

STATE DEVELOPMENT & CONSTRUCTION CORPORATION

“Pioneers in Infrastructure Construction”

ANNUAL REPORT 2014



Ministry of Construction, Engineering Services and Common Amenities.



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STATE DEVELOPMENT & CONSTRUCTION CORPORATION

State Development & Construction Corporation (SD&CC) was established in 1971 under the Industrial Corporation Act No. 49 of 1957 to undertake Heavy Civil Engineering Contracts. The General Treasury is the sole share holder of the Corporation.

SD & CC has been undertaking Construction of Bridges, Roads & Highways, Dams, Irrigation Structures/Schemes, Hydro Power Tunnels & Power Houses, Water Supply Treatment Works, Buildings & Jungle Clearing and Land preparations.

SD&CC is also the premier organization for manufacturing of pre- cast concrete products ranging pre-stressed concrete bridge beams, transmission poles, Concrete railway sleepers etc.

In addition to the direct contribution to the National Economy by actively participating in the infrastructure developments of the country, SD&CC has been training Engineers and other technical staff without any form of subsidies from the Government and thereby offers invaluable service to the industry as well as to the country.



CORPORATE INFORMATION

Name of the Enterprise	:	State Development & Construction Corporation (SD&CC)
Legal Status of the entity	:	Government Corporation
Act of Incorporation	:	Industrial Corporation Act. No. 49 of 1957
Year of Incorporation	:	1971
Registered Office	:	No.7, Borupana Road, Ratmalana. Tele. 0112 607560
Concrete Yards	:	i. Ratmalana Concrete Yard, No.7, Borupana Road. Ratmalana Tele. 0112 – 632786 ii. Bopitiya Concrete Yard, Pannala Tele. 037-2288415 iii. Weragantota Concrete Yard, Mahiyanganaya . Tele. 055 – 2257101 iv Medawachchiya Concrete Yard , Jaffna Road, Medawachchiya. Tele.No. 025-3899916 v Peradeniya Sales Centre Tele. 081-2387056
Auditors	:	Auditor General's Department
Bankers	:	Bank of Ceylon People's Bank Sampath Bank



VISION, MISSION AND OBJECTIVES

VISION

“To be the best infrastructure Development & Construction Organization providing value for money for the nation.

MISSION

“To assist the Economic Development of the country by participating the National infrastructure Development, various construction activities and carrying out such activities to the highest standard of quality and be the market leader in civil construction industry and heavy reinforced/ pre-stressed, pre- cast concrete industry”

OBJECTIVES

- (1) The investigation, investment, planning, designing, construction operation and management of buildings, civil engineering, other engineering projects or other ventures in Sri Lanka or abroad, owned by any party, either independently or in collaboration with any local or foreign company and the acquisition and holding of shares, in any such companies.
- (2) Execution or supervision of any of the above projects in Sri Lanka or abroad, either independently or in collaboration with any local or foreign firm or company, and the acquisition and holding of shares, in such company.
- (3) Planning, designing and fabrication of mechanical and electrical installations for the purposes referred to in paragraphs (1) and (2).
- (4) Manufacture and sale in Sri Lanka or abroad of concrete, reinforce concrete and pre-stressed concrete product required for engineering undertakings.
- (5) The extraction of construction raw materials and manufacture, sale, import and export of construction materials, machinery and equipment required for engineering projects/ undertakings. .
- (6) Carrying out of research into Construction materials, methods and techniques utilized for the purposes referred to in paragraphs (1) (2) (3) & (4).
- (7) To provide training opportunities to Managerial / Engineering /Technical personnel to enhance knowledge and modern technological and business skills in construction engineering and managerial fields required for the purposes referred to in paragraphs (1) (2) (3) and (4).
- (8) To continue as a strong self financing Govt. Organization.
- (9) To be a viable and profitable entity and maintain a minimum profit margin of 10%.
- (10) To achieve a sustainable turnover growth of 30%.
- (11) To identify and systematically manage risk.



CHAIRMAN'S MESSAGE

I am pleased to present the Annual Report of the State Development & Construction Corporation for the financial year ended 31st December 2014.

Overview of the Macroeconomic Environment

According to the Central Bank Report 2014 of Sri Lanka, the Sri Lankan economy recorded 4.9 per cent growth in 2014 with the major contribution from the Construction Sector which saw a growth rate of 20% per cent. Amidst uneven developments in the global economy, continued domestic economic activity helped sustain the growth in the Industry and Services sectors, while adverse weather conditions dampened the performance of the Agriculture sector during the year. The share of the Industry sector within GDP increased further to 32.3 per cent, with a sectorial growth of 11.4 per cent in 2014 compared to 9.9 per cent in the previous year. The Construction sub sector recorded the highest contribution to the growth of the Industry sector. Looking ahead, the Sri Lankan economy is expected to reach upper middle income levels in terms of per capita GDP, and sustain the favorable high growth and low inflation nexus in the medium term, supported by appropriate economic policies.

Overview of the Construction Industry

The Institute of Construction Training & Development (ICTAD) and the National Construction Association of Sri Lanka (NCASL) are the apex bodies and accredited representatives of the Sri Lankan construction industry. Many state-owned entities and private construction companies are registered with ICTAD. Unregistered informal contractors and international contractors also carry out construction work.

Construction sector GDP stood at 10% in 2014. The sector grows by 20% annually. The highest contribution has been made by the building construction sector which accounted for 51 % of the total value of work done. Public sector construction projects, particularly in the areas of infrastructure development projects such as road development, power projects, port and airport development and housing development projects, provided the substantial impetus to the growth in the sector. The government has made a significant move for the development and up-liftment of the construction industry by introducing the new Act viz "Construction Industry Development Act" which has been approved by the Parliament in September 2014. This Act has made provisions for the establishment of a National Advisory Council on Construction, a Construction Industry Development Fund, well being of the industry related professionals, manufactures, suppliers, contractors and craftsmen and some other policy and progressive measures to ensure the continuous and sustainable development of the industry.

The construction industry was adversely affected by rising cost of electricity and fuel. So are labour costs, as the migration of skilled labour to the Middle East and elsewhere has created a shortage.

The reduction in lending rates is expected to create a more conducive environment for the construction industry in the country.

SD & CC Performance

The corporation recorded a turnover of Rs. 3,466 Mn. during the year 2014 compared to Rs. 3,565 Mn. recorded in the previous year. The decline in revenue was due to lesser number of projects available during the year. It earned a net profit (before tax) of Rs. 112.4 Mn for the year 2014. This is an increase over the previous year's net profit of Rs. 97.2 Mn.



Operating cost of the corporation goes up due to increase in material cost, labour cost and other operating costs. It is not an easy task to increase the margins of the projects by the same rate as the corporation has to maintain minimum profit margins to be competitive in the industry where the private sector players offer attractive rates as their operating costs are low. This is one of the main challenges faced by the corporation at present.

Further corporation has encountered problems in collecting the outstanding dues from the government institutions as currently they do not have adequate provisions to settle the outstanding payments for the projects. As a result trade receivables have increased very significantly. When the cash inflow is not received on due dates, Corporation has to resort to bank loans and overdraft facilities to finance the working capital requirements of the Corporation to meet commitments in construction contracts. Cost of borrowing is also high, which in turn adversely affects the profitability and the working capital of the Corporation.

Challenges faced by the Corporation

Dearth of government funded and foreign funded projects has caused difficulties to secure sufficient number of projects for the Corporation to survive in the industry. Restriction imposed on the corporation to bid for projects financed by the Asian Development bank is also one of the factors which hinders the growth of the corporation

When it comes to fund allocation and release, the General Treasury and client organizations keep minimum amounts for the existing projects thereby causing liquidity problems for the Corporation. This in turn forces the organization to resort to bank loans to finance the working capital requirements incurring heavy finance cost. Delay in receiving dues from client organizations for the work done also results in repeated stoppage of work.

Further projects are bid by the private sector competitors below the engineer estimates. As a result government organizations like SD &CC face problems in term of heavy competition.

Conclusion

I take this opportunity to express my deep and sincere gratitude to Hon. Minister of Construction, Engineering Services and Common Amenities and Hon. Deputy Minister and secretary to the Ministry of Construction, Engineering Services and Common Amenities and other senior staff of the Ministry for their guidance and the cooperation given for the success of the performance of the organization.

I also wish to thank the Board of Directors for their tremendous contribution made and also the General Manager, Deputy General Managers, Senior Staff members and all other employees at all levels for their commitment and dedication as a team to achieve the goals of the corporation.

It is indeed necessary to extend my sincere appreciation to our valued clients including Ministry of Telecommunication and Information Technology, Road Development Authority, Department of Irrigation, Mahaweli Authority of Sri Lanka, all the Provincial Road Development Authorities, Ceylon Electricity Board and the Department of Railways for their trust and confidence kept on SD&CC. We look forward to keeping their trust and reinforcing further their confidence by serving them effectively and efficiently even better in the future.

Chaminda Ediriwickrama
Chairman

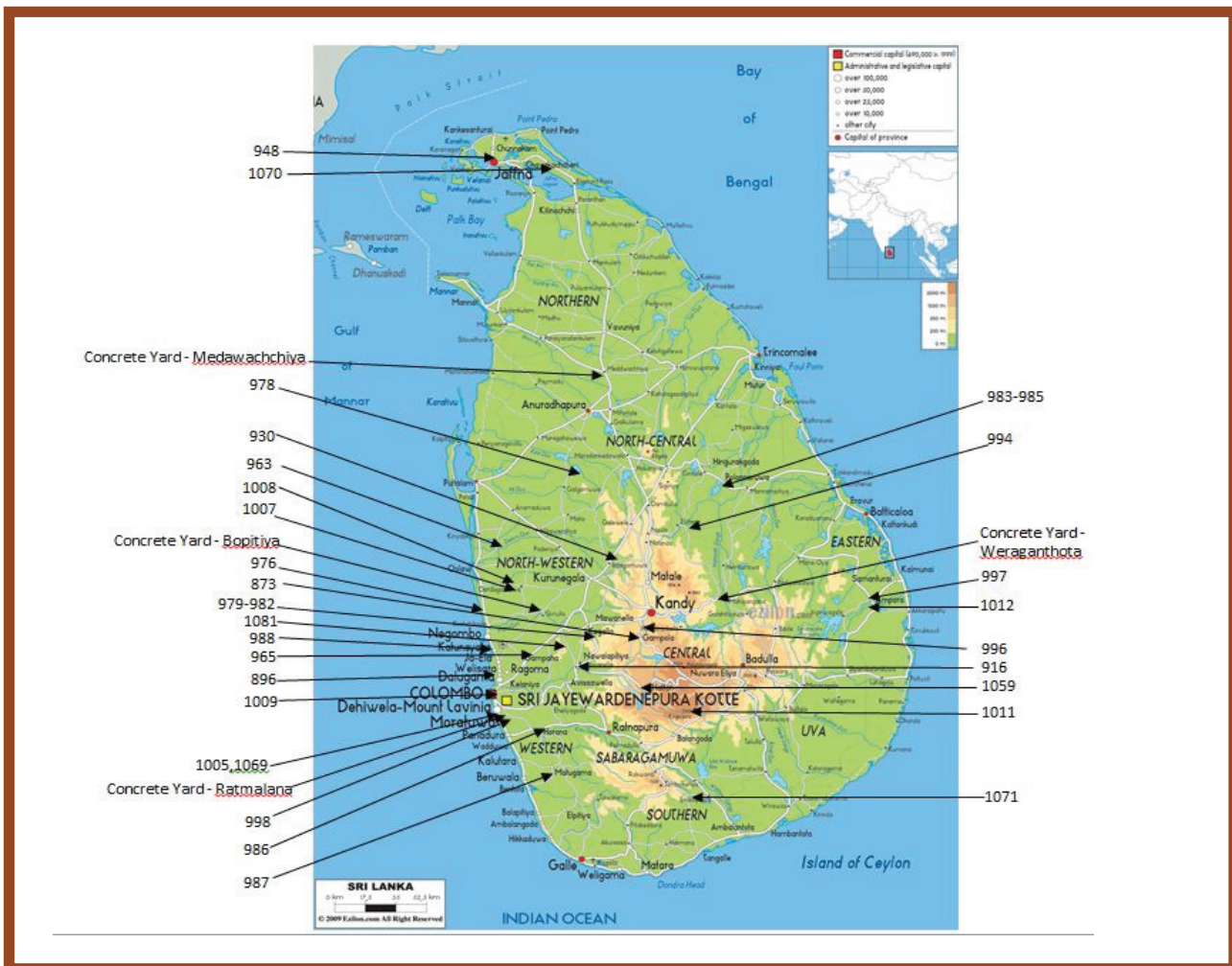
***BOARD OF DIRECTORS & SENIOR STAFF MEMBERS*****BOARD OF DIRECTORS**

- | | | |
|---|--------------------------------|-------------------------|
| 1 | Mr. H. P. Cashian Herath | CHAIRMAN |
| 2 | Mr. C.H.H.K. Samarasiri Herath | WORKING DIRECTOR |
| 3 | Mr. S. A. D. P. Gunawardena | DIRECTOR |
| 4 | Mr. Prashantha Dias | DIRECTOR |
| 5 | Mr. Dananja Nandasiri | DIRECTOR |
| 6 | Mrs. Champa N. Balasuriya | TREASURY REPRESENTATIVE |

SENIOR STAFF MEMBERS

- | | | | |
|-----|-------------------------------|---|--|
| 1. | Eng. M.D.S. Wijayabandara | - | General Manager |
| 2 | Eng. D.S.D.D.C. Rajasinghe | - | Dep. General Manager (Development & Planning) |
| 3 | Eng. S.M.S. Shakoor | - | Dep. General Manager (Construction) |
| 4 | Eng. V.L. Weerathunga | - | Dep. General Manager (Mechanical) |
| 5 | Eng. Mrs. H. Damayanthi | - | Dep. General Manager (Performance Monitoring) |
| 6 | Miss. M.C. Chathurika | - | (PD) Dep. General Manager (Finance) |
| 7. | Mr. K.A.G. Wickramasinghe | - | Senior Manager (Human Resources & Admin.) |
| 8. | Mr. R.A.K. Nishantha | - | Chief Internal Auditor |
| 9. | Mr. K.W.V.M.B. Wijesundera- | | Supplies Manager |
| 10. | Eng. W.A.D.R. Shantha Kumara- | | Chief Engineer - 1 |
| 11. | Eng. K.A.U. Ranjan | - | Chief Engineer – 2 |
| 12. | Eng. D.A.P. Damayanthi | - | Chief Engineer – 3 |
| 13. | Eng. I.V.C.U. Kumara | - | Chief Engineer – 4 |
| 13. | Eng. P.S.R. Perera | - | Chief Engineer (Electrical) |
| 14. | Mr. Rex De Silva | - | Revenue Collection Manager |
| 15. | Eng. E.K.G. Chandana | - | Works Manager (Concrete Yard) |
| 16. | Mr. U.K.N. Nandalal | - | Chief Security Officer |

LOCATIONS OF CONSTRUCTION PROJECTS, CONCRETE YARDS GENERAL OFFICE AND CIRCUIT BUNGALOWS



873-Ulupane Bridge
 896-Hekitta minor flood protection
 916-Ruwanwella Bridge
 930-Laboratory Building - Bathalagoda
 948-Motor Traffic of Jaffna
 963-Specific Construction Work of Deduruoya Reservoir Projects
 965-Renovation of Sewere System at Ranpokunagama
 978- Remedial work of Usgala - Siyabalangamuwa Dam
 979-982 Asphalt Surfacing of Provincial Roads in Kegalle District
 983-985 Asphalt Surfacing of Provincial Road in Polonnaruwa District
 986- Construction of Factory Building for Polipto Lanka - Horana BOI Zone.
 987-Reconstruction of Bridge No.21/3 on Thiruwanaketiya Agalawatta Road
 988-Water Supply scheme at Negambo Road Katunayaka Seeduwa
 994-Moragahakanda-Wellawela Road under Kaluganga left Bank Development Projects (3 Bridges)
 996 - Drawing Office II - Stage II - Phase I - Faculty of Engineering - Peradeniya

997-New Construction (Hostel 01 No. & Gymnasium 01 No) at Hardy Advanced Technological Institute - Ampara
 998-Reconstruction of Bridge no. 8/4 on Kottawa - Thalagala Road
 1005-Dehiwala- Mount Lavinia Municipal Council Development Project - Package II
 1007-Administration Building of Kuliyapitiya Technical College
 1008-Gymnasium of Wayamba University
 1009-Repair & Renovation work for Sahaspura & Sinhapura Stage I Housing Schemes
 1011-Bridge no. 18/6 & 19/8 on Palugama - Boralanda - Haputhale Road
 1012-Construction of Bridge over Galoya Connecting Salgashandiya Right Bank Canal Road
 1059 Remedial Works of New Laxapana Power Tunnel
 1070 Construction of Railway Crossing (Using Asphalt Concrete) Between Pallai and Kodikamam
 1071 Rehabilitation and Improvements of C7 Canal Sevanagala Walawe
 1081 Renovation of Sewer System at Ranpokunugama Housing Scheme



Siyabalangamuwa Dam



Administration Building of Kuliyaipitiya Technical College



Motor Traffic Building - Jaffna



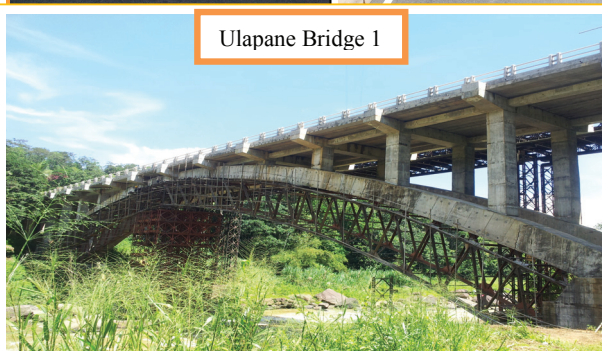
Traffic Light Signal Systems



Dehiwala Road



Thalagala Bridge



Ulapane Bridge 1





CORPORATE GOVERNANCE

The objectives of State Development & Construction Corporation (SD&CC) and the means of attaining these objectives and monitoring the performance were emphasized through the corporate governance. Therefore, corporate governance promotes effective identification, monitoring and management of all material business risks.

SD&CC, being a fully Government owned institution operates under the purview of the Ministry of Construction & Engineering Services and Common Amenities and the General Treasury. Board of Directors is directly accountable to the Government through the line ministry. Therefore the Board of Directors and the senior management of SD&CC have a duty to ensure that the organization is governed and operated in the best interest of the Corporation and its stake holders in full compliance with the regulatory frame work.

