

Annual Report

2013

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1.0 VISION

“To create a reliable and globally competitive construction industry for Sri Lanka”.

2.0 MISSION

“To ensure dynamic, professional, and reliable value added services to the nation, through regulation and facilitation of the development of construction industry resources and the promotion of quality standards, to meet local and global requirements for sustainable national development”.

3.0 MAIN OBJECTIVES

The main objectives of ICTAD are:

- to promote the contribution of the construction industry, in meeting national demand, in development objectives.
- to provide strategic leadership to construction industry stakeholders in achieving sustainable growth, reform and improvement in the industry.

The main areas of activities are to:

- Recommend strategies for the development of the Construction Industry and assist in their implementation;
- Registration of Contractors and Property Developers, Grading and the rating of them based on their financial, managerial and marketing capabilities;
- Promote professionalism of consultants in the Construction Industry and the coordination of the activities of professional bodies in the Construction Industry and assist in the formation of other bodies in the Construction Industry.
- Promote and grant assistance to the export of Consultancy services in the Construction Industry and promote undertaking of construction work and services overseas, by local contractors;
- Provide advisory services to the Construction Industry;
- Review human resource requirements of the industry and assist in the supervision of training facilities to meet the requirements;
- Promote the advancement of the skills and expertise of persons and bodies in the Construction Industry;
- Promote or undertake research on matters related to the Construction Industry;
- Promote and grant assistance to development of industries related to the Construction Industry;
- Undertake or assist any other activity for the promotion of the Construction Industry;

4.0 THE ORGANIZATION

INTRODUCTION

The Institute for Construction Training and Development (ICTAD), which is an Organization, established under the State Industrial Corporation Act No. 49 of 1957 now functions under the Ministry of Construction, Engineering Services, Housing and Common Amenities. It is headed by the Chairman of the Board of Directors.

BOARD OF MANGEMENT

Name and Private Address	Post	Date of Appointment
Mr. Anura Dassanayake No. 81/6, Kandekeitiya Gardens Koswatte road, Kiriwaththuduwa.	Chairman	2013-05-30
Mr. Susil Samantha Kumarasinghe c/o Milk Chilling Centre Milco Pvt Ltd., Eragama Road Ampara.	Working Director	2012-09-10
Chartered QS Hemantha Aponso No. 45/B, School Lane Nawala	Member	2013-02-19
Arch. N M P Navaratne, No. 26/9A, 1 st Lane, Rampart Road, Ethul Kotte.	Member	2013-05-20
Mr. Jayasiri Samaratunga, No. 162, Kandy Road, Dalugama, Kelaniya.	Member	2013-05-20
Deshamanya S P Liyanarachchi No. 547, Akuregoda Road, Thalangama South Battaramulla.	Member	2013-05-20
Mr. HRVP Wijewardana No. 7A, Balabowa Dewalapola.	Member	2013-06-15

FORMER BOARD OF DIRECTORS

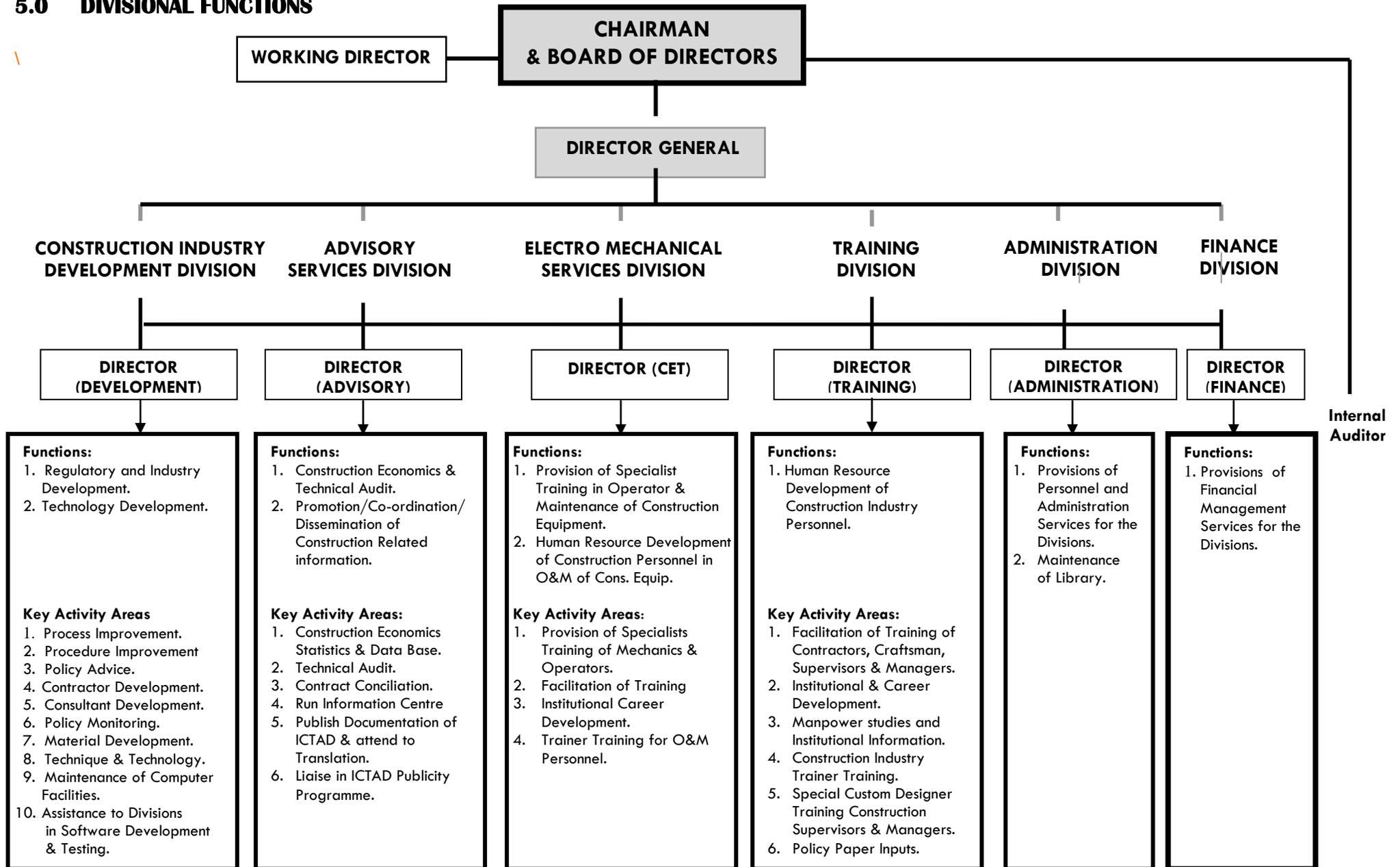
Name and Private Address	Post	Date of Appointment
Mr. Udula Bandara Awsadahamy No. 71, Digana Village, Rajawella.	Chairman	2010-05-24
Eng. N Rupasinghe No. 57, Mahaweli Housing Complex, Pallekelle, Kundasale	Member	2010-05-24
Mr. Ajith Abeysekera, 513/26, Pasan Mawatham Aravwala West, Pannipitiya.	Member	2010-05-24
Eng. N Nissanka Wijerathna No. 465, Galle Road, Rawatawatte, Moratuwa.	Chairman	2009-07-14
Mr. K L Samarasinghe No. 46/23, Lady Lavinia 1st Cross Road, Temples Road Mount Lavinia.	Member	2009-02-25
Eng. Prof. A K W Jayawardena No. 14, Wijerama Lane Devananda Road Nawinna Maharagama.	Member	2007-12-07
Deshabandu Surath Wickramasinghe No. 108 B, Horton Place Colombo 07	Member	2007-12-07
Mr. W A K S de Alwis 107/1 D, Daladawatta Road Thalpitiya Wadduwa.	Member	2007-12-07
Prof. Rameezdeen No. 21 1/3, Majestic Apartment Station oad Colombo 6	Member	2007-12-07
Mr. Jayasiri Samaratunga, No. 162, Kandy Road, Dalugama, Kelaniya.	Member	2007-12-07
Prof. Chitra Weddikkara No. 31 A, Albert Place Dehiwala.	Member	2007-12-07

ICTAD, headed by the Chairman of the Board of Directors, carries out its functions through four operational divisions, each headed by a Director as follows:

- a) Advisory Division
- b) Construction Industry Development Division
- c) Electro Mechanical Services Division
- d) Training Division

The Chief Executive Officer, Director General subject to the general direction of the Chairman, is responsible for the Administrative control of the employees of the Institute. The Administration Division headed by a Director for Administrative Matters and the Finance Division headed by Director for Financial Affairs served the operational divisions. (Please see Chart indicating Divisional Functions).

5.0 DIVISIONAL FUNCTIONS



5.1 ADVISORY SERVICES DIVISION

Services Provided:

The Advisory Services Division provides following services to the stake holders of the construction industry; such as Contractors, Consultants, Clients, Policy Makers, Investors, etc. as per the requests made to the division in writing , through telephone calls and by presenting themselves personally at the division –

1. Providing Advisory Services to the Construction Industry

- Advise on Procurement of construction work and consultancy services.
- Advise on Contract Administration and Disputes
- Advise on reimbursement of cost. due to fluctuation of Prices of Inputs and application of ICTAD Formula Method.
- Advise on Method of Measurements for Building Works (SLS 573)
- Advise and provide independent opinions in dealing with claims.
- Advise on ICTAD Standard Bidding Documents, Specifications, Consultancy documents etc.

2. Facilitating / Mediating for resolving disputes depending on the nature of the dispute and appointing Adjudicators.

3. Publishing of ICTAD Bulletin of Construction Statistics monthly.

4. Provision of Project Management, Consultancy Services and Independent Reports on chosen small scale projects.

5. Publishing / Revising / Translating of ICTAD Standard Bidding Documents, ICTAD Formula Method and other related publications.

6. Conducting Seminars on appropriate topics to disseminate information and share knowledge.

5.1.1 Providing Advisory Services to the Construction Industry

The Division provided advisory services on preparation of Bidding Documents, Contract Administration, Dispute Resolution, ICTAD Formula method and on ICTAD Standard Bidding Documents Specifications etc. During the year 2013 around 280 nos. of this type of advice were given as requested by Clients, Consultants and Contractors etc. by visiting the division, over the phone and in writing.

Specialist advices given,

- Education Employers Co-operative Thrift & Credit Society Ltd
- Pedga Construction
- Atomic Energy Authority

5.1.2 Facilitating/ mediating for resolving disputes depending on the nature of the dispute and appointing Adjudicators

A large number of contractors who face contractual disputes related to contract documents, payments and on contract administration, sought advice from the Division. In some cases, the disputing parties were brought together and the matters were discussed to arrive at a solution.

During this year 2013 the resolved main disputes are,

- Bus Terminal Negombo
- Advice on Construction work for NSB
- Uva Wellassa University
- Sri Lanka Tennis Association
- Rambukkana Bus Terminal
- Renovation of Intellect property sales center

During the year 2013 ICTAD appointed 12 nos. Adjudicators for contracts on the requested of parties to the contract. (Please see the annexure). The applications received for “**ICTAD Pool of Adjudicators**” on 2013 are interview and selected 37 Nos. of Adjudicators. The list of Adjudicators is connected to the ICTAD Web on December.

5.1.3 Providing of Project Management

Non Technical Government Organization sought project management services from this Division for their building projects. The services included advice on procurement process (Including preparation bidding documents to select a contractor and Consultant, and evaluating the bids received) Contract Administration and sometimes recommendation for making payments.

The Main Organization are,

- The National Film Corporation of Sri Lanka
- Central Environmental Project
- Department of Information
- National post Consumer plastic Waste Management Project (2 Projects)
 - Kaduwela Municipal Council
 - Matara Municipal Council
- Sri Lanka Institute of Tourism and Hotel Management
- Land use policy planning department

5.1.4 Publishing of ICTAD Bulletin of Construction Statics, monthly

12 Nos. ICTAD Bulletin of Construction Statistics were published monthly during the year 2013. The prices of materials, labour wages, and plant hire rates were collected, checked and analyzed for this purpose. 1804 No of copies of the bulletin were sold during this year to the clients, Consultants and contractors. The Indices published in this bulletin are used to calculate price fluctuations of inputs in construction projects.

