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CONSTRUCTION INDUSTRY DEVELOPMENT AUTHORITY (CIDA)

1.0 VISION

“A reliable and competent construction industry in Sri Lanka, on par with global standards”

2.0 MISSION

“To provide strategic leadership to the construction industry, by ensuring dynamic and professional industry services through a national construction policy, regulations, capacity building, development and the promotion of quality standards to meet local and global requirements for sustainable national development”.

3.0 CONSTRUCTION INDUSTRY DEVELOPMENT ACT NO. 33 OF 2014

The “Long Title” of the Construction Industry Development Act No.33 of 2014 reflects the overall Goals and Objectives of the Construction Industry Development Authority as follows:

“An act to provide for the development of the Construction Industry in Sri Lanka; To Regulate, Register, Formalize and Standardize the Activities of the Construction Industry; to provide for the establishment of the National Advisory Council on Construction; The establishment of the Construction Industry Development Authority and the establishment of the Construction Industry Development Fund and the Fund of the Construction Industry Development Authority; to provide measures for the improvement and wellbeing of the Industry related professionals, manufacturers, suppliers, contractors, and craftsmen; and for the settlement of disputes related to construction activities; to ensure public safety in the Construction Industry of Sri Lanka; and for matters connected therewith or incidental there to.”

4.0 MAIN OBJECTIVES

The main objectives of CIDA are:

- To ensure the implementation of the national policy on construction in keeping with the directions issued by the Hon. Minister.
- To provide strategic leadership to the stakeholders of the construction industry to stimulate sustainable growth, reform, and improvement of the construction sector
- To register and renew such registration of the stakeholders of the construction industry as may be prescribed from time to time

- To promote sustainable growth of the construction industry with special attention to the design and development of energy efficient buildings and structures
- To promote appropriate research and dissemination and publication of research work on any matter relating to the construction industry and its development
- To formulate, in consultation with other relevant authorities, the standards in construction industry and categorize such standards as compulsory and voluntary standards.
- To implement the Codes of conduct, practices, procedures and processes and documentations relating to construction industry as being formulated by the Authority.

5.0 THE ORGANIZATION

INTRODUCTION

The Construction Industry Development Authority (CIDA) has been established as the successor to the Institute for Construction Training and Development (ICTAD) under the provisions of the Construction Industry Development Act No. 33 of 2014. It is headed by the Chairman of the Board of Management.

BOARD OF MANGEMENT

Sr No.	Name and Private Address	Post	Date of Appointment
1	Dr. M E Joachim 27/6, Peterson Lane Wellawatte Colombo 06	Chairman	2016.09.12
2	Mr. G Wanninayake Attorney at Law 17/3, Pirivena Road Boralessgamuwa	Member	2015.03.04
3	Mr P B S C Nonis Director - Department of Public Finance The Secretariat Colombo 01.	Member	2015.02.27
4	Prof. (Mrs) Chitra Weddikkara No. 31 A, Albert Place, Dehiwela.	Member	2015.02.09
5	Chartered QS Hemantha Aponso No. 45/B, School Lane Nawala	Member	2015.02.09
6	Eng. L W Palitha Director (Urban Settlement) Ministry of Housing & Construction 'Sethsiripaya' Battaramulla.	Member	2015.02.16

7	Dr Kaleel Cassim No. 16, Anula Road, Colombo 06.	Member	2015.02.16
8	Major Ranjith Gunatilleke Managing Director Sanken Lanka (Pvt) Limited # 295, Madampitiya Road Colombo 14.	Member	2015.02.16
9	Prof. A K W Jayawardena Vice Chancellor University of Mortuwa Katubedda, Moratuwa.	Member	2015.03.09
10	Eng. J K Lankathilaka Institution of Incorporated Engineers, Sri Lanka 27/B, Udumulla Road Battaramulla. 14, Shady Grave Avenue Colombo 08.	Member	2015.11.20
11	Mr Rukshan Jayewardene No. 55, Flower Road Colombo 07.	Member	2015.02.16
12	Mr. A P Galagoda National Construction Association of Sri Lanka “Idikireem Medura”, 350A, Pannipitiya Road, Pelawatta, Battaramulla.	Member	2016.10.27
13	Eng. H P R Gunawardena The Association of Consulting Engineers, Sri Lanka 415, Bauddhaloka Mawatha, Colombo 07.	Member	2015.11.20
14	Eng. K P I U Dharmapala The Institution of Engineers, Sri Lanka 120/15, Wijerama Mawatha, Colombo 07.	Member	2015.11.20

The Construction Industry Development Authority (CIDA) carries out its functions through four operational divisions as mentioned below and each division is headed by the Director.

- a. Industry Services Division
- b. Development Division
- c. Electro Mechanical Services Division
- d. Industrial Training Division

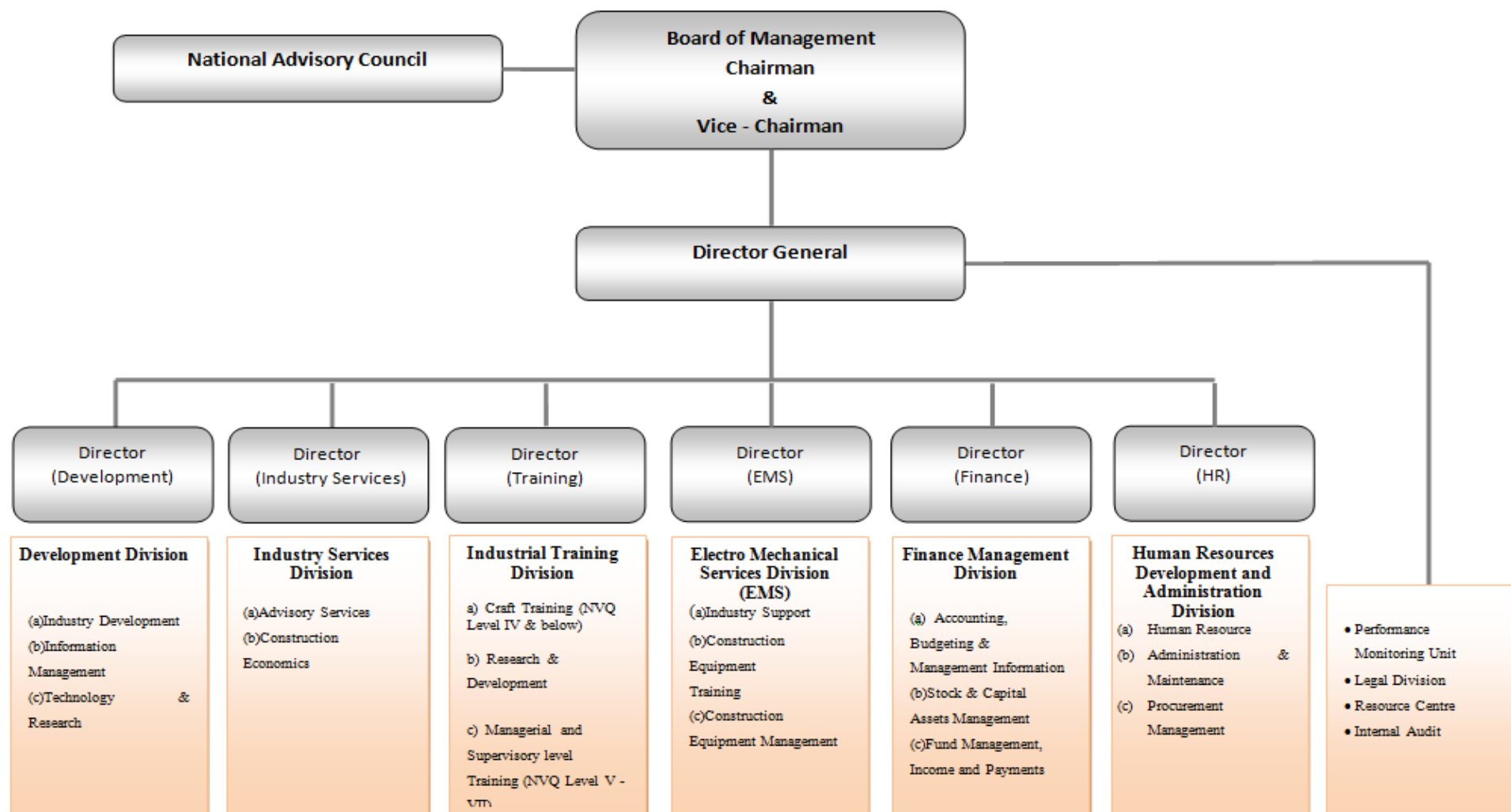
The Chief Executive Officer, Director General subject to the general direction of the Chairman, of the Board of Management is responsible for the development and administrative control of the Institute. The Human Resource and Administration Division headed by a Director Human Resource and Administration and the Finance Division headed by Director for Financial Affairs provided the supporting role for the operational divisions. (Please see Chart indicating Divisional Functions).

The Corporate Plan has been prepared covering all the functions spelt out in the Act ensuring the implementation of them within the said time frame. The Annual Implementation Plan for the year 2016 has been prepared following the Construction Industry Development Policy, Construction Industry Development Act and Corporate Plan prepared for the period of 2016-2021

The activities planned to be implemented in the year 2016 together with the time targets and expected revenue from each activity and the progress achieved, have been detailed under the respective divisions.

Organization Structure

Construction Industry Development Authority (CIDA)



CIDA Cadre Details - 31.12.2016				
Salary Code	Employee Category	Approved Cadre	Existing Cadre	Vacancies
	Senior Level			
HM 2-1	Director General	1	1	0
HM 1-3	Director	6	3	3
MM 1-1	Assistant Director/Deputy Director	28	15	13
	Total	35	19	16
	Territory Level			
JM 1-2	Junior Managers	40	23	17
	Total	40	23	17
	Secondary Level			
M A 1-2	Management Assistant (Non Tech)	80	71	9
M A 2-2	Management Assistant (Tech)	24	16	8
	Total	104	87	17
	Primary Level			
PL-3	Primary Level (skilled)	86	60	26
PL-2	Primary Level (Semi skilled)	9	4	5
PL-1	Primary Level (Un skilled)	44	34	10
	Total	139	98	41
	Security Section			
M A 1-2	Security Officer/ Supervisor	9	6	3
PL-1	Security Guard	33	16	17
	Total	42	22	20
		360	249	111

6.1. INDUSTRY SERVICES DIVISION

The Industry Services Division was formulated with the identification of the need for the provision of Advisory Services related to the contract management & administration, Consultancy & Project Management Services, registration of Qualified Person, Technical Auditing, Contractual Dispute Resolutions and any other functions required for development of the construction industry.

Industry Services Division provides its services in the year of 2016 to the stakeholders of the Construction Industry (i.e. Consultants, Contractors, Policy makers, Investors, etc.) in the following areas.

- i. Providing Advisory Services, Consultancy Services, Dispute resolution, Mediation and Appointment of Adjudicators on Contractual matter.
- ii. Providing Project Management Services.
- iii. Publishing and Selling of Bulletin of Construction Statistics.
- iv. Publishing and Selling of CIDA Guidelines & Specifications.
- v. Publishing and Selling of Standard Bidding Documents.
- vi. Conducting Seminars on topics related to Construction Industry.
- vii. Establishing Procedure for Technical Auditing and preparing of qualification required for Qualify Management Auditors. (not finalized)
- viii. Registration of Qualified Persons
- ix. Registration of “Identified Construction Works”.
- x. Establishing procedure for Adjudication (being done)
- xi. Establishing Rules & Regulations on Environment and Public Health (being done)
- xii. Establishing Rules & Regulations for Ethical & Social Standards (being done)

1. Providing Advisory Services Consultancy Services, Dispute resolution, Mediation and Appointment of Adjudicators on Contractual matters.

The division provides advisory Services on Bidding Documents, Contract Administration, Dispute Resolutions, CIDA formula on Price Fluctuation, CIDA Standard Bidding Documents and Technical Specifications etc. A large number of Contractors who faced contractual disputes related to contract documents, payments and contract administration were sought advice from the division. 420 Advisory Services in relation to the matters mentioned above have been provided in the year 2016.

19 Nos of Adjudicators have been appointed during the year 2016 on the request of parties to the contract. Following Mediation services were provided during the year 2016.

- Department of Buildings Vs Laugfs Engineering
- Open University of Sri Lanka Vs Sumanasekara Construction (Pvt) Ltd
- Deputy Chief Secretary (Engineering)–Western Provincial Council Vs Calics Builders

List of Adjudicators was published on the CIDA Web site during the year 2016.

2. Providing of Project Management Services

Government Organizations frequently request Project Management services from this division for their construction projects. The services included advice on procurement process, preparation bidding documents, selecting of contractors and consultants, evaluation of bids, contract administration and preparation of interim payment certificates etc.

The main Organizations to which project management services have been provided in the year 2016 are listed below.

- i. Land Use Policy Planning Department
- ii. Sri Lanka Tourism
- iii. State Pharmaceutical Manufacturing Cooperation
- iv. Coconut Development Authority
- v. Sri Lanka Handicraft Board – Laksala Bambalapitiya
- vi. Theme Park – Molady House
- vii. Hewage Construction and National
- viii. Ayurveda Hospital Kaithady
- ix. Department of Government Printing

3. Publishing of CIDA Monthly Bulletin of Construction Statistics,

The prices of materials, labour wages, and plant hire rates were collected, checked and analyzed for preparing of indices. This bulletin is mainly used for the calculation of price fluctuation in construction projects. 1460 Nos of copies of the bulletins were sold during this year to stake holders of the construction industry.

4. Publishing and Selling of CIDA Guidelines & Specifications

Documents revised in 2016 were;

- | | |
|--|---|
| ▪ ICTAD/DEV/16
Reinforced Concrete Piles | - Specification for Bored & Cast In-situ |
| ▪ ICTAD/DEV/17 | - Specification for the Site Investigation for Building and Civil Engineering Works |
| ▪ Civil Engineering Standard
Method of Measurements | - CESMMSL |
| ▪ SCA/3/1 | - Specifications for Irrigation and Land Drainage Works |

Documents published in 2016 were;

- ICTAD/DEV/16 - Specification for Bored & Cast In-situ Reinforced Concrete Piles

5. Publishing and Selling of Standard Bidding Documents.

Following Standard Bidding Documents were under revision.

- SBD Major Contracts
- SBD Small & Medium Contracts
- SBD Design & Build Contracts

Draft regulations for compulsory use of CIDA documents were sent to the Ministry of Housing and Construction to be sent to office of Legal Draftsman to get their consent for gazetting under the provisions of the Construction Industry Development Act No. 33 of 2014.