In terms of the constitution, Parliament has full control of public finance and therefore public enterprises are subject to Parliamentary control. The cabinet of ministers is responsible for taking decisions relating to public enterprises. The General Treasury is responsible for financial and operational disciplines of the public corporations. For this purpose, the General Treasury issues regulations, rules, codes, guidelines and directives through circulars to ensure that the board of directors properly discharge their responsibilities with regard to the economic efficiency and effectiveness.

Except for the General Treasury Representative Director, the other appointments to the Board of Directors including head of the institutions of Government Corporations are made by the secretary to the line ministry based on the recommendation of the minister in charge under which the enterprise falls. The General Treasury, being the share holder, appoints one director.

The Board of Directors had no personnel interest which conflicted with the interest of the Corporation. The activities of the Corporation were conducted to build the Corporation to more financially and operationally viable entity in the construction industry. The manner and the extent to which SD&CC comply with good corporate governance are given below.

**CORPORATE GOVERNANCE PRINCIPLES**

Principles of Corporate Governance	Methodology & Extent of Adherence
Board of Directors	
Composition of the Board	Board comprises of five non-executive directors, an executive director and Chairman. One non-executive director out of five non-executive directors is appointed by the General Treasury. They encompass a range of multi skills talents and expertise required to provide prudent and a reasonable guidance with respect to the operations and interest of the Corporation.
Holding of regular Board Meetings	Regular Board Meetings are held monthly, while special Board meetings reconvened when ever necessary.
Availability of formal schedule of matters specially reserved for the decision making of the board.	<u>Board is responsible for:</u> • Ensuring satisfactory performance of the Corporation as representatives of the line Ministry and the General Treasury. • <u>Formulation of policies and strategies</u> and monitoring successful implementation thereof • Appointment of the General Manger and key Management staff, approving the Organization structure and planning for succession of Senior Management. • Ensuring the implementation of an effective internal control system. • Ensuring compliance with highest ethical, legal standards. Treasury Circulars, Public administration circulars and direction by the Ministry of Construction & Engineering Services. • Approval of annual Bonus and Medical leave which are beyond the authority of General Manager and Chairman. • Deciding of major capital investments in property plants and equipment. • Approval of the annual budget and the Corporate Plan. • Approval of Annual financial statements for publications



Corporation Secretary to the Board	SD&CC has no Corporation Secretary. The Secretary to the Chairman act as the Board Secretary. She ensures that notices of all board meetings with relevant board papers are circulated in advance with the approval of Chairman. She minutes all the proceedings and the board meetings under the supervision of the Chairman who signs the minutes at the subsequent meeting.
Independent Judgment and best practice	Directors are committed to add value and bring independent judgment to bear on the decision making process of SD&CC and to carry out their duties free from any undue influence or control of other parties.
Reasonable time effort for matters of the Board and the Corporation.	The Board of Directors dedicates adequate time to matters of the Board and the Corporation. In addition to attending the regular monthly board meetings as well the audit and management committee meetings, matters are also referred to them by circulation.
Conducting board proceedings in a proper manner.	Chairman conducts board meetings ensuring effective participation of all the Directors, heeding to their concerns and maintaining the balance of power. The board is in full control of the Corporation.
Balance of the board	Majority of the Directors are none executive independent Directors, The Board comprises two senior government officers, two businessman, a Bank Manager and a Treasury representative. The board believes that the combined knowledge & experience of the Board matches the strategic demands facing the Corporation.
Availability of adequate and timely management information	An organized management information system is in place. Accurate and relevant information relating to matters referred to the members of the board are made available to them well in advance. Whenever, the board finds that the information made available to them for a decision is insufficient, they call for additional information and the Chairman ensures that all Directors are properly briefed on the matters deliberated on at the meetings.
Presence of a strong and independent non executive element in the board	Majority of the Directors are non executive independent directors.
Appraisal of Board Performance	There is no specific method in operation to assess the performance of the board. Therefore the board has the autonomy to implement a self assessment exercise covering the key functions under the following activities to assess the performance of the board where necessary. • Discharge of statutory / regulatory duties and board responsibilities. • Corporate governance and monitoring of the Management.



	• Seeking & contributing views & opinions on strategic decision making. • Continuous progress review meetings by the line ministry. • Undertaking the succession plans to ensure comprehensive staff succession for engineers and CSS, Accountants and other skilled employees. • Overall view of management of the business by the Board of Directors.
Appraisal of the General Manager and Senior Management	The board sets financial and non – financial goals and objectives for the General Manager and Senior Staff in line with the corporate goals and objectives of the Corporation. The General Manager is entrusted with management of SD&CC's operations.
	The main corporate goals and objectives emanating from the Corporation's Corporate plan and the budget are incorporated as personal goals of the GM and Senior management whose performance is assessed by the Chairman and Board of Directors
Major Transactions	
Disclosure of major transactions and their impact on the consolidated net assets of the Corporation.	Major transactions and their impact on the consolidated net assets of the Corporation are disclosed wherever relevant.
Accountability and Audit	
Financial Reporting	
Disclosure of an assessment of the position and prospects of the Corporation	Corporation exercises management priority to timely submission of quarterly reports to the General Treasury in accordance with a specified format enabling them to make a fair assessment of the Corporations performance. The financial statements are prepared in accordance with Sri Lanka Accounting Standards, which are based on the International Accounting standards. Therefore the Corporation's financial statements comply with the international accounting standards in all material respects.
Annual Report should contain a declaration by the Chairman.	Report of the Chairman is given on pages 04 & 05 of this Annual Report.
Presenting a statement setting out the responsibilities of the directors for financial statements and a statement by the Auditors about their reporting responsibilities	The statement of Directors responsibilities for financial reporting is given on page 25 of this Annual Report. Auditors report on the financial statements of the Corporation for the year ended December 31 st 2014 is given on page 27 to 35 of this annual report.
Internal Controls	
Maintaining a fair system of Internal controls covering financial & operational compliance and management to safe guard the Corporation's assets.	Management has put in place effective internal controls, and compliance systems to ensure that no legal, financial regulations, Ministry & Treasury directions and other regulations are violated.



Direction	i. Decisions made at the Meeting of the Board of Directors were communicated to the relevant officials for implementation and the outcomes were reported back to the Board of Directors. ii. Senior Staff Meeting with the participation of all the Heads of Divisions & Chief Engineers were held fortnightly to discuss the operational, financial & personnel matters and matters arising are brought to the notice of Board of Directors. iii. Progress monitoring meetings for Construction Division and the Concrete Yards are held every month with the participation of all the project/ yard managers and the outcome is reported to the Board of Directors.
Audit Committee and Auditors	
Availability of an audit committee comprising of independent non executive directors and reporting thereon in the Annual Report.	An active audit committee headed by the Director cum Treasury Representative above and represented by two other non executive directors is in place. Representatives from Auditor General's Department & the Ministry participate at these meetings by invitation.
Maintaining appropriate relationships with the external auditors to ensure their objectivity and independence.	SD&CC maintains appropriate relationship with the external auditors, Auditor General's Department.
Board of Survey	Annual Survey of property, plant & equipment and inventories was conducted as at 31.12.2014
Corporate Governance Disclosures	
Disclosures of Corporate Governance practices adopted in the Corporation	In order to strengthen the good corporate governance practices, already in place in the Corporation, it identifies the best Industry practices in accordance with the guide line given by the General Treasury for good governance and implements them. It is encouraging to note that the majority of the principles and practices recommended by the General Treasury are already in place in the Corporation. A few of the practices not found to be in place in the Corporation have been identified and corrective actions are being taken. It is also believed that the amendments proposed to the guide lines for good governance will improve the operational structure and the regulatory framework relating to corporate governance of the corporations and statutory boards.



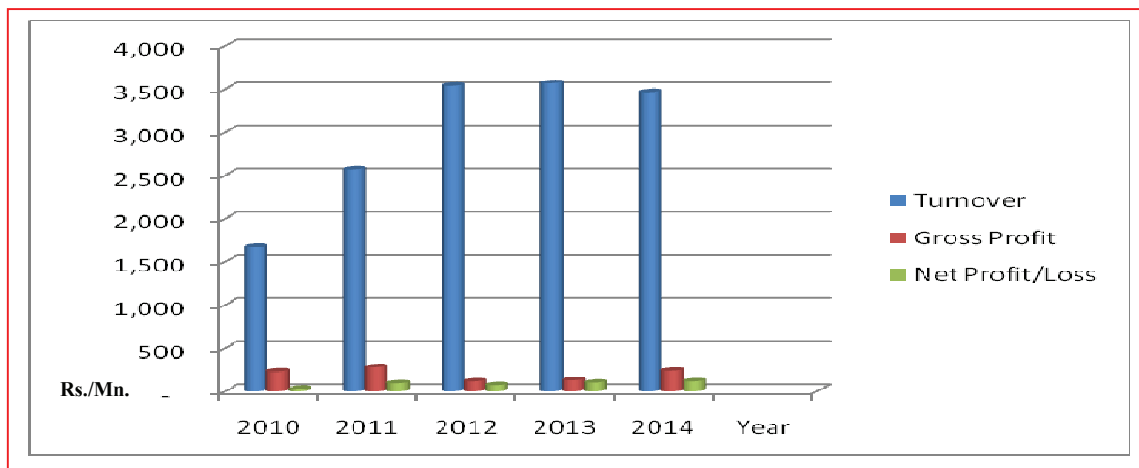
OPERATIONAL AND FINANCIAL REVIEW

The financial statements of the Corporation, which form a part of this Annual Report, set out the financial performance. The operational and financial review discusses an over view of the SD&CC's operational and financial performance.

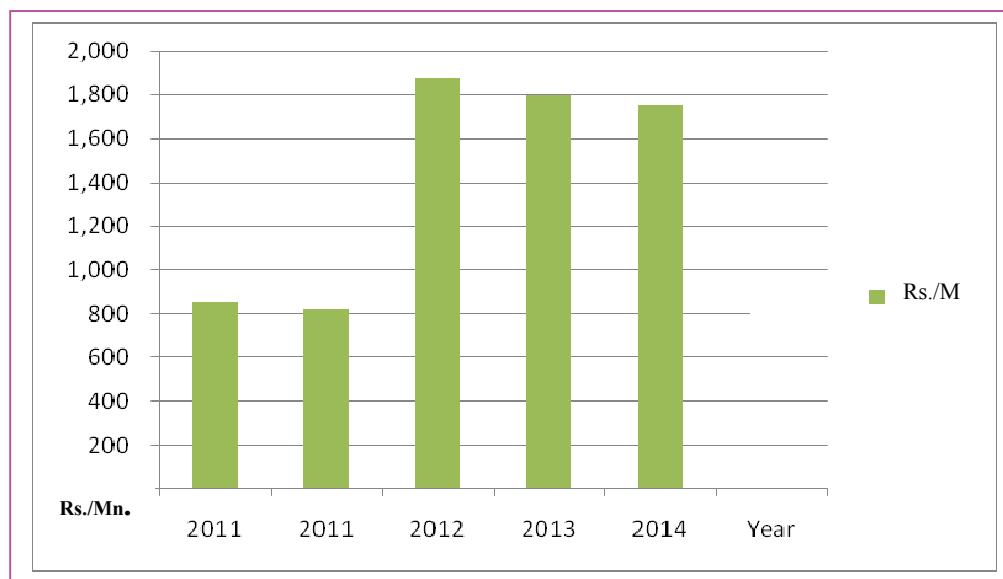
Performance of the Corporation

Corporation recorded a turnover of Rs. 3,466 Mn. in the year 2014 compared to the previous year's turnover of Rs. 3,565 Mn. This drop in Turnover was mainly due to non availability of construction contracts as expected during the year. Corporation earned a pretax Net Profit of Rs. 112.4 Mn. in the year 2014. It is an increase of 15% over the previous year and achieved from tight controlling of overheads.

An Overview of Turnover Gross Profit and Net Profit



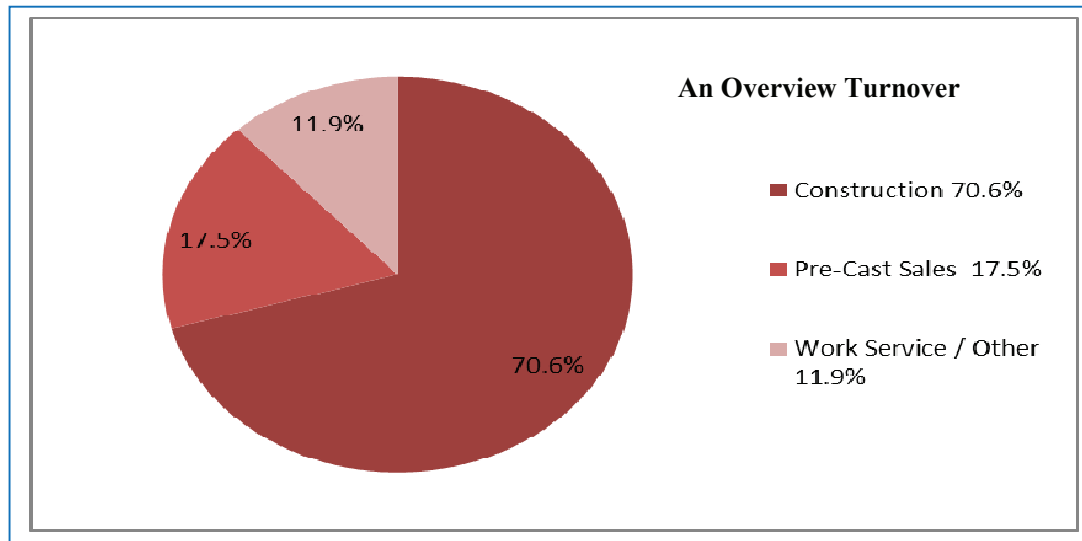
Net Assets





Sectorial Performance

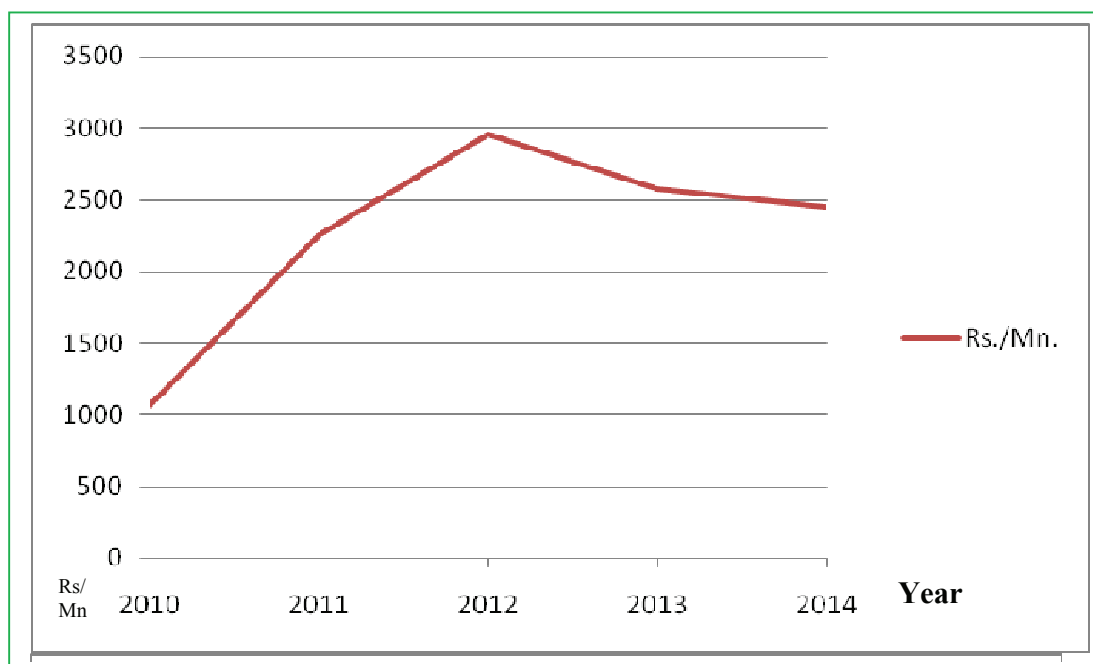
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Construction Division

The performance of the construction projects are closely monitored by the construction division through programs, resources scheduling with strict deadlines for preparation and submission of bills and certification therein. There is a slight decrease in turnover when compared to the previous year due to longer delays in respect of payment for progress bills as experienced in the previous years. However, the management of the Corporation will find a permanent solution to delays of payments in near future.

Turnover from Construction Activities



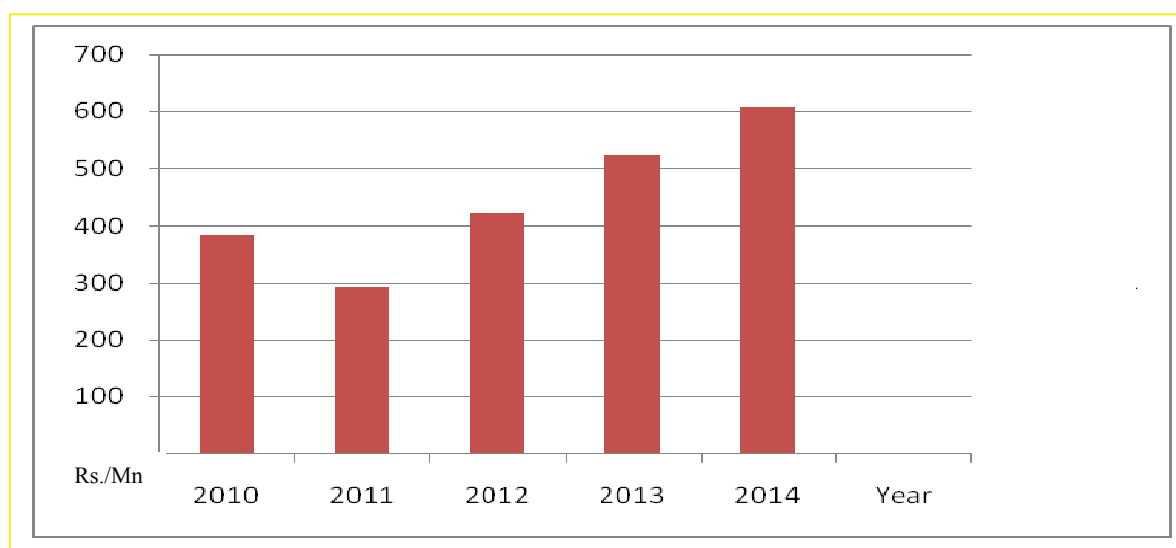


The value of recognized income on projects during the year under review has declined from Rs. 2,579 Mn. in 2013 to Rs. 2,449 Mn. in 2014. Construction Division has made 70.6% contribution to the total turnover of the Corporation. This division has made a pretax Net Profit of Rs. 121 Mn. during the year under review.