5.1.5 Revision/ Drafting of ICTAD Publications

The Steering Committee on ICTAD publications, which consists nominees from professional organizations, is entrusted to revise ICTAD publications / publish new publications to the constructions Industry. The functions of the Steering Committee are to make directives and decisions regarding revision of ICTAD publications, Identifying areas for publishing of new documents, appointing sub – committees to revising / updating of ICTAD publications and recommendation of the same to the ICTAD Board of Directors. Identify and approving resource persons for revising / drafting and making decisions on issues related to ICTAD publications etc.

The sub – committees are appointed by the Steering Committee to provide guidelines to resource persons on drafting of new documents / revise existing documents, review drafts submitted by the resource persons and forward final drafts to the Steering Committee for recommendations etc.

During the year 2013 two books were revised and drafted one new document

- ❖ ICTAD/DEV/16 - Specification for Bored & Cast In-situ Reinforced Concrete Piles.
- ❖ ICTAD/DEV/17 - Specification for the Site Investigation for Building and Civil Engineering Works.
- ❖ ICTAD/ADV/01 - Guidelines for ICTAD enlisted Adjudicators

5.1.6 Conducting Seminars

The division conducted 04 seminars in following topics.

- Seminar on Professional Ethics (30th May 2013)
- ICATD Price Fluctuation formula (11th June 2013)
- Construction Claims & Dispute Resolutions (2nd August 2013)
- Construction Risk & Insurance (3rd December 2013)

5.1.7 Trainer Training Programme on Adjudication

ICATD introduced “Adjudication” in ICTAD Standards Bidding Documents as an alternate dispute resolution procedure and as a more appropriate procedure before stepping to arbitration. The idea behind the adjudication is to obtain a quick solution to the dispute while the contract is in progress. According to the ICTAD Standards bidding documents, the Adjudicator shall be a professional with experience related to the works and no interpretation of Contract Documents.

Proposals are called for Trainer Training Programme on Adjudication from Asian Region and two proposals were received. The consultancy was awarded to Chartered Institute of Arbitrators Malaysia Branch (CI Arb) on 22nd November 2013.

5.1.8 Theme Park

The Construction Technology Park is a joint programme of ICTAD with the State Engineering Corporation and NERDC. In 2013 new building (Trade Pavilion, Education Pavilion, Food Parlours) work was undertaken by SEC which is completed on 31st March 2014.

5.2 DEVELOPMENT DIVISION

5.1.9 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 2013, 551 nos. new registrations were issued, 337 contractors were upgraded and 651 nos. of registration were renewed.

Revision panels representing experts of relevant areas were appointed to renew Guidelines for the registration of construction contractors [Main (Building & Civil), Special (Electro Mechanical), Special (Finishing & other special work)] .There revisions are yet to be completed in the preceding year.

A revision of fees for registration for all Trades in Main Construction (Building & Civil Engineering) - C, Electrical & Mechanical – EM & Finishing – F has been introduced with effect from the latter part of 2012. The validity of registration period has also been extended from 02 to 03 years for all trades along with this revision.

For the development of construction contractors a Continuous Competency Development (CCD) scheme was launched to give points for registrations when participated in Awareness and Knowledge building Workshops/Seminars. This CCD ***Points scheme has been made mandatory for registrations for Grades from C₁ to C₅ effective from January 2013.***

Web Based Registration System for Contractors (Online) & an Archiving Project

This project has been effected from September 2013

This system was implemented using Treasury Funds. It had been a dire need of all stakeholders of the industry, to go on line as it helps reduce travelling time and other cost involvements.

This was to be supported with an Archiving System also, in order to reduce paper handling work etc, and expenditure on storage facilities. Archiving operations were also being carried out throughout the year.

5.2.2 ICTAD AWARDS FOR CONSTRUCTION EXCELLENCE

The Annual Awards Scheme started in 1990 which promote professionalism and excellence in the Construction Industry continued in 2013 for the 23rd 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 2013, 23 site visits/ committee meetings were held. Three Presentation programmes were held at the end of the year and the awards were presented at the 2013 Mahabhimani Awards Ceremony jointly organized by ICTAD and NCASL at Sugathadasa Indoor Stadium. Mahabhimani is a novel concept designed and planned to upgrade the craftsmen segments of the industry that have not been focused during the past.

NATIONAL AWARDS FOR CONSTRUCTION EXCELLENCE – 2013

Winners - Building Sector

Year	Type of Award	Project and Recipient
2013	Excellence	Administrative Complex Building – Sethsiripaya Stage II at Sethsiripaya Premises, Battaramulla by Maga Engineering (Pvt) Ltd.
	Excellence	Hambantota Port Development Project Phase I - Administrative Complex by Maga Engineering (Pvt) Ltd.
	Excellence	Centara Passikudah Resort & Spa at Passikudah by Tudawe Brothers (Pvt) Limited
	Merit	Chaaya Bey Hotel Beruwala at Beruwala by International Construction Consortium (Pvt) Ltd.
	Merit	Dr. Neville Fernando Sri Lanka – Russia Friendship Teaching Hospital at Malabe by R N Constructions (Pvt) Ltd.
	Merit	Hikkaduwa Cultural Centre and Tsunami Research Centre (Tsunami Memorial Museum) Phase I at Peraliya, Hikkaduwa by Sripalie Contractors (Pvt) Ltd.
	Merit	Ceylinco Branch Office Building for Ceylinco Life at Gampaha by Sathuta Builders (Pvt) Ltd.
	Certificate of Appreciation	Mixed Development Apartment Complex at Dehiwala by L H Piyasena & Co. (Pvt) Ltd.

Winners - Civil Engineering Sector

Performance Award

Category I - value exceeding Rs: 1000 million

1	Construction, Completion and Commissioning of Gated Salinity Barrier Across Walawe River at Hambantota Contract No. SB/UWS/PB2/HAM/ICB	Access Engineering PLC
2	Towns North of Colombo Water Supply Project - Stage II Construction of Mahara and Biyagama Water Supply Schemes Contract No. WSDP/TNC/C2	Sierra Construction (Pvt) Ltd.

3	Northern Road Connectivity Project (NRCP) Rehabilitation/ Improvement to B437 Road from Vallai to Araly (0+000 km-27+400 km)	KDA Weerasinghe & Co. (Pvt) Ltd.
4	Rehabilitation & Improvement of 63 Km of Kandy – Jaffna Road (A009) from 257 Km to 320 Km Contract No. RDA/NRRP/CGF/CIB	Maga Engineering (Pvt) Ltd.
5	Sub-Contract works of 25+5 Km of Paranthan – Mullaitivu Road (A035) from 00.00Km to 30.00 Km Contract No. RDA/NRIP/PRP1/C11	Maga Engineering (Pvt) Ltd.
6	Rehabilitation & Improvement to A009 Road Section from Thonigala to Galkulama (98+000 Km – 122+170 Km) Contract No.RDA/NRCP/ICB/ADB/CP-02	Maga Engineering (Pvt) Ltd.
7	Rehabilitation & Improvements to A032 Road Section from Navathkuli to Kerativu Jetty (00+000 Km – 17+400 Km) Contract No. RDA/NRCP/ICB/ADB/CP-04	Maga Engineering (Pvt) Ltd.

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

8	Rehabilitation & Improvements to Ambepussa – Kurunegala – Trincomalee Road (A06) from 157+000 Km to 167+280 Km & Kantale to Ganthalawa (B196) Road	Access Engineering PLC
9	Rehabilitation / Improvements to Section of Ambepussa – Kurunegala – Trincomalee Road (A06) from 167+280 Km to 178+000 Km Road - Contract No. WB/RSAP II/KT/02	Tudawe Brothers (Pvt) Ltd
10	World Bank Funded Provincial Road Project. Uva Province, Credit No 4630 LK Package “A” Contract No. Uva-04: Haggala – Ford – McDonald Road	Maga Engineering (Pvt) Ltd.
11	Improvement & Rehabilitation of Hakmana – Beliatta – Tangalle Road Project , Section from 11+500 Km to 19+140 Km Contract No. RDA/RNIP/PRP1/CIA-1	Maga Engineering (Pvt) Ltd.
12	Rehabilitation & Improvements to A020 Road section from Anuradhapura to Rambewa (0+0000 Km – 14+500 Km) Contract No. RDA/NRCP/ICB/ADB/CP-03	Maga Engineering (Pvt) Ltd.
13	Rehabilitation & Improvements to Road section from Manipay to Kaithady (0+000 Km – 14+020 Km) Contract No. RDA/NRCP/ICB/ADB/CP -05	Maga Engineering (Pvt) Ltd.
14	Rehabilitation & Improvements to Road section from Mankulam to Mullaitivu (0+000 Km – 13+000 Km) Contract No. RDA/NRCP/ICB/ADB/CP-07	Maga Engineering (Pvt) Ltd.

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

15	ADB Funded Eastern & North Central Provincial Roads Project – Phase I Contract No. ENCPRP/NCB/EPBP/02	Access Engineering PLC
16	Urgent Renovation at Unity Container Terminal (UCT), New North Pier in Colombo Port	Access Engineering PLC
17	Supply & laying of HDPE, DI pipes for water Transmission Main from Murunkan to Mannar with branch off to Vankalai Contract. No.P&D/C,N/ADB 5/2010/01	K D A Weerasinghe & Co., (Pvt) Ltd.

18	Widening of Bridge No. 1/1 on Security Access Road to Parliamentary Complex, Kotte	CML-MTD Construction Ltd.
19	Asian Development Bank Funded Eastern and North Central Provincial Roads Project – Phase I Package EP-03 Contract No. ENCPRP/NCB/EP/03	V V Karunaratne & Company
20	Civil Works of Point Pedro Water Supply Scheme under ADB Assisted Conflict Affected Region Emergency Project – Component-B (Water Sector) Contract No. P&D/C,N/ADB/CARE/PP/2010/01	Maga Engineering (Pvt) Ltd.
21	Improvement & Rehabilitation of Bopale Junction - Kiriibbanara – Udamauara Road Section from 0+000 Km to 8+500 Km Contract No. RDA/RNIP/PRP1/CIA-2	Maga Engineering (Pvt) Ltd.

Category IV – valued up to Rs: 100 million

22	Rehabilitation of Demalawadiya Ambana Opalgala Road Contract No ENDRP-07	Gamini Construction
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Innovative Technology / Techniques in Construction

23	Urgent Renovation at Unity Container Terminal (UCT), New North Pier in Port of Colombo	Access Engineering PLC
24	Proposal for Hybrid Fracture Grouting with cast-in-situ pile Foundation for Proposed 5 Storey Supermarket Complex	Soil Tech (Pvt) Ltd.

Green Construction Award

Year	Type of Award	Project and Recipient
2013	Excellence	Hatton National Bank, Nittambuwa by Tudawe Brothers (Pvt) Limited
	Excellence	CECB Head Office – Phase II by Central Engineering Consultancy Bureau

5.2.3 HANDLING OF CUSTOMER COMPLAINTS

A Preliminary Inquiry Panel has been set up comprising members from Ministry of Housing and Construction Industry, NCASL and ICTAD to investigate the complaints received on contractors.

During year 2013,

Description	2013 Disputes	%
Only for ICTAD information	20	43%
Explanation requested from Contractors & to be responded by them	17	36%
Solved	8	17%
Not relevant for ICTAD	2	4%
Total	47	100%

5.2.4 ICTAD JOURNAL – 2013

ICTAD Journal 2013 was published and launched at the Mahabhimani Award Ceremony. 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.

In this year also Journal was published as an International Refereed Journal for the 03rd time of ICTAD history with the utmost support and dedication of stakeholders and professionals.

5.2.5 COMPUTER SYSTEM OF ICTAD

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

1. Completed the On-line registration process (for renewal of C1,C2 and C3) of the Web based registration of National Construction Contractors.
2. Started the project on Online payment system for National Construction Contractors.
3. Started the project on document archiving at Development Division.
4. Made arrangements to implement an Online monitoring system for National Construction Contractors.
5. Purchased computers, Photocopiers, Fax Machine and other necessary accessories for Development Division to support the Web Based Registration process.
6. Purchased computers for other Divisions also for functioning the divisional activities smoothly.

5.2.6 CONFERENCES / SEMINARS /WORKSHOPS HELD IN YEAR 2013

During this year following programs were successfully conducted.