6. Conducting Seminars on topics related to Construction Industry

The division conducted 04 seminars in following topics identifying the capacity building needs of the industry.

- i. Construction Claims & Dispute Resolution
- ii. Project Management and Contract Administration
- iii. Regulation and approvals in Construction Industry
- iv. Price Fluctuation Formula and Contractual Claims

7. Technical Auditing

The Authority shall register and maintain a register of Quality Management Auditors for the purpose of carrying out technical auditing as per the provision of the Construction Industry Development Act. Draft Rules & Regulations on Technical Auditing were prepared by the Committee and were submitted to the Board of CIDA.

8. Registration of Qualified Persons

The Authority shall maintain a register of Qualified Persons as per the provision of the Construction Industry Development Act. Draft Rules & Regulations on Qualified Persons were prepared by the Committee and were submitted to the Board of CIDA.

9. Registration of “Identified Construction Works”.

Draft Rules & Regulations were submitted to the Ministry of Housing & Construction to be sent to the office of Legal Draftsman to get their consent for gazetting under the provisions of the Construction Industry Development Act No. 33 of 2014.

10. Establishing procedure for Adjudication

Preparing of Rules & Regulations was in progress in the year 2016.

11. Establishing Rules & Regulations on Environment and Public Health

Preparing of Rules & Regulations was in progress in the year 2016.

12. Establishing Rules & Regulations for Ethical & Social Standards

Preparing of Rules & Regulations was in progress in the year 2016.

13. Diploma Course on Adjudication

Diploma Course on Adjudications was successfully conducted during the year of 2016 and final examination will be held on February 2017.

6.2.DEVELOPMENT DIVISION

6.2.1.NATIONAL REGISTRATION AND GRADING SCHEME FOR CONSTRUCTION CONTRACTORS

Registration and grading is a screening process for the capabilities of prospective contractors to determine their general ability to undertake different types and sizes of projects without reference to any specific contract. Registration and grading will be determined by examining the technical and financial status of the contractor.

During the year 2016, 2476 nos. new registrations were issued, 413 contractors were upgraded and 591 nos. of registration were renewed.

Several important revisions on Guidelines for the registration of Construction Contractors [Main (Building & Civil), Special (Electro Mechanical), Special (Finishing & other special work)] were adopted and to be published in January 2017 for the benefit of the Construction Industry.

Web Based Registration Contractor Monitoring System (CCPMS) & National Construction Industry Information System (NCIIS).

I. CCPMS

This system was implemented using Treasury Funds, in order to meet an essential monitory need of all stakeholders of the industry.

Enrolment for the system was made mandatory for C1 Contractors in August 2014. It has been made compulsory for C2 & C3 Contractors from February 2015.

This is an online monitoring system with user- friendly facilities.

II.NCIIS

NCIIS is the web portal developed to monitor and report the progress of activities in the construction sector of Sri Lanka. It includes national data of contractor registration, construction industry regulations, construction related research and development for use of any individual. Further, it would act as a reliable source to access international data as well. It will be developed regularly according to the facts available such as fluctuations of contributing factors in the industry, government legislations, rules and regulations and contractors performance etc.

Most of the development work of the portal was done in 2015.Data collecting mechanism has been developed in 2016 & have forwarded for gazetting.

It is planned to web cast this portal as soon gazetted the data collecting mechanism as a national service to the worldwide construction community facilitating more productive and effective industry in Sri Lanka.

6.2.2. CIDA AWARDS FOR CONSTRUCTION EXCELLENCE

The Annual Awards Scheme started in 1990 which promotes professionalism and excellence in the Construction Industry continued in 2016 for the 27th consecutive time. This award scheme recognizes outstanding performance in construction management, high degree of professionalism in technical expertise and quality, introduction of innovative and appropriate technology and participation in training of craftsmen etc.

During the year 2016, 45 site visits/ committee meetings were held. Three Presentation programmes were held at the end of the year and the awards were presented at the 2016 National Awards for Construction Awards Ceremony organized by CIDA at BMICH on 19th December 2016 with the participation of His Excellency the President as the Chief Guest. Industry professionals & eminent contributors to the industry have also been profusely recognized in this programme making it a common event.

NATIONAL AWARDS FOR CONSTRUCTION EXCELLENCE & MERIT –
2016
Winners - Building Sector

Type of Award	Project and Recipient	Contractor
Excellence	Design and Construction of Secretariat for Personal Identification for Ministry of Defence & Urban Development at Battaramulla.	International Construction Consortium (Pvt) Ltd.
Excellence	Luxury Residential Apartments at No. 320, Union Place, Colombo 02.	Sanken Construction (Pvt) Ltd.
Excellence	Housing for Relocation of Underserved Settlements in the City of Colombo	Access Engineering PLC
Excellence	Design and Construction of Iceland Business Centre at Colombo 03	International Construction Consortium (Pvt) Ltd.
Excellence	Bottling Plant Complex at Munidasa Kumarathunga Mawatha, Seeduwa	R N Construction (Pvt) Ltd.
Excellence	Commercial Building – Dialog Axiata PLC at 475 A, Union Place, Colombo 2	Tudawe Brothers (Pvt) Limited
Excellence	Supply and Installation of Aluminium Doors, Windows, Composite Panels, Entrance Foyer and Atrium Roof for Secretariat for Personnel Identification, Ministry of Defence and Urban Development at Battaramulla	AJAX Engineers (Pvt) Ltd
Merit	Apartment Complex – The Fairway Sky Garden at 39, Perera Mawatha, Rajagiriya	Maga Engineering (Pvt) Ltd.
Merit	Highways Secretariat Building at Battaramulla	Nawaloka Construction (Pvt) Ltd.
Merit	Six Storied Co-operative Hospital Building at Galle	Sripalie Contractors (Pvt) Ltd.
Merit	Branch Office for People's Bank at Hatharaliyadda, Kandy	Kemyo (Pvt) Ltd.

NATIONAL AWARDS FOR CONSTRUCTION PERFORMANCE – 2016**Winners - Civil Engineering Sector****Performance Award****Category I - value exceeding Rs: 1000 million**

Sr No.	Name of the Project	Contractor
1	Improvements to Bodagama – Hambegamuwa – Kaltota Road (B528) (from 0+000 to 48+200 km) Contract No. RDA/DW/UVA/LBFP/2011/392	Maga Engineering (Pvt) Ltd.
2	Rehabilitation & Improvements of Bangadeniya – Andigama – Anamaduwa (B45) Road (from 0+000 to 38+000 km) Contract No. RDA/DW/NWP/GOSL/2011/347A	Access Engineering PLC
3	Rehabilitation & Improvements of Kurunegala – Narammala – Madampe Road (from 40+870 to 64+770 km) Contract No. RDA/DW/NWP/LBFP/2011/753B	NEM Construction (Pvt) Ltd.
4	Rehabilitation of national highways with concrete surfacing through domestic contractors Waskaduwa – Bandaragama Road (B-458) (0+000 to 12+070 km) & Kesbewa – Kidelpitiya – Bandaragama Road (B-216)(0+000 to 11+780 km) Contract No. RDA/DW/WP/GOSL/2011/453	K D Ebert & Sons Holdings (Pvt) Ltd.
5	Rehabilitation of Pannala – Kuliyaipitiya Road (B356) (5.0 to 16.28 km) & Kuliyaipitiya – Hettipola Road (B243) (0.00 to 15.69 km) Contract No. RDA/DW/NWP/GOSL/2011/425	NEM Construction (Pvt) Ltd.
6	Widening and Re-construction of Matara – Hakmana Road Project (from 0+000 to 24+140 km) Contract No. RDA/DW/SP/GOSL/2012/10	Maga Engineering (Pvt) Ltd.
7	Rehabilitation and Improvements to B-157(west) Road section from Aluthgama to Southern Expressway (42+600 to 53+670 km) Contract No. RDA/NHSP/ICB/ADB/CP-3	K D A Weerasinghe (Pvt) Ltd.
8	Rehabilitation & Improvements to A017 Galle - Deniyaya – Madampe Road section from Rakwana to Madampe (130+000 – 143+930 km) Contract No. RDA/MFAP/ICB/OPID-1/01	Maga Engineering (Pvt) Ltd.
9	Rehabilitation & Improvements of Kurunegala – Narammala – Madampe Road (from 22+260 to 40+870 km) Contract No. RDA/DW/NWP/LBFP/2011/753A	Consulting Engineers & Contractors (Pvt) Ltd.
10	Rehabilitation & Improvements of Galagedara – Rambukkana Road (from 0.0 to 18.50 km) Contract No. RDA/RNIP/PRP2/PACKAGE-C/ C7(iii)	Access Engineering PLC
11	Rehabilitation & Improvements to A001 Colombo – Kandy Road Section from Peliyagoda to Kiribathgoda (5+860 – 13+100 km) Contract No. RDA/MEAP/ICB/SFD-2/07	Maga Engineering (Pvt) Ltd.

12	Metro Colombo Urban Development Project. Rehabilitation of Galle Road and R A De Mel Mawatha, from Liberty Roundabout to Dharmapala Road Junction. Contract Package C, Contract No. MCUDP/CMC/W/12(C)	International Construction Consortium (Pvt) Ltd.
13	Metro Colombo Urban Development Project. Rehabilitation of Galle Road from Bambalapitiya Junction to South City Limit - Package B, Contract No. MCUDP/CMC/W/12(B)	International Construction Consortium (Pvt) Ltd.

Category II - valued between Rs: 500 million & 1000 million

Sr. No.	Name of the Project	Contractor
1	Rehabilitation / Improvements of A029 Vavunia – Horowpatana Road(from 24+000 to 34+950 km) Contract No. RDA/NRCP(AF)/ICB/ADB/CP-11	International Construction Consortium (Pvt) Ltd.
2	Metro Colombo Urban Development Project. Rehabilitation of Galle Road and R A De Mel Mawatha, from Galadari Roundabout to Kollupitiya Junction.Contract Package A, Contract No. MCUDP/CMC/W/12(A)	International Construction Consortium (Pvt) Ltd.
3	Design, Supply and Construction of Polduwa Bridge Contract No. RDA/UKSBP2/PLDW/006	Access Engineering PLC
4	Construction of Kandana Water Treatment Plant Extension Contract No. WSDP/KGWSP-P1 S2/ICB-01	Access Engineering PLC

Category III - valued between Rs: 100 million & 500 million

Sr. No.	Name of the Project	Contractor
1	Construction of Elevated Water Tower, Office Building, Quarters, Stores and Supply and Laying of Transmission Main and Distribution Mains of Echchalampattu Water Supply Scheme. Contract No. P&D/SE/ADB/CARE/EP/2011/01	K D A Weerasinghe & Co., (Pvt) Ltd.
2	ADB funded Nothern Roads Connectivity Project – Additional financing (Provincial Component) – ADB Loan No.2890(SF) 2891(Sri) Contract No. NRCP/NP/NCB/KL02	Maga Engineering (Pvt) Ltd.
3	ADB funded Nothern Roads Connectivity Project – Additional financing (Provincial Component) – ADB Loan No.2890(SF) 2891(Sri) Contract No. NRCP/NP/NCB/MU01	Maga Engineering (Pvt) Ltd.
4	Reconstruction of Bridge No 3/2 (Karadana Bridge) on A-019 Polgahawela – Kegalle Road Contract No. RDA/MFAP/ICB/OFID-1/03	V V Karunaratne & Company
5	Remedial Works of New Laxapana Power Tunnel Contract No. DSWRPP-AF/WORKS/DC/151	State Development & Construction Corporation

AWARDS FOR INNOVATIVE TECHNIQUES IN CONSTRUCTION - 2016

	Name of the Project	Contractor
	Construction of Trough Across Kon Oya Contract No. ID/HO/DORP/01,02,03/2010	State Development & Construction Corporation

6.2.3. HANDLING OF CUSTOMER COMPLAINTS

A Preliminary Inquiry Panel has been set up comprising members from Department of Buildings, NCASL and CIDA to investigate the complaints received on contractors.

During year 2016,

Description	2016 Disputes
Only for ICTAD information	18
Explanation requested from Contractors & to be responded by them	55
Solved	21
Inquiry to be held	03
Total	97

6.2.4. CIDA JOURNAL – 2016

CIDA Journal 2016 was published and launched at the National Awards for construction on December 2016. Purpose of the journal is dissemination of information related to quality matters of the construction industry. The journal provides useful articles and information for the development of the Construction Industry.

This is the 14th issue of the Journal and, in this year also Journal was published as an International Refereed Journal for the 07th time of CIDA/ICTAD history with the utmost support and dedication of stakeholders and professionals.

6.2.5. INFORMATION TECHNOLOGY SYSTEM OF CIDA

IT system and the Web site have been maintained satisfactorily, featuring following salient activities.

1. A tracking system was introduced to identify the contractors, who were not registered to CCPMS & who have been involved in disputes.
2. Developed a programme to retain data & view the progress of evaluating files.
3. A receipt printing programme, for speedier issuances of Registrations was introduced & maintained.
4. Introduced a new central linked data server to connect from OTC, CETRAC, CHPB to Finance division CIDA head office.
5. Changed “ICTAD” domain into “CIDA” domain & changed the email addresses accordingly.

6. Installed & commissioned a fire wall to CIDA network & managed the internet accessibility to tackle the issue of exceeding data limits at the end of each month.

6.2.6. CONFERENCES / SEMINARS /WORKSHOPS HELD IN YEAR 2016

During this year following programs were successfully conducted for the continuing competency and capacity development of the stakeholders of the Construction Industry.

- Seminar On “Pre – Stressed Concrete & Estimation in Construction” – 22nd January 2016
- Seminar On “ Safety in Construction Sites” - 19th February 2016
- Seminar On “Reinforced Concrete and Construction Cost Management” – 1st April 2016
- Seminar On “Aluminium and Plumping Works in Highrise Building” – 7th October 2016
- Short Course on Building and Planning Regulations on Urban Development – 5th, 12th & 19th August 2016
- Short Course on Pre – Stressed Concrete Design – 3rd, 10th & 17th June 2016
- Workshop on “Brain Storming on Construction Industry Research – (I)” – 23rd June 2016
- Workshop on “Brain Storming on Construction Industry Research – (II)” – 14th July 2016
- Programme - Database on Construction Sand – 15th July 2016
- Programme on M Sand – CDE (Pvt) Ltd – 28th April 2016

6.2.7 CBO Programmes

- District Secretariat - Kandy – 18th February 2016
- District Secretariat - Gampaha – 26th February 2016
- Divisional Secretariat –Ambagamuwa Koralaya – 11th March 2016
- Divisional Secretariat – Giribawa – 24th March 2016
- District Secretariat – Kalutara – 08th April 2016
- Divisional Secretariat – Nochchiyagama – 25th April 2016
- District Secretariat – Matara – 10th May 2016
- Divisional Secretariat – Mihinthala – 03rd June 2016
- District Secretariat – Ampara – 24th June 2016
- Divisional Secretariat – Dehiattakandiya – 11th August 2016

Purpose of conducting these seminars / workshops is dissemination of information related to the construction industry.