Concrete Yards

SD&CC maintains 04 Concrete Yards at Ratmalana, Bopitiya, Weragantota and Medawachchiya and a sales centre at Peradeniya with the satisfying heavy internal demands from construction projects, the concrete yards catering demand of external clients like Ceylon Electricity Board, Sri Lanka Railway and other private sector contractors, producing PSC beams, transmission poles, RCC Pipes, Bridge components and miscellaneous products like paving slabs and stones, hollow blocks etc.

Concrete Yards Turnover



The Turnover from Concrete Yards was Rs. 608 Mn. during the year under review compared to the previous year turnover of Rs. 523 Mn. It is an increase of 16% over the last year and it contributed to 17.5% of the total turnover of the Corporation. The pretax profit earned by the Concrete Yards also has increased From Rs.83 Mn. in year 2013 to Rs. 131 Mn. in year 2014.

Work Services & Others

The turnover of work services was derived from the services rendered by Central Mechanical Division. The main objective of this division is to provide services to existing project of the Corporation. In addition to that the Traffic Light Signal Unit (TLS) & Two Asphalt Plants Located in Polonnaruwa & Amithirigala also function under the Central Mechanical Division. TLS unit was established in 2005 to install and maintain Traffic Light signal systems for Road Development Authority.

The turnover from work services/others stood at Rs.409 Mn. and it is a decline of 11.6% over the previous year. The contribution of work services and others to the turnover of the Corporation in year 2014 is 11.9%.



SUMMARY OF THE PROGRESS OF ONGOING PROJECTS AS AT 31st DECEMBER 2014

Code	Project Name	Original/Revised contract value	Progress as at 31 st December 2014	
			Income (Rs./ Mn.)	Phy %
Bridge				
994	Construction of bridges on Moraghakanda-Wellawala road. (Kalu ganga Left Bank Development)	99.95	74.96	75%
916	Ruwanwella Bridge	78.25	74.01	95%
998	Reconstruction of Bridge no. 8/4 on Kottawa - Thalagala Road.	42.76	37.01	87%
987	Reconstruction of Bridge No.21/3 on Thiruwanaletiya Agalawatta Road.	47.12	47.12	100%
873	Ulapane Bridge	105.77	96.71	91%
1011	Bridge no. 18/6 &19/8 on Palugama - Boralanda - Haputhale Road.	61.37	31.17	51%
1012	Construction of Bridge over Galoya Connecting Salgashandiya Right Bank Canal Road.	77.98	39.15	50%
1083	Proposed Bridge over Canal near Kiribathgoda Bus Stand.	6.14	1.26	20%
Roads				
980	Kegalle District Asphalt Surfacing of Provincial Road.	4,567.60 (Approx.)	3,196.55	71%
983	Polonnaruwa District Asphalt Surfacing of Provincial Road.	2,550.41 (Approx.)	1,627.21	62.%
1005	Dehiwala- Mount Lavinia Municipal Council Development Project - Package II	123.22	123.22	100%
1058	Supply and Installation of Light System of Colombo – Galle - Hambanthota Road. (A 02)	119.81	71.89	60%
1068	Works under Traffic Signal on galle Road. R.A.De mel Mawatha, Package-B.	78.44	63.55	81%
1069	Road No. 05 Zoological Garden Dehiwala.	45.04	19.13	42%
1070	Construction of Railway Crossing (using Asphalt Concrete) between Pallai & Kodikamam – Stage 1	38.70	8.75	23%
Buildings				
997	New Construction (Hostel 01 No. & Gymnasium 01 No) at Hardy Advanced Technological Institute – Ampara.	378.57	158.68	42%
996	Drawing Office II (Do II) Stage II - Phase I Faculty of Engineering – Peradeniya	27.43	26.88	98%



929	Laboratory Building - Bathalagoda.	194.54 Revised	194.54	100%
948	Motor Traffic Building – Jaffna.	24.23	23.02	95%
1007	Administration Building of Kuliypitiya Technical College.	54.40	54.40	100%
1008	Gymnasium of Wayamba University .	206.30	206.30	100%
1009	Repair & Renovation work for Sahaspura & Sinhapura Stage I Housing Schemes.	77.76	60.90	78%
1073	Repairs and Colour Washing of Three Housing Schemes at Moratuwa Area.	44.01	35.21	80%
1075	Repairs and Colour Washing of Ketawalamulla Housing scheme, Colombo 09.	34.75	33.24	96%
1077	Repairs and Colour Washing of Malikarama Housing scheme, Colombo 09.	10.20	10.20	100%
1078	Repairs and Colour Washing of Jayawadanagama Housing scheme, Battaramulla.	9.29	9.29	100%
1079	Repairs and Colour Washing of Daniyester De Silva Mw Housing scheme, Colombo 09.	12.38	12.38	100%
1076	Repairs and Colour Washing of Sir James Peiris Mawatha Housing Scheme at Colombo 02.	6.45	6.45	100%
09. District Secretary, Kegalle				
01	Construction of Maternity Clinic - 06	44.54	44.54	100%
02	Construction of Weekly Fair- 02	26.38	21.77	85%
03	Construction of Bus Stand - 02	19.06	19.06	100%
10. District Secretary, Kurunegala				
01	Construction of Maternity Clinic - 14	126.68	98.17	78%
02	Construction of Weekly Fair - 07	193.46	126.00	66%
03	Construction of Bus Stand - 01	26.12	10.45	40%
11. District Secretary, Puttalam				
01	Construction of Maternity Clinic – 06.	60.75	59.19	97%
02	Construction of Weekly Fair – 04.	64.37	54.32	89%
03	Construction of Walking Tracks – 02.	11.82	11.82	100%
04	Construction of Bus Stand - 01	84.47	59.13	70%



05	Construction of Beach Park - 01	11.39	4.55	40%
.06	Construction of Crematorium - 01	13.09	5.23	40%
986	Construction of Factory Building for Polipta Lanka - Horana BOI Zone.	23.68	23.29	98%
*	Expected New Buildings	23.21		
Water Supply & Irrigation & Hydro Power				
963	Construction of Three Trough structures at Right-Bank Main Canal - Deduruoya Project.	217.77	206.89	95%
978	Siyabalangamuwa Dam	138.42	138.42	100%
896	Hekitta MFP Structure	34.40	32.89	96%
988	Water Supply Scheme at Negombo Road Katunayaka.	30.33	30.33	100%
1071	Rehabilitation and Improvements of C7 Canal Sewanagala – Walawe.	46.69	5.62	12%
01. Miscellaneous (Others) Projects				
1059	Remedial Works of New Laxapana Power Tunnel.	148.50	148.50	100%
02. Concrete Yards				
051	Ratmalana	320.00	212.45	
053	Bopitiya	210.00	190.50	
052	Weragantota	220.00	179.59	
812	Medawachchiya	70.00	46.79	
	Ready-mix Concrete Plant	15.00	-	
03. Consultancy				
01	Consultancy	8.00	5.40	
04. Mechanical Division				
01	Transport	25.00	2.35	
02	Traffic Light signal system (TLS)	75.00	55.79	
03	Asphalt Plants	120.00	-	
04	Metal Crusher	72.00	7.48	



Laxshapana Tunnel



Kegalle Road



Dehiwala Zoo



Ulapane Bridge 2



Deyata Kirula MOH 2



Deyata Kirula Kegalle MOH



Kegalle Road 2



Galigamuwa Bus Stand



Human Resources

Human Resources are the main asset of the Corporation. In order to achieve the targets of the Corporation human resources have to be mentally and physically satisfied.

Corporation has been investing in the Development of Human Resource, as the Corporation believes that the real strength of any Organization depends on the capabilities of its Staff, in a rapidly changing business environment. Therefore all efforts were directed to have a well skilled and competent workforce in order to achieve forecasted results.

In the year 2014 many programs were worked out in order to develop knowledge, skills, and to maintain standards to keep the employees satisfied and motivated. Human Resources look forward to fulfill the goals and objectives of the Corporation.

1. **Staff Promotions**

All members of the staff who were qualified for promotions in the year 2014 have been promoted.

2. **Staff Welfare**

Renewed the Medical Insurance Scheme and the Workmen Compensation Insurance Scheme for Employees sponsored by the Corporation.

All bonus payments were paid to the staff of the Corporation in April & December 2014.
Electrical Items could be taken on hire purchase scheme for all SD&CC Employees.

3. **Salary Increases**

According to the relevant Government instructions Interim Allowance was increased by Rs. 3000/- per month.

4. **Health Campaign**

Organized a Health Campaign for the entire Staff (Eye care & Diabetic) of the Corporation in Ratmalana, in the year 2014

5. **Rewards to Employees**

All Employees who have completed 25 years of continuous service in the Corporation were felicitated with a gold sovereign and a memento as a token of appreciation of dedicated service at the 43rd Anniversary Celebrations of the Corporation.

Attendance Allowance was paid to the staff of the Corporation in 2014.
(For Engineers - Rs. 15000/- and others Rs. 5000/- per month.)

6. **Training Provided for Staff**

Training of staff was conducted by external Institutions such as Universities, National Apprenticeship Board in various fields of construction.

**OUR STAFF STRENGTH**

Designation	2009	2010	2011	2012	2013	2014
Civil Engineers	55	48	59	54	44	40
Mechanical & Electrical Engineers	09	09	12	10	12	10
Senior Managers	03	03	03	03	03	03
Accountants	08	06	08	08	08	07
Other Staff Officers	08	10	16	17	16	14
Construction Superintendents (Civil/ Mechanical / Electrical)	18	20	19	23	26	23
Draftsman / Quantity Surveyor	05	02	03	03	02	02
Security Staff	36	34	29	25	29	35
Clerical & Allied Grades	98	88	95	98	86	90
Supervisory & Other Skill Grades	276	286	294	309	311	299
Total	516	506	538	550	537	523



AUDIT COMMITTEE REPORT

REPORT OF THE AUDIT COMMITTEE – 2014

The Audit Committee constitutes in accordance with the provisions of the Public Enterprise Circular No. PED 55 of 14.12.2010.

The Audit Committee should assist the Board in the task of overseeing to ensure that financial reporting is done in compliance with relevant Sri Lanka Accounting Standards and other applicable legal requirements, to ensure that all relevant rules and regulations and circulars issued by the government are complied with continuously reviewing and monitoring making recommendations to the Board on non-compliance, review the internal/external audit reports, management letters and recommendations of COPE, help the Board to take remedial actions, to introduce and implement adequate internal control system.

The Audit Committee comprises three non-Executive Directors of the Corporation and chaired by the Director representing the Treasury.

Auditor General's Department representative participated as an observer as per the above Circular and Chief Internal Auditor of Ministry also participated as an observer as appointed by the Ministry.

During the financial year 2014, Five (05) Audit Committee meetings were held.

In the year 2014, the Committee

- Reviewed and approved the Internal Audit Programme - 2014.
- Paid attention for the issue of Annual Reports for the years 2010, 2011.
- Reviewed the Auditor General's Final Report 2011 & 2012 and made follow up actions for rectifying accounting deficiencies and non - compliance of rules mentioned therein.
- Reviewed the financial statements to ensure compliance with Sri Lanka Accounting Standards.(SLFRS/LKAS)
- Reviewed the Internal Audit reports, covering the nature of the issues, responses by the Departmental Heads and corrective actions that were taken by the Management to overcome the noted deficiencies.
- Reviewed & made suitable recommendations about several internal control systems in the areas of Purchasing, Stores, Operations, Billing, Finance and Human Resources such as interdepartmental transactions in order to ensure the smooth operations of the Corporation.



- Reviewed the follow up actions taken by the respective Manager /Officer on the recommendations of the Committee.
- Paid attention to ensure that all relevant rules and regulations and circulars issued by the government are complied with.
- Considered the comments presented by the Management of the Corporation on the matters raised by the Auditor General.
- Considered the comments made by COPE and recommendations thereon.

The Audit Committee is of the opinion that terms of reference of the Committee cover the subjects in all material aspects.

Audit Committee Members.

- | | | |
|--------------------------|---|--|
| • Mrs. C.N Balasooriya | - | Chairperson/Board Director/Treasury Representative |
| • Mr. H.P. Casian Herath | - | Member/Board Director (up to July 2014) |
| • Mr. Prashantha Dias | - | Member/Board Director. |

C.N Balasooriya.
Chairperson - Audit Committee



STATEMENT OF DIRECTOR'S RESPONSIBILITY FOR FINANCIAL REPORTING

The following statement sets out the responsibilities of the Directors in relation to the financial statements of the Corporation. These differ from the responsibilities of the Auditors, which are set out in their report.

Directors are required to prepare financial statements for each financial year giving a true and fair view of the state of affairs of the Corporation as at the end of the financial year and of the profit or loss of the Corporation for the financial year. In preparing the financial statements, appropriate accounting policies have been selected and applied consistently, reasonable and prudent judgment and estimates have been made and applicable accounting standards have been followed.

The Directors are responsible for ensuring that the Corporation keeps sufficient accounting records to disclose with reasonable accuracy the financial position of the Corporation and for ensuring that the financial statements comply with the requirements of Sri Lanka Accounting Standards, guidelines by the General Treasury through Circulars and the Finance Act. They are also responsible for taking reasonable measures to safe guard the assets of the Corporation, and in that context to have proper regard to the establishment of appropriate systems of internal control to prevent and detect frauds and other irregularities.

The Directors continue to adopt the going concern basis in preparing accounts. The directors, after making inquiries and following a review of the Corporation's budget for the financial year 2015, including cash flows, projects in hand and borrowing facilities, consider that SD&CC has adequate resources to continue in operations.

For and on behalf of the Board of,

STATE DEVELOPMENT & CONSTRUCTION CORPORATION.

Chaminda Ediriwickrama
Chairman



10 YEARS PERFORMANCE SUMMARY.

Description	2005 (Rs.)	2006 (Rs.)	2007 (Rs.)	2008 (Rs.)	2009 (Rs.)	2010 (Rs.)	2011 (Rs.)	2012 (Rs.)	2013 (Rs.)	2014 (Rs.)
1.Turnover	895,278,476	866,706,964	801,530,218	1,661,599,002	1,466,146,925	1,671,679,005	2,564,139,185	3,534,179,480	3,565,830,370	3,466,394,952
2. Operating Expenses	821,159,594	778,395,748	640,686,287	1,433,374,873	1,135,532,405	1,448,476,239	2,288,062,266	3,421,538,609	3,439,676,689	3,234,011,015
3.Gross Profit	74,118,881	88,311,216	160,843,931	228,224,129	330,614,520	223,202,767	276,076,919	112,640,871	126,153,681	232,383,938
4.Other Income	27,272,416	34,860,613	29,943,947	38,134,293	27,981,723	26,062,984	32,857,265	172,380,088	199,234,550	176,653,152
5.Admin. Expenses	71,237,696	81,774,444	123,463,375	125,068,134	122,178,408	142,633,691	143,558,270	133,379,468	170,114,913	180,308,429
6.Other Expenses	1,129,298	3,910,389	7,102,694	10,274,230	16,418,049	3,637,713	57,476,813	22,896,549	(9,582,288)	22,928,839
7.Financial Expenses	8,542,246	15,324,228	17,985,859	78,542,597	118,657,428	80,620,389	65,582,132	62,872,698	67,646,914	93,350,261
8. Net Profit before Taxation	20,482,057	22,162,767	42,235,949	52,473,459	101,342,358	22,373,957	42,316,969	65,872,244	97,208,693	112,449,561
9.Total Assets	1,603,788,374	1,819,160,861	2,114,755,333	2,449,643,021	2,626,565,287	2,443,174,386	3,558,253,858	5,115,747,833	4,892,581,938	4,374,397,115
10.Net Assets	924,911,474	934,220,347	960,188,471	1,002,231,695	1,091,458,958	854,278,282	819,601,521	1,871,466,720	1,792,746,938	1,750,282,565
11.ROCE - %	1.9	2	3.7	5	11.1	5.5	7.2	3.6	5.89	6.85
12.Return on Assets	1.2	1.22	2.00	2.14	3.86	0.92	1.18	1.29	1.99	2.57
13.Gross Profit Ratio - %	8.3	10.19	20	14	23	13	10.77	3.19	3.54	6.7
14.Net Profit Ratio - %	2.3	2.56	5	3	7	1.34	1.64	1.86	2.73	3.2
15.Current Ratio - Times	1.28	1.20	1.22	1.28	1.47	1.30	1.10	1.20	1.06	1.02



විගණකාධිපති දෙපාර්තමේන්තුව
கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය } CEN/B/SDCC/FA/14
எனது இல. }
My No. }

ඔබේ අංකය }
உமது இல. }
Your No. }

දිනය } 31 May 2016
திகதி }
Date }

The Chairman
State Development and Construction Corporation

Report of the Auditor General on the Financial Statements of the State Development and Construction Corporation for the year ended 31 December 2014 in terms of Section 14(2)(c) of the Finance Act, No. 38 of 1971

The audit of financial statements of the State Development and Construction Corporation (SD&CC) for the year ended 31 December 2014 comprising the statement of financial position as at 31 December 2014 and the statement of comprehensive income, statement of changes in equity 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 Corporation 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 Corporation in due course.

1.2 Management's Responsibility for the Financial Statements

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



1:3 Auditor's 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 Corporation'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 Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Sub-sections (3) and (4) of Section 13 of the Finance Act, No.38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the audit.

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

1.4 Basis for Qualified Opinion

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

2. Financial Statements

2.1 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 State Development and Construction Corporation as at 31 December 2014 and its financial



performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

2.2 Comments on Financial Statements

2.2.1 Sri Lanka Accounting Standards (LKAS)

The following observations are made.

(a) **LKAS 01 – Presentation of Financial Statements:** The traffic light creditors having debit balance of Rs.7,809,958 had been set off against trade credit balances as at 31 December 2014 in contrary to the provisions in the Standard. Therefore, the current liabilities and current assets shown in the statement of financial position as at 31 December 2014 had been understated by similar amount.

