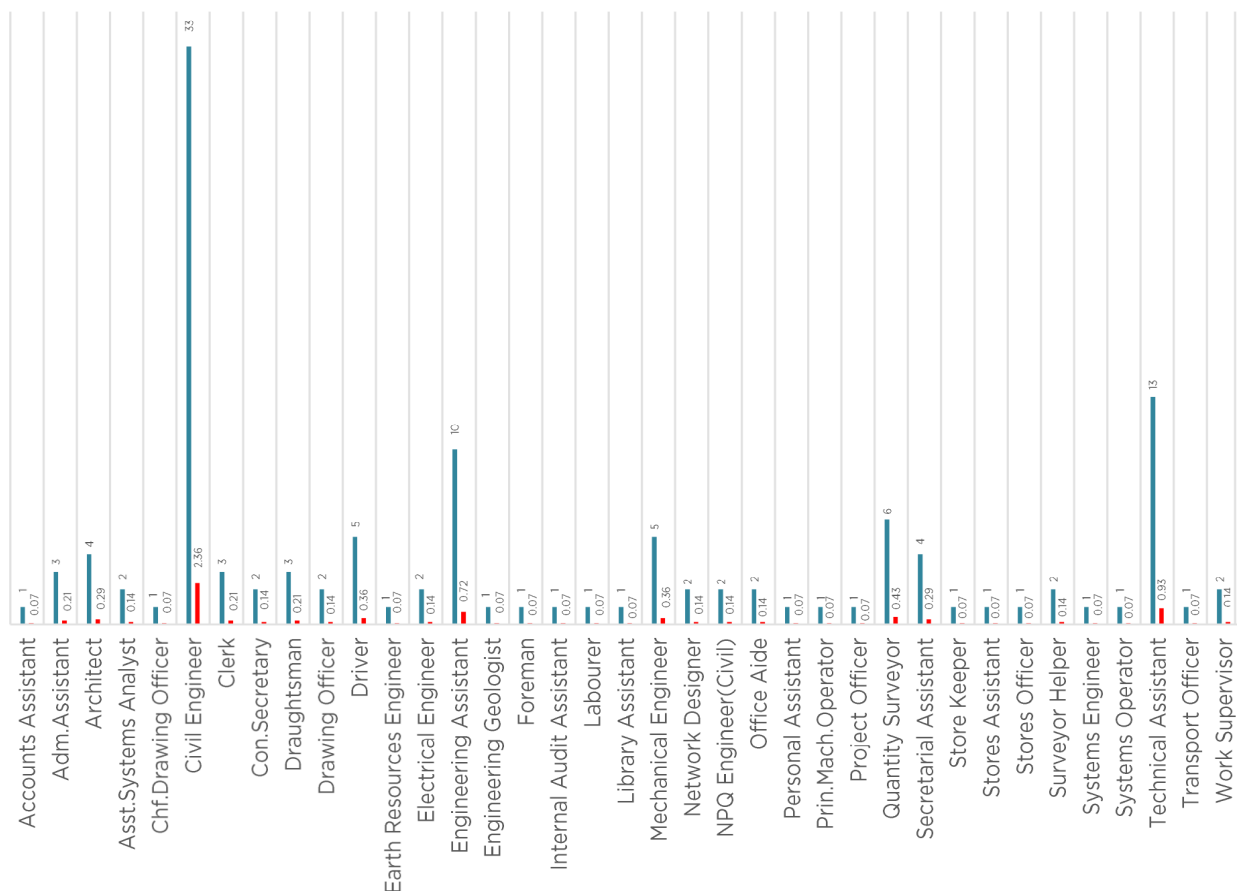
The Human Resource Unit reports to the General Manager and is responsible for disseminating good practice throughout the Bureau with a view to establishing a comprehensive HR framework that supports the business needs of the Bureau, while ensuring necessary regulatory compliance. A formal policy framework serves to reinforce regulations and facilitate proper interaction between the Bureau and its employees. Adherence to regulatory requirements is verified through internal audits and meetings.

During the last years, the Bureau focused on centralizing HR functions in order to strengthen the ability to implement good HR practices and in addition a HR Information System was introduced to facilitate smooth operation of the relevant systems of the Bureau.

The Bureau provides a safe, secure and conducive environment for its employees. Employees are allowed freedom of association, and under-aged labour, forced or compulsory labour and any discrimination based on gender, race etc. are forbidden.

High employee turnover which affects a significant resource of the Bureau, its 'human capital' has become a continuing challenge to the Bureau and several mitigatory measures such as Performance Based Incentive were introduced to enhance employee retention.