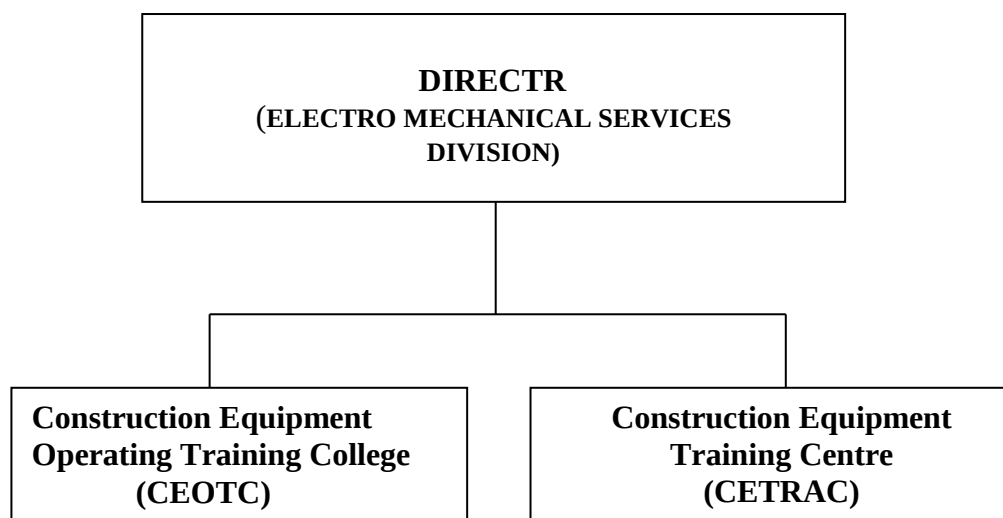
6.3. ELECTRO MECHANICAL SERVICES DIVISION

Mission of the EMS Division is to impart skills and knowledge on operation, maintenance and management of construction equipment to develop a competent construction workforce in the construction industry so that a measurable increase in construction productivity is achieved.

Objectives of the EMS Division are :

- a. To upgrade the competency of the construction equipment mechanics and operators to carry out their jobs effectively and efficiently.
- b. To upgrade the competency of construction equipment supervisory and management personnel to perform their jobs efficiently and effectively.
- c. To develop and implement proper preventive maintenance practices among construction equipment users in order to minimize repair cost and downtime while improving the availability.
- d. To provide systematic basic training to prospective construction equipment mechanics and operators, entering the construction industry.
- e. To assist the industry to improve the standard of construction equipment repair shops by providing the necessary training in the model workshop of the Construction Equipment Training Centre (CETRAC).
- f. To improve the social recognition of the trade of construction equipment mechanics and operators in Sri Lanka.

The EMS Division of CIDA consists of two units; Construction Equipment Operating Training College (CEOTC) and Construction Equipment Training Centre (CETRAC)



6.3.1 Construction Equipment Operating Training College (CEOTC)

Vision :

"To become the most conspicuous state organization through our devoted strength for a prominent service to all trainees and customers, and providing skilled manpower requirement of the Construction Industry"

Mission:

"To Impart Skills and knowledge on operation, maintenance and management of construction equipment to develop a competent work force in the construction industry so that a measurable increase in construction productivity is achieved"

Objectives:

- a) To train construction equipment operator to the established national skills standard
- b) To conduct plant management and supervisory management courses
- c) To conduct national trade tests and NVQ tests for construction equipment operators
- d) To upgrade competency of construction equipment operators to carry out their jobs effectively and efficiently
- e) To hiring machine and equipment for construction industry
- f) Being part of government construction projects to gain more experience to fresh operators and contribute to national development.



Construction Equipment Operator Training College provides training on operation of construction equipment such as crawler tractors, loaders, excavators, motor graders etc with special reference to their safety, basic maintenance and operating techniques. CEOTC has a fleet of 56 Nos of construction equipment and sufficient number of Training Officers and Demonstrators.

About 70% of the training time is allocated for practical training to give hands-on skills to the trainees and the balance 30% is confined to theory. Some construction equipment are hired out for generating income while providing on-the-job training to the trainees.

The CEOTC training programmes consist of institutional training as mentioned above and on-the-job training when construction projects is in progress. A trainee who gets at least three months OJT after completion of institutional training are eligible for NVQ qualifications which is widely recognized locally and internationally giving them increased access to lucrative employment opportunities. The CEOTC is recognized by NAITA for conducting National Trade Tests and facilitation of conducting of NVQ tests for Construction Equipment Operators.

The following training courses are presently being conducted at OTC.

1. Preliminary Training
 - 1.1 Basic Construction Equipment Maintenance
2. Skill Development
 - 2.1 Light Construction Equipment
 - 2.2 Dump Truck
 - 2.3 Farm Tractor
 - 2.4 Self Propelled Vibrating Roller
3. Earth Moving Equipment Basic Modules
 - 3.1 Crawler Tractor
 - 3.2 Wheel Loader
 - 3.3 Motor Grader
 - 3.4 Hydraulic Excavator
 - 3.5 Backhoe Loader
 - 3.6 Skid Steer Loader
4. Specialized Equipment
 - 4.1 Mobile Crane
 - 4.2 Plant Transporter
 - 4.3 Fork Lift Truck
 - 4.4 Truck Mounted Crane
5. Trade Tests
 - 5.1 National Trade Tests
 - 5.2 NVQ tests
5. Seminars / Workshops

OTC conducts Construction Equipment management and supervisory programs or skill tests on demand of the construction industry.

The targeted trainee outputs for the year 2016 and achievements in respect of each training programme are shown in the table below. *(Please see the Table 6.3.1)*

Sr No.	TRAINING PROGRAMME	PROGRAMMED		PROGRESS	
		No. of Programmes	No. of Participants	No. of Programmes	No. of Participants
1.0	PRELIMINARY TRAINING				
	1.1 Basic Construction Equipment Maintenance	26	710	20	504
2.0	SKILL DEVELOPMENT				
	2.1 Light Equipment	5	5	-	-
	2.2 Tractor	5	5	3	3
	2.3 Self Propelled Roller	6	15	3	12

		5	5	-	-
	2.4 Dump Truck				
3.0	EARTH MOVING EQUIPMENT BASIC MODULES				
	3.1 Crawler Tractor	4	20	1	2
	3.2 Wheel Loader	6	30	1	2
	3.3 Motor Grader	9	70	7	68
	3.4 Hydraulic Excavator	10	100	8	75
	3.5 Backhoe Loader	14	210	16	209
	3.6 Skid Steer Loader	5	10	1	5
4.0	SPECIALIZED EQUIPMENT				
	4.1 Mobile Crane	7	20	3	11
	4.2 Plant Transporter	11	30	2	7
	4.3 Fork Lift Operator	11	30	6	15
	4.4 Truck Mounted Crane	5	5	4	21
	TOTAL	129	1265	75	934

Even the construction equipment operator training is a very successive path to overcome the poverty and develop, the attitudes and interests of Sri Lankan youth are not enough focused to this trade.

Several promotional programs also conducted by OTC to improve the operator output to the industry. The funding to follow the training program is also a barrier, but "Divinaguma" vocational training funding program was a helping hand to 97 applicants in 2016. The trained operator output was improved yearly from 2014 to 2016 through the above endeavors.

- **Construction Equipment Hiring**

Construction Equipment hiring is an additional service provided by the Operator Training College. It generates additional income to the college for the sustenance of its activities. Training is the first priority as to the use of existing machine fleet and hiring is done anywhere machines are available once machines are allocated to the training programmes being conducted. only idling machines are hired when available.

- **Construction Equipment Operator Training - Ministry of Housing and Construction**

Special training program was held for un-employed youth selected by the Ministry of Housing and Construction for the skill development of Southern Province. This program was conducted free of charge including accommodation, meals and

transport. 14 no of trainees trained in their preferred construction equipment under this program.

REVENUE OF OPERATOR TRAINING COLLEGE DURING THE YEAR 2016

JOB CATEGORY	Revenue
	(Rs.)
Training Programmes	16,241,000.00
Hiring of Machinery	6,342,124.50
Trade Testing	3,000.00
Operator's Identity Cards	273,250.00
Dormitory Charges	2,582.61
Rent	21,083.29
Miscellaneous	120,780.90
Total	23,001,821.30

6.3.2 CONSTRUCTION EQUIPMENT MAINTENANCE TRAINING UNIT

The Construction Equipment Maintenance Training of CIDA, Construction Equipment Training Centre (CETRAC), is located at No. 17 D P Wjesinghe Mawatha, Pelawatta, Battaramulla. The CETRAC is well equipped to conduct training courses on repair maintenance & management of construction equipment. Training courses for Project & Maintenance Managers, Mechanical Engineers, Workshop Superintendents, Workshop Supervisors, Senior Mechanics, Mechanics, Machine helpers & School leavers are conducted at CETRAC.



6.3.2.(a).CETRAC TRAINING PROGRAMMES

CETRAC training programmes for maintenance of Construction Equipment were developed with the assistance of Japanese experts during the period from October 1996 to September 2001. CETRAC basically provides training on construction equipment maintenance and management training in related fields. CIDA has also started conducting Building Service Engineering Training programmes also at CETRAC.

- **Courses for new entrants to the industry**

It was decided to develop and conduct more vocational training courses for early school leavers to help solving the un employment problem of the youth. Accordingly, the following courses were conducted in the year 2016.

I. The Construction Equipment Mechanic Course

The Construction Equipment Mechanic-training course is conducted in collaboration with National Apprenticeship and Industrial Training Authority (NAITA). It is a three-year course consisting of 09 months institutional training at CETRAC and 27 months on-the-job training in the industry. School leavers with G C E (O/L) are eligible to follow this training course. This training course covers all aspects of repair and maintenance of modern construction equipment. The annual intake is 60 trainees.

These trainees are provided with free accommodation, course material, workshop facilities, uniforms, safety gear etc. during the training period. Each year around 100 trainees of different batches undergo institutional training at CETRAC and the Government has to bear its total cost, which amounts to around Rs. 10 million per year. Almost all the ex-trainees of this programme are gainfully employed locally, as well as abroad. Some of them have established their own workshops for repairs and maintenance of construction equipment.

II. FURTHER TRAINING COURSES FOR SKILL UPGRADING OF EMPLOYEES

Further training courses have been designed to update the technical knowledge of mechanics, supervisors and managers involved in repairs, maintenance and management of construction equipment. The trainee in-take is limited to 12 in order to pay individual attention to each trainee. Adequate experience in the relevant fields is required to follow these courses.

III. Training Programme for Junior Mechanics (Level 2)

This training programme has been designed to update the knowledge and skills of junior mechanics employed in construction equipment repair shops. Two to five years experience is required to follow these courses. This training course has been divided into different modules to enable the employers to send their mechanics to any selected module, depending on their training needs. Some of these modules, such as Hydraulics and Mechatronics are in high demand in the industry and therefore, sometimes extra courses have to be conducted on these modules.

IV. Training Programme for Senior Mechanics (Level 3)

This advanced training programme has been designed to update the knowledge and skills of senior mechanics and train them on fault diagnosing and rectification. Mechanics having more than five years experience are eligible to attend this course. This training course consists of 6 different modules to enable the employers to send their mechanics to any selected module, depending on their training needs. The module, Hydraulics and Mechatronics are in high demand in the industry and therefore, sometimes additional courses have to be conducted on these modules.



V.Training Programme for Supervisors

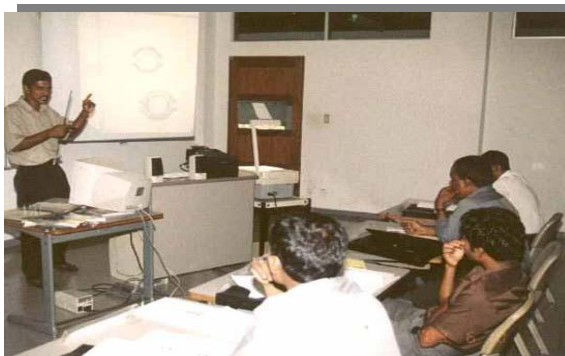
The supervisory training programme has been designed to enhance the knowledge of workshop supervisors responsible for maintenance of construction equipment. Supervisors having two years relevant experience are enrolled for these courses.

VI.Training Programme for Engineers /Managers

This training programme has been designed to enhance the knowledge of Engineers, Workshop Managers and Project Managers who are involved in utilization and maintenance of construction equipment.

The training course, **Utilization of Construction Equipment**, is designed to provide technical knowledge to Civil Engineers and Project Managers on maintenance and utilization of construction equipment. Engineers having two years experience are enrolled for this course.

The training course, **Maintenance of Construction Equipment**, is designed to provide technical knowledge to Mechanical Engineers and front-line managers responsible for repairs and maintenance of construction equipment. The participants should have two years experience to follow this course.



VII.Training Programmes for Stores/Supply/ Project Staff

Usually, the Stores / Supply / Project Staff working for the construction industry do not have opportunities for systematic training. This has lead to various operational problems hindering the smooth functioning of equipment repair shops. This training program was developed to cater to this training need.

VIII.Building Services Engineering Training Programmes

CETRAC has conducted several programmes for Engineers and Architects in the field of Building Services Engineering.

There are few training courses designed to cover this building services required to maintain commercial buildings. They cover Fire Protection systems, Electrical systems, Air conditioning & Ventilation Systems, Water Supply & Drainage Systems.

IX. Custom - Designed Training Programmes

With the experience gained, CETRAC has been able to cater successfully various and specific demand in training by developing customized training programmes to address the changing demand in the country.