1. Seminar on Occupational Safety and Health in construction industry - 23th March 2013
2. Seminar on New Taxation in Construction Industry - 27th May 2013
3. Seminar on Cleaner Production for Greening of Construction Industry – 07th September 2012

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

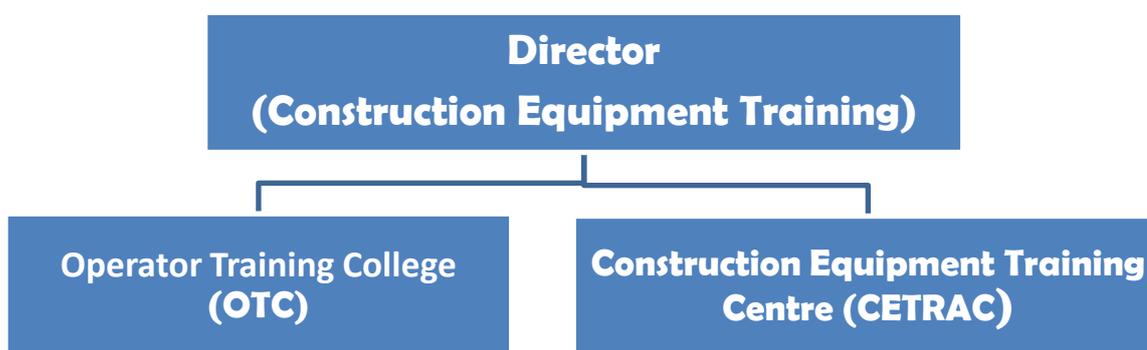
5.3 ELECTRO MECHANICAL SERVICES DIVISION

Mission of the CET 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 CET Division are :

1. To upgrade the competency of the construction equipment mechanics and operators to carry out their jobs effectively and efficiently.
2. To upgrade the competency of construction equipment supervisory and management personnel to perform their jobs efficiently and effectively.
3. To develop and implement proper preventive maintenance practices among construction equipment users in order to minimize repair cost and downtime while improving the availability.
4. To provide systematic basic training to prospective construction equipment mechanics and operators, entering the construction industry.
5. 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).
6. To improve the social recognition of the trade of construction equipment mechanics and operators in Sri Lanka.

The CET Division of ICTAD consists of two units; i.e., Operator Training Centre (OTC) and Construction Equipment Training Centre (CETRAC)



5.3.1 OPERATOR TRAINING UNIT

Mission:

“Our mission is to impart Skills and knowledge on operation, maintenance and management of construction equipments to develop a competent work force in the construction industry so that a measurable increase in construction productivity is achieved”

Objectives:

- **To train construction equipment operator to the established national skills standard**
- **To conduct plant management and supervisory management courses**
- **To conduct national trade test for construction equipment operators**
- **To upgrade competency of construction equipment operators to carry out their jobs effectively and efficiently**
- **To hire machinery and equipments for construction works**

Construction Equipment Operator Training College provides training on construction equipment such as crawler tractors, loaders, excavators, motor graders etc with special reference to their safety, basic maintenance and operating techniques. OTC has a fleet of 50 pieces 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 OTC training programmes consist of institutional training and on-the-job training. A trainee who get at least three months OJT after completion of institutional training are eligible for NVQ. The OTC is recognized by NAITA for conducting National Trade Tests and NVQ tests for Construction Equipment Operators.

The following training courses are presently 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 (New Introduced)
 - 2.4 Road Roller (New Introduced)

3. Earth Moving Equipment Basic Modules
 - 3.1 Crawler Tractor
 - 3.2 Wheeled Loader
 - 3.3 Motor Grader
 - 3.4 Hydraulic Excavator
 - 3.5 Backhoe Loader
4. Specialized Equipment
 - 4.1 Mobile Crane
 - 4.2 Plant Transporter
 - 4.3 Fork Lift
5. Trade Tests
 - 5.1 National Trade Tests
6. Custom-Designed Training Programmes

All training courses conducted at OTC are fee-levying courses and some of them are in high demand among school leavers and unemployed youth.

7. Seminars / Work Shop

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

The targeted trainee outputs for the year 2013 and achievements in respect of each training programme are shown in the table.

	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	24	480	18	408
2.0	SKILL DEVELOPMENT				
	2.1 Light Equipment	12	36	1	15
	2.2 Tractor	12	36	1	1
	2.3 Self Propelled Roller	12	24	4	7
	2.4 Dump Truck	12	12	2	2
3.0	EARTH MOVING EQUIPMENT BASIC MODULES				
	3.1 Crawler Tractor	12	12	3	10
	3.2 Wheel Loader	12	12	2	15
	3.3 Motor Grader	12	60	7	44
	3.4 Hydraulic Excavator	12	60	9	63
	3.5 Backhoe Loader	12	180	13	183

4.0	SPECIALIZED EQUIPMENT				
	4.1 Mobile Crane	12	36	4	10
	4.2 Plant Transporter	12	24	8	24
	4.3 Fork Lift Operator	12	24	5	15
	TOTAL	168	996	77	797



Construction Equipment Hiring

Construction Equipment hiring is an additional service provided by the Operator Training College to generate additional income to the college. Training is the first priority to use the existing machine fleet and idling machines are hired when available as a service to the construction industry.

Construction Projects

The Operator Training College is enriched with experienced staff on machine operation and handling tasks. Therefore it is capable of handling construction projects on contract basis. This helps to the income generation, development of human resources and provision for “on the job training” for students. Training the operators on these projects where possible, is a major saving of machine utilization, because it adds an useful time saving while using machine and staff for training.

- **Rehabilitation of Rotawewa**

This is a construction project handled by the Operator Training College at Bakamoona area in 2013. The project value is 2.8 million rupees and this made an experience of handling projects to the newly joined staff.

REVENUE EARNED DURING THE YEAR 2013

JOB CATEGORY	Revenue
	(Rs.)
Seminar Rooms	2,009.00
Training Programmes	12,040,562.00
Hiring of Machinery	7,858,681.00
Trade Testing	55,750.00
Operator's Identity Cards	225,400.00
Construction Projects (Rotawewa)	2,312,488.00
Miscellaneous	77,439.00
Total	22,572,329.00

The 'Mahabhimani 2013'

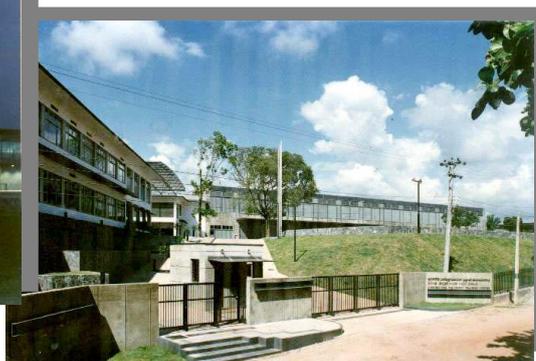
The 'Mahabhimani 2013' was jointly organized by the Institute for Construction Training and Development (ICTAD) with the National Construction Association of Sri Lanka according to the concept of Hon. Wimal Weerawansa, Minister, Ministry of Construction, Engineering Services, Housing and Common Amenities.

Best Construction Equipment Mechanic was selected through competitions held at CETRAC and the Best Hydraulic Excavator Operator in OTC.

They were awarded by His Excellency The President of Sri Lanka, in the ceremony held on 05th December at Sugathadasa Stadium.

5.3.2 CONSTRUCTION EQUIPMENT MAINTENANCE TRAINING UNIT

The Mechanic Training Unit of ICTAD, Construction Equipment Training Centre (CETRAC), is located at No. 17 D P Wjasinghe Mawatha, Pelawatta, Battaramuilla. The CETRAC is well equipped to conduct any training course on repairs and maintenance of modern construction equipment. Training courses for Mechanical / Civil Engineers and Project Managers are also conducted at CETRAC.



5.3.2.1 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 provide training on construction equipment

maintenance and management for mechanics, supervisors and engineers. Recently, ICTAD initiated to conduct Building Services Engineering Training programmes also at CETRAC. They are Building Air Conditioning System, Building Electrical System, Water Supply & Drainage System and Fire Protection System, etc.,

5.3.2.2 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 unemployment problem of the youth. Accordingly, the following course was conducted in the year 2012.

Construction Equipment Mechanic Training Course (BM)

5.3.2.3 The Construction Equipment Mechanic Training Programme

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 repairs and maintenance of modern construction equipment. The annual intake is 60 trainees. On completion of this training course the trainees are eligible to sit for the National Trade Test conducted by NAITA and qualify themselves as Grade II mechanics, after gaining 2 years experience.

These trainees are paid a stipend of Rs. 1,000/= per month by NAITA and they are also provided with free accommodation, course materials, 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.

5.3.2.4 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.

5.3.2.5. 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 9 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.

5.3.2.6 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.



5.3.2.7 Training Programme for Supervisors

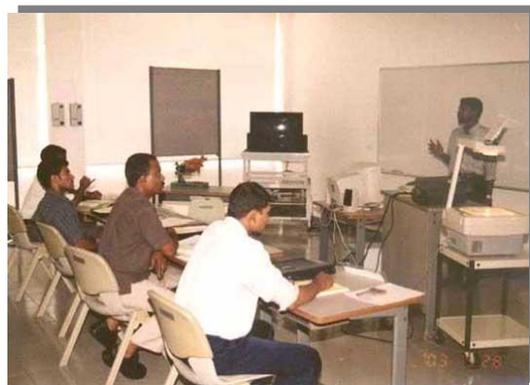
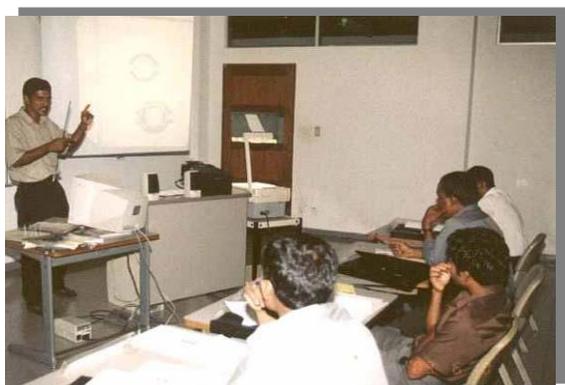
The supervisory training programme has been designed to enhance the knowledge of workshop supervisors responsible for maintenance of construction equipment. Supervisors having two years relevant experience are enrolled for these courses.

5.3.2.8 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.



5.3.2.9 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 led to various operational problems hindering the smooth functioning of equipment repair shops. This training program was developed to cater to this training need.

5.3.2.10 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.