(b) **LKAS 11 – Construction Contracts:** According to the Paragraph 11 of the Standard, the amount of contract expenditure should be increased when penalties arise from the delays caused by the contractor. The clients had deducted the delay charges amounting to Rs.108,102,615 from the payments to the Corporation (Contractor) in time to time. However, that amount had been accounted as receivable without having substantial evidence for receiving. Further, a sum of Rs.77,489,326 of that was related to the projects that were not in operation and completed and handed over long ago as at the end of the year 2014. Hence, it is not prudent to accounts such delay charges as receivable.

2.2.2 Accounting Deficiencies

The following observations are made.

- (a) Assets amounting to Rs.1,359 million received to the Corporation from then Ministry of Economic Development in order to carry out the road project works in 2012 had been taken to the financial statements without verifying the fair value of such assets.
- (b) According to the financial statements of the Fujima State Corporation (Pvt) Ltd, a Joint Venture Company, the amount receivable to the Corporation as at 31 March



2010 was Rs.41,899,490 and no transactions had been taken place thereafter. However, no such balance was appeared in the financial statements of the Corporation as at 31 December 2014.

- (c) The provision for penalties on delayed payment of Value Added Tax amounting to Rs.1,400,000 in respect of previous years had not been taken in to the financial statements for the year 2014.

2.2.3 Unexplained Differences

The following observations are made.

- (a) According to the financial statements, the interest on fixed deposit and interest income receivables for the year 2014 were Rs.3,667,691 and Rs.52,500 respectively. However, according to calculation done by audit, the above interest income and interest income receivable were Rs.3,300,168 and Rs.516,613 respectively. The reasons for the differences had not been explained to audit.
- (b) The differences of Rs. 388,389,288 were observed between the changes in working capital shown in the cash flow statement for the year under review and the calculation done in audit.

2.2.4 Accounts Receivables

Mobilization advances and Traffic Light System (TLS) debtors aggregating Rs.397.8 million and Rs.12.5 million respectively shown in the financial statements had remained outstanding for more than three years and two years respectively as at 31 December 2014. Out of them a sum of Rs.19.1 million and Rs.9.1 million were remained outstanding for a period of more than 05 years and 07 years respectively without being taken any recovery action.



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

The following instances of non-compliance were observed in audit.

Reference to Laws, Rules Regulations and Management Decisions etc.	Non-compliance
(a) Section 14(1) of the Finance Act, No. 38 of 1971	The Draft Annual Report for the year under review which should be submitted to the Auditor General together with the draft financial statements was not-submitted.
(b) Section 8.8 of the Public Enterprises Department Circular No PED/12 of 02 June 2003	Approval of the Board should be obtained for the delegation of financial authority, indicating limits of expenditure and no expenditure should be authorized, incurred or paid outside the limits of such delegated authority. Further, such delegation of authority should be updated and approved by the Board at the beginning of each year. However, the Corporation had not complied with those requirements.

3. Financial Review

3.1 Financial Results

According to the financial statements presented for audit, the operations of the Corporation for the year under review had resulted in a pre-tax net profit of Rs.112,449,561 as compared with the corresponding pre-tax net profit of Rs.97,208,693 for the preceding year, thus indicating an improvement of Rs.15,240,868 in the financial results of the year under review. The decrease of fuel and lubricant expense by Rs.22,733,353 was the main reason attributed for this improvement.



3:2 Analytical Financial Review

The following observations are made.

- (a) The gross profit margin of the year under review was 7 per cent as compared with that of 4 per cent in the previous year, thus showing a marginal increase of 3 per cent. The actual gross profit margin of the year 2014 was slightly behind as compared with the target of 9 per cent.
- (b) Trade and other receivables of the year under review represented 49 per cent of the total assets and the ratio between the current assets and current liabilities of the year under review was 1 : 0.98. Hence, it was revealed that the Corporation had functioned with a poor working capital management in 2014.

4. Operating Review

4.1 Performance

The Corporation had handled 103 construction contracts to the value of Rs.12,885 million in the year 2014. However, the most of the projects had delayed in the range of 6 to 82 months due to various reasons such as liquidity problems of the Corporation, non-receipt of the payments from clients in time, bad weather condition, designs changed by the clients and management inefficiencies etc. and a total loss of Rs.244,189,650 had sustained from the delayed Projects up to 2014.

4.2 Inefficiencies in Management Activities

The following inefficiencies were observed.

- (a) One of the main objectives of the Corporation is to carry out investigation, investment, planning, designing of construction works and management of building, civil engineering, other engineering projects or other venture in abroad, and execution or supervision of the projects in aboard. However, no any action and strategies had been identified to perform such objectives even though income of Rs.245 million had been targeted for the year 2014.



- (b) Two asphalt plant had been received from then Ministry of Economic Development and the production capacity of a plant was 600 Mt Asphalt per day. Even though the management of the Corporation had expected to produce 200 Mt asphalt per day, it was able to produced only 75 Mt of asphalt per day. Therefore, only 12.5 per cent of the plant capacity had been utilized by the Corporation. Further, these two asphalt plant had not been utilized since July 2014.
- (c) The delay charges of Rs.6,323,350 had to be paid by the Corporation due to unable to supplied the concrete products in time
- (d) Interest on over draft facility amounting to Rs.76,112,525 had been paid to the banks during the year under review due to pure working capital management.

4.3 Transactions of Contentious Nature

Certain transactions executed by the Corporation had been of contentious nature. The particulars of few such transactions revealed at audit test checks are given below.

- (a) The Corporation had paid a sum of Rs.12,009,295 as vehicle hire charges relating to 4 officers attached to the Janasewana programme which was implemented by then Ministry of Construction Engineering Services, Housing and Common Amenities during the period of June 2012 to November 2014. Further, the above payments had been made based on the incomplete running charts.
- (b) The Pay As You Earn (PAYE) Tax amounting to Rs.2,892,432 paid by the Corporation on behalf of its employees for the year 2014 had been treated as an expenditure of the Corporation without being deducted from the salaries of the respective employees.

4.4 Irregular Transactions

Value Added Tax (VAT) aggregating Rs.68,127,668 had been paid by the Corporation to 18 contractors without examining the validity of VAT registration numbers and VAT invoices at the time of the payments were made. Subsequently it was found that VAT numbers and names indicated by the contractors were inactive.

5.1 Corporate Plan

(a) Specific objectives and strategies for seven Sub-divisions operating under the Corporation had not been identified. Hence, achieving the entire objectives specified in the Corporate Plan is questionable.

(b) According to the information made available for audit, the targets set out in the Corporate Plan were either unrealistic or not taking proper follow-up actions to achieve them.

Item	Target as per Corporate Plan	Actual
	Rs. million	Rs. million
Turnover growth	Not mentioned	-
Pre-cast concrete products	890	607
Consultancy fee	80	12.5
Overseas construction	200	-
Profit before tax	434	112

(c) The Action Plan and the Budget for the year under review had not been in line with the Corporate Plan.

(d) The following strategies highlighted in the Corporate Plan had not been implemented even in the year under review.

- Implementing of cost control and accounting system to set out competitive prices for concrete products
- Disposal of non-moving concrete items
- Carrying out sales promotion and advertising programmes for concrete products
- Implement a proper cash disbursement system for internal sales in order to minimize the delay in supplying external orders due to cash flow problem.



5.2 Budgetary Control

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

- (a) Recovery of Trade and Other Receivables
- (b) Human Resources Management in outsourcing of Employees
- (c) Control over Statutory Payments
- (d) Control over Project Administration and Sub-contracting

H. M. Gamini Wijesinghe
Auditor General.

STATE DEVELOPMENT & CONSTRUCTION CORPORATION

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER 2014

31st December 2014

31st December 2013

(All Amounts Are In Sri Lanka Rupees)

Note

Revenue	01	3,466,394,952	3,565,830,370
Cost Of Sales	02	(3,234,011,015)	(3,439,676,689)
Gross Profit / (Loss)		232,383,938	126,153,682
Other Income	03	171,015,809	190,718,883
Profit / (Loss) Before Operating Expenses		403,399,747	316,872,565
Administrative Expenses	04	(180,308,429)	(170,114,913)
Distribution Costs	05	-	-
Other Expenses	06	(22,928,839)	9,582,288
Results From Operating Activities		200,162,479	156,339,940
Financial Income	07	5,637,343	8,515,667
Financial Expenses	07	(93,350,261)	(67,646,914)
Profit Before Tax		112,449,561	97,208,693
Tax Expenses	08	(8,874,849)	(24,693,338)
Profit From Continuing Operations		103,574,712	72,515,355
Profit/(Loss) From Discontinued Operation Net Of Tax		-	-
Profit For The Year		103,574,712	72,515,355
Other Comprehensive Income			
Defined Benefit Plan Actuarial Gains (Losses)	19.01	(3,141,881)	(8,337,932)
Tax On Other Comprehensive Income			
Other Comprehensive Income Net of Tax		(3,141,881)	(8,337,932)
Total Comprehensive Income		100,432,831	64,177,423

The Significant Accounting Policies and Notes on Pages 40 to 73 form an integral part of these Financial Statements.

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2014

31st December 2014 31st December 2013

(All Amounts Are In Sri Lanka Rupees)

Note

ASSETS

Non - Current Assets

Property, Plant & Equipment	09	1,749,183,690	1,903,341,498
Investments In Government Owned Companies	10	9,210,740	9,210,740
Other Investments, Including Derivatives	11	52,361,138	50,130,743
Deferred Tax Assets	12	6,850,855	6,850,855
Total Non Current Assets		1,817,606,422	1,969,533,836

Current Assets

Inventories	13	305,222,958	310,560,242
Other Investments, Including Derivatives	10	27,851,255	38,045,055
Income Tax Assets	14	78,914,270	75,672,867
Trade & Other Receivables	15	2,132,216,097	2,440,407,902
Cash & Cash Equivalents	16	12,586,112	58,362,036
Total Current Assets		2,556,790,693	2,923,048,102

Total Assets

4,374,397,115 4,892,581,938

EQUITY & LIABILITIES

Capital & Reserves

Capital		16,671,651	16,671,651
Capital Grant		51,140,000	51,140,000
Capital Reserves		6,629,760	6,629,760
Government Grant		931,436,543	1,074,333,747
Revaluation Reserve		763,088,808	763,088,808
Retained Earnings		(18,684,197)	(119,117,028)
Total Equity		1,750,282,565	1,792,746,938

Non - Current Liabilities

Lease Creditors	17	-	6,775,480
Loans & Borrowings	18	41,145,819	86,950,499
Retirement Benefit Obligation	19	60,392,503	56,440,533
Deferred Tax Liabilities	12	16,641,429	16,641,429
Trade & Other Payables	20	-	175,684,228
Total Non Current Liabilities		118,179,752	342,492,170

Current Liabilities

Trade & Other Payables	20	1,863,175,416	2,215,237,296
Loans & Borrowings	18	14,877,204	14,877,204
Lease Creditors	17	6,543,256	7,347,450
Bank Overdrafts	21	621,338,921	519,880,879
Total Current Liabilities		2,505,934,798	2,757,342,830

Total Equity & Liabilities

4,374,397,115 4,892,581,938

Chief Financial Officer

25th Sep 2015

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

Chairman.

25th Sep 2015

Director

25th Sep 2015

General Manager.

25th Sep 2015

The Significant Accounting Policies and Notes on Pages 40 to 73 form an integral part of these Financial Statements.

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2014
(All Amounts Are In Sri Lanka Rupees)

	Capital	Capital Grant	Capital Reserve	Revaluation Reserve	Government Grant	Retained Profit/ (Loss)	Total Equity
Balance As At 1st January 2013	16,671,651	51,140,000	6,629,760	763,088,808	1,217,230,952	(183,294,451)	1,871,466,720
Adjustments	-	-	-	-	-	-	-
profit For The Year	-	-	-	-	-	72,515,355	72,515,355
Government Grant					(142,897,205)		(142,897,205)
Total Other Comprehensive Income	-	-	-	-	-	(8,337,932)	(8,337,932)
Balance As At 31 st December 2013	16,671,651	51,140,000	6,629,760	763,088,808	1,074,333,747	(119,117,028)	1,792,746,938
Adjustments	-	-	-	-	-	-	-
profit For The Year					103,574,712		103,574,712
Government Grant					(142,897,204)		(142,897,204)
Total Other Comprehensive Income						(3,141,881)	(3,141,881)
Balance As At 31 st December 2014	16,671,651	51,140,000	6,629,760	763,088,808	931,436,543	(18,684,197)	1,750,282,565

The Significant Accounting Policies and Notes on Pages 40 to 73 form an integral part of these Financial Statements.

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2014

31st December 2014

31st December 2013

(All Amounts Are In Sri Lanka Rupees)

Note

Cash Flow From Operating Activities		
Profit / (Loss) Before Tax	112,449,561	97,208,693
Adjustments For ;		
Depreciation	172,690,713	175,516,236
Staff Pre Paid Cost		127,712
Provision For Defined Benefit Plan	8,081,024	7,668,071
(Gain)/Loss On Disposal Of Property, Plant & Equipment	-	(2,419,372)
(Gain)/Loss On Translation Of Foreign Currency Loans		-
Impairment Loss On Trade & Other Receivables	22,230,204	(11,388,082)
Interest In Suspense	1,249,669	2,112,361
Finance Expenses	92,100,591	65,534,553
Deferred Income	(142,897,205)	(127,897,205)
Provision for Slow & Non Moving Stock	1,678,988	(98,891)
Finance Income	(5,637,343)	(8,515,667)
Operating Profit / (Loss) Before Working Capital Changes	261,946,204	197,848,410
(Increase) / Decrease In Inventory	3,658,295	832,214
(Increase) / Decrease In Trade & Other Receivables	219,104,313	(203,145,906)
(Increase) / Decrease In Purchases & Sub Contract Advances	66,762,787	2,250,628
Increase / (Decrease) In Loans & Advances	(505,721,989)	(516,670,987)
Increase / (Decrease) In Trade & Other Payables	(40,334,773)	131,985,790
Cash Generated From / (Used In) Operations	5,414,837	(386,899,851)
Finance Cost Paid	(82,637,091)	(58,183,414)
Gratuity Paid	(7,270,935)	(16,855,803)
Tax Paid	(3,371,957)	(7,003,693)
Net Cash Flow From / (Used In) Operating Activities	(87,865,146)	(468,942,761)
Cash Flows From / (Used In) Investing Activities		
Acquisition Of Property, Plant & Equipment	(18,532,904)	(50,826,963)
Proceeds From Disposal Of Property, Plant & Equipment		2,854,213
Investment in Fixed Deposits	(2,809,526)	
Finance Income Received	5,431,629	7,290,212
Net Cash Flow From / (Used In) Investing Activities	(15,910,801)	(40,682,538)
Cash Flows From / (Used In) Financing Activities		
Repayment Of Loans & Borrowings	(45,804,680)	(63,958,052)
Proceeds From Borrowings	-	-
Repayment Of Finance Leases	(8,829,343)	(7,243,094)
Net Cash Flow From / (Used In) Financing Activities	(54,634,023)	(71,201,146)
Net Increase / (Decrease) In Cash & Cash Equivalents	(158,409,970)	(580,826,445)
Cash & Cash Equivalents At The Beginning Of The Year	(423,473,788)	157,352,657
Cash & Cash Equivalents At The End Of The Year	(581,883,758)	(423,473,788)

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The Significant Accounting Policies and Notes on Pages 40 to 73 form an integral part of these Financial Statements.



1. CORPORATE INFORMATION

1.1 General

State Development & Construction Corporation is incorporated under the Industrial Corporation Act No. 49 of 1957 and domiciled in Sri Lanka. The registered office and the principal place of business of the Corporation are located at No.07, Borupana Road, Rathmalana. The principal construction activities of the Corporation have been decentralized in to chief engineers' office in Peliyagoda, Peradeniya and Precast Concrete Production & Sales Centers located in Ratmalana, Bopitiya, Weragantota and Madawachchiya.

1.2 Comparative Information

The accounting policies adopted are consistent with those used in previous financial year. Certain prior year figures and phrases have been rearranged whenever necessary to conform to the current year presentation.

1.3 Principal Business Activities

The principal business activities of the Corporation are construction contracts, manufacturing of precast concrete products for construction requirements and undertaking of contracts for precast concrete products, sale of concrete, installation and maintenance of traffic light signal systems for Road Development Authority.

1.4 Number of Employees

The number of employees at the end of the year was **523**

1.5 Date of Authorization for Issue

The Financial Statements were authorised for issue by the Board of Directors on 17th **December 2015**.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 General Accounting Policies

2.1.1 Basis of Preparation

The Financial Statements of State Development & Construction Corporation comprises Statement of Financial Position, Statement of Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity, Accounting Policies and Notes to the Financial Statements. These financial statements are prepared in accordance with the Sri Lanka Accounting Standards (SLFRS /LKAS) and Interpretations laid down by the Institute of Chartered Accountants of Sri Lanka.

The effect of the transition to SLFRS/LKAS on previously reported financial positions, financial performances and cash flows of the Corporation is given in the notes to the financial statements.

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

(Contd...)



2.1.2 Foreign Currency Translation

All foreign exchange transactions are converted in to Sri Lanka Rupees, which is the reporting currency, at the rate of exchange prevailing at the time the transaction was effected. Monetary assets and liabilities denominated in foreign currencies are translated to Sri Lanka Rupee equivalents using year-end spot foreign exchange rates. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognized immediately in profit or loss, except for foreign currency borrowings qualifying as a hedge of a net investment in a foreign operation, in which case exchange differences are recognized in other comprehensive income and accumulated in the foreign exchange reserve along with the exchange differences arising on the retranslation of the foreign operation.

2.1.3 Related Party Relationships

The Corporation has entered into a joint venture agreement with Mast Trust Holdings (Pvt.) Ltd, and created subsidiary relationship with Fujima State Corporation (Pvt.) Ltd, in past. Consolidated accounts are not prepared and investment in the subsidiary company is recorded at cost due to practical difficulties in preparing consolidated accounts.

2.1.4 Taxation

(a) Current Tax

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act No.10 of 2006 and amendments thereto.

(b) Deferred Tax

Deferred Tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets & liabilities for the financial reporting purpose and amounts used for tax purpose. Deferred tax is measured at the tax rate that is expected to apply to temporary differences when they are reversed the liability is settled, based on the laws that have been enacted by the reporting date.

Deferred tax assets are recognized to the extent that is probable that future taxable profits will be available against which such timing difference can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that is no longer probable that the related tax benefit will be realized.

Deferred tax is separately calculated for the construction activities and other activities of the Corporation due to different tax rates applicable on those activities.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to setoff current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity and the same taxation authority.

(Contd...)