CETRAC performance in year 2016 is as follows :

Table 6.3 2: CETRAC Performance in Year 2016

SR No	Training Courses	Registered		Passed out	
01	School Leavers (Level I) Construction Equipment Mechanic Training Course (BM)	6	180	2	51
	Training Courses	Targeted Output		Actual Output	
02	Junior Mechanics (Level II)				
	Maintenance of Diesel Engine	1	15	1	22
	Maintenance of Hydraulic System - 16M22	1	16	1	40
	Maintenance of Diesel Generators - 16M25	1	20	1	41
	Maintenance of Steering, Brakes and Clutch System - 16M26	1	15	--	--
	Maintenance of Torque Converter & Transmission Systems- 16M27	1	15	--	--
	Maintenance of Electronics and Mechatronics of Construction Equipment - 16MT	2	30	1	18
	Maintenance of water Pumps & Compressors – 16WPC	1	15	2	34
	Maintenance of Auto Electrical Systems -16M24	2	30	1	7
	Servicing of Construction Equipment -16SCE	2	20	--	--
03	Senior Mechanics (Level III)				
	Maintenance of Hydraulic & Mechatronic Systems - 16M32	1	15	2	23
	Maintenance of Auto Electrical systems -16M34	1	15	--	--
04	Engineers				
	Utilization of Construction Equipment – 16CPM	1	15	--	--
	Maintenance of Construction Equipment - 16CEM	1	15	--	--

05	Supervisory				
	Maintenance of Construction Equipment - Hydraulic & Transmission - 16SUP 1	1	25	--	--
	Maintenance of Construction Equipment - Engine & Mechatronics - 16SUP 2	1	25	--	--
06	Ancillary Staff				
	Certificate course on Store keeping	2	40	3	64
	Advance certificate course on Store keeping	1	30	2	25
	Tow day workshop on procurement in Construction Equipment Industry	1	30	1	32
	Course on Development in Management Assistant	1	30	1	16
	Introduction to procurement of goods with special reference Construction Equipment	2	55	1	40
	Foundation course in human resource management	1	30	--	--
	Certificate course in human resource management	1	40	--	--

	Training Courses	Targeted Output		Actual Output	
07	Custom-Designed Courses (CET)				
	Operation Mobile Crane	1	10	1	4
	Forklift truck operation	4	100	8	152
	Mobile Crane & Ogre Truck Training	1	25	1	21
	Training programme on Machine sup	2	50	1	4
	Awareness programme on forklift truck operation	1	25	--	--
	Generators and motors	1	25	--	--
	Heavy vehicle maintenance	1	25	--	--
08	Custom-Designed Courses (BSE)				
	Installation of Building Air Conditioning Systems	1	30	1	34
	Workshop on Plumbing Systems	1	40	1	63
	Workshop on fire protection systems in buildings	1	25	1	69
	Energy Efficiency & Energy saving in building	1	30	--	--
	Specification and road construction techniques	1	25	--	--
	Swimming Pool Maintenance	1	30	--	--
	Installation of Electrical Systems	1	30	--	--
	Plumbing & Drainage Systems	1	40	--	--
	Fire Protection Systems	1	40	--	--
09	Seminars				
	One day workshop on Common Rail Diesel Fuel System	1	100	2	158
	Two day workshop on Driver Training	1	100	5	174

	Scientific Safe and Economical Driving	1	100	5	469
	Positive Displacement pump in Hydraulic systems	1	100	1	55
	Two day workshop on Generators	1	100	1	111
	Workshop on Introduction to Construction Equipment	1	100	3	238
	Operation and maintenance of Generators	1	100	1	90
	One day workshop on Drivers	1	100	2	120
	Safety and Ethics Relevant to Public transport	1	100	2	120
	Responsibilities of public transport Enterprisers	1	100	1	60
	Hybrid vehicle technology	1	100	--	--
10	Training Programme for other countries				
	Awareness programme for NCA Kenya	1	10	1	5
	TOTAL	65	2406	57	2360

Some of the programs have not been conducted due to lesser demand. However steps have been taken reviews the courses next year and conduct different courses as a solution for this.

Revenue Earned During the year 2016

JOB CATEGORY	REVENUE
Training Programmes, Workshops & Seminars	13.47
Workshop Repair Jobs & other Workshop Services	3.07
Facility Hiring	11.37
Total	27.91

6.4 INDUSTRIAL TRAINING DIVISION

The main objective of the Training Division is to build the capacities of all the stakeholders of the Construction Industry ensuring that trained human resources are available to sustain the growth momentum of the construction industry which has been recording unprecedented and unparallel growth rate in recent years after the eradication of the three decade long conflict.

The construction industry is presently experiencing severe shortage of skilled labor creating highly negative impact on this emerging massive growth of the construction industry.

The drastic decline has been observed in youth joining the construction industry during the last few years and this can be attributed to the fact that younger generation is attended to the jobs like three wheeler driving, security guards etc. which require no special skills or vocational training.

Hence, Training Division plans and conducts training activities annually in order to accomplish training requirements of public & private sector institutions and individuals who contributes in all aspects to the development and sustainability of the construction industry in Sri Lanka. Training activities basically organized at three HR levels Managerial, Supervisory and Craftsmen.

Summary of Training Programs conducted in the year 2016 is given below.

a) Advance Certificate Course in Contract and Procurement Management.

In order to improve and update managerial knowledge and capabilities of small & middle level managers, who are involved in Contract & Procurement Management activities in Public and Private Sector Institutions, ICTAD annually organize 09 months training program, “Advance Certificate Course in Contract and Procurement Management”. This programme was conducted from February to October 2016 and 60 persons from Public & Private Sector organizations were participated.



b).Tendering ,Site Measurement and Preparation of Monthly Bills

Training Division annually organizes training programmes in “Tendering” and “Site Measurement and Preparation of Monthly Bills” to develop managerial skills of small and medium scale contractors. Participation at this programme is mandatory for the contractors being registered at Grade C7 and below as this programme provides them orientation required for the successful implementation of the construction programs maintaining proper records. This program is conducted in Sinhala & Tamil medium. In 2016 Twenty two (22) training programs



have been conducted in both medium and 1520 contractors have participated in this training activity.

c). Construction Safety & Occupational Health (DCSOH)

Construction industry in Sri Lanka is gradually modernizing and heading towards complex construction techniques and methods in terms of improving quality and productivity of the end results.

It has been realized that the improving work site construction related safety and occupational health is a must in order to minimize the work place damages to the human and other resources.

CIDA in collaboration with the occupational health section of the department of labor has been formulated two training programs for the under mentioned levels.



d). Diploma course in Construction Safety and Occupation Health. (DCS&OH)

This is a Six months modular based training program conducting two days per week to cover 350 hrs. 51 trainees participated for the programme from the industry and most of them are in the range of managerial level and below as per CIDA requirement.



e).Certificate course in Construction Safety and Occupational Health.(CCS&OH)

This is a Four months training program conducting One day per week aiming practicing people in the range of Supervisory level and below in order to acquire the knowledge required to organized a work site with considerable lower risk to the workers. 105 persons participated for two programmes.



f).RPL / NVQ Programme

In order to increase competency of craft level technicians in the industry obtaining NVQ certification and become qualified craftsmen. Twelve (12) RPL/NVQ programs were conducted in Lunugamwehera, Weeraketiya, Pallepola, Haldummulla, Jaffna, Mannar, Niyagama, Kundasale, Daraniyagala, Homagama, Hambantota, Imaduwa Divisional Secretariat areas. 1007 craftsmen including Masons, Carpenters and Plumbers participated in these programs.



g). Skills Development in the Construction Sector [500 million programme]

The Construction Industry is presently experiencing a shortage of skilled craftsman as one of the major issues of the construction sector. At present, with the implementation of Port city, Western mega polis Development and other major development drives by the Government. This dearth of construction craftsman will be further aggravated making a negative impact on the massive emerging growth. Therefore government has decided to give very high priority to training of construction craftsman in order to address this acute shortage of construction craftsman being faced by the construction industry.

In order to implement the said program, the government has allocated Rs. 500 mn to CIDA through the Ministry of Housing and Construction to plan and implement a project to train around 9000 craftsman in the trades of Masonry, Carpentry, Tiling, Bar Bending and Electrical etc. The selected trainees will be provided with the stipend of Rs. 10,000/- per month up to three months to defray their daily expenses for the period of three months of training and tool kit for self employment as well as recognized attire to increase the social image of craftsman attracting the Youth to the Construction Industry.

9320 youths have been enrolled and they have been provided practical training in the construction sites and the “Uda Gammana” NHDA sites. These youth being trained under this program will be awarded NVQ qualifications at the end of the training period assessing their skills and be added to the construction workforce providing a relief to the burning problem of shortage of construction craftsmen.



Awareness program for Construction Craftsman

Handing over Training Aids

6.4.1 CENTRE FOR HOUSING PLANNING AND BUILDING [CHPB] FOR STRUCTURED TRAINING PROGRAMMES

Centre for Housing Planning and Building (CHPB) is a multi-disciplined institution coming under the managerial jurisdiction of CIDA. CHPB is located at No. 33, Parliament Road, Pelawatta, Battaramulla. The CHPB is emphatic in conducting courses aimed at career development of technocrats and professionals. The overwhelming response received for these technical sessions is a testament to the professionalism of CHPB in conducting most valuable courses.



6.4.1.(a).CHPB TRAINING PROGRAMMES

CHPB specially provides gap filling training under two main streams such as Construction Management and Quantity Surveying. Construction Management courses categorically identify as Diploma in Advance Construction Management (DACM) and Construction Works Management (CWM). DACM target group includes Executives, Engineers, Entrepreneurs and Construction Managers attached to the construction industry. CWM full time course is designed for school leavers and young enthusiasts who prefer to enter the construction industry as Construction Supervisors. Part time course is mainly targeted at Construction Supervisors employed at construction activities without having prior technical knowledge and qualifications or enthusiasts who wants to become a Construction Supervisor. Quantity Surveying programmes being conducted falls in to three categories namely Certificate, Diploma and Advance Diploma. The target group would be experienced Construction Work Supervisors, Technical Officers, Assistant Quantity Surveyors and Qualified enthusiasts. The above two courses are structured based on the National Vocational Qualification (NVQ) curriculum.

I. Course for new entrants to the industry

There is a big demand for Supervisory level category of employees in the industry. The competent supervisors could not be retained in the local industry because of the high demand in foreign job market and lower trend has taken place for new entrants to the industry. It was decided to develop and conduct courses targeting early school leavers to help solving the unemployment problem of the youth and encourage them to enter this booming industry. The Construction Works Management (CWM) full time Course fulfills this vital demand.

II. The Construction Works Management Training Programme Full Time Programme

The course is designed for the benefit of school leavers who are interested to enter the Construction Industry and those engaged in construction activities at lower & middle level.



The course spanning over a part of one year consist of 05 months institutional training at CHPB and 7 months internship period at construction site environment. School leavers with G C E (O/L) credit passes for Mathematics & Science, ordinary pass for English & other 06 subjects are eligible to follow this course. The training course covers all aspects of modern construction Industry practices in par with NVQ Level 4 standard & accredited as NVQ Level IV by TVEC during the year 2015. The annual intake is 30 trainees.

Course contents:

Construction Mathematics, Construction Management, Construction Technology, Water Supply & Sewage Disposal, Surveying & Leveling, Engineering Materials, Cost Management, Construction Drawing, Road Construction & Maintenance, Construction Equipment Management, Quality Assurance, BOQ- Measurements & Pricing, Industrial Safety, Health & Environment, Planning Works & Recourses, Construction English.

Course Benefits: Entrepreneurship through ICTAD Construction Contractor grading & registration, Entry Qualification for the Diploma in Quantity Surveying, Opportunities for Local & Foreign jobs, to become a competent Construction Supervisor in the field of construction.



III.Part time courses for Quantity Surveying field

Quantity surveying Certificate courses 04 nrs. & Diploma courses 04 nrs. were held during the year 2016. The courses are designed for the benefit of upgrading their knowledge & skill with NVQ curriculum.

- **Computer Courses related to construction Industry**

IV.Training Programme in Auto CAD 2D & 3D

The Course is designed to fulfill & improve practical knowledge on how to use Computer Aided Design & Drafting techniques for construction design purposes.03 nrs. programmes were done during the year 2016.



Course Benefits: Enhance Competency& knowledge, Short Duration, Limited Groups & Individual Attention, Opportunity to gain expertise knowledge& experience. A Valuable Certificate will be awarded.

V. Training Programmes in Microsoft Project 2013



The Course is designed to cater to the construction industry requirement of personnel having practical experience in Construction Planning & Monitoring using MS-Projects. 04 nos. of programmes were done for the year 2016.

Course Benefits: Enhance Competency, Short Duration, Limit Groups & Individual Attention, and Opportunity to gain expertise knowledge. A Valuable Certificate will be awarded.

FURTHER TRAINING COURSES FOR COMPETENCY UPGRADING OF EMPLOYEES

Further training courses are designed to upgrade the competency of Construction Workers, Supervisors, Technical Officers, Engineers, Executives and Entrepreneurs. Industry experience and required qualifications are essential to follow these courses.

- **Short term training programmes**

CHPB has introduced new short term training programmes for the year 2016 Such as Standard Method of Measurements for QS field(03 programmes done for the year 2016) ,Waste Water Management course for Civil Engineering field (01 programme done for the year 2016), Landscape course for the employees in the relevant field (03 programmes done for the year 2016) , Contract Administration course for the contract administrator(03 programmes done for the year 2016) & Total Station course for the

Employees in the Civil Engineering field.(04 nrs. programmes done for the year 2016) & Pricing of BOQ & Rate Analysis programme for QS field (05nrs. programmes done for the year 2016)



I. CUSTOM-DESIGNED TRAINING PROGRAMMES

CHPB has been able to design & deliver tailor-made training programmes successfully in order to accomplish specific training requirements received from public & private sector institutions engaged in construction activities.



Total Station Practical

II. SEMINARS & WORKSHOPS

Seminars and workshops have been organized monthly to deliver knowledge and practical experience on various topics to personnel engaged in various employment categories spread throughout the construction industry. The methodology of transferring knowledge is done by conducting lectures, demonstrations, hands-on practical, discussions and question & answer sessions.

Seminar – Delays & Disruptions



Work Shop-Interior Design



Field Visit – Landscaping Course



Work Shop on Lighting Protection



Work Shop –Cost Effective Houses



Landscape-practical



CHPB performance in the year 2016 is as follows.