5.3.2.11 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 2013 is as follows :

Table 1 : CETRAC Performance in Year 2013

	Training Courses	Registered		Passed out	
		No. of Courses	No of Participants	No. of Courses	No of Participants
01	School Leavers (Level I) Construction Equipment Mechanic Training Course (BM)	6	156	2	41
	Training Courses	Targeted Output		Actual Output	
		No. of Courses	No of Participants	No. of Courses	No of Participants
02	Junior Mechanics (Level II)				
	Maintenance of Diesel Engine	1	15	1	26
	Maintenance of Hydraulic System - 13M22	1	15	2	38
	Maintenance of Diesel Generators - 13M25	1	15	3	107
	Maintenance of Steering, Brakes and Clutch System - 13M26	2	30	1	11
	Maintenance of Torque Converter & Transmission Systems- 13M27	1	15	--	--
	Maintenance of Electronics and Mechatronics of Construction Equipment - 13MT	2	30	1	18
	Maintenance of water Pumps & Compressors - 13WPC	1	15	2	43
	Maintenance of Auto Electrical Systems -13M24	1	15	1	15
	Servicing of Construction Equipment -13SCE	2	30	--	--
	Troubleshooting and Maintenance of Hydraulic Systems	1	15	--	--
03	Senior Mechanics (Level III)				
	Maintenance of Hydraulic & Machatronic Systems - 13M32	1	15	2	28
	Maintenance of Auto Electrical systems -13M34	1	15	1	18
04	Engineers				
	Utilization of Construction Equipment – 13CPM	1	15	--	--
	Maintenance of Construction Equipment - 13CEM	1	15	--	--
05	Supervisory				
	Maintenance of Construction Equipment - Hydraulic & Transmission - 13SUP 1	1	15	--	--
	Maintenance of Construction Equipment - Engine & Mechatronics - 13SUP 2	1	15	--	--
06	Ancillary Staff				
	Foundation Course in Human Resource Management	1	15	2	36
	Certificate Course on Store Keeping	1	15	1	31
	Advance Certificate Course on Store Keeping	1	15	1	21

	Training Courses	Targeted Output		Actual Output	
		No. of Courses	No of Participants	No. of Courses	No of Participants
07	Custom-Designed Courses (CET)				
	Operation Mobile Crane	1	10	2	8
	Forklift truck operation	1	10	--	--
	Awareness programme on forklift truck operation	1	10	11	44
	Generators and motors	1	10	--	--
	Heavy vehicle maintenance	1	10	--	--
08	Custom-Designed Courses (BSE)				
	Specification and Road Construction Techniques	1	20	1	24
	Maintenance of Building Air conditioning Systems	1	20	1	34
	Swimming Pool Maintenance	1	20	1	35
	Maintenance of Electrical Installation	1	20	1	41
09	Seminars				
	Material, stores management and supply chain management	1	100	2	166
	Hybrid vehicle technology	1	100	1	98
	Employee management and labour regulations	1	100	1	64
	Safe motor vehicle driving & behavioral aspects of the driver	1	100	1	30
	Scientific safe and economical driving of motor vehicles	1	100	4	296
	Operation & maintenance of generators	1	100	2	176
Logistics and effective purchasing function	1	100	2	152	
	TOTAL		1331		1560

Revenue Earned During the year 2013

JOB CATEGORY	REVENUE (Rs. Million)
Training Programmes, Workshops & Seminars	12.95
Workshop Repair Jobs & other Workshop Services	1.82
Facility Hiring	9.19
Total	23.96

5.4 TRAINING DIVISION

The main objective of the Training Division is to build the capacities of all the stake holders 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 unparalleled growth rate for the last three years after the eradication of the three decade long conflict.

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

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 conduct 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 as Managerial, Supervisory and Craftsmen.

Training Programmes, Seminars and Workshops conducted in the year 2013

- ❖ 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 2013. 46 Contract and Procurement personnel from Public & Private Sector organizations participated in this programme.
- ❖ Training Division annually organize training programmes in “Tendering” and “Site Measurement and Preparation of Monthly bills” to develop managerial skills of small and medium scale contractors. This program is conducted in Sinhala & Tamil medium. In 2013, Eighteen training programs have been conducted in both medium and 457 contractors have participated in this training activity.
- ❖ On the request of Construction organizations, training division has organized 03 short term duration training programs covering different subject areas in order to accomplish their training requirements. 115 managerial level personnel in public and private sector organizations participated in these training programmes.

- ❖ Two seminars on topics “Practical Aspects in Bid Evaluation” and “ICTAD price Fluctuation Formula and its Applications” were conducted in March and August. 325 industry personnel attended in these two seminars.
- ❖ In order to minimize the demand of craftsmen in the Construction Industry and to promote advantages of Multi – skilled craftsmanship among them, training division organized a 4 day training programme in Ampara for the benefit of Masons and Carpenters in Ampara District. 157 Masons and Carpenters engaged in Construction activities participated in these training programmes.
- ❖ In order to promote obtaining NVQ certification and becoming qualified and competent craftsmen, three RPL/NVQ programs were conducted in Kurunegala district and Moratuwa divisional secretariat area. 750 craftsmen including Masons, Carpenters and Plumbers participated in these awareness programs.
- ❖ A series of training programmes had been organized to develop knowledge and skills of Engineers and Technical personnel attached to Public and Private sector organizations in Northern & Eastern provinces. 05 Training Programmes were conducted in Tamil Language on Construction Technology, Construction Materials and Practical Surveying using Total station. 03 programs were conducted in Jaffna & Vauvnia and 2 programs were conducted in Kalmunai. 209 Technical Personnel & Engineers participated in these training programmes.

Mahabhimani – 2013

The ‘Mahabhimani – 2013’ introduced in the year 2013 was the first national programme which identified and rewarded the craftsmen who were excelled in their respective trades.



Craftsmen engaged in respective construction activities were requested to apply for the Provincial Craftsmen Competitions held in DTET – Colleges of Technology. Applicants were screened through an interview & viva test. Twenty candidates who obtained highest marks posted to appear for the 6 hour practical test and were individually examined & evaluated by a panel of licensed assessors. Provincial competitions in Masonry, Carpentry, plumbing, Electrical Wiring and Tiling competitions were held in provincial (COT) assessment centers while Steel Fixing & Bar bending and Painting competitions were held in Colombo.

The objective of this “Mahabhimani” national competition, conceptualized by Honorable Wimal Weerawansa, The Minister, Ministry of Construction, Engineering Services, Housing and Common Amenities was to evaluate, reward and uplift the capabilities & skills of Construction Craftsmen Community, spread throughout the country.

Final competitions were held in Colombo and the ‘Best Craftsman’ for each trade was awarded by His Excellency the President at the ceremony held in Sugathadasa Stadium in December 2013.

5.4.1 CENTRE FOR HABITAT PLANNING AND DEVELOPMENT (CHPD)

Centre for Habitat Planning and Development (CHPD) is a multi disciplined institution coming under the managerial jurisdiction of ICTAD. CHPD is located at No. 33, Parliament Road, Pelawatta, Battaramuilla. The CHPD 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 CHPD in conducting most valuable courses.



5.4.1.1 CHPD Training Programmes

CHPD specially provide gap filling training under two main streams such as construction Management and Quantity Surveying. The construction management courses categorically identify as Diploma in Advance Construction Management (DACM) and Construction Works Management (CWM). DACM target group are Executives, Engineers, Entrepreneurs and Construction Managers in the industry. CWM full time course is designed for school leavers and young enthusiasts who prefer to enter the construction industry as work supervisor. Part time course mainly target construction supervisors remain in the industry without required academic knowledge and qualifications or enthusiasts who want to be a construction Supervisor. Quantity surveying courses consists of three levels certificate, Diploma, Advance Diploma respectively. The target group would be experienced construction workers, Technical Officers, Assistant Quantity Surveyors and Qualified enthusiasts. The above two streams lead and guide National Vocational Qualification (NVQ) curriculum.

5.4.1.2 Course for new entrants to the industry

There is a big demand for Supervisory level category of employees in the industry. The competent supervisors are not retaining 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 valuable program for early school leavers to help solving the unemployment problem of the youth and encourage them to enter this booming industry. The Construction Works management/Full time (CWM) Course fulfills this vital demand.

5.4.1.3 The Construction Works Management Training Programme

Full Time

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

It is one-year course consisting of 05 months institutional training at CHPD and 7 months internship period. School leavers with G C E (O/L) credit passes for Mathematics & Science, ordinary pass for English & other 06 subject are eligible to follow the course. The training course covers all aspects of modern construction Industry up to NVQ Level 4 standard. 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 registration, Entry Qualification for the Diploma in Quantity Surveying, Opportunities for Local & Foreign jobs, Be a competent Construction Supervisor in the field of construction.

5.4.1.4 FURTHER TRAINING COURSES FOR COMPETENCY UPGRADING OF EMPLOYEES

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

a. Quantity Surveying Certificate Course

This training programme has been designed for the benefit of Technical Officers, Draughtsman, Supervisors, Middle & Lower level personnel and other engaged in construction. Two years experience in the field of construction and acceptable technical qualifications are required to follow this course. The course duration is six months (One day per a week, total-24 days).

Course contents: Preparation of BOQ for small & medium construction works, Preparation of bidding documents, Estimation & costing, Manage work place information & communication. The training course covers the syllabus up to NVQ Level 4 standard.

b. Quantity Surveying Diploma Course

This training programme has been designed for the benefit of Technical Officers, Draughtsman, Supervisors, Middle & Lower level personnel and other engaged in construction. Completed CHPD Certificate Course, CHPB BOQ & Estimation, NCT QS, NT QS, NVQ level 4 equivalent qualifications are required to follow these courses. The course duration is ten months (One day per a week, total-40 days).

The entry test is conducted for the course enrolment except CHPD certificate holders.

Course contents: Preparation of BOQ for major construction works and civil works, Preparation of bidding documents, Procurement Methods, Interim valuation, Manage work place information & Communication, Plan work to be performed in the work place, Provide leadership & facilitates work teams, Project. The training course covers the syllabus up to NVQ Level 5 standard.

c. Quantity Surveying Advanced Diploma Course

The training programme has been designed for the benefit of Technical Officers, Assistant Quantity Surveyors, Middle & Lower level personnel and others engaged in construction. Completed CHPD Diploma Course, CHPB Pre & Post Contract, Diploma in QS conducted by recognized institution qualifications are required to follow the course. The course duration is designed one year period(One day per a week, total-60 days).

Course contents: Contract Law, Construction Economics, Management Principles, Prepare Project Cost & Estimate, Manage Project Cost, Bid Submission, Select Contractor ,Valuation, Variation, Advance Measurement, Procurement & Tender Evaluation, Manage Sub Contract, Claims, Financial Accounts, Computer, Facilitate the establishment and maintenance of the learning Culture at the work place , Solve Problems – make decision, Construction Planning Techniques, Project. The training course covers the syllabus up to NVQ Level 6 standard.

**d. Training Programme for Supervisors**

Construction Works management - Part Time

The course is designed for the benefit of those who are already in the Construction and engaged in construction activities.

This one-year course consists of one year institutional training only. Three years relevant working experience and studied up to G C E (O/L) are eligible to follow this training course. The course covers all aspects of modern construction Industrial knowhow up to NVQ level 4 standards.

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 registration, Entry Qualification for the Diploma in Quantity Surveying, Opportunities for Local & Foreign jobs, Be a competent employee in the field of construction.

e. **Training Programme for Executives**

Diploma in Advanced Construction Management

This training programme has been designed for the benefit of Executive officers, Project Managers, Engineers, Architects, Quantity Surveyors and other professional engaged in high caliber construction activities.

Course contents: Occupational Safety, Health and Accident Prevention @ work site, Value Engineering & construction Economics, Insurance for Construction Industrial, Disputes & Arbitration, Team Building & Leadership Development, Training & Development of Subordinates, Mgt. of construction Equipment, Environmental Management, Risk Management, Management Concept & Foundation Labour Management (pre & Post), Tendering Procedures, Management of Sub Contractor, Condition of Contract Administration, Contract Law, Construction Planning, Network Analysis, Recourses Planning, Financial Planning, Computer Application in Construction Planning, Progress Control, Quality Control, Nano Technology & Construction Industry Application.

f. **Training Programmes for Auto CAD 2d & 3D Solid Modeling**

The Course is designed to fulfill the practical knowledge on how to use computer aided design techniques for construction design purposes.

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

Course contents: interdiction to CAD, Introduction to AutoCAD, Geometric Shapes, Editing Tools, Layers, 3D modeling with AutoCAD (Surfaces, Solids), Annotating in AutoCAD with Text & Hatching, Templates & Design Centre, Advanced plotting (Layouts, Viewports) office standards, Dimensioning, Blocks/ Drafting symbols/ Attributes/ Extracting data, Cad 3D Modeling and rendering with 3ds Max, Printing

g. Training Programmes for Microsoft Office Project 2007/2010

The Course is designed to cater theory with practical exposure for the benefit of personnel who involve or to be expected to join in project activities and other enthusiasts.

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

Course contents: Introduction, Setting up Project Files, Creating Tasks, Creating Resources, Assigning Tasks to Resources, Working with Views, Fine-Tuning the Project Schedule, Tracking and managing projects, Viewing and sharing Project Information

h. Custom – Designed Training Programmes

CHPD has been able to cater tailor made training programmes successfully for various and specific demand in training by developing customized training programmes to address the changing demand in the industry.

i. Seminar and Workshop

The seminar and workshop have been conducted to enhance the theory and practical exposure of various job categories in the industry. The main theme of the topics are covered with troubleshooting practices and question and answer sessions.