2.1.5 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.2 Valuation of Assets& Liabilities and Their Bases of Measurement

2.2.1 Property, Plant and Equipment

Cost and Valuation

All items of property, plant and equipment are initially recorded at cost. The cost of property, plant and equipment is the cost of acquisition or construction together with any expenses incurred in bringing the asset to its working condition for its intended use. Subsequent to the initial recognition as an asset at cost, revalued assets are carried at revalued amounts less any subsequent depreciation thereon. All other property, plant and equipment are stated at cost less accumulated depreciation and/or accumulated impairment losses. Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

Subsequent Expenditure

Expenditure incurred to replace a component of an item of property, plant & equipment that is accounted for separately, including major inspection and overhaul expenditure, is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure incurred on repairs or maintenance of property, plant and equipment in order to restore or maintain the future economic benefits expected from the originally assessed standard of performance, is recognised as an expense when incurred.

Revaluation

Where items of property, plant and equipment are subsequently revalued, the entire classes of such assets are revalued at fair value. Revaluations are done with sufficient regularity. When an asset is revalued, any revaluation surplus is recognized in other comprehensive income and accumulated in equity in the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the statement of comprehensive income, in which case the increase is recognized in the statement of comprehensive income. Any revaluation deficit that offsets a previous surplus in the same asset is directly offset against the surplus in the revaluation reserve and any excess recognized as an expense. Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the asset sold is transferred to retained earnings.

(Contd...)



Impairment

The carrying value of property, plant & equipment are reviewed for impairment annually or when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indications exist and where the carrying values exceeds the estimated recoverable amount, the assets are written down to the recoverable amount. Impairment losses are recognized in the statement of comprehensive income unless it reverses a previous revaluation surplus for the same asset.

Depreciation

Provision for depreciation is calculated by using straight-line method on the cost or valuation of all property, plant and equipment, other than freehold land, in order to write off such amounts over the estimated useful economic lives of such assets. The estimated useful lives of assets are as follows:

Type of Asset	Years
Land	Over Prolonged of Period
Buildings	Over 20 Years
Office Equipment	Over 10 Years
Plant & Machinery	Over 10 Years
Motor Vehicles	Over 05 Years
Other Assets	Over 10 Years

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement in the year the asset is derecognized.

2.2.2 Leases

a) Finance Leases

Property, plant and equipment on finance leases, which effectively transfer to the Corporation substantially all the risks and benefits incidental to ownership of the leased items, are capitalized and disclosed as finance leases at their cash price and depreciated over the period the Corporation is expected to benefit from the use of the leased assets. The corresponding principal amount payable to the lessor is shown as a liability. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the outstanding balance of the liability. The interest payable over the period of the lease is transferred to an interest in suspense account. The interest element of the rental obligations pertaining to each financial year is charged to the statement of comprehensive income over the period of lease.

The interest applicable for the year calculated using Internal Rate of Return (IRR) method has been charged to statement of comprehensive income.

(Contd...)



The cost of improvements on leasehold property is capitalized if the criteria are met, disclosed as leasehold improvement under property plant and equipment, and depreciated over the estimated useful lives of the improvements.

b) Operating Leases

Leases where the lesser effectively retains substantially all the risks and benefits of ownership over the leased term are classified as operating leases.

Rentals paid under operating leases are recognized as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

2.2.3 Financial Instruments

1. Financial Assets

Initial Recognition and Measurement

Financial assets within the scope of LKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets, as appropriate and determine the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The financial assets include cash and short-term deposits, trade receivables and other financial assets.

Subsequent Measurement

The subsequent measurement of financial assets depends on their classification as follows:

a) Financial Assets at Fair Value Through Profit or Loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial assets at fair value through profit and loss are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of comprehensive income. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

(Contd...)



b) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of comprehensive income. The losses arising from impairment are recognised in the statement of comprehensive income. Short term receivables are measured at cost.

Staff Loans

Staff loans are considered as financial assets under the loans and receivables in the statement of financial position of the Corporation. Staff Loans are measured at fair value using market interest rates that prevailed at the grant date. The difference between the fair value and loan amount is amortized over the term of the loan. Interest income is accrued using market interest rate.

Trade Receivables

Trade receivables of the corporation includes construction debtors, retentions, liquidated damage receivables and concrete yard debtors which fall under the category of 'Loans and Receivables' under LKAS 39 are recorded at the transaction price, which is the amount of consideration given or received. Impairment provision on debtors is calculated at end each reporting period base on the past cash settlement patterns of the debtors and default probability ratio, impairment loss/(reverse) recognized in statement of comprehensive income .

c) Held-To-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Corporation has the positive intention and ability to hold the investment to maturity. Subsequent to initial recognition, held-to maturity investments are measured at amortised cost using the effective interest rate method less impairment. Gains and losses are recognised in the statement of comprehensive income when the held-to-maturity investments are derecognised or impaired.

d) Available-For-Sale Financial Investments

Available-for-sale financial assets include equity and debt securities. Equity investments classified as available-for-sale are those which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised initially in other comprehensive income and accumulated under available for sale reserve in equity, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest rate method are recognised in the statement of comprehensive income. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of comprehensive income when the financial asset is derecognised.

(Contd...)



Derecognition

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

Impairment of Financial Assets

The Corporation assesses at each reporting date whether there is any objective evidence that a financial assets is impaired. A financial asset is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. The impairment loss is identified in the statement of comprehensive income.

2. Financial Liabilities

Initial Recognition and Measurement

Financial liabilities within the scope of LKAS 39 are recognised when, and only when, the Corporation becomes a party to the contractual provisions of the financial instrument.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, and other financial liabilities carried at amortised cost. This includes directly attributable transaction costs.

Financial liabilities of the Corporation include trade and other payables, loans & borrowings, bank overdrafts.

Subsequent Measurement

The measurement of financial liabilities depends on their classification as follows;

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term and gains or losses are recognised in the statement of comprehensive income.

(Contd...)



Loans and Borrowings and Other Financial Liabilities

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of comprehensive income.

Short term liabilities of the Corporation such as trade and other payables, advances & deposits and accruals are measured at cost.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

3. Fair Value of Financial Instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; a discounted cash flow analysis or other valuation models.

2.2.4 Impairment of Assets

At each reporting date property plant & equipment, other assets and investments are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in statement of comprehensive income. Similarly, at each reporting date inventories are assessed for impairment by comparing the carrying amount of each item of inventory with its selling price less costs to complete and sell. If an item of inventory is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in statement of comprehensive income.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in statement of comprehensive income.

(Contd...)



2.2.5 Investments

a) Current Investments

Current investments are stated at cost, it includes cost of acquisition, brokerages fees, duties and bank fees.

Unrealized gains and losses on current investments carried at market value i.e. reduction to market value and reversals of such reductions required to reflect current investments at the lower of cost and market value, are credited or charged to statement of comprehensive income.

b) Associate Company Investments

Investments in associate companies are accounted for on the equity method, whereby the share of profit of the associates attributable to the company is accounted for as income and the value of the investment (which was initially recognized at cost) adjusted by a like amount.

2.2.6 Inventories

Corporation recognized inventory once significant risks and rewards of ownership on goods obtained by the entity. Inventories are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of the business, less the estimated selling expenses. The cost of inventory is based on the specific identification basis and includes expenditures incurred in acquiring inventories and bringing them to their existing location and condition.

Raw Materials	- At actual cost on first-in first-out basis.
Finished Goods –Concrete Products	- At actual cost
Work-in-progress	- At the cost of direct materials, direct labours and an appropriate proportion of fixed production overheads based on normal operating capacity.
Consumables & Spares	- At actual cost on First in First out basis

2.2.7 Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investments with short maturity, i.e. three months or less from the date of acquisition are also treated as cash equivalents.

(Contd...)



2.2.8 Recognition of Due From Customer and Due To Customer

The gross amount due from customers for contract work is the net amount of;

- a) Costs incurred plus recognized profit : less
- b) The sum of recognized losses and progress billings

For all contracts in progress for which costs incurred plus recognized profits (less recognized losses) exceed progress billings.

The gross amount due from customers for contract work is the net amount of;

- a) Costs incurred plus recognized profit : less
- b) The sum of recognized losses and progress billings

For all contracts in progress for which progress billings exceed costs incurred plus recognized profit

2.3 Liabilities and Provisions

Liabilities are recognized in the statement of financial position when there is a present obligation arising from a past event, the settlement of which is expected to result in an outflow of resources embodying economic benefits. Obligations payable at the demand of the creditor or within one year of the reporting date are treated as current liabilities in the statement of financial position. Liabilities payable after one year from the reporting date are treated as non- current liabilities in the statement of financial position.

A provision is recognized in the statement of financial position when the Corporation has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits for which a reliable estimate could be made is required to settle the obligation.

2.3.1 Retirement Benefit Obligations

a) Defined Benefit Plan – Gratuity

Gratuity is a Defined Benefit Plan. The Corporation is liable to pay gratuity in terms of the relevant statute. In order to meet this liability, a provision is carried forward in the statement of financial position, equivalent to an amount calculated using formula method prescribed in LKAS 19.

b) Defined Contribution Plan - Employees' Provident Fund & Employees' Trust Fund

Employees are eligible for Employees' Provident Fund contributions and Employees' Trust Fund contributions inline with respective statutes and regulation.

(Contd...



2.4. Revenue

2.4.1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Corporation, the revenue and associated costs incurred or to be incurred can be reliably measured and after transferring significant risks and rewards of ownership of the services provided or goods have been transferred to the customers and there is no effective control over the output. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and sales taxes. The following specific criteria are used for the purpose of recognition of revenue.

a) Construction Revenue

The revenue from construction contract is recognized on a percentage completion method as per LKAS 11.

The stage of completion of a contract has been determined by the proportion of the contract costs incurred for the work performed to date bear the estimated total contract costs.

b) Sale of Goods

Revenue from sale of goods are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer with the Corporation retaining neither a continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

c) Interest

Interest income is recognized on a time apportioned basis.

d) Rental and Other Income

Rental income is recognized on accrual basis.

e) Gains & Losses

Net gains and losses of a revenue nature arising from the disposal of property, plant and equipment and other non-current assets, including investments, are accounted for in the statement of comprehensive income, after deducting from the proceeds on disposal, the carrying amount of such assets and the related selling expenses. Gains and losses are arising from activities incidental to the main revenue generating activities and those arising from a group of similar transactions which are not material, are aggregated, reported and presented on a net basis. Any losses arising from guaranteed rentals are accounted for in the year of incurring the same. A provision is recognized if the best estimate indicates a loss.

(Contd...)



2.5 Expenditure Recognition

Expenses are recognized in the statement of comprehensive income on the basis of a direct association between the costs incurred and the earnings of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency have been charged to the statement of comprehensive income. For the purpose of presentation of the statement of comprehensive income, the “function of expenses” method has been adopted, on the basis that it presents fairly the elements of the Corporation’s performance.

2.6 Comparatives

Where necessary, comparative figures have been adjusted to conform with the changes in presentation in the current year.

2.7 Events Occurring After the Reporting Date

All material events after reporting date have been considered, disclosed and adjusted where appropriate.

2.8 Segment Information

The Corporation identifies its segments based on the criteria, given in the SLFRS 8 and relevant disclosures are made in the financial statement notes. Construction, Concrete Yards and Mechanical & others are segments identified by the Corporation.

2.9 Government Grant

Government Grants including non-monetary grants at fair value shall not be recognized until there is reasonable assurance that:

The entity will comply with the conditions attaching to them &
The grants will be received

Corporation recognises Grants as Deferred Income that is recognised in profit or loss on a systematic basis over the useful life of the asset.

(Contd...)

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31ST DECEMBER 2014

(All Amounts Are In Sri Lanka Rupees)

	Note	2014	2013
NOTE 01 - REVENUE			
Construction Income		2,449,230,601	2,579,014,875
External Sales - Concrete Products		577,143,142	474,718,985
Internal Sales - Concrete Products		30,491,559	48,450,673
Anniversary Income		255,500	67,500
Work Services		67,936,813	34,290,336
Asphalt External Sales		34,211,157	40,659,889
Asphalt Internal Sales		295,998,369	377,700,931
Fabrication - Internal Sale			176,532
Metal Products		11,127,811	10,750,650
Total		3,466,394,952	3,565,830,370

NOTE 02 - COST OF SALES

Operating Expenses

Employee Benefits	04.01	494,130,890	441,659,639
Cement		120,953,385	101,101,964
Sand		24,521,106	26,719,031
Metal		130,246,709	168,415,779
Steel		153,873,720	150,172,334
Timber		15,680,037	14,824,781
Fuel & Lubricants		140,852,674	163,586,027
Explosive & Blasting Materials		1,511,651	635,750
Ready Mix Concrete		47,633,947	29,862,601
Concrete Products		36,944,709	57,858,277
Machinery & Vehicle Spare Parts		33,059,400	21,443,107
Stationery Consumption		1,989,476	1,663,872
Tar Consumption		469,820,506	601,302,473
Electrical Spare Parts Consumption		126,056,682	31,740,364
Pipes & Drainages Items Consumption		5,002,788	10,912,761
Other Stocks		184,085,929	103,462,338
Earth Gravel		3,738,885	14,471,875
RDA - Steel			34,819
Hire Charges (Internal)		229,003	3,000
Hire Charges (External)		120,960,733	120,632,308
Transport Charges (Material)		8,161,131	16,508,327
Transport Charges (Others)		53,718,962	19,202,268
Storage Charges		6,000	-
Insurance Fidelity Guarantee		(4,540)	
Vehicle Insurance		698,904	1,562,223
Stores Insurance		526,072	-
Depreciation On Plant, Machinery & Equipment		124,149,989	123,781,473
Depreciation On Motor Vehicles		33,705,043	37,336,943
Repairs & Maintenance -Plant, Machinery & Equipment		1,685,179	857,633
Repairs & Maintenance - Vehicles (Work Shop)		2,383,754	1,438,568
Repairs & Maintenance -Plant, Machinery & Equipment (Transport)		974,117	177,920
Repairs & Maintenance -Plant, Machinery & Equipment (Other)		281,376	746,020

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31ST DECEMBER 2014

2014

2013

(All Amounts Are In Sri Lanka Rupees)

Note

Operating Expenses (Contd...)

Registration & License Fees	1,343,918	587,713
Sub Contracts	858,440,604	1,085,752,228
Discounts	52,384	-
Liquidation Damages	6,323,350	6,185,652
Fines	82,098	
TT Deducted From Sub Contract	3,414	
Assignments	1,312,104	3,830,498
Charges For Bonds	7,197,158	9,923,573
Telephone - Sites	2,115,813	2,689,992
Postage & Telex - Sites	16,439	28,806
Printing & Stationery - Sites	1,286,968	759,105
Travelling - Sites	7,892,389	6,490,934
Entertainment	3,385,091	3,076,556
Stamp Fees - Sites	6,920	10,630
Rent - Sites	7,805,980	10,620,360
Electricity - Sites	5,113,375	6,844,164
Computer	164,430	61,985
Water - Sites	1,356,781	2,035,870
Tender Fees -Sites	108,500	36,180
Security Expenses		-
Welfare & Recreation - Sites	94,164	36,950
Insurance - Sites	250	365,142
Insurance All Risk Policy - Sites	1,088,745	3,066,306
Newspapers & Periodicals - Sites	232,829	189,460
Sundry - Sites	7,762,565	5,372,606
Consultancy & Professional Fees	25,000	2,200,000
CIGFL	10,855,473	12,588,540
Building Repairs -Sites		621,967
Service Charges - Sites	1,429,113	3,335,131
Testing Charges -Sites	2,817,434	376,649
Advertisements	837,327	305,801
Repairs & Maintenance - Office Equipment	155,035	55,116
Rates & Taxes	69,345	300
Royalty Payment Agreement		(69,804)
Impairment provision for Slow & Non Moving Stock	1,678,988	(98,891)
Labour charges -Material	112,350	50,000
Stock adjustment 2012		-
Personal Accident Insurance	123,424	453,292
Loss of Stock Items	99,790	
Sub Total	3,268,967,771	3,429,897,283
Add - Opening Stock	132,731,434	142,510,840
Less - Closing Stock	(167,688,190)	(132,731,434)
Cost Of Sales	3,234,011,015	3,439,676,689

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31ST DECEMBER 2014

(All Amounts Are In Sri Lanka Rupees)

	Note	2014	2013
NOTE 03 - OTHER INCOME			
Transport Hire Charges		2,399,507	1,084,750
Metal & Rubble Sale		8,536,528	2,037,995
Deferred Income		142,897,205	127,897,205
Foreign Exchange Gain			-
Fines		47,064	17,285
Consultancy Fee		12,580,969	3,867,504
Sundry Income		3,409,904	52,741,284
Surcharges		4,744	1,264
Insurance Receivable		1,028,738	179,976
Income On House Rent (Head Office)		47,150	33,750
Hiring Income (Head Office Vehicle)		64,000	434,500
Miscellaneous			4,000
Profit On Disposal Of Property, Plant & Equipment			2,419,372
Total		171,015,809	190,718,883
NOTE 04 - ADMINISTRATIVE EXPENSES			
Employee Benefits	04.01	101,078,419	84,328,564
Corporate Social Responsibility		2,905,459	150,000
Telephone		2,236,768	1,641,750
Postage & Telex		112,592	71,361
Printing & Stationery		474,510	274,315
Travelling & Subsistence		1,677,151	1,282,984
Entertainment		418,526	371,528
Advertising		4,051,456	1,184,754
Legal Charges		291,989	653,100
Audit Fees		525,040	250,000
Stamp Fees		8,545	605
Rate & Taxes		1,110,977	171,864
Electricity		5,323,128	3,889,123
Computer Expenses		189,625	61,665
Depreciation - Land & Buildings		6,131,097	5,406,502
Depreciation - Furniture & Fixture, Office & Welfare		1,567,359	2,129,068
Depreciation - Other Costs		7,137,225	6,880,250
Water		678,453	608,856
Non Refundable Tender Fees		593,417	167,061
Establishment			-
Security Expenses			-
Service Charges		16,960	12,235
Sundry Expenses		3,817,050	3,071,284
Consultancy & Professional Fees		1,350,000	1,324,000
Welfare & Recreation Expenses		137,423	54,000
Repairs & Maintenance - Land & Buildings		1,271,669	880
Repairs & Maintenance - Furniture & Fixtures		66,015	346,809
Repairs & Maintenance - Other Assets		362,382	248,120
Insurance Contractors All Risk Policy		1,638,526	2,506,904
ESC Penalty		4,389,947	
VAT Surcharge		1,400,000	-

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31ST DECEMBER 2014

2014

2013

(All Amounts Are In Sri Lanka Rupees)

Note

Administration Expenses (Contd...)