CHPB Performance in Year 2016

Sr No	Course	No. of Programmes Up to Dec. 2016	No. of Participants up to Dec. 2016	Income up to Dec. 2016 (Rs. Million)
01	Quantity Surveying Courses			
	Certificate Courses	04	64	3.082
	Diploma Courses	04	124	5.553
	Construction Works Management Course			
	Full Time & Part Time	02	20	0.868
02	Computer Courses			
	MS Project Course	04	55	0.777
	Auto Cad	03	69	1.035
03	Custom designed courses			
	Pricing of BOQ & Rate Analysis	05	208	1.195
	Total Station – Surveying Course	04	82	1.230
	Training Programme on Contract Administration	03	67	0.425
	Short Course on Landscaping	03	113	1.125
	Short course on use of Std. Method of Measurements	03	68	0.998
	Short course on Waste Water Mgt.	01	60	0.750
04	Seminars & Workshops			
	Workshop - Plumbing Technology	02	240	0.720
	Workshop - Painting Technology	01	131	0.393
	Workshop - Electrical Technology (Residential)	01	84	0.252
	Workshop - Electrical Technology (Industrial)	01	55	0.165
	Seminar on Contract Law & Dispute Resolution	01	74	0.259
	Work Shop on Construction of Cost Effective Houses	01	146	0.428
	Seminar on Interior Design	01	123	0.369
	Seminar on Delays & Disruptions in Construction Contracts	01	111	0.389
	Seminar on Subcontractor Mgt & Claims in construction contracts	01	145	0.435
	Work shop on waterproofing	01	125	0.438

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	Workshop on Aluminum Technology	01	208	0.624
	Post Contract Administration	01	123	0.431
	Seminar on Essentials for effective construction Contract Administration	01	156	0.546
	Seminar on Energy Conservation in Commercial Buildings	01	40	0.120
	Seminar on Lightning Protection Systems	01	55	0.165
	Seminar on Tiling & Floor finishing	01	104	0.312
	Total Training Programmes , Seminar & Short courses		2850	23.084
	Other Income			
	Facillity Hiring (Auditorium, Seminar Rooms, Computer Lab etc.)			4.715
	Facility Hiring (Hostel Accommodation)			1.521
	Premises Rental			0.466
	Sale of Publications			0.466
	Total			7.168
	Grand Total			30.252

6.5 HUMAN RESOURCE AND ADMINISTRATION DIVISION

Human Resource and Administration Directorate at CIDA is entrusted upon the functions related to the Human Resource Development and Administration of the Organization. It's consists of Human Resources planning, (HRP) Training and Development, Salary and benefits Administration, Discipline Administration and Welfare Administration of the CIDA staff. Smooth function of the Human Resources and Administration activities of the organization was enabled the management to vertically and horizontally integration of it's objectives and strategies to meet the organizational corporate plan.

Following are the significant activities carried out in the year 2016

- A. In accordance with the provisions of the Construction Industry Development Act No. 33 of 2014 that came into operation with effect from 29.12.2014 by the Order published in the Extraordinary Gazette No. 1896/19 dated 06.01.2015, Construction Industry Development Authority (CIDA) was established as the legal successor to ICTAD with a broader scope and a mandate. Any employee referred to in subsection 65(2) of the said Act who wishes to opt out of service in CIDA, may do so within three (03) months from the date on which he was notified of the available offer of servicing in the CIDA, he shall be paid compensation under a Voluntary Retirement Scheme (VRS) to be implemented in that behalf with the approval of the Cabinet of Ministers as referred in subsection 65(3) of the said Act.

As such, Voluntary Retirement Scheme proposed by a committee appointed by the Board of Management of CIDA has been submitted to the Cabinet of Ministers for approval with the concurrence of the Board of Management of CIDA and the approval of the Cabinet of Ministers is awaited.

- B. In parallel to the Corporate Plan, Organization Structure for CIDA was developed to achieve the objectives of CIDA ct. In line with the CIDA's Corporate Plan & Organization Structure new staff positions and the cadre were identified. Subsequently descriptive Job Description for each staff member was finally designed emphasizing the duties to be carried out by the respective employee in an efficient and effective manner in the relevant divisions of CIDA enabling to meet the corporate objectives.
- C. The finalized Scheme of Recruitment for CIDA was developed and it has been submitted to the Department of Management Services through the line Ministry for approval with the concurrence of the Board of Management of CIDA and the approval of the Department of Management Services is awaited.
- D. With a view to enhancing the competency and work performance of CIDA staff, several initiatives were continued during the year 2016. Identifying the knowledge and skills gaps of the staff to carry out assigned tasks, the Local & Foreign training programmes have been planned and implemented to increase their capacities and capabilities in the year 2016.
(table 6.5.1)

Whilst providing 28 local training opportunities, for CIDA staff & had been provided 04 foreign training opportunities for employee categories consist of Director level to MA (Tech) for its staff to inject new working knowledge which could be applicable for most of its system.

E. The Institute was able to train 26 apprentice trainees belonged to Technician, Computer Application Assistant and Receptionist at NAITA as a Corporate Social Responsibility of the institution.

F. The Human Resource & Administration Division also contributed the institution for income generation. An amount of Rs. 3,242,369.00 was generated by hiring and proper management of Auditorium, Conference Rooms, Seminar Rooms and Circuit Bungalow at Kataragama.

G. The total number of the permanent staff is 249 employees

H. During the period from 01.01.2016 to 31.12.2016, 03 employees retired ,05 employees resigned and 01 was vacated of post from the organizational service.

Local Training - 2016							
Sr. No	Designation	Service Category	Division	Programme	Institute	Date / Period	Course Fee RS.
1	Librarian	JM 1-2	HR & A	Workshop on Greenstone Digital Library Software	SLLA	2016.04.28 & 29	5,000.00
2	Administrative Officer	JM 1-2	HR & A	IT Solutions	SLIDA	2016.04.29	—
3	Engineering Assistant	JM 1-2	Ad.Serv.	National Seminar on Management Systems f success in 21 st century	SLSI	2016.06.14	12,000.00
4	Management Assistant	M A 1-2	CHPB	Advanced Stores Management Course	CETRAC	From 2016.06.17	—
5	Actg Accounts officer	M A 1-2	Finance	Seminar on Application of VAT, SVAT PAYE & WHT Under RAMIS	ICASL	2016.03.29	10,800.00
6	Management Assistant	M A 1-2	Finance	Seminar on Application of VAT, SVAT PAYE & WHT Under RAMIS	ICASL	2016.03.29	
7	Management Assistant	M A 1 -2	Finance	Seminar on Application of VAT, SVAT PAYE & WHT Under RAMIS	ICASL	2016.03.29	
8				Seminar on Application of VAT, SVAT PAYE & WHT Under RAMIS			

Table 6.5.1

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9	Management Assistant	M A 1-2	Finance	Seminar on Application of VAT, SVAT PAYE & WHT Under RAMIS	ICASL	2016.03.29	
10	Legal Officer & Bd.Sec.	M M 1-1	HR & A	Short course on Intellectual Property	Institute for the Development of Commercial Law & Practice		
11	Deputy Director (ID)	M M 1-1		Advance Certificate in Contract & Procurement Mangement for Construction & Procurement Professionals	CIDA		
12	Legal Officer & Board Sec.	M M 1-1	HR & A	Tamil Language - Basic Course	Dept. of Official Languages	Six Months From 2016.07.11	
12	Librarian	J M 1-2	HR & A				
13	Asst. Librarian	M A 2-2	HR & A				
14	Mgt Assistant	M A 1-2	HR & A				7,500.00
15	Tech. Assistant	M A 2-2					7,500.00
16	Management Assistant	M A 1-2	Finance				7,500.00
17	Management Assistant	M A 1-2	Finance				7,500.00
18	All Staff			EB Seminar		2016.07.25	—
19	Management Assistant	M A 1-2	HR & A	Seminar on Office Administration & Supervision	PRAG Institute	2016.08.11	6,000.00
20	Management Assistant	M A 1-2					6,000.00
21	All staff level officers			procurement Procedure	Internal	2016.08.29	—
22	Actg. Director (Finance)	M M 1-1	Finance	Programme on Financial Statement (Final Accounts)	PRAG Institute	2016.10.27	37,800.00
23	Actg. A. Officer/ MA	M A 1-2					
24	Management Assistant	M A 1-2					
25	Management Assistant	M A 1-2					
26	Management Assistant	M A 1-2					
27	Management Assistant	M A 1-2					
28	Management Assistant	M A 1-2					

Table -6-5-1 continued

6.6. FINANCE DIVISION

Corporate Information

6.6.1. Reporting Entity

The Institute for Construction Training and Development (ICTAD) has been transform into Construction Industry Development Authority (CIDA) through Construction Industry Development Act. No: 33 of 2014. Presently CIDA is functioning as legal successor to ICTAD.

The Construction Industry Development Authority (CIDA) was established as a Public Corporation under the provisions of the Construction Industry Development Act No: 33 of 2014 enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka. The Construction Industry Development Act came into operation on the 29th December 2014 (referred to as the appointed date) which was appointed by the Order Published in the Gazette Extra Ordinary No: 1896/19 of 6th January 2015 under Section 1 of the said Act No: 33 of 2014. The CIDA coming under the purview of Ministry of Housing and Construction and the registered office of the CIDA is located at "Savsiripaya", No 123, Wijerama Mawatha, Colombo 07.

6.6.2 Principal Activities and Nature of Operations

The Mission of CIDA is Development, facilitation and regulation of training, expertise and quality assurance in the Construction Industry within the frame work of national policies and aspirations in pursuit of technological, economical and social progress and upliftment of our Country.

6.6.3. Number of Employees

The number of employees of the CIDA as at 31st December 2016 amounted to 249. The comparative figure for the year 2015 was 258.

6.6.4. Financial Year

The Financial year of the CIDA is the 12 months period ended by 31st December 2016.

6.6.5. Significant Accounting Policies

a) Basis of preparation of Financial Statements

The Financial Statement of the CIDA is prepared in Sri Lanka Rupees on a historical cost basis and presented in Sri Lankan Rupees.

b) Statement of Compliance

The Financial Statement of the CIDA has been prepared in accordance with the Sri Lanka Public Sector Accounting Standards (SLPSAS). But, Sri Lanka Accounting Standards of Institute of Chartered Accountants of Sri Lanka are also followed for the areas which are not covered by the SLPSAS.

c) Assets and Basis of Valuation

I. Property Plant and Equipment are recorded at cost less depreciation in the financial statement.

The cost of Property Plant and Equipment are the revaluation value or cost of purchase with any incidental expenses.

II. The provision for depreciation is calculated by using the straight line method on the cost of all Property Plant and Equipment, in order to write off such amounts over the following estimated useful lives by equal installments. Effective rate from the year 2015 are as follows.

Description	Life Period	Rate (%)
Land		0.0
Buildings and Improvement of Buildings	40	2.5
Furniture Fittings, Office Equipments	5	20.0
Machinery & Equipments	8	12.5
Audio Visual Equipments	4	25.0
Tools and Implement	5	20.0
Motor Vehicles	8	12.5
Library Books	5	20.0

The depreciation charges are determined separately for each significant part of an item of Property, Plant and Equipment and begin to depreciate when it is available for use. Depreciation is not provided for Freehold Land.

d) Immovable Assets

The following are immovable assets in possession of CIDA:

Description of Property	Ownership / Stewardship	Status
Head Office building of Construction Industry Development Authority (CIDA) at 'Savsiripaya', Colombo 07.	Building is constructed by ICTAD and occupied (in use) by ICTAD/CIDA.	Property was under a Lease Agreement by and between UDA (on behalf of our institution) and Tower Hall Theatre Foundation Which expired on 14.05.2016. This lease is to be renewed.

Centre for Housing Planning and Building, at Battaramulla. (CHPB)	The Building constructed by ICTAD and occupied (in use) by ICTAD/CIDA.	The land belongs to UDA which was taken by ICTAD on 99 year Lease.
Operator Training College, at Galkulama. (OTC)	State Land. The office building there on is occupied (in use) by ICTAD/CIDA. Other buildings constructed and occupied (in use) by ICTAD/CIDA.	The Land is under the purview of Divisional Secretariat of Thirappane.
Construction Equipment Training Centre. (CETRAC)	The Building Constructed by ICTAD and occupied (in use) by ICTAD/CIDA.	The Land belongs to UDA which was taken by ICTAD on 99 year lease.
Circuit Bungalow Dahaiyagama.	The Land and Building belongs to National Housing Development Authority (NHDA) and occupied (in use) by ICTAD/CIDA.	The Land and Building belongs to National Housing Development Authority (NHDA)
Circuit Bungalow Kataragama.	The Land belongs to National Housing Development Authority(NHDA). Building is constructed by ICTAD and occupied (in use) by ICTAD/CIDA.	The Land belongs to National Housing Development Authority (NHDA).

e) Inventories

Inventories consist of spare parts, maintenance items, cleaning materials and stationery stock etc are stated on Average cost basis.

f) As regards leasehold land, lease rental is written off in equal installments over the period of the lease.

g) The stock value is Rs. 157,612,822.93.

h) Receivables

Receivables are stated at the amounts they are estimated to realize, net of provision for bad and doubtful receivables.

The debtors' up to 31.12.2010 has been transferred to clearance account for clearance.

i) Provision for Bad and Doubtful Debts

The provision for bad and doubtful debts is calculated and provided for in the accounts as follows: -

Period of Outstanding	Provision Made
Less than 12 Months	Nil
1 to 2 years	5%
2 to 3 years	
3 to 4 years	
4 to 5 years	
Over 5 years	100%

j) Cash and cash equivalent

Cash and cash equivalent consists of Investment, cash at banks and cash in hand.

k) Deferred Income

Deferred Income consists of the Capital Grant received from the General Treasury for capital expenditure.

The Deferred Income is recognized as income on a systematic and rational basis over the useful life of the assets in case of capital grant and amortizes the deferred income set up for capital purchases.

l) Retirement Gratuity

Provision has been made in the Financial Statements for retirement gratuities equivalent to an amount calculated based on a half month's salary of the last month Financial Year of all employees for each for each completed year of service, commencing from the first year of service. However under the payment of Gratuity Act No 12 of 1983, the liability to an employee arises only on completion 5 years of continued service.

m) Government Grant**I. Recurrent Grant**

The Recurrent Grant received from the government is reflected in the Income Statement as the source of income of the CIDA.

II. Capital Grant

The Capital Grant received from the government in cash and kind has been set up as Deferred Income which is recognized as income on a systematic and rational basis over the useful life of the assets.

III. Capital Grant

The acquisition of Property Plant & Equipment under the Capital Grant is Rs. 152,405,069.22.

n) Revenue Recognition

Institute generates Revenue from the following sources, and recognizes such revenues for accounting purposes on the accruals basis.

- a. Hire of Machinery
- b. Course Fees
- c. Sale of Publications
- d. Hire of Auditorium, Conference Rooms and Seminar Rooms.
- e. Seminars and Work Shops

o) Expenditure

All expenditure is recognized on the accrual basis.

p) Legal Matters

Legal issues pertaining to matters of employees were pending at Courts Labour Tribunals and the Labour Department as at 31st December 2016. Details are attached here with.