CHPD performance in year 2013 is as follows :

CHPD Performance in Year 2013

No.	Training Courses	Targeted Output		Actual Output	
		No. of Courses	No. of Parti.	No. of Courses	No. of Parti.
01	Quantity Surveying Courses				
	❖ Certificate Courses	04	100	04	125
	❖ Diploma Courses	04	100	04	159
	❖ Advance Diploma Courses	01	30	01	24
	Quantity Surveying Courses - Kurunegala				
	❖ Certificate Courses	01	-	01	10
	❖ Diploma Courses	01	-	01	32
02	Construction Works Management Courses				
	❖ Full Time	01	25	01	17
	❖ Weekend	01	25	01	25
03	Advance Construction Management Course	01	25	-	-
04	Computer Courses				
	❖ MS Project	06	72	02	21
	❖ Auto cad	06	72	01	07
05	Seminars	06	360	05	584
06	Custom – Designed Courses	-	-	05	166

Revenue Earned during the Year 2013

Job Category	Revenue (Mn)
Training Programmes, Workshops & Seminars	18,501,288.00
Facility hiring & Miscellaneous	1,502,563.00
Total	20,003,851.00

5.5 HUMAN RESOURCE AND ADMINISTRATION DIVISION

Human Resource and Administration Directorate at ICTAD is entrusted upon the functions related with the Human Resource Development and Administration of the Organization. Human Resource Planning, Human Resource Development, Articulating strategies for Resourcing / Retention / Rewarding / Training and Development, Human Talent Management, Human Capital Management of the organization are the major functions of the Directorate. Smooth function of the Human Resources and Administration activities of the organization was enabled the management to take strategically, business and operational level decision making.

The total number of the staff is 272 employees (Including the Chairman and Working Director) comprised with 264 permanent staff & 8 temporary staff attached on assignment Basis.

During the period from 01.01.2013 to 31.12.2013 18 employees were recruited, 08 employees retired and 14 employees were resigned from the organization.

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 in the year 2013, details of which is mentioned in the attachment.

The Institute was able to train apprentice trainees belongs to Technician, Computer Application Assistant and Receptionist at NAITA as a corporative social responsibility of the institution.

An amount of Rs. 2,057,582 was generated by hiring and proper management of Auditorium, Conference Rooms, Seminar Rooms and Circuit Bungalow at Katharagama.

Staff Development in year - 2013 Local Training

	Programme	Name	Designation	Division	Institute	Period
01	GBCSL Associate Professional Training Course	<ul style="list-style-type: none"> • Ms . C S Karunarithne • Ms. D D Samaraweera 	<ul style="list-style-type: none"> • Dy. Director • Asst. Director 	<ul style="list-style-type: none"> Development Advisory Services 	GBCSL Secretariat	11.12.18.19/01/2013 8/02/2013
02	Awareness Programme On Sri Lanka Public Sector Accounting Standards	<ul style="list-style-type: none"> • Mr. B S S Hewege 	Dy. Director	Finance	Association of Public Finance Accountant of Sri Lanka	30/01/2013
03	2 nd Sri Lanka Roundable on Sustainable Consumption & Production	<ul style="list-style-type: none"> • Mr. S K S Amarasekara 	Director	Development	National Cleaner Production Center Sri Lanka	21,22/02/2013

	Programme	Name	Designation	Division	Institute	Period
04	One day Workshop on Effective Internal Auditing	• Ms. I M Gunasekara	Int. Audit Officer	Internal Audit	SDFL	07/03/2013
05	Better Spoken English Course	• Ms. K G N Chandrika	Management Assistant	CETRAC	British Council	19/04/2013 to 03/07/2013
06	2 nd CLOB World Construction Symposium - 2013	• Mr. S K S Amarasekara	Director	Development	Ceylon Institute of Builders	14,15/06/2013
07	HR Devt Through Proper Disciplinary Management	• Ms. K D C P Abeysinghe • Mr. V P Gunasiri	• Asst. Director • Admin. Officer	Administration CETRAC	Center for Studies in Disciplinary Management	28,29/06/2013
08	Postgraduate Diploma in Information Management-2013	• MS W K V Jayatissa	Librarian	Administration	NILIS	15/05/2013
09	Workshop on Disciplinary Management	• Mr. W A A Wijesinghe • Mr. VP Gunasiri	• Admin. Officer • Admin. Officer	Administration CETRAC	Ministry	29,30/08/2013
10	Awareness Programme on Sri Lanka Public Sector Accounting Standards	• Ms. KK Chandrakanthi • Ms. PD Perera	• Management Assistant • Management Assistant	Finance	Association of Public Finance Accountant of Sri Lanka	04,05/09/2013
11	Workshop on Electrician & Technician	• Mr. S N Wanniarachchi	Electrician	Administration	CHPD	16/09/2013
12	Workshop on Safety at work Site	• Mr. H M Somarathne	Demonstrator	CETRAC	CHPD	31/10/2013
13	Maintenance of Hydraulic System	• Mr. MMKP Moremada	Training Officer	OTC	CETRAC	14/12/2013
14	FARU International Research Symposium-2013	• MS. CS Karunarathne	Dy. Director	Advisory Services	University of Moratuwa	14/12/2013

Staff Development in year - 2013

Foreign Training

	Programme	Name	Designation	Division	Country	Period
01	Excon Exhibition	Mr. P A P Weerasekara Mr. W N E Croos	Deputy Director Assistant Director	CETRAC OTC	India India	20-24.11.2013

5.6 FINANCE DIVISION

5.6.1 Financial Year

The financial year is from 1st of January 2013 of 31st December 2013.

5.6.2 Net Income

ICTAD is required to earn revenue to defray part of Training Expenses. This is done by several ways. Eg : Hiring of Machinery, Contractor Registration, Subscription, Sale of Publications and Seminars etc. During the year 2013

Rs. 184,881,382.59 has been earned from these activities.

5.6.3 Expenditure

The total expenditure during the period was Rs 316,153,574.01 out of which Rs. 44,992,562.88 was for depreciation.

5.6.4 Contribution by Government of Sri Lanka (ICTAD)

The Government from the Consolidated Fund contributed

Rs. 27,500,000/=(Recurrent)

Rs. 88,150,000/=(Capital)

Notes to the Financial Statements

1. CORPORATE INFORMATION

1.1 Reporting Entity

The Institute for Construction Training and Development (ICTAD) was established as a Public Corporation under the State Industrial Corporation Act No: 49 of 1957 with the Publication of the Notice of Incorporation in the Gazette Extra Ordinary No: 718/5 of June 1992. The ICTAD coming under the purview of Ministry of Construction, Engineering Services, Housing & Common Amenities and the registered office of the ICTAD is located at No 123, Wijerama Mawatha, Colombo 07.

1.2 Principal Activities and Nature of Operations

The Mission of ICTAD 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.

1.3 Number of Employees

The number of employees of the ICTAD as at 31st December 2013 amounted to 262. The comparative figure for the year 2012 was 260.

1.4 Financial Year

The Financial year of the ICTAD is the 12 months period ended by 31st December 2013.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of Financial Statements

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

2.2 Statement of Compliance

The Financial Statement of the ICTAD has been prepared in accordance with the Sri Lanka Public Sector Accounting Standards (SLPSAS).

2.3 Assets and Basis of Valuation

2.3.1 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.

2.3.2 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 2013 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

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.

2.4 Inventories

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

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

2.6 During the year 2010 Assets of the CHPD Bldg. was taken over from the Ministry. Values of these assets have been taken into account in the year 2013.

2.7 During the year 2013 Assets of the GIZ was taken over from the Ministry. Values of these assets have been taken into account in the year 2013.

2.8 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.

2.9 Provision for Bad and Doubtful Debts

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

2.10 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%

2.11 Cash and cash equivalent

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

2.12 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.

2.13 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.

2.14 Government Grant

2.14.1 Recurrent Grant

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

2.14.2 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.

2.15 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

2.16 Expenditure

All expenditure is recognized on the accrual basis.

2.17 Adjustments made to the Cumulative Expenditure

Adjustment of Rs. 85,198,127.06 has been to the cumulative expenditure account.

2.18 Legal Matters

Legal issues pertaining to matters of employees were pending at Courts Labour Tribunals the Labour Department and the Human Rights Commission of Sri Lanka as at 31st December 2013.

2.19 Retrospective Application of Change in Accounting Policy

The Accounting Policy for the treatment of Capital Grant received from the General Treasury has been changed in 2012. In previous years ICTAD had credited the Capital and Recurrent Grant to the Grant Account. ICTAD has now decided to treat Capital Grant as a Deferred Income and Recurrent Grant as Other Income in accordance with Accounting Standards.

The change in the accounting policy has been accounted for retrospectively and the comparative statement for 2012 has been restated. The effect of the change on 2012 is tabulated below.

Description		Effects on 2012 Rs.
Increase in Deferred Income	1,440,068,039.84	
Increase in Other Income	764,440,796.46	
Increase in Surplus		2,204,508,836.30
Decrease in Grant Account	(2,204,508,836.30)	
Decrease in Grant Account	(282,241,548.88)	(2,486,750,385.18)
Increase in Deferred Income		282,241,548.88

2.20 JBIC Project

JBIC project was completed and assets and liabilities of the project have been taken into ICTAD accounts in the year 2013.

INSTITUTE FOR CONSTRUCTION TRAINING AND DEVELOPMENT

FINAL ACCOUNTS – 2013

Contents

- Statement of Financial Position
- Statement of Financial Performance
- Statement of changes in Net Assets
- Cash Flow Statement
- Notes to the Financial Statements

INSTITUTE FOR CONSTRUCTION TRAINING AND DEVELOPMENT
STATEMENT OF FINANCIAL POSITION AS AT 31.12.2013
AS AT DECEMBER 31,2013

DESCRIPTION	NOTE	2013 Rs.	2012 Rs.
ASSETS			
Current assets			
Cash in hand and at bank	1	5,837,816.16	15,292,433.50
Investment-Treasury Bills(Depreciation Fund)	2	15,707,803.20	15,707,803.20
Trade & other Receivables	3	37,850,124.96	23,873,491.41
Stocks	4	147,851,060.57	194,121,234.96
Prepayments		1,038,991.63	1,004,193.67
		208,285,796.52	249,999,156.74
Capital Work-in Progress (Theme Park)		33,196,408.61	22,163,160.50
Non-Current assets			
Property, Plant and equipment	5	620,369,481.47	455,320,170.94
Total assets		861,851,686.60	727,482,488.18
LIABILITIES			
Current liabilities			
Creditors and Accruals	6	70,058,967.21	70,025,612.22
		70,058,967.21	70,025,612.22
Non current liabilities			
Provision for Gratuity Payable	7	58,306,766.50	55,682,361.50
Refundable Foreign Aid		2,663,658.98	2,663,658.98
		60,970,425.48	58,346,020.48
Total liabilities		131,029,392.69	128,371,632.70
Net Assets		730,822,293.91	599,110,855.48
Net ASSETS/EQUITY			
Deferred Income-Treasury Grant	8	371,215,686.51	366,716,260.75
Grants	9	271,556,720.38	224,604,675.82
Revaluation-Fixed Assets		259,369,929.03	78,295,000.00
Accumulated surpluses/(deficits)	10	(171,320,042.01)	(70,505,081.09)
Total net assets / equity		730,822,293.91	599,110,855.48

The Significant Accounting Policies and the Notes from Pages 6 to 21 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, 2013 and its Surplus / (deficit) for the year ended December 31,2013

B.S.S.Hewage
Actg. Director (Finance)

Archd.H.K.Balachandra
Director General

The Board of Management is responsible for the preparation and presentation of these Financial Statements.

This Financial Statements were approved by the Board of Management and signed on their behalf.