Accident	600	15,203
Employees' Trust Fund Surcharges	89,742	1,184,318
Newspapers & Periodicals	43,730	301,690
Vehicle Repair HO	5,845	
Fixed Revaluation Charges		-
Testing & Laboratory Charges		-
Employees' Provident Fund - Surcharge	397,115	31,292,048
Death Donation On Duty		-
Gratuity Surcharges	30,804	693,264
Donations		75,803
Cement Consumption - Sites		-
Timber Consumption	212,089	70,140
Sand		-
Metal	16,595	-
Fuel Consumption	7,886,362	5,930,855
Spare Parts	8,860	441,839
Stationery	1,826,772	1,467,480
Electrical Items Consumption	46,924	66,160
Water Supply Items	22,348	32,274
Other Stocks Consumption	1,117,266	439,192
Sub Contracts	6,983,322	7,605,677
Repairs - Light Vehicles	4,410,214	718,603
Repairs - Plant & Machinery		55,875
Registration & License Fees	255,656	462,596
Bond Charges - Head Office	3,060,895	652,942
Internet & E-Mail - Head Office	40,000	10,000
Assignment - Head Office	1,171,494	1,030,423
Management Development - Head Office	66,100	150,153
External Hire - Head Office	18,200	4,105
Insurance Vehicles - Head Office	842,705	326,689
Anniversary Expenses	793,084	-
Profit & Loss Adjustment		1
Total	180,308,429	170,114,913

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31ST DECEMBER 2014

2014

2013

(All Amounts Are In Sri Lanka Rupees)

Note

NOTE 04 . 01 - EMPLOYEE BENEFIT EXPENSES

Operating Expenses

Work Services		1,621,244	2,218,548
Salaries & Wages -Permanent		93,522,609	81,856,773
Overtimes -Permanent		25,848,073	23,665,592
Employees' Provident Fund - Permanent Staff		10,473,744	11,065,654
Employees' Trust Fund -Permanent Staff		2,618,437	2,362,759
Salaries & Wages -Casual Staff		(18,027)	3,262,093
Overtime -Casual staff		3,001,574	561,902
Employees' Provident Fund -Casual Staff			277,456
Employees' Trust Fund -Casual Staff			56,451
Sub Contract Labour		248,175,536	219,316,260
surcharges		202,986	1,258,882
Special Allowances		5,619,554	1,216,365
Encashment Of Leave		482,217	1,050,674
Incentive Payments		7,612,189	4,676,143
Risk Allowances		27,100	244,025
Salaries - Contract		65,055,047	58,331,733
Overtime - Contract		20,554,071	20,221,935
Employees' Provident Fund - Contract		6,863,674	7,602,852
Employees' Trust Fund - Contract		1,715,919	1,668,283
Workers Compensation - Site			330,968
Workmen Compensation - Sites		754,944	414,289
Insurance Workmen Compensation - Sites		-	-
Sub Total		494,130,890	441,659,639

Administrative Expenses

Defined Benefit Pension Cost	19.01	8,081,024	7,668,071
Distress/ staff prepaid Loans Cost		279,872	127,712
Directors Fees		1,143,483	1,140,150
Chairman's Remuneration		420,000	512,333
Workmen Compensation - Head Office			-
Salaries & Wages		58,527,709	51,244,874
Overtime		8,166,076	7,098,964
Employees' Provident Fund		6,614,716	5,939,852
Employees' Trust Fund		1,653,679	1,484,963
Professional Subscription		84,670	332,902
Special Allowance		303,300	197,100
Shift Allowance - Head Office			-
Incentive Payments		12,812,456	8,043,073
Insurance Workmen Compensation			-
Pay As You Earn (PAYE) Tax		2,892,432	152,754
Training & Development - Head Office		99,000	385,813
Sub Total		101,078,419	84,328,564

Total Employee Benefit Expenses

595,209,309 525,988,203

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31ST DECEMBER 2014

(All Amounts Are In Sri Lanka Rupees)

	2014	2013
Note		
NOTE 05 - DISTRIBUTION EXPENSES	-	-
Business Promotion	-	-
Total	-	-
NOTE 06 - OTHER EXPENSES		
Impairment Loss On Trade Receivables	22,230,204	(11,388,082)
Bank Debits Tax	698,635	22,070
Bank Charges		1,783,724
Total	22,928,839	(9,582,288)
NOTE 07 - FINANCIAL INCOME & FINANCIAL EXPENSES		
<u>Financial Income</u>		
Interest Income On Available-For-Sale Financial Assets	1,694,929	1,905,530
Interest Income On Held - To - Maturity Investments	3,667,091	6,302,857
Interest Income On Loans & Receivables	275,323	307,280
Total Finance Income Recognized In Profit Or Loss	5,637,343	8,515,667
<u>Financial Expenses</u>		
Interest On Bank Overdrafts	76,112,525	35,193,372
Interest Expense on Financial Liabilities Measured At Amortized Cost	15,640,417	28,675,245
Lease Interest	1,249,669	2,112,361
Other Financial Expenses	347,649	1,665,936
Total Financial Expenses Recognized In Profit Or Loss	93,350,261	67,646,914
NOTE 08 - TAX EXPENSES		
<u>Current Tax Expense</u>		
Current Tax On Profits For The Year	8,874,849	24,693,338
Adjustment For Under Provision In Prior Periods	-	-
Total Current Tax	8,874,849	24,693,338
<u>Deferred Tax Expense</u>		
Change In Recognized Taxable Temporary Differences	-	-
Change In Recognized Deductible Temporary Differences	-	-
Total Tax Expenses On Continuing Operations	8,874,849	24,693,338

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

AS AT 31st DECEMBER 2014

(All amounts are in Sri Lanka Rupees)

NOTE 09 - PROPERTY, PLANT AND EQUIPMENT

Cost or Valuation

Description	Note	Land	Buildings	Office Equipment	Plant & Machineries	Motor Vehicles	Other Assets	Total
Balance at 1st January 2013		635,312,513	105,397,041	34,177,950	1,409,497,733	265,927,531	72,351,248	2,522,664,016
Additions		-	14,808,843	1,087,728	8,348,975	982,143	204,592	25,432,281
Disposals		-	-	-	304,576	1,060,001	-	1,364,577
Adjustment		-	-	-	-	-	-	-
Balance at 31st December 2013		635,312,513	120,205,884	35,265,678	1,417,542,132	265,849,673	72,555,840	2,546,731,720
Additions		-	2,843,798	2,833,352	6,670,760	-	4,227,407	16,575,317
Disposals		-	-	-	(8,257,084)	8,257,084	-	-
Adjustment		-	-	-	-	-	-	-
Balance at 31st December 2014		635,312,513	123,049,682	38,099,030	1,415,955,808	274,106,757	76,783,247	2,563,307,037

Accumulated Depreciation

Description	Note	Land	Buildings	Office Equipment	Plant & Machineries	Motor Vehicles	Other Assets	Total
Balance at 1st January 2013		-	39,907,168	23,296,414	262,484,960	112,856,447	36,482,084	475,027,073
Depreciation charge for the year		-	5,406,502	2,111,068	123,781,473	37,336,943	6,880,250	175,516,236
Disposals		-	-	-	217,763	1,059,999	-	1,277,762
Adjustment		-	-	-	-	-	-	-
Balance at 31st December 2013		-	45,313,670	25,407,482	386,048,670	149,133,391	43,362,334	649,265,546
Depreciation charge for the year		-	6,131,097	1,567,359	124,149,989	33,705,043	7,137,225	172,690,713
Disposals		-	-	-	(8,419,834)	8,419,834	-	-
Adjustment		-	-	-	-	-	-	-
Balance at 31st December 2014		-	51,444,767	26,974,841	501,778,825	191,258,268	50,499,559	821,956,259

Balance at 31st December 2013	74,892,214	9,858,196	1,031,493,462	116,716,282	29,193,506	1,897,466,174
Balance at 31st December 2014	71,604,915	11,124,189	914,176,983	82,848,489	26,283,688	1,741,350,778

STATE DEVELOPMENT & CONSTRUCTION CORPORATION.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

AS AT 31st DECEMBER 2014

(All amounts are in Sri Lanka Rupees)

NOTE 09.01 - CAPITAL WORKING PROGRESS

Description	Carpenter Work Shop (CY 51)	Water Tank (CY 51)	New Beam Bed (CY 52 & 53)	Stores (CY 812)	Garage (CY 51)	Gantry Runner Base (CY 52)	Batching Plant (CY 52 & 53)	New Guard Room (CY 53)	W/Shop Aluminum (CY 53)	Upgrade building of construction (HO 001)	Front Road, Crusher Wall, Yard (CY 53)	Tube Well (CY 812)	Total
Cost													
Balance at 1st January 2014	364,614		2,080,065	592,065			1,725,528	-	-	1,113,053			5,875,326
Additions	-	51,426	1,818,783		41,744	1,618,131	55,360	82,295	86,118	528,520	289,008	230,000	4,801,385
Transfers to Building	(364,614)	(51,426)			(41,744)		(1,780,888)		(86,118)		(289,008)	(230,000)	(2,843,798)
Total	0	-	3,898,848	592,065	-	1,618,131	-	82,295	-	1,641,573	-	-	7,832,913
Accumulated Depreciation													
Depreciation 1st January 2014	-		-	-	-	-	-	-	-	-			-
Depreciation charge for the year	18,231	643			643		78,991		1,794	-	9,960	10,542	120,804
Depreciation for Transfers	(18,231)	(643)			(643)		(78,991)		(1,794)		(9,960)	(10,542)	(120,804)
Total	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 31st December 2014	0	-	3,898,848	592,065	-	1,618,131	-	82,295	-	1,641,573	-	-	7,832,913

Capital Work in Progress

Carrying Amounts

At 31st December 2013	5,875,326	635,312,513	74,892,214	9,858,197	1,031,493,461	116,716,282	29,193,506	1,903,341,498
At 31st December 2014	7,832,913	635,312,513	71,604,915	11,124,189	913,851,483	83,173,989	26,283,688	1,749,183,690

(Contd...)

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

AS AT 31ST DECEMBER 2014

(All Amounts Are In Sri Lanka Rupees)

1.3. RE-VALUATION OF LANDS AND BUILDINGS

The Land and Buildings at No.07, Gregory's Avenue, Colombo 07 were revalued for Rs. 317.54 million and Rs. 37.99 million respectively based on the valuation method of contractor's principal on 28.03.2005 by an incorporated valuer. The effect of this revaluation has been incorporated in the accounts as at 31.12.2005.

1.4. RE-VALUATION OF MOTOR VEHICLE

Ten motor vehicles which had been fully depreciated were revalued on the basis of cost of major repairs and

1.5. FIXED ASSETS NOT INCLUDED IN THE ACCOUNTS

The following properties have not been taken into the books of accounts as at 31st December 2014. Since we do not have the ownership of the properties.

Location	Land Area	Buildings	Value (Rs.)
Peliyagoda	Block 01	1.00	
Peliyagoda	Block 02	3.00	19,500,000
Veragantota	4 Acr & 0.8 perches	-	7,080,000
Peradeniya	2 Hect. & 0.95 perches	2.00	
Peradeniya	12.7 perches	-	13,990,875
Medawachchiya	2 Acres	1.00	6,250,000
Polwatta - Ratmalana	116 perches	1.00	29,000,000
TOTAL			75,820,875

(Contd...)

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Contd.)
AS AT 31ST DECEMBER 2014

(All Amounts Are In Sri Lanka Rupees)

Note

31st December
2014

31st December
2013

NOTE 10 - INVESTMENTS IN GOVERNMENT OWNED COMPANIES

Devcoshowa (Pvt) Ltd	9,210,740	9,210,740
Lanka Machine Leasers (Pvt) Ltd		
Sub Total	9,210,740	9,210,740
Provision For Investments		
Total	9,210,740	9,210,740

NOTE 11 - OTHER INVESTMENTS

Non - Current Investments

Fixed Deposits - Held To Maturity	52,361,138	50,130,743
Total	52,361,138	50,130,743

Current Investments

Savings Deposits	27,851,255	38,045,055
Total	27,851,255	38,045,055

Total Investment	80,212,393	88,175,798
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NOTE 12 - DEFERRED TAX ASSETS & LIABILITIES

At The Beginning Of The Year	6,850,855	6,850,855
Transfer To / (From) Income Statements	2,939,719	2,939,719
At The End Of The Year	9,790,574	9,790,574

12.01

NOTE 12.01 - DEFERRED TAX ASSETS / LIABILITIES

Deferred Tax Liability

Capital Allowances For Tax Purpose	16,641,429	16,641,429
Retirement Benefit Obligation		
Total	16,641,429	16,641,429

Deferred Tax Assets

Capital Allowances For Tax Purpose	-	-
Retirement Benefit Obligation	6,231,977	6,231,977
Total	6,231,977	6,231,977

Net Tax Assets / (Liabilities)	(10,409,452)	(10,409,452)
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STATE DEVELOPMENT & CONSTRUCTION CORPORATION

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

AS AT 31ST DECEMBER 2014

(All Amounts Are In Sri Lanka Rupees)

Note

31st December
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2013

NOTE 13 - INVENTORIES

Cement		3,156,977	3,236,808
Sand		678,514	2,016,618
Metal		7,724,401	16,232,644
Steel		28,003,485	42,506,069
Timber		1,130,346	1,421,366
Fuel & Lubricants		2,791,566	3,243,865
Explosive & Blasting Materials		397,775	479,065
Concrete Items		671,258	4,962,920
Vehicle Spare Parts		15,904,734	16,116,551
Stationery		825,745	693,644
Tar		14,403,264	11,539,039
Electrical Goods		19,914,093	10,331,579
Pipes & Drainage Items		1,631,215	2,089,600
Other Stock Items		38,960,163	60,991,115
Earth Gravel Stock		59,400	12,000
Steel - RDA			-
Fabrication		6,209,400	4,822,350
Finished Goods - Concrete Items		166,734,469	132,474,189
Finished Goods - Metal Products		953,721	257,244
Stock Adjustments		919,082	1,301,236
		311,069,608	314,727,903
Provision for Slow & Non Moving stock		(5,846,650)	(4,167,661)
Total		305,222,958	310,560,242

NOTE 14 - INCOME TAX ASSETS

Economic Service Charge		28,684,943	25,684,943
With Holding Tax On Projects		128,336,127	128,389,149
With Holding Tax On Interest		6,502,305	6,207,881
		163,523,375	160,281,972
Provision For The Year		(84,609,105)	(84,609,105)
Total		78,914,270	75,672,867

NOTE 15 - TRADE & OTHER RECEIVABLES

Trade Debtors	15.01	1,433,038,859	1,741,703,851
Retention	15.02	562,850,401	495,747,505
Sundry Debtors	15.03	37,814,072	37,680,993
Loans & Advances	15.04	6,873,691	7,319,342
Advances On Purchases & Sub Contracts	15.05	78,618,786	143,022,798
Other Advances & Deposits	15.06	13,020,288	14,933,412
Total		2,132,216,097	2,440,407,901

Non Current Trade & Other Receivables

Current Trade & Other Receivables		2,132,216,097	2,440,407,901
Total		2,132,216,097	2,440,407,901

STATE DEVELOPMENT & CONSTRUCTION CORPORATION

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

AS AT 31ST DECEMBER 2014

(All Amounts Are In Sri Lanka Rupees)

Note

31st December
2014

31st December
2013

NOTE 15.01 - TRADE DEBTORS

Construction Debtors	207,530,248	128,016,108
Concrete Yard Debtors	179,793,559	112,506,201
Dues From Customers	1,045,715,052	1,501,181,543
Total	1,433,038,859	1,741,703,851

NOTE 15.02 - RETENTION

Retention - Construction	489,076,176	435,271,383
Liquidated Damages Receivables	73,774,225	60,476,122
Total	562,850,401	495,747,505

NOTE 15.03 - SUNDRY DEBTORS

Security Deposits Of Employees	821,602	776,974
Interest Receivable	52,500	65,707
Prepayments	868,899	1,073,212
Nation Building Tax Suspense Account	190,198	201,028
Nation Building Tax Receivables	1,130,343	1,130,343
Ready Mixed Debtors (Devcoshowa)	34,750,531	34,433,731
Total	37,814,072	37,680,993

NOTE 15.04 - LOANS AND ADVANCES

Prepaid Cost On Distress Loans	528,340	528,340
Salaries & Wages Advances	(1,421,251)	947,549
Festival Advances	1,247,387	831,287
Travelling Advances	221,354	167,447
Distress Loans	4,490,567	2,993,789
Medical Insurance	-	-
Wages Advance - Casual	50,933	48,933
Contract Employees Salary Advances	1,263,100	1,315,100
Medical Insurance	493,262	486,898
Total	6,873,691	7,319,342

NOTE 15.05 - ADVANCES ON PURCHASES & SUB CONTRACTS

Letter Of Credit Margin Account	11,190,680	49,516,662
Purchase Advances - Head Office	1,109,513	545,519
Purchase Advances - Sites	11,001,621	15,996,093
Purchase Advances - Construction	7,851,433	20,682,443
Purchase Advances - Rathmalana Concrete Yard	282,159	1,968,559
Sundry Advances	8,410,044	5,121,079
MPCS Polonnaruwa	5,000	5,000
Fuel Advances	413,537	413,537
Service Advances	46,408	(11,900)
Purchase Advances - Peliyagoda (CE)	22,957,039	33,434,454
Sub Contract Advances	15,299,042	15,299,042
Purchase Advances - Awissawella (CE)	52,311	52,311
Total	78,618,786	143,022,798

STATE DEVELOPMENT & CONSTRUCTION CORPORATION

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

AS AT 31ST DECEMBER 2014

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NOTE 15.06 - OTHER ADVANCES AND DEPOSITS