**Construction Industry Development Authority [CIDA]
(the Legal Successor to Institute for Construction Training and Development [ICTAD])
List of Cases as at 31.12.2016**

Sr No	Case No	Court/Institution	Step
01	Mr. W.D.Vitharana	Labour Department	Arrears of Payment of EPF. Outstanding dues of EPF Payment have been settled.
02	Mr. G Colombage	Labour Department	Arrears of Payment of Gratuity. Outstanding dues of Gratuity Payment have been settled.
03	Mr. W.D.Vitharana	Labour Department	Arrears of Payment of Gratuity. Outstanding dues of Gratuity Payment have been settled.
04	Mr.W.D.Vitharana	Labour Tribunal	Termination of Services. Case at Trail stage.
05	Mr.N.K.Miranda	Labour Tribunal	Termination of Services. Case at Trail stage.
06	Mr. P. B. H. Kulasinghe	Labor Tribunal and High Court of Colombo	Termination of Services. Reinstated the employee. The back wages Cheque has been given to Employee has raised a query as to the calculation of the

			amount in the Cheque. Submitted this matter to the Grievance Redress Committee of CIDA. Committee decided that the calculation of back wages has been done correctly.
--	--	--	--

• **"Silpa Saviya" Competency Based Skill Development Programme**

The program has been introduced to full fill the urgent requirement of skilled craftsman in the construction sector under the budgetary allocation of Rs. 500 Mn in 2016. The program implemented with the assistance of NHDA, NAITA & TVEC. The target of trained techno crafts would be 10,000 representing all over the island. Nearly 7000 trainees have been trained during the period of June to December 2016. The balanced 3000 trainee outcome already planned to be trained from January to March 2017.

The entire training programme consists of three phases as theory & practical training pre-assessment and final assessment respectively. The beneficiary will be benefited a tool kit, two uniform kits and Rs. 30,000/= stipend payment during the 3 months training period.

Bases on the final results the NVQ qualification will be awarded to joined the construction sector as skilled craftsman for the fulfillment of skill shortages.

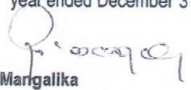
CONSTRUCTION INDUSTRY DEVELOPMENT AUTHORITY
STATEMENT OF FINANACIAL POSITION
AS AT DECEMBER 31,2016

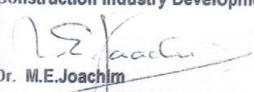
DESCRIPTION	NOTE	2016 Year Rs.	2015 Year Rs.
ASSETS			
Current assets			
Cash in hand and at bank	1	330,011,376.42	149,266,960.70
Investment-Treasury Bills(Gratuity Fund)	2	15,707,803.00	-
Trade & other Receivables	3	27,929,811.63	56,243,994.68
Stocks	4	157,612,822.93	133,111,692.58
Prepayments		1,195,512.73	1,212,531.51
		532,457,326.71	339,835,179.47
Capital Work-in Progress		41,347,582.20	41,347,582.20
Non-Current assets			
Property, Plant and equipment	5	1,008,646,754.17	935,544,721.56
Total assets		1,582,451,663.08	1,316,727,483.23
LIABILITIES			
Current liabilities			
Creditors and Accruals	6	107,566,028.64	80,388,350.09
Non current liabilities			
Provision for Gratuity Payable	7	72,874,386.00	61,791,488.71
Refundable Foreign Aid		2,663,658.98	2,663,658.98
		75,538,044.98	64,455,147.69
Industrial Training for Craft Apprentices in Construction Sector(500 M.)	8	230,758,999.95	-
Total liabilities		413,863,073.57	144,843,497.78
Net Assets		1,168,588,589.51	1,171,883,985.45
Net ASSETS/EQUITY			
Deferred Income-Treasury Grant	9	534,137,589.96	527,367,186.34
Net Assets Taken Over-ICTAD	10	25,449,909.19	25,449,909.19
Revaluation-Fixed Assets	11	625,744,563.49	625,744,563.49
Accumulated surpluses/(deficits)	12	(16,743,473.13)	(6,677,673.57)
Total net assets / equity		1,168,588,589.51	1,171,883,985.45

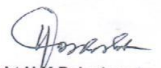
The Significant Accounting Policies and the Notes from Pages 5 to 22 form an integral part of these Financial Statements.

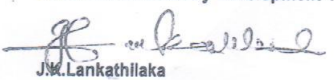
Certification

We certify that the above Financial Statements give a true and fair view of affairs as at December 31, 2016 and its Surplus/(deficit) for the year ended December 31,2016


K.M.S. Marigallika
 Assistant Director(Finance)
 Construction Industry Development Authority


Dr. M.E. Joachim
 Chairman & Board Director
 Construction Industry Development Authority


Archt. H.K. Balachandra
 Director General
 Construction Industry Development Authority


J.W. Lankathilaka
 Board Director
 Construction Industry Development Authority

CONSTRUCTION INDUSTRY DEVELOPMENT AUTHORITY STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED DECEMBER 31,2016			
Description	Note	2016 Year Rs.	2015 Year Rs.
Income	13	274,081,672.09	199,507,051.82
Less:			
Expenses of Revenue Generation Activities	14	216,542,990.62	207,557,347.27
Profit/(Loss) Income Generation		57,538,681.47	(8,050,295.45)
Treasury Grant- CETRAC		12,000,000.00	12,000,000.00
Treasury Grant- Skill Development		-	53,150,000.00
Treasury Grant- Head Office		3,621,000.00	8,000,000.00
Treasury Grant- Maintenance		1,120,394.36	13,294,095.00
		74,280,075.83	78,393,799.55
Treasury Grant- Recurrent		30,000,000.00	30,000,000.00
Other Income	15	50,711,195.23	32,993,329.83
Less:			
Administration Expenses	16	58,152,681.62	59,984,398.54
Other Expenses	17	26,384,868.09	21,494,284.29
Finance Cost		457,849.64	372,048.73
Profit/(Loss) Before Provision for Depreciation		69,995,871.71	59,536,397.82
Less:			
Depreciation	18	79,059,914.10	65,284,666.37
Profit/Loss Before Provisions for Doubtful Debts		(9,064,042.39)	(5,748,268.55)
		-	
Provision for bad and doubtful Debts		(1,001,757.17)	929,405.02
Net profit/(loss) for the period		(10,065,799.56)	(6,677,673.57)

CONSTRUCTION INDUSTRY DEVELOPMENT AUTHORITY**Statement of Changes in Net Assets / Equity for the Year Ended December 31, 2016**

	Accumulated Surplus/(Deficit Rs.	Revaluation- Fixed Assets Rs.	Deferred Income-Treasury Grant Rs.	Net Assets Taken Over (ICTAD) 1992.06.09 Rs.	Net Assets Taken Over (ICTAD) 2014.12.31 Rs.	Total (Rs)
Balance as at December 31,2014	(124,457,252.83)	625,744,563.49	418,580,503.21	149,907,162.02	-	1,069,774,975.89
Changes in accounting Estimates	-					-
Surplus/(Deficits) for the period-2015	(124,457,252.83) (6,677,673.57)	625,744,563.49	418,580,503.21	149,907,162.02		1,069,774,975.89 (6,677,673.57)
Treasury Grant- Capital-2015	-	-	133,215,000.00			133,215,000.00
Deferred Income - Treasury Grant			(24,428,316.87)			(24,428,316.87)
Accumulated Deficits 1992.06.09-2014.12.31	124,457,252.83				124,457,252.83	-
Net Assets Taken over Ictad 1986-1992.06.09				(149,907,162.02)	149,907,162.02	-
Balance at December 31, 2015 Carried forward	(6,677,673.57)	625,744,563.49	527,367,186.34	-	25,449,909.19	1,171,883,985.45
Changes in accounting Estimates	-	-				-
Surplus/(Deficits) for the period-2016	(6,677,673.57) (10,065,799.56)	625,744,563.49	527,367,186.34	-	25,449,909.19	1,171,883,985.45 -
Treasury Grant- Capital-2016	-	-	48,379,000.00			48,379,000.00
Understated -Treasury Grant 2015		-	179,605.64			179,605.64
Deferred Income - Treasury Grant	-	-	(41,788,202.02)			(41,788,202.02)
Balance at December 31, 2016 Carried forward	(16,743,473.13)	625,744,563.49	534,137,589.96	-	25,449,909.19	1,168,588,589.51

CONSTRUCTION INDUSTRY DEVELOPMENT AUTHORITY		
INDIRECT METHOD CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.12.2016		
	2016	2015
	Rs.	Rs.
Cash Flows From Operating Activities		
Surplus/(deficit) from ordinary activities	(10,065,799.56)	(6,677,673.57)
Adjustments for		
Depreciation	78,952,300.46	65,052,052.73
Lease Rent	107,613.64	232,613.64
Gratuity Allocation	13,893,417.29	4,757,373.66
Interest Income-Treasury Bills	(1,099,546.21)	(739,121.26)
Profit/Loss Disposal of Fixed Assets	88,174.64	190,072.44
Doubtful Debts Allocation	1,001,757.17	929,405.02
Deferred Income	(41,788,202.02)	(24,428,316.87)
Operating Profit/(Loss) Before Working Capital Changes	41,089,715.41	39,316,405.79
Increase/(Decrease) in Payable	27,177,678.55	(14,586,653.33)
(Increase)/Decrease in other Current Assets	2,828,314.31	(22,167,863.54)
Industrial Training for Craft Apprentices in Construction Sector(500 M.)	230,758,999.95	
Cash Generated from Operations	301,854,708.22	2,561,888.92
Gratuity Paid	(2,810,520.00)	(2,709,817.50)
Net cash from operating activities	299,044,188.22	(147,928.58)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Plant and equipment	(152,405,069.22)	(64,583,433.79)
Proceeds from sale of plant and equipment Depreciation	(53,069.07)	
Proceeds from sale of plant and equipment	296,191.58	421,462.36
Profit/Loss Disposal of Fixed Assets	(88,174.64)	(190,072.44)
Interest Income-Treasury Bills	1,099,546.21	739,121.26
Investment-Treasury Bills(Depreciation Fund)	(15,707,803.00)	15,707,803.00
Net cash flows from investing activities	(166,858,378.14)	(47,905,119.61)
CASH FLOW FROM FINANCING ACTIVITIES		
Treasury Grant	48,558,605.64	133,215,000.00
Net cash flows from Financing activities	48,558,605.64	133,215,000.00
Net cash increase Decrease) in cash and cash Equivalents	180,744,415.72	85,161,951.81
Cash and cash equivalents at beginning of period	149,266,960.70	64,105,008.89
Cash and cash equivalents at end of period	330,011,376.42	149,266,960.70

A/c Code	Description	Such. No.	2016 Year Rs.	2015 Year Rs.
	NOTE 1 Cash in hand and at bank			
680	BOC Torrington -CIDA HO		281,571,752.38	34,112,875.01
681	BOC Torrington -CIDA OTC		20,633,093.41	63,260,004.66
682	BOC Palawaththa -CIDA CETRAC		26,496,812.02	50,065,698.03
683	BOC Torrington -CID Fund		98,500.00	98,500.00
			328,800,157.81	147,537,077.70
			-	-
			-	-
697	Cash in Hand Torrington CIDA-HO		1,200,102.09	1,444,727.80
698	Cash in Hand Torrington CIDA-OTC		6,922.50	
699	Cash in Palawaththa CIDA-CETRAC		828.82	282,500.00
			1,207,853.41	1,727,227.80
			-	-
692	Petty cash imprest-HO	10	710.00	
692B	Petty cash imprest-OTC	11	2,655.20	2,655.20
			3,365.20	2,655.20
			330,011,376.42	149,266,960.70
	NOTE 2 Investment			
			-	-
551	Treasury Bills (Gratuity Fund)		15,707,803.00	-
	BOC 2016/12/30-2018/01/01 367 Days			
	Rate of interest 10.1%		15,707,803.00	-

A/c Code	Description	Such. No.	2016 Year Rs.	2015 Year Rs.
	NOTE 3			
	Trade & other Receivables Debtors			
620a	Debtors control -HO	12	220,458.75	220,458.75
627a	Debtors control -HO CIDA	12	1,000,499.00	1,966,590.00
627b	Debtors control -CHPD	13	1,098,760.44	1,474,238.17
620c	Debtors control -CETRAC	14	755,198.00	1,192,498.00
627c	Debtors control -CETRAC	14	1,954,281.50	1,636,121.50
620d	Debtors control -OTC	15	1,531,965.51	1,553,965.51
627d	Debtors control -OTC	15	2,231,590.65	574,124.25
621	Debtors Clearance A/C	16	5,265,786.09	5,298,287.88
623	Health insurance Receivable	17	455,485.87	-
624	Treasury Grant Receivables	18	2,578,000.00	39,338,592.53
	Receivable Income Contract			
634	Reg .Fees	19	1,013,409.30	1,547,706.51
642	Sundry debtors	20	115,326,456.55	115,315,277.56
648	Vat Receivable	21	608,524.75	239,463.05
			134,040,416.41	170,357,323.71
	Deposits			
632	Deposits for services	22	157,051.00	218,296.00
			157,051.00	218,296.00
	Advances			
628	Advances to suppliers	23	142,040.16	472,798.77
629	Advances to services	24	8,453,512.15	307,239.50
656	General advances	25	523,864.00	490,605.00
662	Salary Advance		-	61,000.00
	Advances to training			
671	programme	26	1,198,498.00	20,930.00
	Advances to Quality Dev.			
672	Project	27	100,000.00	100,000.00
			10,417,914.31	1,452,573.27
	Staff debtors			
650	Festival advances	28	63,784.70	47,534.70
652	Traveling advances	29	3,425.00	3,425.00
654	Fuel advances	30	46,607.00	20,040.00
658	Distress loan	31	5,116,378.54	5,060,810.16
659	Book loan	32	2,800.00	800.00
			5,232,995.24	5,132,609.86
			149,848,376.96	177,160,802.84
679	Provision For Doubtful Debts		(121,918,565.33)	(120,916,808.16)
			27,929,811.63	56,243,994.68
	NOTE 4			
	Stocks			
1120	Stock (OTC)	33	-	42,154,966.68
1120	Stock (CETRAC)	33	-	82,287,564.85
1120	Stock (Head Office)	33	-	8,669,161.05
			157,612,822.93	133,111,692.58