Archd.Anura Dassanayake
Chairman & Board Member

H.R.V.P.Wijewardane
Board Member

08 th December 2014

INSTITUTE FOR CONSTRUCTION TRAINING AND DEVELOPMENT			
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED			
DECEMBER 31,2013			
Description	Notes	(Restated)	
		2013	2012
		Rs.	Rs.
Income	11	174,419,915.46	153,368,156.87
Less:			
Expenses of Revenue Generation Activities	12	195,288,458.05	168,543,782.04
Profit/(Loss) Income Generation		(20,868,542.59)	(15,175,625.17)
Treasury Grant- CETRAC		17,900,000.00	10,800,000.00
Treasury Grant- OTC		6,900,000.00	1,800,000.00
Treasury Grant- Maintenance		23,340,000.00	8,100,000.00
		27,271,457.41	5,524,374.83
Treasury Grant- Recurrent		27,500,000.00	26,450,000.00
Other Income	13	46,369,011.37	11,965,431.20
Less:			
Administration Expenses	14	48,856,149.00	41,601,997.89
Other Expenses	15	29,007,082.32	23,099,208.84
Finance Cost		111,770.01	99,492.82
Profit/(Loss) Before Provision for Depreciation		23,165,467.45	(20,860,893.52)
Less:			
Depreciation		44,992,562.88	66,092,204.45
Profit/Loss Before Provisions for Doubtful Debts		(21,827,095.43)	(86,953,097.97)
Less:			
Provision for bad and doubtful Debts		(2,102,448.25)	(8,194,952.54)
Net profit/(loss) for the period		(19,724,647.18)	(78,758,145.43)

INSTITUTE FOR CONSTRUCTION TRAINING AND DEVELOPMENT**Statement of Changes in Net Assets / Equity for the Year Ended December 31, 2013****(Restated)**

	Accumulated Surplus/(Deficit Rs.	Revaluation-Fixed Assets Rs.	Grant Rs.	Total Rs.
Balance at December 31, 2011	(2,196,255,771.96)	-	2,758,464,150.97	562,208,379.01
Changes in accounting Policy	-			-
Re-stated balance	(2,196,255,771.96)	-	2,758,464,150.97	562,208,379.01
Changes in net assets/equity for 2012				
Changes in accounting Policy	2,204,508,836.30		(2,204,508,836.30)	-
Revaluation	-	78,295,000.00	-	78,295,000.00
	8,253,064.34	78,295,000.00	553,955,314.67	640,503,379.01
Surplus/(Deficits) for the period	(78,758,145.43)			(78,758,145.43)
Deferred Income -Treasury Grant			37,365,621.90	37,365,621.90
Re-stated balance as at December 31,2012	(70,505,081.09)	78,295,000.00	591,320,936.57	599,110,855.48
Changes in accounting Estimates	(81,090,313.74)			(81,090,313.74)
	(151,595,394.83)	78,295,000.00	591,320,936.57	518,020,541.74
Surplus/(Deficits) for the period	(19,724,647.18)			(19,724,647.18)
Grant			46,952,044.56	46,952,044.56
Deferred Income -Treasury Grant			4,499,425.76	4,499,425.76
Revaluation	-	181,074,929.03		181,074,929.03
Balance at December 31, 2013 Carried forward	(171,320,042.01)	259,369,929.03	642,772,406.89	730,822,293.91

INSTITUTE FOR CONSTRUCTION TRAINING AND DEVELOPMENT		
INDIRECT METHOD CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.12.2013		
	Restated	
	2013	2012
	Rs.	Rs.
Cash Flows From Operating Activities		
Surplus/(deficit) from ordinary activities	(19,724,647.18)	(78,758,145.43)
Adjustments for		
Depreciation	44,759,949.24	66,092,204.45
Lease Rent	232,613.64	
Gratuity Allocation	5,602,988.75	4,460,705.75
Interest Income-Treasury Bills	(1,593,439.69)	(1,675,520.73)
(Gains)/Loss on Sale of Property, Plant and Equipments	-	(3,143,281.31)
Doubtful Debts Allocation	(2,102,448.25)	(8,194,952.54)
Deferred Income	(35,510,574.24)	(2,484,378.10)
Prior year Adjustment	(250,467.35)	
Operating Profit/(Loss) Before Working Capital Changes	(8,586,025.08)	(23,703,367.91)
Increase/(Decrease) in Payable	9,346,610.78	38,062,996.01
(Increase)/Decrease in other Current Assets	(5,327,423.97)	10,782,634.06
Cash Generated from Operations	(4,566,838.27)	25,142,262.16
Gratuity Paid	(2,978,583.75)	(3,979,422.00)
Net cash from operating activities	(7,545,422.02)	21,162,840.16
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Plant and equipment	(40,000,192.49)	(66,272,252.11)
Proceeds from sale of plant and equipment	-	3,143,281.31
Interest Income-Treasury Bills	1,624,108.50	1,589,745.15
Net cash flows from investing activities	(38,376,083.99)	(61,539,225.65)
CASH FLOW FROM FINANCING ACTIVITIES		
Treasury Grant	40,010,000.00	39,850,000.00
	-	-
Net cash flows from Financing activities	40,010,000.00	39,850,000.00
Net cash increase Decrease) in cash and cash Equivalents	(5,911,506.01)	(526,385.49)
Cash and cash equivalents at beginning of period	11,749,322.17	12,275,707.66
Cash and cash equivalents at end of period	5,837,816.16	11,749,322.17

INSTITUTE FOR CONSTRUCTION TRAINING AND DEVELOPMENT**Notes to the Financial Statements****1. Corporate Information****1.1 Reporting Entity**

The Institute for Construction Training and Development (ICTAD) was established as a Public Corporation under the State Industrial Corporation Act No: 49 of 1957 with the Publication of the Notice of Incorporation in the Gazette Extra Ordinary No: 718/5 of June 1992. The ICTAD coming under the purview of Ministry of Construction, Engineering Services, Housing & Common Amenities and the registered office of the ICTAD is located at No 123, Wijerama Mawatha, Colombo 07.

1.2 Principal Activities and Nature of Operations

The Mission of ICTAD 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.

1.3 Number of Employees

The number of employees of the ICTAD as at 31st December 2013 amounted to 262. The comparative figure for the year 2012 was 260.

1.4 Financial Year

The Financial year of the ICTAD is the 12 months period ended by 31st December 2013.

2. Significant Accounting Policies**2.1 Basis of preparation of Financial Statements**

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

2.2 Statement of Compliance

The Financial Statement of the ICTAD has been prepared in accordance with the Sri Lanka Public Sector Accounting Standards (SLPSAS).

2.3. Assets and Basis of Valuation

2.3.1 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.

2.3.3 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 2013 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

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.

2.4 Inventories

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

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

2.6 During the year 2010 Assets of the CHPD Bldg. was taken over from the Ministry. Values of these assets have been taken into account in the year 2013.

2.7 During the year 2013 Assets of the GIZ was taken over from the Ministry. Values of these assets have been taken into account in the year 2013.

2.8 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.

2.9 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%

2.10 Cash and cash equivalent

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

2.11 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.

2.12 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.

2.13 Government Grant

2.13.1 Recurrent Grant

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

2.13.2 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.

2.14 Revenue Recognition

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

- (a) Hire of Machinery
- (f) Course Fees
- (g) Sale of Publications
- (h) Hire of Auditorium, Conference Rooms and Seminar Rooms.
- (i) Seminars and Work Shops

2.15 Expenditure

All expenditure is recognized on the accrual basis.

2.16 Adjustments made to the Cumulative Expenditure

Adjustment of Rs. 81,090,313.74 has been to the cumulative expenditure account.

2.17 Legal Matters

Legal issues pertaining to matters of employees were pending at Courts Labour Tribunals the Labour Department and the Human Rights Commission of Sri Lanka as at 31st December 2013. Details are attached herewith.

2.18 Retrospective Application of Change in Accounting Policy

The Accounting Policy for the treatment of Capital Grant received from the General Treasury has been changed in 2012. In previous years ICTAD had credited the Capital and Recurrent Grant to the Grant Account. ICTAD has now decided to treat Capital Grant as a Deferred Income and Recurrent Grant as Other Income in accordance with Accounting Standards.

The change in the accounting policy has been accounted for retrospectively and the comparative statement for 2012 has been restated. The effect of the change on 2012 is tabulated below.

Description		Effects on 2012 Rs.
Increase in Deferred Income	1,440,068,039.84	
Increase in Other Income	764,440,796.46	
Increase in Surplus		2,204,508,836.30
Decrease in Grant Account	(2,204,508,836.30)	
Decrease in Grant Account	(282,241,548.88)	(2,486,750,385.18)
Increase in Deferred Income		282,241,548.88

2.19 JBIC Project

JBIC project was completed and assets and liabilities of the project have been taken into ICTAD accounts in the year 2013.

List Of Cases

Institute For Construction Training and Development (ICTAD)

	Case No	Court /Institute	Subject Matter
01	Mr.D.Jinasena De Silva	Magistrate' Court No.5,Colombo	Arrears payment of Gratuity.
02	Mr.W.D.Vitharana	Labour Department	Arrears payment of EPF.
03	Mr.N.K.Miranda	Labour Tribunal	Termination Of Services.
04	Mr.W.D.Vitharana	Labour Tribunal	Termination Of Services.
05	Mr.N.K.Miranda	Labour Department	Payment relating to an Assignment.
06	Mr.N.K.Miranda	Human Rights Commision	Payment Relating to the above assignment.
07	P.B.H.Kulasinghe	High Court of Colombo	Termination Of Services. An appeal fromn the Labour Tribunal Colombo.

/c Code	Description	Such. No.	2013 Rs.	2012 Rs.
	NOTE 1 Cash in hand and at bank			
			-	-
684	Bank of Ceylon Kollupitiya account		1,309,135.05	317,619.05
685	Bank of Ceylon Bathtaramulla (CETRAC)		819,549.44	200,723.79
686	BOC Torrington		3,230,541.71	
687	B0C Thirappane-OTC			329,077.09
688	BOC Torrington Con.Qul.Dev.Project			21,434.82
			5,359,226.20	868,854.75
694	Cash in Hand Palawattha		88,300.00	
691	Cash in Hand (H/O)		263,134.76	12,716,903.55
			351,434.76	12,716,903.55
693	Cash in Hand (OTC.)		124,500.00	1,704,020.00
692B	Petty cash imprest	34	2,655.20	2,655.20
			127,155.20	1,706,675.20
			5,837,816.16	15,292,433.50
	NOTE 2 Investment			
551	Treasury Bills (Depreciation Fund)	33	15,707,803.20	15,707,803.20
			15,707,803.20	15,707,803.20

A/c Code	Description	Such. No.	2013 Rs.	2012 Rs.
	NOTE 3			
	Trade & other Receivables			
	Debtors			
620	Debtors control			12,934,791.75
620a	Debtors control -HO	13	1,474,408.75	
620b	Debtors control -CHPD	14	1,067,673.00	
620c	Debtors control -CETRAC	15	2,839,922.70	
620d	Debtors control -OTC	16	4,024,584.62	
621	Debtors Clearance A/C	17	6,139,897.23	6,761,278.21
622	Health insurance			5,235.51
623	Health insurance Receivable	18	597,597.90	168,250.42
624	Treasury Grant Receivables	19	14,608,000.00	
625	Salary Arrears Receivables	20	407,845.57	
642	Sundry debtors	21	117,059,557.97	118,042,203.56
647	Inland Revenue	22	4,149,645.00	1,128,270.48
			152,369,132.74	139,040,029.93
	Deposits			
632	Deposits for services	23	389,250.00	508,250.00
			389,250.00	508,250.00
	Advances			
628	Advances to suppliers	24	486,709.97	141,327.71
629	Advances to services	25	7,639.50	74,831.50
656	General advances	26	200,124.00	1,791,648.71
670	Advances to training centers			63,877.00
671	Advances to training programme	27	103,255.00	27,744.00
672	Advances to Quality Dev. Project	28	100,000.00	100,000.00
			897,728.47	2,199,428.92
	Staff debtors			
650	Festival advances	29	235,534.70	274,000.00
652	Traveling advances	30	3,425.00	3,425.00
654	Fuel advances	31	44,206.00	10,983.20
658	Distress loan	32	4,127,921.98	4,156,646.54
659	Book loan			250.00
			4,411,087.68	4,445,304.74
			158,067,198.89	146,193,013.59
679	Provision For Doubtful Debts		(120,217,073.93)	(122,319,522.18)
			37,850,124.96	23,873,491.41
	NOTE 4			
	Stocks			
1120	Stock (OTC)	10	54,430,282.81	44,980,120.11
1120	Stock (CETRAC)	11	81,910,199.57	134,896,237.03
1120	Stock (Head Office)	12	11,510,578.19	14,244,877.82
			147,851,060.57	194,121,234.96