Tender Deposits (Refundable)	199,875	199,875
Other Deposit	616,800	
Fuel Deposit - Amithirigala 992	1,500,000	1,500,000
Electricity Board Deposits	1,186,105	1,350,065
Fuel Deposits - Dehiwala	200,000	500,000
Fuel Deposits - Galoya	200,000	200,000
Fuel Deposits - Kottawa	100,000	100,000
Water Deposit	226,863	426,231
Fuel Deposit - Weeragantota	90,000	20,000
Fuel Deposit - Rattanapitiya	100,000	100,000
Fuel Deposit - Head Office - Transport	300,100	300,100
Fuel Deposit - CME	415,000	415,000
Fuel Deposit - Katugastota WP -	4,421	4,421
Fuel Deposit - Housing scheme 1073	50,000	-
Fuel Deposit - Mawanella Aranayake Road	600,000	600,000
Fuel Deposit - Kegalle - Rambukkana Road	300,000	300,000
Fuel Deposit - Colombo Municipal Council	-	-
Fuel Deposit - Kegalle Polonnaruwa	-	400,000
Fuel Deposit - Palaviya	43,416	250,000
Fuel Deposit - Gregory Canal	200,000	1,000,000
Fuel Deposit - Palavi & Kodikamam	300,000	-
Fuel Deposit - Katupotha Weekly fair	50,000	-
Fuel Deposit - Haputale Bridge	150,000	-
Fuel Deposit - Moragahakanda - Amban	700,000	700,000
Fuel Deposit - Yatiyantota Deraniyagala Road	1,400,000	1,800,000
Fuel Deposit - Medawachchiya	75,000	75,000
Fuel Deposit - Usgala - Siyabalangamuwa	-	500,000
Fuel Deposit - Polonnaruwa	1,000,000	1,000,000
Fuel Deposit - Medirigiriya	149,988	150,000
Fuel Deposit - Sewanagala	150,000	-
Fuel Deposit - Kegalle - Rambukkana Road.	400,000	-
Fuel Deposit - Thiruwanaleti	-	100,000
Fuel Deposit - Galpottagama & Thanthirimale-	49,993	49,993
Fuel Deposit - Manick Farm -Chettikulam	200,000	200,000
Fuel Deposit - Pack 06	-	-
Fuel Deposit - Deduruoya	-	100,000
Fuel Deposit - Ruwanwella	-	50,000
Other Deposit - Embilipitiya Water Tank	-	-
Fuel Deposit - Deduruoya Reservoir	-	200,000
Fuel Deposit - Bopitiya Quarry Crusher -	405,000	405,000
Fuel Deposit - Dedigama Galigamuwa	300,000	300,000
Fuel Deposit - Monaragala	7,726	7,726
MPCS - Moratuwa	250,000	250,000
Fuel Deposit - Gatambe	-	-
Fuel Deposit - Ulapane	1,050,000	850,000
Fuel Deposit - Sengaloya	-	-
Fuel Deposit - Hekitta	-	30,000
Fuel Deposit - Bathalagoda	-	150,000
Fuel Deposit - Seeduwa Water Project	-	300,000
Fuel Deposit - Muwagama	50,000	50,000
Fuel Deposit - Kirimetiyana	-	-
Total	13,020,288	14,933,412

STATE DEVELOPMENT & CONSTRUCTION CORPORATION

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

AS AT 31ST DECEMBER 2014

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Note 16 - Cash At Bank

Bank Of Ceylon -71102809	-	-
Sampath Bank 001860000985 -(985)	70,764	-
Bank Of Ceylon -71103201	-	-
Bank Of Ceylon - Idamamoruwa-682972	864,713	134,981
Bank Of Ceylon - -683114	628,634	
Bank Of Ceylon - -9826701	16,419	
Bank Of Ceylon C/Y 229786-134		20,082
Bank Transfer Head Office	1,176,098	3,023,313
Bank Of Ceylon Giriulla - Bopitiya 3441284	433,300	432,710
Sampath Bank - 001860000365 (365)	42,350	1,598,912
Margin Account - Sampath Bank	1,370,896	1,370,896
Sampath Bank- 001860000 1620 -(1620)	80,261	-
Bank Of Ceylon Peradeniya - 1274460	38,148	38,148
Bank Transfers (Sites)		7,741,355
Bank Of Ceylon - Medawachhiya		23,519
Sampath Bank - 1860000195 (195)	113,496	-
People's Bank - Ratmalana 080100921101178 (92)		98,765
People's Bank - Ratmalana 14		66,747
People's Bank - Ratmalana 38	123,430	4,180,031
People's Bank - Ratmalana -08010047110178	1,019,067	
People's Bank - Ratmalana 83080100831101178	6,122	
Bank Of Ceylon Idama - 0610213103	6,020,749	39,471,212
Bank Of Ceylon Idama - 6510876	501,546	2,718
Sub Total	12,505,994	58,203,391

Cash In Hand - Petty Cash

Rathmalana - Petty Cash	69,288	75,276
Chairman Office - Petty Cash		64
PMU Petty Cash		12,945
D&P Petty Cash		8,833
Kallady- Petty Cash		13
Circuit Bungalow - Peradeniya		2,530
Administration - Petty Cash		19,045
Kegalle - Petty Cash		1
Balance Work Kelenisiri - Petty Cash	9,000	25,000
Beatification - Petty Cash		14,074
Kegalle Rambukkana - Petty Cash	865	865
Peliyagoda -Petty Cash	965	-
Ampara Housing Scheme Petty Cash 1227		-
General Manager Office - Petty Cash	-	-
Sub Total	80,119	158,645

Total

12,586,112 58,362,036

Investments With Short Maturity

38,045,055

Unfavorable Cash & Cash Equivalents

(621,338,921) (519,880,879)

Total Cash & Cash Equivalents for the purpose of Cash Flow Statement

(608,752,809) (423,473,788)

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Contd.)
AS AT 31ST DECEMBER 2014

(All Amounts Are In Sri Lanka Rupees)

	Note	31st December 2014	31st December 2013
NOTE 17 - LEASE CREDITORS			
Balance As At The Beginning Of The Year		15,767,250	24,731,706
Obtained During The Year		-	-
		15,767,250	24,731,706
Repaid During the Year		(8,829,343)	(8,964,456)
		6,937,907	15,767,250
Interest In Suspense		(394,651)	(1,644,321)
Net		6,543,256	14,122,929
Lease Creditors Due Within One Year		6,543,256	7,347,450
Lease Creditors Due After One Year			6,775,480
Total Lease Creditors		6,543,256	14,122,930
NOTE 18 - LOANS & BORROWINGS			
Balance As At The Beginning Of The Year		101,827,703	214,273,755
Borrowings During The Year		-	-
Total		101,827,703	214,273,755
Repaid During The Year		(45,804,680)	(63,958,052)
Written off Loan balance			(48,488,000)
Net		56,023,023	101,827,703
Repayable Within One Year		14,877,204	14,877,204
Repayable After One Year		41,145,819	86,950,499
Total Loans & Borrowings		56,023,023	101,827,703
NOTE 19 - RETIREMENT BENEFIT OBLIGATIONS			
Balance As At The Beginning Of The Year		56,440,533	47,984,168
Charges To / (Reverse From) Income Statement	19.01	11,222,905	16,006,003
Payments Made During The Year		(7,270,935)	(7,549,637)
Balance As At End Of The Year		60,392,503	56,440,533
NOTE 19.01 - PROVISION MADE DURING THE YEAR			
Interest Cost		5,472,561	2,596,540
Current Service Costs		2,608,463	5,071,531
Net Actuarial (Gain) / Loss Recognized Immediately		3,141,881	8,337,932
Total		11,222,905	16,006,003
NOTE 20 - TRADE & OTHER PAYABLES			
Trade Payables	20.01	331,164,220	472,937,497
Value Added Tax	20.02	510,190,788	381,633,457
Sundry Payables	20.03	551,625,881	508,922,256
Employee Benefit Payables	20.04	11,925,099	63,481,704
Refundable Advances & Retentions	20.05	457,413,876	787,451,637
Refundable Deposits	20.06	855,553	810,745
Total		1,863,175,416	2,215,237,296
Non Current Trade & Other Payables		-	175,684,228
Current Trade & Other Payables		1,863,175,416	2,215,237,296
Total		1,863,175,416	2,390,921,524

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NOTES TO THE FINANCIAL STATEMENTS (Contd.)
AS AT 31ST DECEMBER 2014

(All Amounts Are In Sri Lanka Rupees)

Note

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NOTE 20 . 01 - TRADE PAYABLES

Creditors - Head Office	32,348,777	30,203,523
Creditors - Sites	275,585,985	374,667,296
Credit Balance of Debtors		46,998,869
ESC Control AC	13,237,622	
Nation Building Tax	6,670,349	9,099,278
Nation Building Tax	81,960	80,804
Payment Received Material - Sites	3,085,626	11,733,827
Advances Control Account	153,900	153,900
Total	331,164,220	472,937,497

NOTE 20 . 02 - VALUE ADDED TAX

With Holding Tax On Value Added Tax	-	-
Value Added Tax Receivable	(625,125)	(612,179)
Suspense Value Added Tax	11,472,331	12,405,510
Value Added Tax Payable	8,445,187	8,445,187
Value Added Tax Control Account	490,898,395	361,394,939
Total	510,190,788	381,633,457

NOTE 20 . 03 - SUNDRY PAYABLES

Accrued Expenses	452,593,118	401,834,842
Auditor General	2,825,200	3,025,200
Flood Relief Advances		-
Refundable Deposits	4,255,066	4,330,609
EPF & ETF Surcharges	9,332,032	26,563,192
Interest on CGF 100Mn Loan Payable	82,606,804	73,143,304
Janashakthi Insurance	13,639	25,087
Refundable Loan	22	22
Total	551,625,881	508,922,256

NOTE 20 . 04 - EMPLOYEE BENEFIT PAYABLES

Net Salaries & Wages	2,370,820	2,268,214
Casual Wages Control Account	521,731	585,286
Cash Abatements -Control Account	(64,058)	380,776
PAYE payable		30,000
Employees' Provident Fund	4,389,214	53,870,197
Employees' Trust Fund	1,030,377	872,703
Contract Employees - Salaries	1,535,828	3,342,204
Gratuity Payables		-
Medical Insurance	504,061	497,119
Unpaid Bonus	6000	6,000
Unpaid Salaries & Wages	1,501,703	1,499,783
Unpaid Salaries & Wages - Advances	129,424	129,424
Total	11,925,099	63,481,704

NOTE 20 . 05 - REFUNDABLE ADVANCES & RETENTIONS

Mobilization Advances From Clients	397,850,009	734,576,329
Advances Against Orders -Concrete Yards	59,403,215	52,875,308
Advances Against Orders -Asphalt Plant	160,652	-
Special Advances		175,684,228
Total	457,413,876	963,135,865

NOTE 20 . 06 - REFUNDABLE DEPOSITS

Security Deposits - Employees	855,553	810,745
Total	855,553	810,745

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Contd.)
AS AT 31ST DECEMBER 2014

(All Amounts Are In Sri Lanka Rupees)

	31st December 2014	31st December 2013
NOTE 21 - BANK OVERDRAFTS		
Bank Of Ceylon - 75416320	399,176,367	200,841,425
Bank Of Ceylon - 683115 (649)		-
Bank Of Ceylon - 682972 -(972)		-
Bank Of Ceylon - 683116 (657)	101,656,263	100,316,418
Bank Of Ceylon - 6183114 (622)		162
Sampath Bank - 195		2,514,623
Sampath Bank - 241	107,952,997	127,366,730
People's Bank Ratmalna -801620112601		14,998,880
Sampath Bank - 001860000 349 -(349)	12,194,649	23,681,017
Bank Of Ceylon Weragantota- 3535848 (848)		66
People's Bank Ratmalana 08010038110178		-
People's Bank- .080100471101178		5,840,677
Sampath Bank - 001860000 1620		1,676,576
People's Bank Ratmalana - 08010056110178		-
People's Bank - Ratmalana 91101178-29		6,484,070
People's Bank Ratmalana 08010056110178		5,360,829
Cash In Transit		-
Bank Transfer Site	358,645	
People's Bank Ratmalana 08010083110178		29,719,719
Bank Of Ceylon -6443		2,656
Sampath Bank - 985		1,077,031
Bank Of Ceylon - Idama 0006358457	-	-
People's Bank Ratmalana - 83-080100831101	-	-
Bank Of Ceylon - Idama 6510876 (876)	-	-
Total	621,338,921	519,880,879

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED 31ST DECEMBER 2014

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(All Amounts Are In Sri Lanka Rupees)

NOTE 22 - RELATED PARTIES

Corporation has entered into a Joint Venture agreement with Mass Trust Holdings (Pvt) Ltd. to form a Company, Fujima State Corporation (Pvt) Ltd. SD&CC owns 51% of the authorized share capital of this Company and Mass Trust Holdings (Pvt) Ltd. 49% .

Devcoshowa (Pvt) Ltd. is a fully owned subsidiary of the Sate Development and Construction Corporation. However, Board of Directors independent from SD&CC had being managing the company's affairs since the year 1997. Currently, the entire operation of the Company has been closed down. As such the Ministry of Agriculture, Irrigation and Mahaweli Development has appointed a Board of Directors to liquidate the Company. This Board of Directors has paid compensation to all employees of this Company.

Related Party Balances In Statement Of Financial Position

Investment In Devcoshowa (Pvt) Ltd	9,210,740	9,210,740
Ready Mixed Debtors (Devcoshowa)	34,750,531	34,433,731

NOTE 23 - TRANSACTIONS WITH RELATED PARTIES

NOTE 23.01 - TRANSACTIONS WITH PARENT / SUBSIDIARIES/ASSOCIATES

<u>Company</u>	<u>Transactions</u>		
Devcoshowa (Pvt) Ltd	Cash Receipts	-	-
	Cash Payments	316,800	6,551,334
Total		316,800	6,551,334

NOTE 23.02 - TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Salaries To Key Management Personnel	1,563,483	1,652,483
Total	1,563,483	1,652,483

NOTE 24 - ASSETS PLEDGED

<u>Nature of Asset</u>	<u>Nature of Liability</u>		
Property Indicated In Note. 09			
Land & Buildings at Gregory's Avenue.			
Land & Buildings have been pledged against a bond & guarantee facility (LKR 380,000,000) and an overdraft facility (LKR 50,000,000) in Sampath Bank.		355,000,000	355,000,000
Land & Buildings at Rathmalana.			
Land & Buildings have been pledged against a bank facility (LKR 700,000,000) in Bank of Ceylon.		800,000,000	800,000,000

NOTE 25 - EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There were no material events occurring after the reporting date that require adjustments to or disclosure in the financial statements.

STATE DEVELOPMENT & CONSTRUCTION CORPORATION
NOTES TO THE FINANCIAL STATEMENTS (Contd.)
FOR THE YEAR ENDED 31ST DECEMBER 2014
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NOTE 26 - SEGMENT INFORMATION

Segment Income and Expenses

	Concrete Yard	Construction	Other	Total	Concrete Yard	Construction	Other	Total
Revenue	607,634,701	2,449,230,601	409,529,650	3,466,394,952	523,169,658	2,579,014,875	463,645,838	3,565,830,370
Cost of Sales	(438,498,147)	(2,277,486,898)	(518,025,970)	(3,234,011,015)	(412,970,117)	(2,432,434,204)	(594,694,968)	(3,439,676,689)
Other Income	2,399,507	158,888,078	9,728,224	171,015,809	1,084,730,000	184,505,992,000	5,128,141,000	190,718,883
Administrative Expenses	(24,447,942)	(126,978,567)	(28,881,920)	(180,308,429)	(20,424,122)	(120,300,066)	(29,411,625)	(170,114,913)
Distribution Costs	-	-	-	-	-	-	-	-
Other Expenses	(3,108,911)	(16,147,171)	(3,672,756)	(22,928,839)	1,150,457,000	6,776,301,000	1,655,531,000	9,582,288
Financial Income	-	-	5,637,343	5,637,343	-	-	8,515,667	8,515,667
Financial Expenses	(12,657,321)	(65,740,034)	(14,952,905)	(93,350,261)	(8,121,738,000)	(47,837,830,000)	(11,695,657,000)	(67,646,914)
Profit Before Tax	131,321,887	121,766,008	(140,638,334)	112,449,560	83,888,888	169,725,068	(156,857,073)	97,208,692

Segment Assets

	Concrete Yard	Construction	Other	Total	Concrete Yard	Construction	Other	Total
Non - Current Assets								
Property, Plant & Equipment	50,667,697	1,698,515,991	-	1,749,183,690	39,107,438	1,990,132,937	22,985,722	2,052,226,096
Investments In Government Owned Companies			9,210,740	9,210,740	-	-	9,210,740	9,210,740
Other Investments, Including Derivatives			52,361,138	52,361,138	-	-	46,031,076	46,031,076
Deferred Tax Assets	829,285	5,402,692	-	6,850,855	829,285	5,402,692	-	6,850,855
Current Assets								
Inventories	221,337,701	32,147,725	51,737,533	305,222,958	193,324,251	69,380,302	48,687,902	311,392,455
Other Investments, Including Derivatives		27,851,255	-	27,851,255	-	35,186,721	-	35,186,721
Income Tax Assets	28,166,800	88,196,075	(37,448,605)	78,914,270	28,166,800	109,014,763	(36,987,354)	99,732,958
Trade & Other Receivables	192,586,939	1,886,282,434	53,346,725	2,132,216,097	118,243,704	2,016,899,210	67,045,718	2,202,188,632
Cash & Cash Equivalents	864,713	715,253	11,006,146	12,586,112	4,685,502	344,412,550	3,830,248	352,928,300
Total	494,453,135	3,739,111,426	140,213,676	4,374,397,115	384,356,981	4,570,429,175	160,804,051	5,115,747,833

Segment Liabilities

	Concrete Yard	Construction	Other	Total	Concrete Yard	Construction	Other	Total
Non - Current Liabilities								
Loans & Borrowings	-	6,095,819	35,050,000	41,145,819	-	83,538,000	94,014,051	154,396,551
Retirement Benefit Obligation	3,364,134	26,852,921	30,175,448	60,392,503	2,961,732	22,382,435	22,640,001	47,984,168
Lease Creditors			-	-	-	-	14,122,931	14,122,931
Deferred Tax Liabilities	4,667,485	11,355,066	-	16,641,429	4,667,485	11,355,066	-	16,641,429
Trade & Other Payables		-	-	-	-	500,439,673	-	500,439,673
Current Liabilities								
Trade & Other Payables	1,850,899,843	81,350,283	235,807,222	1,863,175,416	190,156,091	2,630,804,038	(569,458,800)	2,251,501,329
Loans & Borrowings			14,877,204	14,877,204	-	-	59,877,204	59,877,204
Lease Creditors			6,543,256	6,543,256	-	-	6,852,095	6,852,095
Bank Overdrafts		101,656,263	519,682,658	621,338,921	29,000,167	36,661,410	126,804,157	192,465,734
Total	1,858,931,462	227,310,353	842,135,788	2,624,114,549	242,569,387	1,242,140,161	1,858,393,376	3,244,281,114