Property Plant and Equipment										
NOTE 5										
		Sch.	Cost	Addition	Disposal & Destroy	Total Cost	Depreciation	Cum..Depreciation	Written Down Value at end of the year	Written Down Value at end of the year
A/C		No.	at beging of the year('01/01/2016)	2016	2016	at end of the year('31/12/2016)	2016	at end of the year('31/12/2016)	31/12/2016	31/12/2015
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
500	Land		77,000.50	-		77,000.50	-	-	77,000.50	77,000.50
								-		
502	Buildings	1		-						
	Buildings-revalue I		595,725,000.00	-	-	595,725,000.00	14,893,125.00	29,786,250.00	565,938,750.00	580,831,875.00
	Buildings-Other II		25,297,763.41	1,796,409.56		27,094,172.97	632,444.09	1,264,888.18	25,829,284.79	24,665,319.32
503B	Improvements of Premises	2	1,381,815.10	-		1,381,815.10	34,545.38	69,090.76	1,312,724.34	1347269.72
504	Motor vehicles	3	57,540,625.95	-	-	57,540,625.95	7,192,578.24	14,385,156.37	43,155,469.58	50,348,047.82
506	Furniture, fix. & off. equip.	4	68,311,863.61	5,262,158.04	(249,176.58)	73,324,845.07	13,913,737.31	25,688,646.00	47,636,199.07	56,495,279.60
508	Machinery and equipment	5	224,110,977.14	144,538,116.00	-	368,649,093.14	36,982,142.60	62,369,987.34	306,279,105.80	198,723,132.40
509	Audiovisual equipment	6	4,199,587.08	381,300.00	(39,975.00)	4,540,912.08	1,020,662.46	2,077,418.16	2,463,493.92	3,132,837.63
510	Tools and implements	7	19,295,266.46	262,584.89	(7,040.00)	19,550,811.35	3,875,463.08	7,501,606.71	12,049,204.64	15,667,722.83
1124	Library Books -Head Office	8	1,251,741.48	39,704.00	-	1,291,445.48	250,348.30	493,732.60	797,712.88	1,008,357.18
1122	Library Books -CETRAC	9	786,270.00	124,796.73		911,066.73	157,254.00	314,508.00	596,558.73	629,016.00
			997,977,910.73	152,405,069.22	(296,191.58)	1,150,086,788.37	78,952,300.46	143,951,284.12	1,006,135,504.25	932,925,858.00
501	Lease hold land		2,851,477.20			2,851,477.20	107,613.64	340,227.28	2,511,249.92	2,618,863.56
						1,152,938,265.57	79,059,914.10	144,291,511.40	1,008,646,754.17	935,544,721.56

A/c Code	Description	Such. No.	2016 Year Rs.	2015 Year Rs.
	NOTE 6			
	Creditors and accruals			
702	Income Received in Advance	34	5,004,660.00	2,909,508.45
703	Income Received in Advance Contract Reg. Fees	35	58,877,658.79	40,645,751.55
704	Retention payable	36	2,333,418.35	2,333,418.35
710	Creditors Control	37	9,947,753.52	5,666,226.92
711	Sundry creditors	38	16,177,280.55	16,697,532.75
714	Accrued expenses	39	12,149,199.48	9,813,869.52
730	E.P.F. Payable	40	2,324,300.51	1,789,747.28
732	E.T.F. Payable	41	278,916.45	214,770.27
734	Stamp Duty		-	25.00
743	Payee Tax Payable	42	3,340.99	-
706	Tender Deposits Refundable	43	469,500.00	317,500.00
			107,566,028.64	80,388,350.09
	NOTE 7			
715	Provision for Gratuity Payable	44		
	B/F Balance		61,791,488.71	59,743,932.55
	Gratuity Paid-		(2,810,520.00)	(2,709,817.50)
	Gratuity Allocation-		13,893,417.29	4,757,373.66
			72,874,386.00	61,791,488.71

A/c Code	Description	Such. No.	2016 Year Rs.	2015 Year Rs.
816	NOTE 8 Industrial Training for Craft Apprentices in Construction Sector(500 M.) Balance b/f from 2016	45	0.00	
	Receipts Voucher C1070411		20,000,000.00	
	Receipts Voucher C1040665		5,000,000.00	
	Receipts Voucher C1090340		25,000,000.00	
	Receipts Voucher C1100163		50,000,000.00	
	Receipts Voucher C1110205		50,000,000.00	
	Receipts Voucher C1110206		50,000,000.00	
	Receipts Voucher C1120299		40,000,000.00	
	Receipts Voucher C1120414		100,000,000.00	
	Total Received Grant		340,000,000.00	
	Less:			
	Total Expenditure		109,241,000.05	
			230,758,999.95	
	NOTE 9 Deferred Income-Treasury Grant			
	B/F Balance		527,367,186.34	418,580,503.21
	Treasury Grant-Capital		48,379,000.00	133,215,000.00
	Understated -Treasury Grant 2015		179,605.64	-
	Deferred Income -Treasury Grant		(41,788,202.02)	(24,428,316.87)
			534,137,589.96	527,367,186.34
812	NOTE 10 Net Assets Taken Over-ICTAD Net Assets Taken Over (ICTAD)Project -(1986.04.01-1992.06.09)		149,907,162.02	149,907,162.02
	Deficit Balance B/F From -ICTAD - (1992.06.09-2014.12.31)		(124,457,252.83)	(124,457,252.83)
			25,449,909.19	25,449,909.19
817	NOTE 11 Revaluation-Fixed Assets Revalue -(Machinery, Motor Veh.,Furniture,Tools.Audio Visual)-2012		78,295,000.00	78,295,000.00
	Revalue -(Machinery, Motor Veh.,Furniture,Tools.Audio Visual)-2013		181,074,929.03	181,074,929.03
	Revalued 2014 (CHPB & CETRAC Buildings)		366,374,634.46	366,374,634.46
			625,744,563.49	625,744,563.49
850	NOTE 12 Accumulated Fund			
	Deficit Balance at the beginning of the Year		(6,677,673.57)	(124,457,252.83)
	B/F Deficit Balance Transfer to Net Assets Taken Over 2014		-	124,457,252.83
	Surplus/ (Deficit)f for the Year		(10,065,799.56)	(6,677,673.57)
	Balance at end of the Year 31.12.2016		(16,743,473.13)	(6,677,673.57)

A/c Code	Description	2016 Year Rs.	2015 Year Rs.
	NOTE 13 Income		
102	Hire of Machinery	6,331,320.35	1,656,555.23
103	Repair Charges	47,387.39	191,550.90
104	Hire of auditorium and seminar rooms	11,298,982.75	9,622,853.07
105	Trade testing income	50,520.00	91,925.00
106	Course fees	66,177,635.45	47,993,763.00
108	Seminars	21,123,805.71	13,963,300.00
107	Small Scale Contractor Registration (C-11)		9,351.36
109	Contractor subscription	140,687,668.86	95,448,850.52
110	Rent	3,406,617.13	3,820,769.00
112	Sale of publications	11,202,332.69	7,125,469.59
114	Hire of Computers	1,947,804.55	1,035,622.52
115	Circuit Bungalow	277,334.00	420,151.00
128	Income from NVQ Training Programme	2,000,000.00	4,000,000.00
135	Dome tries Charges	4,383,520.24	4,027,894.22
120	Consultancy services	806,750.54	220,000.00
124	Arbitration/Mitigation Fees	265,090.09	865,180.20
125	Project Management Services	2,439,001.93	2,287,220.96
136	ICTAD Pool of Adjudicator	75,000.00	80,345.25
137	Skill Development Training Program me	616,110.00	6,646,250.00
142	Registration of Materials Suppliers	42,616.50	
152	Dispute Resolution	902,173.91	
		274,081,672.09	199,507,051.82
	NOTE 14 Expenses of Revenue Generation Activities Personnel Emoluments		
		-	
200	Salaries and wages	50,156,655.35	43,077,506.97
201	Cost of Leaving Allowance	16,175,782.86	16,793,784.65
203	Attendance Incentive	2,276,754.78	2,471,653.45
206	Dust allowance	147,650.00	148,900.00
208	Acting allowance	206,679.88	172,213.12
210	Other allowance	26,809,667.48	28,795,996.69
220	Holiday Pay & Overtime-Indirect	4,277,318.16	4,321,310.74
220a	Holiday Pay & Overtime-Direct	2,520,044.77	1,878,935.49
224	Membership subscription to professional bodies	24,800.87	71,331.20
226	Bonus Payments	2,245,050.00	2,317,247.00
330	E.P.F	9,725,415.01	8,406,584.63
332	E.T.F	1,939,498.82	1,676,606.14
334	Gratuity	9,044,359.00	3,185,644.92
336	Pension	50,805.00	50,795.00
		125,600,481.98	113,368,510.00
		-	

A/c Code	Description	2016 Year Rs.	2015 Year Rs.
NOTE 15			
116	Other Income		
	Non refundable tender fees	169,359.98	194,163.05
118	Fines, surcharges and others	36,780.53	33,071.25
111	Deferred Income	41,788,202.02	24,428,316.87
119	Interest Income -Treasury Bills	1,099,546.21	739,121.26
122	Miscellaneous	178,680.90	865,240.31
126	Miscellaneous (Sponsorships)	661,826.72	992,958.04
141	Miscellaneous Income(Without VAT)	634,548.87	78,209.05
167	Identity Card for Contractors	9,000.00	10,500.00
169	Construction Workers Identity Card	273,250.00	290,750.00
329	Quality Journal	145,000.00	210,000.00
377	National Awards Scheme	5,715,000.00	5,151,000.00
		50,711,195.23	32,993,329.83
NOTE 16			
	Administration Expenses		
	Personnel Emoluments		
200	Salaries and wages	19,285,516.32	22,381,713.33
201	Cost of Leaving Allowance	7,407,093.85	7,972,834.12
203	Attendance Incentive	1,047,512.84	1,182,397.26
208	Acting allowance	304,409.86	296,303.82
210	Other allowance	11,665,914.64	12,781,063.70
220	Holiday Pay & Overtime-Indirect	3,591,924.20	4,083,364.94
224	Membership subscription to professional bodies	20,659.27	36,483.62
226	Bonus Payments	1,059,674.00	1,112,139.00
330	E.P.F	4,408,822.23	4,337,384.50
332	E.T.F	880,745.37	872,187.63
334	Gratuity	4,913,518.62	1,633,153.74
		54,585,791.20	56,689,025.66
	Traveling expenses		
236	Traveling (local)-Indirect	1,041,216.00	340,137.25
		-	-
		1,041,216.00	340,137.25
	Supplies and requisites		
240	Photocopying expenses	954,213.43	1,222,071.98
242	Stationery	273,246.31	297,055.21
244	Office requisites	18,235.69	129,227.62
246	Printing Typing & Translating	127,893.00	148,388.00
248	Books and Periodicals	155,284.57	427,239.11
250	Audiovisual consumable	21,956.30	80,409.91
280	Insurance (assets)	974,845.12	650,843.80
		2,525,674.42	2,955,235.63
	Total - Administration Expenses	58,152,681.62	59,984,398.54

A/c Code	Description	2016 Year Rs.	2015 Year Rs.
	NOTE 17		
	Other Expenses		
	Maintenance Expenditure		
260	Building	1,784,217.57	2,225,868.14
262	Furniture, fixtures and office equipment's	1,244,193.38	1,122,115.08
264	Passenger vehicles	3,359,867.88	2,863,124.82
272	Others		23,470.00
		6,388,278.83	6,234,578.04
	Contractual Services		
290	Fuel, oil and running expenses of passenger vehicles	5,574,305.49	2,444,344.15
294	Rental and hire charges (vehicles)	63,041.07	75,720.00
296	Postage	225,678.22	263,479.84
298	Telephone	759,344.51	950,416.64
299	Internet Charges	323,211.77	285,940.63
306	Electricity	4,898,948.94	4,431,029.71
308	Water Tax	278,406.85	312,321.33
310	Health and sanitation	1,496,158.55	1,430,026.19
312	Security Service	786,500.00	219,679.88
		14,405,595.40	10,412,958.37
	Training Activities		
360	Scholarships and training local)	119,800.00	264,655.43
362	Scholarships and training (foreign)	126,826.94	55,387.40
390	Fees and allowances to consultants	136,054.45	-
394	Fees and allowances to Support Staff		4,750.00
440	Trainee Allowances	802,250.00	575,600.00
441	Hall Charges	50,000.00	
439	Staff Welfare	33,500.00	116,868.93
		1,268,431.39	1,017,261.76

A/c Code	Description	2016 Year Rs.	2015 Year Rs.
	Others		
123	Profit/Loss Disposal of Fixed Assets	88,174.64	190,072.44
344	N.B.T.	113,755.00	116,841.00
346	Uniforms to staff	339,426.79	255,111.17
348	Tea to staff	639,356.00	527,359.00
350	Health Insurance	492,129.46	460,928.59
353	Surcharges	106,070.25	
354	Others		4,300.00
369	Exhibition	56,658.43	39,120.25
370	Advertising and publicity	279,927.91	819,577.37
372	Entertainment	336,534.10	386,126.00
373	Seating allowance	772,000.00	614,650.00
374	Audit fees	671,000.00	120,500.00
378	Insurance General	852.53	3,643.92
380	Legal & professional fees	21,216.00	34,840.00
382	License fees	255,536.36	205,586.47
384	Miscellaneous expenses	10,675.00	48,977.56
385	Rent & rates		1,852.35
388	Lodging	139,250.00	
		4,322,562.47	3,829,486.12
	Total - Other Expenses	26,384,868.09	21,494,284.29
	NOTE 18		
	Depreciation		
282	Depreciation-Capital Grant -Treasury	-	-
	Furniture, Fixtures & Office Equipment	4,449,732.32	
	Audio Visual Equipment	1,047,943.08	
	Tools & Implements	1,185,902.87	
	Machinery & Equipment	19,544,509.28	
	Improvements of Premises	34,545.38	
	Buildings	15,525,569.09	
		41,788,202.02	24,428,316.87
	Depreciation- Revalue Assets & Others		
	Furniture, Fixtures & Office Equipment	9,525,885.51	
	Motor Vehicles	7,192,578.24	
	Tools & Implements	2,689,560.21	
	Audio Visual Equipment	5,485.01	
	Machinery & Equipment	17,437,633.32	-
	Library Books	407,602.30	
		37,258,744.59	40,623,735.86
	Overstated Depreciation Disposal & Destroy Items 2015	(94,646.15)	
		78,952,300.46	
283	Lease Rent		
	Head Office Land 30 years Lease	75,000.00	200,000.00
	CHPB Land 99 years Lease	32,613.64	32,613.64
		107,613.64	232,613.64
		79,059,914.10	65,284,666.37