Profession wise turn over Percentage



Rewards and Remuneration

Payments to employees include salaries, allowances and other benefits. Measuring productivity enables the Bureau to effectively identify how well its employees contribute towards the growth and profitability objectives of the Bureau. The Bureau provides to its employees a fair compensation package approved by the Management Services Department and contributes to defined benefit schemes such as Employees Provident Fund (EPF) and Employees Trust Fund (ETF).

Training & Development

As a service organization, CECB considers its human resource as the “Heart” of the Bureau and therefore Training and Development plays a vital role in upgrading the knowledge, skills and attitudes of the staff of CECB. A separate division was established in the year 2000 to improve fulfilment of the Training and Development needs of the Bureau.

CECB is continuously committed to provide relevant Training and Development to all categories of its employees. Training and Development will further strengthen the Bureau’s systematic approach towards training of its human resources by assisting employees to improve the performance of their duties through enhancement of knowledge and acquisition of new knowledge, skills and attitudes, which in turn will enhance the Bureau’s performance and reputation as an industry leader.

In order to fulfill the above objective, CECB makes available/ facilitates diverse programmes to its employees, such as:

- ◀ PhD, Master's and Post Graduate programmes
- ◀ Foreign Training
- ◀ Diploma programmes
- ◀ Continuing Professional Development courses
- ◀ Certificate courses
- ◀ Lectures/Seminars, Workshops, Field visits
- ◀ Professional Review Examinations
- ◀ In-house knowledge sharing programmes (presentations)
- ◀ In-house training programmes organized by the CECB Training Unit.

The Bureau, as a national obligation, provides industrial in-plant training to students from National Universities, National Diploma Awarding Institutions, Technical Colleges and other institutions conducting technical courses which are accredited by the Tertiary and Vocational Education Commission (TVEC). The CECB facilitates the gaining of engineering / technical training in their respective disciplines by the students of these institutions and trainees are exposed to modern technology in the industry under the guidance of specialized senior engineers. Both the Bureau and the trainees are benefitted by such training.

Responsibilities of the Training Unit

The Training Unit assists employees in identification of appropriate training and learning development options.

The Training Unit is responsible for:

- ◀ Carrying out Training Need Analysis annually for the Bureau.
- ◀ Planning, organizing, directing and evaluating training programmes based on the 'training need analysis'.
- ◀ Ensuring that appropriate Training Programmes are available to all employees.
- ◀ Identifying career development needs of employees and providing opportunities for development of their careers.
- ◀ Ensuring that the content of in-house training presentations are in line with current industrial standards and requirements as well as with the CECB mission.
- ◀ Planning, designing and implementing industrial training to Degree / Diploma Level as per the requests of the National Apprentice and Industrial Training Authority
- ◀ Preparation of training statistics / reports and maintaining employee records.
- ◀ Providing reports to the Senior Management, including summary reports on training provided, funds expended, and the manner in which the Bureau's training and development objectives are being met.
- ◀ Preparation of Training Development proposals and implementation of same with the approval of the steering committee.

All the employees of the Bureau are categorized in three main groups as listed below:

- ◀ Professionally qualified staff
- ◀ Technical staff
- ◀ Non technical staff

The employees of the above target groups belonging to the permanent cadre are entitled to receive training.

The Training Policy is reviewed annually to ensure that it remains relevant to the needs and goals of the Bureau and its employees, and also that it is in par with current global trends. The Training Division is responsible for overseeing the review of the Training Policy. An attitude survey may be undertaken with the participation of all employees to ascertain the effectiveness of the programmes and activities undertaken. As part of this review, the Training Division will collect and analyze data from training statistics as well as from information gleaned from skills audits. The Training Policy is subject to endorsement by the Senior Management of the Bureau.

No	Programme	2014		2015		2016		2017	
		Number of participants (approx)	Total Cost (Aprox)	Number of participants (approx)	Total Cost (Aprox)	Number of participants (approx)	Total Cost (Aprox)	Number of participants (approx)	Total Cost (Aprox)
1	External Training Programmes provided – Local (Continuing Professional Development Courses, Certificate courses, Lectures /Seminars Workshops	365	3,400,000.00	440	3,400,000.00	560	4,900,000.00	596	6,569,551.00
2	Masters Programmes/Post Graduate programmes	13	2,700,000.00	19	4,500,000.00	21	5,400,000.00	02	528,500.00
3	In-house knowledge sharing programmes (presentations)	680	40,000.00	800	60,000.00	1100	70,000.00	785	40,000.00
4	Foreign Training programmes	12	1,231,600.00	5	Sponsored by the host country	-	-	10	6720 \$ + 525 €
5	In-house Training programmes organized by CECB Training Unit	-	-	-	-	600	450,000.00	834	723,770.00
6	Professional Review examinations	07		32		33		18	
7	** In-plant Trainees	470		440		550		602	
8	Out Bound Training programmes	-		-		-		65	901,563.00
9	Field Visits	-		-		-		32	

Employee Welfare & Grievances

Several events were organized to enhance employee welfare and maintain a work-life balance. The Bureau operates an open door policy and structures meetings to enable employees to present their grievances. While employees are free to take up matters with their immediate reporting officer, they are also able to report any incident to the HR Unit or direct to the relevant parties.