A/C	Property, Plant and Equipment NOTE 5	Sch. No.	2013/01/01	Cost	Addition	Revaluation			Total Cost	Depreciation	Cum..	Net balance	Net balance
			2013/01/01	01/01/2013	2013	2013	Rs.	Rs.	Rs.	31/12/2013	2013	Depreciation	31/12/2013
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
500	Land		77,000.50	77,000.50	-				77,000.50	-	-	77,000.50	77,000.50
502	Buildings	1	1,155,348,799.06	1,161,081,863.41	5,733,064.35				1,161,081,863.41	27,908,179.62	890,642,318.58	270,439,544.83	292,614,660.10
503B	Improvements of Premises	2	1,535,817.63	1,535,817.63	-	-			1,535,817.63	38,395.44	115,607.09	1,420,210.54	145,8605.98
504	Motor vehicles	3	71,449,600.21	73,125,000.95	109,875.00	21,575,000.00	(109,875.00)	(19,899,599.26)	73,125,000.95	6,443,750.00	6,443,750.00	66,681,250.95	51,550,000.95
506	Furniture, fix. & off. equip.	4	110,509,048.57	119,153,409.78	7,731,296.12	46,274,789.35	(11,453,183.31)	(33,907,136.95)	119,154,813.78	873,608.08	64,322,713.50	54,832,100.28	13,152,806.20
508	Machinery and equipment	5	288,847,716.26	298,967,411.14	14,053,883.93	129,980,000.00	(22,430,532.76)	(111,483,656.29)	298,967,411.14	8,967,887.67	97,963,019.09	201,004,392.05	88,368,928.55
509	Audiovisual equipment	6	22,418,883.09	17,966,563.06	1,048,254.51	3,062,441.21	(2,492,144.89)	(6,070,870.90)	17,966,563.02	126,134.99	14,037,719.43	3,928,843.59	2,436,427.79
510	Tools and implements	7	127,802,070.90	141,606,531.66	290,570.47	15,783,846.53	(551,341.89)	(1,718,614.31)	141,606,531.70	139,903.44	125,188,773.60	16,417,758.10	1,034,586.39
1124	Library Books -Head Office	8	-	-	-	1,435,929.79	-	0.00	1,435,929.79		-	1,435,929.79	-
1122	Library Books -CETRAC	9	1,310,450.00	1,310,450.00	-	-	-		1,310,450.00	262,090.00	262,090.00	1,048,360.00	1,310,450.00
			1,779,299,386.22	1,814,824,048.13	28,966,944.38	218,112,006.88	(37,037,077.85)	(173,079,877.71)	1,816,261,381.92	44,759,949.24	1,198,975,991.29	617,285,390.63	452,003,466.46
501	Lease hold land		8,015,771.86	8,015,771.86	-	-			8,015,771.86	232,613.64	4,931,681.02	3,084,090.84	3,316,704.48
									1,824,277,153.78	44,992,562.88	1,203,907,672.31	620,369,481.47	455,320,170.94
									-				

A/c Code	Description	Such. No.	2013 Rs.	2012 Rs.
	NOTE 6			
	Creditors and accruals			
700	Provision for Salary Incremental Arrears			924,462.59
702	Income Received in Advance	36	6,304,770.00	7,986,055.12
704	Retention payable	37	1,824,578.19	363,505.46
708	Sundry deposits (refundable)		-	1,750.00
710	Creditors Control	38	12,005,552.09	27,320,515.44
711	Sundry creditors	39	31,887,267.92	11,401,724.16
714	Accrued expenses	40	14,647,663.94	11,031,384.74
730	E.P.F.Payable	41	1,707,385.96	1,684,091.04
732	E.T.F.Payable	42	204,886.89	202,091.51
734	Stamp Duty	43	13,950.00	11,400.00
740	VAT Payable	44	1,259,163.22	983,651.51
743	Payee Tax Payable	45	11,249.00	4,526.00
744	Economic Service Charges Provision		-	4,107,813.32
706	Tender Deposits Refundable	46	192,500.00	459,530.00
686	Bank of Ceylon Torrington Account			3,543,111.33
			70,058,967.21	70,025,612.22
	NOTE 7			
715	Provision for Gratuity Payable	35	58,306,766.50	55,682,361.50
			58,306,766.50	55,682,361.50
	NOTE 8			
816	Deferred Income-Treasury Grant		371,215,686.51	366,716,260.75
			371,215,686.51	366,716,260.75
	NOTE 9			
	Grants			
813	U.N.D.P.Grant		73,179,523.80	73,179,523.80
815	Assets Received from the Ministry		207,540.00	207,540.00
840	JBIC Grant		32,665,581.62	-
818	GIZ Grant		14,286,462.94	-
812	Net Assets Taken Over (ICTAD)		149,907,162.02	149,907,162.02
803	JICA Donation		1,310,450.00	1,310,450.00
			271,556,720.38	224,604,675.82
	NOTE 10			
	Accumulated Fund			
	Balance at the beginning of the Year		(70,505,081.09)	8,253,064.34
	Adjustments		(81,090,313.74)	
	Surplus/ (Deficit) for the Year		(19,724,647.18)	(78,758,145.43)
	Balance at end of the Year		(171,320,042.01)	(70,505,081.09)

A/c Code	Description	2013 Rs.	2012 Rs.
	NOTE 11		
	Income		
102	Hire of Machinery	10,568,139.26	12,833,892.57
103	Repair Charges	551,680.49	511,428.55
104	Hire of auditorium and seminar rooms	8,033,984.67	5,946,126.39
105	Trade testing income	119,250.00	120,981.82
106	Course fees	46,075,511.64	46,387,091.24
108	Seminars	8,534,113.57	5,802,088.94
107	Small Scale Contractor Registration (C-11)	57,203.04	54,834.72
109	Contractor subscription	80,675,565.52	65,993,647.70
110	Rent	3,230,080.00	2,390,600.00
112	Sale of publications	7,706,256.65	7,187,235.88
115	Circuit Bungalow	252,210.00	248,200.00
128	Income from NVQ Training Programme	1,733,620.00	
135	Dome tries Charges	3,777,021.55	4,075,632.62
120	Consultancy services	652,565.64	1,361,482.15
178	Client Support Services		
124	Arbitration/Mitigation Fees	683,267.86	339,914.29
125	Project Management Services	1,481,845.57	115,000.00
136	ICTAD Pool of Adjudicator	62,200.00	
169	Construction Works Identity Card	225,400.00	
		174,419,915.46	153,368,156.87
	NOTE 12		
	Expenses of Revenue Generation Activities		
	Personnel Emoluments		
200	Salaries and wages	48,138,652.85	48,894,048.04
201	Cost of Leaving Allowance	13,634,756.49	12,646,796.50
203	Attendance Incentive	2,307,296.62	2,351,019.73
206	Dust allowance	200,763.50	194,400.00
208	Acting allowance	391,417.54	312,057.19
210	Other allowance	543,700.00	31,200.00
220	Holiday Pay & Overtime	3,467,768.58	3,801,655.12
220a	Holiday Pay & Overtime	3,663,529.14	2,746,214.07
224	Membership subscription to professional bodies	30,798.80	36,989.20
226	Bonus Payments	1,500,323.00	1,251,415.00
330	E.P.F	7,933,528.77	7,917,920.13
332	E.T.F	1,587,291.66	1,583,583.91
334	Gratuity	3,588,742.50	3,395,118.75
336	Pention	16,935.00	
		87,005,504.45	85,162,417.64

A/c Code	Description	2013 Rs.	2012 Rs.
	Traveling expenses		
236	Traveling (local)	356,225.25	414,012.50
236a	Traveling (Income Generated)	905,374.00	724,557.50
		1,261,599.25	1,138,570.00
	Supplies and requisites		
240	Photocopying expenses	2,446,992.37	1,590,269.33
242	Stationery	1,344,625.55	1,421,469.51
244	Office requisites	458,197.11	718,494.70
245	Web Based Cons.Contractors Registration	5,821,501.68	
246	Printing, Typing and Translating	136,500.00	221,926.83
248	Books and Periodicals	288,089.02	114,666.46
250	Audiovisual consumable	40,700.21	32,645.43
251	Establishing a National Data Bank	5,165,000.00	
280	Insurance (assets)	168,524.97	114,649.68
		15,870,130.91	4,214,121.94
	Maintenance Expenditure		
260	Building	8,814,203.20	7,995,314.82
262	Furniture, fixtures and office equipment's	1,132,479.65	1,137,208.84
264	Passenger vehicles	2,050,010.06	3,110,698.71
266	Other vehicles	42,850.00	233,763.28
268	Plant ,Machinery and Equipment	5,242,471.96	5,169,365.15
270	Tools and Implements	23,714.00	33,635.36
		17,305,728.87	17,679,986.16
	Contractual Services		
290	Fuel, oil and running expenses of passenger vehicles	2,605,837.30	3,513,365.72
292	Fuel, oil and running expenses Other vehicles	5,148,069.50	3,455,225.53
294	Rental and hire charges (vehicles)	311,265.60	210,498.20
296	Postage	661,079.01	323,771.00
298	Telephone	794,003.40	670,073.22
299	Internet Charges	121,649.68	20,549.58
306	Electricity	11,798,729.91	13,130,377.40
308	Water Tax	1,841,737.01	1,655,853.47
310	Health and sanitation	3,010,066.80	2,910,234.02
312	Security Service	2,260,346.82	824,135.00
		28,552,785.03	26,714,083.14

A/c Code	Description	2013 Rs.	2012 Rs.
Training Activities			
360	Scholarships and training local)	106,000.00	332,975.00
362	Scholarships and training (foreign)	193,654.40	3,142,758.00
390	Fees and allowances to consultants	4,594,750.00	242,500.00
392	Fees and allowances to teaching staff	8,412,600.00	5,875,489.00
394	Fees and allowances to Support staff	49,600.00	224,100.00
396	Development Cost	289,600.00	128,100.00
410	Training material	94,178.99	104,324.83
412	Spares for Training	4,823,566.60	4,382,714.80
414	Fuel for training	4,959,116.89	3,481,744.61
416	Training Aides		5,000.00
418	Hand Tools & Small Equipments	127,217.57	5,734.86
424	Uniforms to trainees	72,000.00	236,341.24
425	Refreshments for Training Programme	5,825,536.00	4,925,027.00
426	Others	31,598.00	4,190.00
440	Trainee Allowances	1,052,850.00	168,675.00
441	Lecture Hall Charges etc.	597,225.70	165,744.29
443	Hire of Instruments	37,920.00	24,150.00
445	N.V.Q.Expenses		
		31,267,414.15	23,449,568.63
Others			
345	With-Holding Tax		
344	N.B.T.	3,514,899.00	737,651.00
346	Uniforms to staff	650,493.63	746,249.36
348	Tea to staff	1,213,210.25	974,957.00
350	Health Insurance	328,369.67	281,219.64
351	Bad Debts	2,641,218.18	1,640,640.32
354	Others	20,010.90	27,505.00
369	Exhibition	238,405.50	42,925.09
370	Advertising and publicity	3,689,997.50	2,761,942.18
372	Entertainment	348,765.94	301,405.37
373	Seating allowance	1,097,360.00	638,800.00
379	Service Charges(Reg.of Contractors C-11)	75.00	525.00
380	Legal & professional fees		
381	Economic Service Charges		1,533,681.57
382	Licence fees	54,361.42	48,029.54
384	Miscellaneous expenses	41,459.95	301,574.28
385	Rent & rates	76,614.33	103,169.58
388	Lodging	110,054.12	44,759.60
		14,025,295.39	10,185,034.53
Total Expenses of Revenue Generation Activities		195,288,458.05	168,543,782.04