A/c Code		2016 Year Rs.	2015 Year Rs.
	Traveling expenses	-	
236	Traveling (local) Indirect	395,157.23	349,129.50
236a	Traveling (Income Generated)Direct	280,298.00	193,680.50
		675,455.23	542,810.00
	Supplies and requisites		
240	Photocopying expenses	2,251,379.75	1,185,114.25
242	Stationery	1,315,589.83	1,133,845.66
244	Office requisites	216,120.82	169,643.83
246	Printing, Typing and Translating	182,372.40	1,531,669.70
248	Books and Periodicals	498,229.50	205,304.96
249	Disposable & Destroy	106,857.87	216,744.92
250	Audiovisual consumable	52,358.36	37,950.44
280	Insurance (assets)	766,926.01	295,197.48
		5,389,834.54	4,775,471.24
	Maintenance Expenditure		
260	Building	6,490,984.41	2,686,498.28
262	Furniture, fixtures and office equipment's	1,067,321.96	1,107,902.54
264	Passenger vehicles	1,864,405.08	1,043,502.24
266	Other vehicles	51,620.50	154,713.47
268	Plant ,Machinery and Equipment	3,071,872.15	7,585,262.97
270	Tools and Implements	18,692.68	7,552.56
272	Repairs & Main. Others	957.00	23,375.50
		12,565,853.78	12,608,807.56
	Contractual Services		
290	Fuel, oil and running expenses of passenger vehicles	2,605,981.54	3,894,777.62
292	Fuel, oil and running expenses Other vehicles	3,257,708.39	4,093,957.56
294	Rental and hire charges (vehicles)	935,840.74	633,747.00
296	Postage	808,857.85	1,061,388.00
298	Telephone	975,110.52	764,569.01
299	Internet Charges	556,216.26	503,425.78
306	Electricity	12,157,137.47	11,245,388.90
308	Water Tax	1,899,740.27	2,034,991.13
310	Health and sanitation	4,279,949.30	4,327,273.94
312	Security Service	2,658,396.00	2,130,304.50
		30,134,938.34	30,689,823.44

A/c Code	Description	2016 Year Rs.	2015 Year Rs.
	Training Activities		
360	Scholarships and training local)	13,500.00	169,819.57
362	Scholarships and training (foreign)	57,256.00	115,820.00
390	Fees and allowances to consultants	672,470.72	411,400.00
392	Fees and allowances to teaching staff	9,105,700.00	8,904,350.00
394	Fees and allowances to Support staff	25,167.00	389,550.00
396	Development Cost	421,500.00	344,600.00
410	Training material	125,721.02	102,171.38
412	Spares for Training	1,654,084.99	4,649,032.13
414	Fuel for training	2,171,805.58	2,509,199.79
418	Hand Tools & Small Equipments	13,278.00	16,154.71
424	Uniforms to trainees	371,298.57	834,304.14
425	Refreshments for Training Programme	9,037,350.00	6,734,397.00
426	Others	43,887.00	
439	Staff Welfare	115,425.00	130,020.66
440	Trainee Allowances	2,605,684.36	2,170,250.00
441	Lecture Hall Charges etc.	131,478.70	117,358.64
443	Hire of Instruments	144,000.00	37,200.00
445	N.V.Q. Expenses	1,686,429.00	4,000,000.00
446	Skill Development Programme		3,246,842.60
		28,396,035.94	34,882,470.62
	Others		
344	N.B.T.	3,953,135.00	2,404,560.00
346	Uniforms to staff	1,100,341.72	316,732.20
348	Tea to staff	1,308,885.50	1,194,390.52
350	Health Insurance	892,270.33	708,584.26
354	Others		1,150.00
369	Exhibition	136,676.21	70,662.58
370	Advertising and publicity	2,125,391.37	2,775,776.08
372	Entertainment	653,089.50	460,613.00
373	Seating allowance	2,536,100.00	1,734,000.00
383	Site Visiting Allowances	841,500.00	620,000.00
378	Insurance General	22,187.01	88,539.75
382	License fees	39,661.32	18,510.14
384	Miscellaneous expenses	12,491.07	41,346.00
385	Rent & rates	74,376.78	78,429.88
388	Lodging	84,285.00	176,160.00
		13,780,390.81	10,689,454.41
	Total Expenses of Revenue Generation Activities	216,542,990.62	207,557,347.27



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கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல.
My No.

GEN/B/CIDA/FA/16

ඔබේ අංකය
உமது இல.
Your No.

දිනය
திகதி
Date

31 August 2017

The Chairman,
Construction Industry Development Authority.

Report of the Auditor General on the Financial Statements of the Construction Industry Development Authority (CIDA) for the year ended 31 December 2016 in terms of Section 14(2)(c) of the Finance Act, No.38 of 1971.

The audit of financial statements of the Construction Industry Development Authority (CIDA) for the year ended 31 December 2016 comprising the statement of financial position as at 31 December 2016 and the statement of financial performance, statement of changes in net assets and cash flow statement 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 CIDA 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 preparation and fair presentation of these financial statements in accordance with Sri Lanka Public Sector 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. Those Standards require



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Auditor General's Department

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 CIDA'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 CIDA'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 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

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 Construction Industry Development Authority as at 31 December 2016 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

2.2 Comments on Financial Statements

2.2.1 Sri Lanka Public Sector Accounting Standards (SLPSAS)

SLPSAS 7 – Property, Plant and Equipment - In terms of provisions in paragraph 49 of the Standard, if an item of property, plant and equipment is revalued the entire class of property, plant and equipment to which that asset belongs should also be revalued. However, the buildings to the value of Rs.27,094,175 included in property, plant and equipment of Rs.932,925,858 shown in the financial statements for the year under review had not been considered to revalue when revalued the buildings. Further, both cost and revaluation methods had been applied for ascertaining the carrying value of the property, plant and equipment without applying a proper method.

2.2.2 Accounting Deficiencies

The following observations are made.

- (a) The ledger balance of the stocks as at 31 December 2016 costing Rs 157,612,823 had been brought to the financial statements instead of being taken the physically verified stocks balance of Rs. 156,964, 896 as at that date. Therefore, stocks balance shown in the financial statements for the year under review had been overstated by Rs.648,427.
- (b) According to the annual stock verification report for the year under review, 2542 stock items had been identified as redundant. However, a provision thereon had not been made in the financial statements for the year under review.
- (c) Four jeeps and one double cab received from Parliament of Sri Lanka on 11 May 2016 to the CIDA had been registered on the name of the CIDA on 26 May 2016. However, the value of those vehicles had not been ascertained and brought to the financial statements for the year under review.
- (d) Fixed assets valued at Rs.425,272 was included in the inventory balances shown in the financial statements of the year 2016. Hence, inventory balances and fixed assets shown in the financial statements had been overstated and understated respectively, by similar amount.



பி.சி.டி.ஏ.வின் கணக்காய்வகம்
அமைச்சரவரின் அலுவலகம், சென்னை
Auditor General's Department

- (e) Generated income received in advance during the years 2012 and 2014 aggregating Rs.420,990 had been treated as income for the year under review without being taken necessary action to assess the present and future obligation thereon.

2.2.3 Accounts Receivable and Payable

The following observations are made.

- (a) According to the age analysis furnished, the sundry creditors amounting to Rs.2,550,614 were outstanding for more than three years as at 31 December 2016 without being settled. Out of that, a sum of Rs.1,719,187 was remained unsettled for more than five years.
- (b) A sum of Rs.114,529,393 receivable from National Equipment and Machinery Organization (NEMO) relating to hiring of motor vehicles and plant and machinery during the period from 1997 to 2004 had remained unrecovered even as at 31 December 2016. However, a full provision thereon had been made in the financial statements for the year under review.
- (c) Trade debtors amounting to Rs.1,532,087 were outstanding for more than three years as at 31 December 2016 without being recovered. Out of that Rs.947,273 was remained unrecovered for more than five years.
- (d) Long outstanding debtor balance of Rs.6,761,278 had been transferred to the Debtor Clearance Account in the year 2012 and out of that, amounting to Rs.1,495,492 had been recovered up to the end of the year under review. Hence, the balance of Rs.5,265,786 had remained in that account without taking necessary actions.

2.2.4 Contingent Liabilities

A provision or disclosure for contingent liabilities relating to two court cases filed by the employees against the CIDA'S due to termination of their services had not been made in the financial statements for the year under review.



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2.2.5 Lack of Evidence for Audit

Evidence such as, criteria followed for selection of trainers and district representatives and details of students completed the training programme etc. with regard to expenditure of Rs.109,241,000 incurred during the year, out of the Treasury grant received amounting to Rs.500 million were not made available for audit.

2.3 Non-compliance with Laws, Rules, Regulations and Management Decisions etc.

A sum of Rs.15,707,803 had been invested in Treasury Bills during the year under review without being obtained the required approvals and a copy of the Draft Annual Report for the year under review had not been submitted to the Auditor General in terms of Section 11 and Section 14(1) respectively of the Finance Act, No.38 of 1971.

3. Financial Review

3.1 Financial Results

According to the financial statements presented, the operations of the CIDA for the year under review had resulted in a deficit of Rs.10,065,800 as compared with the corresponding deficit of Rs.6,677,674 for the preceding year, thus indicating a further deterioration of Rs.3,388,126 in the financial results for the year under review. Increase of depreciation on fixed assets by Rs.13,900 million during the year under review as compared with the preceding year was the main reason attributed for this deterioration in the financial results.

Even though the deficit of the year under review was Rs.10.06 million, the value addition of the CIDA for the year under review after taking into account the depreciation, personnel emoluments and taxes paid to the government was Rs. 268 million.

3.2 Analytical Financial Review

The following observations are made.

- (a) The deficit of the CIDA for the year under review represented 0.63 per cent of the total assets as compared with 0.50 per cent for the preceding year, thus indicating an adverse position of 0.13 per cent.



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- (b) The operating losses of the Operator Training College (OTC) and Construction Equipment Training Centre (CETRAC) for the year 2016 were Rs. 32,633,230 and Rs. 11,799,809 respectively and the net profit ratios were negative 33.7 per cent and 57.8 per cent respectively.

4. **Operating Review**

4.1 **Performance**

- (a) Even though the CIDA had been established on 24 December 2014, it had not performed the following main activities mentioned in the Act even up to the end of the year under review. Details are given below.

- Establishment of a Fund for Construction Industry Development.
- Registration of Qualified Persons.
- Registration of property Developers
- Implementation of Technical Auditing

- (b) The Operator Training Centre (OTC) and Construction Equipment Training Centre (CETRAC) had not achieved their targeted internal earnings for the year 2016 set out in the Action Plan of the CIDA. It was further observed that, the targeted income from training courses and hiring of machine had been achieved only by 38.9 per cent and 0.8 per cent. Further, reasons for failure to achieve the targeted income had not been discussed at the Senior Management Meetings of the CIDA.

4.2 **Management Weaknesses**

The following observations are made.

- (a) Effective action had not been taken to refund the foreign aid balance of Rs. 2,663,659 to the General Treasury since the year 1996 which brought forwarded year by year in the financial statements.
- (b) Even though capital Grants of Rs.4,127,769 received from the General Treasury during the year 2016 for purchase of Hydraulic Training Kit, it had not taken any action to purchase the above items even up to the end of April 2017.



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- (c) The contributions to the Employee Provident Fund (EPF) and Employee Trust Fund (ETF) had been calculated by the CIDA without taking the cost of living allowances. Therefore, a sum of Rs.508,423 had to be additionally paid as surcharge during the year under review.
- (f) The CIDA had purchased machinery from Thailand, Japan and Singapore by using the capital grants received from General Treasury during the year 2015 in order to conduct the Training Programme in two Training Centres. Although the supplier had provided the training in this connection to the Training Instructors of the Training Centres, the Working Director and Deputy Director of the CIDA had been participated the above training programme held in Japan.
- (g) National Environmental Construction Technical Theme Park had been evolved in introducing and displaying the model construction types, utilizing modern and traditional buildings materials and techniques in present day context and to shone and distribute knowledge on construction with the society. The above Project had been commenced in December 2011 and scheduled to be completed within three years. The following observations are made in this regard.
 - (i) All component of the Project other than construction of administrative building to be undertaken by the stakeholders in the construction industry. The Government had agreed to finance Rs.60 million for the administrative building of the Project and Rs.40 million of that had already been released to the CIDA. Even though the construction works were completed as at the end of 2014 at a cost of Rs.41,347,582, it had been shown under work in progress in the financial statements for the year under review.
 - (ii) The Project had planned to build five model houses during the Project period. However, only four model houses had been commenced to build and two of them had only been completed within the stipulated period of three years. The remaining model houses had not been constructed even as at 31 December 2016.
 - (iii) Activities such as construction of houses with rain water harvesting system, displaying in the effective use of solar power as energy efficiencies, establish model wind power



generation plant, construction of earth roads for dry zone areas which were included in the Project proposal had not been completed even up to the end of 31 December 2016.

4.3 **Build up a Fund for Gratuity**

Even though a provision of Rs. 61,791,489 had been made in the financial statements of the CIDA as at 31 December 2016 for the payment of gratuity, only a sum of Rs. 15,707,803 had been invested to meet the future obligations.

4.4 **Internal Audit Unit**

An Internal Auditor (Assistant Director) on acting basis and a Management Assistant were only the staff of the Internal Audit Division of the CIDA since June 2011. Therefore, the internal audit functions were not in a satisfactory level.

4.5 **Transactions of Contentious Nature**

The following observations are made.

- (a) According to the financial statements presented for audit, the financial results of the CIDA for the year 2016 was a deficit of Rs.10,065,800. However, for the purpose of paying annual bonus to its staff the CIDA had prepared a separate income statement by showing a net profit of Rs.88,604,813 for that year. Accordingly, a sum of Rs.3,304,724 had been paid as annual bonus to its staff in contrary to the Public Enterprises Circular No. 05/2016 of 16 December 2016.
- (b) A cash advance of RS.250,000 had been paid to a Welfare Society at Pannagamuwa on 30 December 2015. However, the above cash advance had not been settled by that Society even up to end of April 2017.
- (c) A sum of Rs.10,761,913 received from Treasury as Capital grants for the period of 2013 – 2014 had been remained in the bank accounts of the CIDA as at the end of the year 2016.



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5. **Accountability and Good Governance**

According to the Annual Implementation Plan of the Construction Equipment Training Centre (CETRAC), the key activity of the CETRAC is conducting construction related training programme for the development of construction industry. However, the entire income for the year 2016 had been earned by the CETRAC through hiring of auditorium and seminar room instead of conducting construction related training programme.

5.1 **Budgetary Control**

Significant variances were observed between the budgeted and actual income and expenditure of the CIDA for the year under review, thus indicating that the budget had not been made use of 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 CIDA from time to time. Special attention is needed in respect of the following areas of control.

Control Area	Observations
(a) Accounts Payable and Receivable	Balances of payable and receivable had remained more than four years without getting confirmed by the respective parties.
(b) Stock Control	Ledger balance had been brought to the accounts instead of being taken physically verified stock balance.


 H.M. Gamini Wijesinghe
 Auditor General