Industrial Relations

Human Resource aspects are considered in a manner that empowers approachability by any employee to every level of the Management. The culture of the Bureau encourages constant dialogue and facilitation not only relating to work but also in matters related to distress faced by employees.

The CECB recognizes the right to freedom of association of its employees and thus we have active trade unions that make representations on behalf of their members. The CECB management maintains a proactive engagement with trade union representatives on an ongoing basis.



 CENTRAL ENGINEERING SERVICES (PVT) LTD.

"Central Engineering Services (Pvt) Ltd. (CESL) is a fully owned subsidiary of the Central Engineering Consultancy Bureau (CECB), incorporated as a Limited Liability Company in December 2003, under the Companies Act No. 17 of 1982 and re-registered in November 2009 under the Companies Act No. 7 of 2007. "

CESL became actively operational at the beginning of 2011 to make use of the opportunity created by the high demand for construction services, as a result of the construction boom during this period. CESL took up the challenges which the industry offered, gaining construction management and technical exposure as well as its project management know how, by working alongside CECB. The Core business of CESL is centered on the construction of Buildings, Roads, Bridges, Irrigation Structures and other Special Facilities. The company is also engaged in the production of concrete and asphalt for its projects.

CESL construction serves clients in the public sector as well as the private sector. CESL has earned the trust of Government officials, business leaders and administrators by meeting time targets, on all types of institutional construction projects. Our early entry into the industry as Consultants, under the CECB umbrella, way back in 1973, has taught us many lessons, that presently act as a source of motivation. Also the construction experience obtained under the EPC division of CECB has created a sustainable business environment.

 GOALS

-  Integrated and Transparent Management System for all Functional Areas.
-  Unique Quality, Environment, Health and Safety System.
-  Maintaining adequate working capital by diversified investments.
-  The best Human Resource base in the construction industry.
-  Effective management of assets as an independent profit making entity.
-  Maintaining adequate work in hand and develop organizational sustainability.
-  Adopting system improvement methodologies using modern technologies to optimize construction cost.



Vision

To be a unique model
for the construction
industry in Sri Lanka.

Mission

Acquiring excellence in construction
technology and process innovation
with a highly motivated, trained
staff whose contribution is
adequately recognized.

Eng. G.D.A. Piyatilake

Chairman

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



Eng. N. Rupasinghe

Director

BSc.Eng. (Hons), PG.Dip. (Hydropower)
Norway, C.Eng., MIE (SL), MICE (London),
Licd. Surveyor

Eng. A. Galketiya

Director

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



Eng. K. L. S. Sahabandu

Director

Bsc.Eng. (Hons), PG.Dip. (Hydro Eng.),
MSC (Structural Eng.), C.Eng., MIE (SL),
MICE (London), M Cons. E (SL), FSSE (SL)

Mr. M.R.G. Ranathunge

Director

LLB (Sri Lanka),
Attorney-at-Law, Notary
Public, Company Secretary,
Actg. Magistrate



Eng. S.P.P. Nanayakkara

Executive Director

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



Eng. T. D. Wickramarathna

Director

BSc.Eng. (Hons), M.Eng. PG.Dip. (Hydrology),
MICE (UK), FIE (SL), C.Eng.



Mr. U.N.B. Mawathgama

Director

CBA (ICASL), Dip in Acct, SAT



SOME OF THE PROJECTS COMPLETED BY CESL

Accident and Emergency Treatment Unit at Teaching Hospital Batticaloa



Dedicated Economic Center at Kaluthawalai in Batticaloa



Public Service Commission Building at Battaramulla



Fresh Water Prawn Hatchery at Kallarawa in Trincomalee District



Accident & Emergency Treatment Unit at Base Hospital Kalmunai



Ceremonial Entrance Structure for the University of Jaffna



Pavilion Extension & Ground Facilities at South Eastern University - Oluvil



Main Pavilion at Provincial Level Sport Complex - Digana



Toll Plazas & Toll Gate Office Buildings at Kothalawala Interchange



Accident and Emergency Treatment Unit for General Hospital Nagoda - Kalutara



Oncology Complex Stage II for Teaching Hospital, Batticaloa



National Environmental Secretariat for Ministry of Environment and Mahaweli Development



Provincial Level Sports Complex at Ratnapura





CENTRAL ENGINEERING CONSULTANCY BUREAU

Ministry of Mahaweli Development & Environment
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