A/c Code	Description	2013 Rs.	2012 Rs.
	NOTE 13		
	Other Income		
116	Non refundable tender fees	101,142.87	125,500.04
118	Fines, surcharges and others	28,986.00	9,307.69
111	Deferred Income	35,510,574.24	2,484,378.10
119	Interest Income-Treasury Bills	1,593,439.69	1,675,520.73
122	Miscellaneous	733,151.57	1,081,404.10
123	Profit/Loss Disposal of Fixed Assets	-	3,143,281.31
126	Miscellaneous(Sponsorships)	3,198,000.00	
141	Miscellaneous Income(Without VAT)	214,217.00	471,154.00
167	Identity Card for Contractors	19,500.00	23,100.00
170	Sale of Contractor Directory		201,785.23
329	ICTAD Quality Journal	245,000.00	
377	Income From ICTAD Qul.Dev.Project	4,725,000.00	2,750,000.00
		46,369,011.37	11,965,431.20
	NOTE 14		
	Administration Expenses		
	Personnel Emoluments		
200	Salaries and wages	24,937,995.88	22,913,935.39
201	Cost of Leaving Allowance	6,833,429.75	5,555,861.37
203	Attendance Incentive	1,344,473.21	1,158,222.13
208	Acting allowance	422,080.52	315,189.89
210	Other allowance	82,150.00	49,456.17
220	Holiday Pay & Overtime	3,154,289.82	3,601,220.35
220a	Holiday Pay & Overtime	1,200,308.16	
224	Membership subscription to professional bodies	19,569.60	44,920.60
226	Bonus Payments	811,526.00	554,773.00
330	E.P.F	4,012,342.90	3,790,432.92
332	E.T.F	798,862.94	757,218.06
334	Gratuity	2,014,246.25	1,065,587.00
		45,631,275.03	39,806,816.88
	Traveling expenses		
236	Traveling (local)	403,108.38	414,384.75
236a	Traveling (Income Genarated)	104,231.50	
		507,339.88	414,384.75
	Supplies and requisites		
240	Photocopying expenses	674,857.34	494,916.08
242	Stationery	271,956.69	83,747.17
244	Office requisites	850,226.02	40,200.82
246	Printing Typing & Translating	193,335.40	192,710.00
248	Books and Periodicals	219,654.64	200,115.00
250	Audiovisual consumable	84,651.67	28,605.74
280	Insurance (assets)	422,852.33	340,501.45
		2,717,534.09	1,380,796.26
	Total -Administration Expenses	48,856,149.00	41,601,997.89

A/c Code	Description	2013 Rs.	2012 Rs.
	NOTE 15		
	Other Expenses		
	Maintenance Expenditure		
260	Building	2,483,819.13	2,566,088.57
262	Furniture, fixtures and office equipment's	956,212.78	1,794,566.44
264	Passenger vehicles	2,260,011.88	1,921,136.15
268	Plant ,Machinery and Equipment	8,000.00	
272	Others		
		5,708,043.79	6,281,791.16
	Contractual Services		
290	Fuel, oil and running expenses of passenger vehicles	5,818,851.57	4,543,611.97
294	Rental and hire charges (vehicles)	198,500.00	6,100.00
296	Postage	156,446.22	466,276.00
298	Telephone	766,290.86	755,994.73
299	Internet Charges	256,696.69	126,123.65
306	Electricity	4,982,806.92	2,627,483.14
308	Water Tax	438,445.73	374,036.16
310	Health and sanitation	908,277.93	699,071.35
312	Security Service	370,006.46	165,780.81
		13,896,322.38	9,764,477.81
	Training Activities		
320	Research & Studies		14,700.00
360	Scholarships and training (local)	72,400.00	135,775.00
362	Scholarships and training (foreign)		38,300.00
392	Fees and allowances to teaching staff	15,000.00	11,700.00
396	Development Cost	19,297.67	
410	Training material	1,445.54	1,533.10
416	Traing Aides		62,554.89
428	Expneses for Special Jobs	250,000.00	
439	Staff Welfare	10,000.00	
440	Trainee Allowances	711,500.00	102,000.00
441	Hall Charges	30,000.00	
425	Refrestments for Training Programme	4,195.00	
		1,113,838.21	366,562.99

A/c Code	Description	2013 Rs.	2012 Rs.
	Others		
344	N.B.T.	102,419.00	2,228,065.00
346	Uniforms to staff	252,641.65	169,419.33
348	Tea to staff	602,868.00	473,406.00
350	Health Insurance	321,535.84	188,106.46
351	Bad Debts	2,916,470.99	298,099.25
353	Surchages	66,352.50	
354	Others	33,965.00	8,000.00
353	Surcharges		23,013.00
369	Exhibition	81,923.68	34,286.18
370	Advertising and publicity	2,467,314.18	1,965,143.61
372	Entertainment	491,396.02	450,248.76
373	Seating allowance	292,800.00	264,032.00
374	Audit fees	175,000.00	250,000.00
378	Insurance General		
380	Legal & professional fees	117,806.40	14,034.96
381	Economic Service Charges		88,221.50
382	License fees	144,205.09	107,523.12
384	Miscellaneous expenses	95,048.59	122,853.19
385	Rent & rates	1,876.40	1,924.52
388	Lodging	125,254.60	
390	Fees and allowances to consultants		
425	Refreshments for Training Program me		
		8,288,877.94	6,686,376.88
	Total - Other Expenses	29,007,082.32	23,099,208.84

My No. : 1/1/Legal/5
Date : 08.12.2014

Actg. Director (Finance)/ ICTAD

Appended below is an excerpt of the Board Meeting No.10/2014 held on 05th December 2014 for your information/ necessary action please.

BOARD DECISION	SUBJECT
14-10-5.1	Board Meeting No.10/2014 held on 05 th December 2014 Final Accounts 2013 - Board Paper No.2014-10-11 The Board approved the Final Accounts - 2013 submitted by Actg. Director (Finance)



K A C de Alwis
Board Secretary
ICTAD

My No. : 1/1/Legal/5
Date : 08.12.2014

Actg. Director (Finance)/ICTAD

Appended below is an excerpt of the Board Meeting No.10/2014 held on 05th December 2014 for your information/ necessary action please.

BOARD DECISION	SUBJECT
14-10-5.2	Board Meeting No.10/2014 held on 05 th December 2014 Auditor General's Report as at 31.12.2013 in terms of Section 14(2)(c) of the Finance Act No.38 of 1971 and reply to the same - Board Paper No.2014-10-12 The Board noted the contents of the Board Paper submitted by Actg. Director (Finance)



K A C de Alwis
Board Secretary
ICTAD



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கணக்காய்வாளர் தலைமை அறிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය } EH/F/ICTAD/FA/13
 எனது இல. }
 My No. }

ඔබේ අංකය }
 உமது இல. }
 Your No. }



6 February 2015

The Chairman,
 Institute for Construction Training and Development

Report of the Auditor General on the Financial Statements of the Institute for Construction Training and Development (ICTAD) for the year ended 31 December 2013 in terms of Section 14 (2) (c) of the Finance Act, No.38 of 1971

The audit of financial statements of the Institute for Construction Training and Development (ICTAD) for the year ended 31 December 2013 comprising the statement of financial position as at 31 December 2013 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 Institute in terms of Section 14(2)(c) of the Finance Act, appear in this report. A detailed report in terms of Section 13(7)(a) of the Finance Act will be issued to the Chairman of the Institute in due cause.

1:2 Management's Responsibility for the Financial Statements

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

1:3 Auditors Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial



statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Institute'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 Institute's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Subsections (3) and (4) of the 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 qualified 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 Qualified 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 Institute for Construction Training and Development (ICTAD) as at 31 December 2013 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards (SLPSAS).

2.2 Comments on Financial Statements

2.2.1 Accounting Policies

Contractors' renew their registration with ICTAD once in three years. However, the Institute had recognized all these registration fees as income of the year in which they received in contrary to the Sri Lanka Public Sector Accounting standard No. 1. Further, the policy for recognition of these registration fees as income in the financial statements had not been disclosed.

2.2.2 Accounting Deficiencies

The following observations are made

- (a) Acquisition of property, plant and equipment under the generated funds and capital grants received from General Treasury had not been clearly identified and disclosed in the financial statements separately. Therefore, the accuracy of accounting of the Government grant could not be ascertained in audit.



- (b) Provision for depreciation amounting to Rs.15,707,803 had been invested in treasury bills and shown in the financial statements as investment. However, a fund account in line with that investment had not been shown in the financial statements.

2.2.3 Accounts Receivables and Payables

The following observations are made.

- (a) According to the age analysis provided by the Institute, the sundry creditors amounting to Rs.3,853,725 was outstanding for more than two years as at 31 December 2013. Out of that, Rs.2, 266,032 was remained unsettled for more than five years.
- (b) The recoverability of credit facilities amounting to Rs. 2,839,923 provided to the trainees whom had trained during the period 2011 to 2013 was doubtful.
- (c) Certain training courses relating to the field of construction had been conducted by the Centre for Habitat Planning and Development which is a centre for training of the Institute. The course fee of Rs. 105,048 had remained outstanding as at 31 December 2013 without being recovered even by 30 November 2014.
- (d) No action had been taken on the receivable balance of Rs. 114,529,393 from the National Equipment and Machinery Organization (NEMO) relating to the hire of motor vehicles and plant and machinery during the period from 1997 to 2004 even up to September 2014.

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

Instances of non-compliances observed in audit are given below.

Reference to Laws, Rules, Regulations and Management Decisions	Non-compliance
Finance Act, No.38 of 1971 (a) Section 11	A sum of Rs.15,707,803 had been invested in Treasury Bills as at end of the year under review without being obtained the required approval from the Ministry of Finance and Planning.



(b) Section 13(2)

The audit fees for the period from 1998 to 2011 amounting to Rs.2,145,358 had not been paid by the ICTAD even up to September 2014. *In this regard the Chairman of the Institute had stated that this balance will be settled in due course.*

(c) Section 14(1)

A copy of the Draft Annual Report for the year under review had not been submitted to the Auditor General as required.

3. Financial Review

3.1 Financial Result

According to the financial statements presented, the operations of the Institute for the year under review had resulted in a deficit of Rs. 19,724,647 as compared with the corresponding deficit of Rs. 78,758,145 for the preceding year, thus indicating an improvement of Rs.59, 033,498 in the financial result for the year under review. The increase of income and Treasury grant by Rs. 55,455,327 and Rs. 27,440,000 respectively were the main reasons for this improvement.

3.2 Analytical Financial Review

The following observations are made.

- (a) The operating deficit of the Institute was Rs.25 million resulting from utilization of 262 staff, total assets worth of Rs. 861 million and the government contribution of Rs.115 million received during the year under review.
- (b) The deficit of the Institute for the year under review represented 3 per cent of the total assets and as compared with 11 per cent for the preceding year, thus indicating a favorable position by 8 per cent.

4. Operating Review

4.1 Management Inefficiencies

The following observations are made.

- (a) Effective action not been taken even in the year 2013 to settle the refundable foreign aid amounting to Rs.2,663,659 shown under non-current liabilities which were brought forward since the year 1996 .

- (b) Two thousand copies of Contractors' Directory had been printed at a total cost of Rs.4, 351,000 without being assessed the actual requirement as such 1050 copies of that had been remained idle in the stores as at 30 November 2014 even though the contained therein had already been outdated.
- (c) The High Court had delivered a verdict on 30 November 2010 to reinstate a Technical Officer together with paying the salaries due to him. The Institute had made an appeal to the Supreme Court against this verdict after delaying two and half years on 04 April 2013. The Supreme Court had rejected the appeal due to delay in submission.

4.2 Human Resources Management

The following observations are made.

- (a) Seventeen posts in executive level of the Institute such as Internal Auditor, Director Finance and Deputy Director of Development etc. were in acting basis as at 31 December 2013 since serve several years without being taken proper action to fill these vacancies by suitable persons.
- (b) The approved and actual carder of the Institute as at 31 December 2013 was 318 and 234 respectively. 27 posts out of 84 vacancies therein were in senior level. Taking adequate actions to fill these vacant posts were not observed in audit.

5. Accountability and Good Governance

5.1 Corporate Plan

The following observations are made.

- (i) Even though a Corporate Plan for the period 2011-2015 had been prepared, an adequate attention had not been paid for timely review the progress in achieving the targets. Further, it had not been updated as a rolling plan since 2011.
- (ii) The available resources such as land, buildings, operating facilities, human resources and management skills needed and presently available with the Institute had not been shown in the Corporate Plan.
- (iii) Strengths and weaknesses of the Institute and the external threats and opportunities (SWOT) had not been analyzed and considered to formulate the strategies.
- (iv) Key Performance indicators had not been decided and included therein.



- (v) The Consultancy services had not been carried out by the Institute during the year 2013 even though it was the key activities of the Consultancy Division of the Institute as per the Corporate Plan.

5.2 Budgetary Control

Significant variances were observed between the budgeted and actual income and expenditure 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 ICTAD from time to time. Special attention is needed in respect of the following areas of control.

- (a) Accounting
- (b) Debtors and Creditors
- (c) Budget
- (d) Measurement of Performance
- (e) Maintenance of Accounting Records
- (f) Issue of Invoices
- (g) Property, Plant and Equipment


W.P.C. Wickramaratne
Acting Auditor general