Other Segment - Head office, Mechanical Section (CMC) & Other Parts Of The Corporation
Cost Allocation - Based on the operating cost incurred by each segment

Disclosure Requirement As Per LKAS 11

NO	PRO. CODE	PROJECT NAME	Initial Contract		Revised Contract	Estimated Cost	Cost incurred 2014	Total Cost incurred up to 2014	% Compl	Revenue Recognition up to 2014	Revenue Recognition up to 2013	For the Year	DUE FROM/TO CUSTOMER				Amount of Retention	Mobilisation Advance	
			Sum	BOQ									Total Cost incurred to date as at 31.12.2014	Recognised Profit as at as at 31.12.2014	Bill Received (Cumulative) as at 31.12.2016	Due to Customer			Due to Customer
1	873	ULAPONE BRIDGE	68,187,759.98		105,774,133.82	141,245,064.58	40,170,096.02	129,136,097.08	0.91	96,706,114.56	90,151,288.48	6,554,826.08	129,136,097.08	(32,429,982.52)	91,623,926.98	5,082,187.58	3,750,326.80	(2,218,544.19)	
2	896	HEKITTA FLOOD PROTECTION	34,007,713.56		34,396,957.58	74,331,224.98	12,761,708.26	71,084,725.30	0.96	32,894,631.85	34,396,957.58	(1,502,325.73)	71,084,725.30	(38,190,093.45)	13,113,143.42	19,781,488.43	1,287,233.47	3,208,558.48	
3	916	VEYANGODA RUWAGNELLA ROAD	67,428,230.63		78,251,781.96	95,262,343.79	6,644,017.74	90,100,500.54	0.95	74,011,665.49	73,917,551.81	94,113,669	90,100,500.54	(16,088,835.05)	70,579,104.39	3,432,561.10	3,708,552.69	-	
4	917	KADAWATA GUNEMULLA	185,942,789.40		258,844,489.01	209,775,486.03	114,933.29	209,775,486.03	1.00	258,844,489.01	246,338,119.13	12,506,369.88	209,775,486.03	(49,069,002.98)	219,481,297.12	39,363,191.89	8,762,674.33	-	
5	927	PALAVI KALPITHA -ROAD	79,336,114.00		88,933,126.06	71,479,180.98	3,587,941.35	65,886,142.66	0.92	81,601,112.56	77,137,059.73	4,464,052.83	65,886,142.66	16,014,969.90	58,595,516.79	23,005,595.77	4,363,486.27	1,392,408.32	
6	929	HOTTEL BLOCK BATHALAGODA (930)	125,606,651.95		194,541,169.35	149,985,775.90	22,713,987.82	149,985,775.90	1.00	194,541,169.35	158,784,342.47	35,756,826.88	149,985,775.90	(44,556,832.88)	179,905,342.30	14,635,827.05	4,740,039.60	-	
7	948	MOTOR TRAFFIC OF JAFNA	24,082,807.99		24,228,203.36	17,034,968.11	9,047,097.88	28,099,269.23	0.95	23,016,793.19	22,681,156.37	335,636.82	28,099,269.23	(5,082,476.04)	9,343,379.85	13,673,413.34	843,500.00	1,913,888.19	
8	951	KALLADY -BRIDGE	1,253,279,286.02		1,371,422,292.61	1,379,543,195.16	98,341,002.56	1,379,543,195.16	1.00	1,371,422,292.61	1,290,739,522.52	80,682,770.09	1,379,543,195.16	(81,20,902.55)	1,371,422,292.61	-	-	-	
9	957	CONSTRUCTION OF BR NO 2/6-- RATTANAPITTA.	63,753,518.50		39,100,259.82	40,321,865.59	31,580,817.50	40,321,865.59	1.00	39,100,259.82	47,345,303.47	(8,245,043.65)	40,321,865.59	(1,221,605.77)	24,160,014.85	14,940,244.97	2,416,001.49	249,945.00	
10	958	BR. NO. 51, MUDUNGODA ORLOTITA GAMPARA.	48,636,362.14		48,636,362.14	47,160,498.37	953,084.03	47,160,498.37	1.00	48,636,362.14	46,820,011.20	18,16,350.94	47,160,498.37	1,475,863.77	48,447,956.74	188,405.40	2,662,088.95	599,999.31	
11	960	DELKANDIA OLD KISHWARA RD.	12,427,683.00		12,427,683.00	9,942,146.40	-	224,129.00	0.02	280,161.25	280,161.25	-	224,129.00	56,032.25	52,56,422.40	-	52,564.24	-	
12	962	ROADS -ZOOLOGICAL GARDEN DEHIWALA.	45,992,886.29		40,134,552.70	23,128,088.86	45,369.94	23,128,088.86	1.00	40,134,552.70	28,471,265.25	11,663,287.45	23,128,088.86	17,006,463.84	32,755,512.35	7,379,040.35	1,149,822.13	-	
13	963	DEDIRUOLA KON OYA PROJECT	195,633,197.61		217,773,994.44	173,213,022.68	33,282,063.96	189,167,447.72	0.95	206,885,294.72	191,429,242.21	15,456,052.51	189,167,447.72	17,717,847.00	190,409,668.67	16,475,626.05	11,235,939.74	(2,900,000)	
14	966	PAC PACHIAHILA REP WORKS AT MALLAGAWATTA HOUSING SCHEME.	711,500.00		711,500.00	675,800.00	-	647,963.55	0.96	682,193.05	682,193.05	-	647,963.55	34,229.50	-	682,193.05	-	142,300.00	
15	971	RUKMA GAMA HOUSING SCHEME	20,002,010.00		20,002,010.00	16,401,648.20	-	4,985,801.32	0.30	6,080,245.51	6,080,245.51	-	4,985,801.32	1,094,444.19	18,842,340.60	-	1,000,000.00	-	
16	974	SAND SEALING ON JAFNA 42	35,049,661.50		35,049,661.50	26,988,234.74	-	18,059,600.38	0.67	23,454,020.48	23,454,020.48	4.01	18,059,600.38	5,394,430.10	15,940,118.41	7,513,912.07	1,470,868.33	701,798.36	
17	978	SIYABANGAMUWU DAM	119,858,600.75		138,423,632.35	111,747,535.82	19,284,807.47	111,747,535.82	1.00	138,423,632.35	109,070,045.08	29,353,587.27	111,747,535.82	26,676,096.53	111,883,228.20	26,540,404.15	6,035,268.22	-	
18	979	ASPHALT SURFACING OF PROVINCIAL ROADS MAWANELLA.	425,895,830.82		425,895,830.82	338,698,810.72	41,162,624.10	238,900,408.39	0.71	300,404,621.14	240,423,597.44	59,981,023.69	238,900,408.39	61,504,212.75	201,202,935.23	99,201,685.91	15,363,584.37	41,026,049.14	
19	980	ASPHALT SURFACING OF PROVINCIAL ROADS KEGALLE.	1,086,577,567.99		1,086,577,567.99	972,061,358.83	88,513,022.30	756,245,422.79	0.78	831,330,490.12	742,863,447.54	88,466,601.58	756,245,422.79	75,087,506.33	803,414,720.38	27,915,328.74	54,436,056.28	40,646,215.44	
20	981	ASPHALT SURFACING OF PROVINCIAL ROADS DEEGAMA.	1,232,995,957.14		1,232,995,957.14	1,126,650,718.33	134,798,169.50	757,288,156.06	0.67	828,769,040.50	730,978,701.70	97,790,338.80	757,288,156.06	71,480,884.44	755,747,943.49	73,021,097.01	58,197,141.71	12,507,339.47	
21	982	ASPHALT SURFACING OF PROVINCIAL ROADS YAITANTOTIA.	1,840,133,543.90		1,840,133,543.90	1,755,910,515.04	349,091,072.41	1,179,469,504.72	0.67	1,236,043,213.73	955,004,504.64	281,938,709.09	1,179,469,504.72	56,573,709.01	1,101,469,019.52	134,574,194.21	89,286,688.31	59,732,811.52	
22	983	ASPHALT SURFACING OF PROVINCIAL ROADS POLONNARUA.	1,196,170,142.72		1,196,170,142.72	1,100,053,030.67	41,152,101.71	775,204,539.81	0.70	842,938,021.32	811,107,666.41	31,830,354.91	775,204,539.81	67,733,481.51	863,555,863.96	(20,617,842.64)	47,145,592.05	3,180,000.00	
23	984	ASPHALT SURFACING OF PROVINCIAL ROADS MEDIRIGIRYA.	734,276,709.80		734,276,709.80	679,174,114.74	81,899,630.70	400,547,354.09	0.59	433,044,468.12	362,752,871.19	70,291,596.94	400,547,354.09	32,497,114.03	452,256,155.21	(19,211,687.09)	26,119,495.25	3,500,000.00	
24	985	ASPHALT SURFACING OF PROVINCIAL ROADS MINNERYA.	619,967,481.17		619,967,481.17	571,005,730.25	26,327,772.59	323,490,252.39	0.57	351,228,413.89	320,276,542.40	30,951,871.49	323,490,252.39	27,738,161.50	414,805,521.43	(63,577,107.54)	23,368,886.39	2,240,000.00	
25	986	POLIPITO LANKA-FACTORY BUILDING	16,439,073.95		23,682,822.85	19,737,277.10	3,164,903.55	19,407,369.90	0.98	23,286,966.13	19,705,226.83	3,581,739.30	19,407,369.90	3,879,596.23	16,125,539.33	7,161,426.80	883,595.58	-	
26	987	RE-CONST OF TIRUWAKATTIYA AGALAWATTA ROAD.	37,881,890.20		47,120,854.84	76,063,439.65	25,050,960.52	76,063,439.65	1.00	47,120,854.84	36,389,913.70	10,730,941.14	76,063,439.65	(28,942,439.65)	47,120,854.84	-	2,159,267.74	-	
27	988	WATER SUPPLY AT NEGAMBO RD.	35,940,075.20		30,326,619.72	72,430,319.86	32,604,059.32	72,430,319.86	1.00	30,326,619.72	36,198,215.37	(5,871,595.65)	72,430,319.86	(42,103,700.14)	25,593,372.39	4,733,247.33	1,976,704.14	-	
28	994	MORAGAFKANDA WELLAWEALA RD.	84,875,406.82		99,946,536.43	76,068,338.31	58,025,084.57	95,303,592.40	0.75	74,959,902.32	47,163,693.47	27,796,208.86	95,303,592.40	(20,343,690.08)	74,399,225.12	560,677.20	4,587,404.01	-	
29	995	COLOMBO MUNICIPAL COUNCIL RD.	283,513,616.98		227,724,162.54	202,314,222.33	14,026,546.15	202,314,222.33	1.00	227,724,162.54	200,578,625.91	27,145,536.63	202,314,222.33	25,409,940.21	202,940,042.50	24,784,120.04	7,087,840.42	-	
30	996	MODIFICATION OF DRAWING OFF-11 -Phase 02	10,551,356.63		27,427,181.66	12,000,000.00	16,797,641.01	28,447,647.47	0.98	26,878,638.03	10,795,558.83	16,082,879.19	28,447,647.47	(1,569,009.44)	11,768,902.32	15,109,735.71	987,132.40	3,397,638.92	
31	997	DAYAT/AKRULA-ANIPARA	378,571,428.57		378,571,428.57	310,466,940.40	45,250,908.84	130,131,862.64	0.42	158,677,880.89	103,513,358.29	55,164,422.60	130,131,862.64	28,545,918.25	204,172,361.99	(45,444,581.10)	-	-	
32	998	84 ON KOTTAWA THALAGALA ROAD.	38,899,078.98		42,759,904.05	33,035,144.24	19,072,140.47	28,592,678.11	0.87	37,009,681.68	12,323,160.92	24,686,520.76	28,592,678.11	8,417,003.57	16,252,218.14	20,757,463.54	1,625,221.81	2,296,436.74	
33	1005	DEHIWALA MOUNT LAVINIA MUNICIPAL COUNCIL.	123,146,871.80		123,222,743.96	164,902,975.57	135,198,553.64	164,902,975.57	1.00	123,222,743.96	30,235,913.73	92,986,830.23	164,902,975.57	(41,680,131.61)	121,845,592.21	1,377,151.75	3,818,947.98	60,554.14	
34	1006	MORAGAFKANDA DIVERSION ROAD.	66,071,534.00		70,022,573.71	50,796,600.04	6,487,359.60	50,796,600.04	1.00	70,022,573.71	49,425,419.65	20,597,154.06	50,796,600.04	19,225,973.67	63,084,351.78	6,938,221.93	3,303,576.70	-	
35	1007	BUILDING OF KULIYAPITTA TECHNICAL COLLEGE.																	

NO	PROJ. CODE	PROJECT NAME	Initial Contract		Revised Contract	Estimated Cost	Cost incurred 2014	% Compl	Revenue Recognition up to 2014	Revenue Recognition up to 2013	For the Year	DUE FROM/TO CUSTOMER				Amount of Retention	Mobilisation Advance
			Sum	BOQ	Sum							Total Cost incurred to date as at 31.12.2014	Recognised Profit as at as at 31.12.2014	Bill Received (Cumulative) as at 31.12.2016	Due to Customer		
41	1013	SALGASHANDIYA RIGHT BANK. DEYATA KIRULA FAIRBEL AT GALIGAMUWA	10,011,597.17		7,399,882.47	7,372,784.57	7,058,232.54	1.00	7,372,784.57	408,509.13	6,991,373.34	7,372,784.57	27,097.90	7,399,882.47	-	384,218.34	-
42	1014	DAYATA KIRULA HATTININ'A AT NATTANDIYA	14,695,435.13		10,859,128.39	11,011,351.55	10,905,782.96	1.00	10,859,128.39	135,344.35	10,723,784.04	11,011,351.55	(152,223.16)	10,859,128.39	-	1,184,880.78	-
43	1015	DEYATA KIRULA YATIKALANA AT NATTANDIYA	11,369,319.05		9,930,624.48	7,236,085.16	6,727,464.38	1.00	9,930,624.48	652,077.92	9,278,546.56	7,236,085.16	2,694,539.32	8,069,572.99	1,861,051.49	899,231.68	11,7934.15
44	1016	DEYATA KIRULA MAHAWEWA AT NATTANDIYA	21,525,277.01		32,495,873.04	29,568,895.55	22,176,046.81	0.75	24,372,186.83	1,128.21	24,371,058.63	22,176,926.81	2,195,260.02	28,523,676.77	(4,151,489.94)	3,194,651.60	-
45	1017	DEYATA KIRULA KARUKKUWA AT NATTANDIYA	14,695,435.13		13,914,371.76	13,190,140.58	12,407,725.90	1.00	13,914,371.76	1,003,095.74	12,911,276.02	13,190,140.58	724,231.18	10,971,957.25	2,942,414.51	1,220,466.08	(117,934.15)
46	1018	DEYATA KIRULA KAKKAPALIYA AT CHILLAW.	11,925,195.76		8,000,000.00	6,714,901.02	6,636,918.63	1.00	8,000,000.00	99,977.42	7,900,022.58	6,714,901.02	1,285,098.98	8,000,000.00	-	861,791.60	-
47	1019	DEYATA KIRULA ANAWILUNDAWA AT CHILLAW.	11,369,319.05		9,511,416.81	2,913,875.37	2,896,904.18	1.00	9,511,416.81	21,681.01	9,489,735.80	2,913,875.37	6,597,541.44	3,092,584.22	6,418,832.59	346,369.44	-
48	1020	DEYATA KIRULA ATTANGANAYA AT CHILLAW.	11,369,319.05		8,534,283.61	7,477,070.14	5,542,783.78	0.82	6,972,562.46	725,677.87	6,246,884.59	6,108,812.52	863,749.94	8,534,283.61	(1,561,721.15)	900,158.87	-
49	1021	DEYATA KIRULA - AKURANA	10,257,377.13		9,843,584.76	4,781,885.83	3,825,308.66	0.80	7,874,867.80		7,874,867.80	3,825,308.66	4,049,359.14	2,369,635.27	5,505,232.53	236,963.53	1,935,000.00
50	1022	DEYATA KIRULA - UDADENIYA	10,257,377.13		9,931,047.32	3,935,040.38	3,148,032.30	0.80	7,944,837.85		7,944,837.85	3,148,032.30	4,796,805.55	2,858,782.05	5,086,055.80	285,878.20	1,168,634.09
51	1023	DEYATA KIRULA - SANDANAKAWA	10,257,377.13		8,851,728.14	7,884,705.19	6,307,764.15	0.80	7,081,382.51		7,081,382.51	6,307,764.15	773,618.36	5,572,485.25	1,508,897.26	401,008.27	441,160.09
52	1024	DEYATA KIRULA - ANGAMUWA	10,257,377.13		10,221,214.49	4,251,023.66	3,400,818.93	0.80	8,176,971.60		8,176,971.60	3,400,818.93	4,776,152.67	2,319,911.61	5,857,059.99	231,991.16	1,935,000.00
53	1025	DEYATA KIRULA - BHAPADANA	10,257,377.13		8,917,160.61	3,012,222.27	2,108,555.59	0.70	6,242,012.43		6,242,012.43	2,108,555.59	4,133,456.84	913,135.44	5,328,876.99	91,313.54	1,935,000.00
54	1026	DEYATA KIRULA - ELAPADAGAMA	10,257,377.13		8,249,188.10	4,883,874.97	3,418,712.48	0.70	5,774,431.67		5,774,431.67	3,418,712.48	2,355,719.19	1,154,292.00	4,620,139.67	115,429.20	1,935,000.00
55	1027	DEYATA KIRULA - GALAHITIPAWA	10,257,377.13		9,106,230.66	6,445,371.74	4,511,760.22	0.70	6,374,361.46		6,374,361.46	4,511,760.22	1,862,169.20	3,534,192.26	284,016.92	1,173,623.72	
56	1028	DEYATA KIRULA - HORATHAPOLA	10,257,377.13		9,618,228.67	4,244,293.64	2,971,005.55	0.70	6,332,760.07		6,332,760.07	2,971,005.55	3,761,754.52	2,972,988.95	3,759,771.12	297,298.90	1,251,718.65
57	1029	DEYATA KIRULA - MAHOLA	10,257,377.13		8,899,558.92	6,885,417.48	4,404,411.59	0.70	4,983,786.62		4,983,786.62	1,457,871.10	4,760,035.85	1,675,621.87	401,008.27	657,448.43	
58	1030	DEYATA KIRULA - MEDDEPOLA	10,257,377.13		8,610,207.78	7,373,610.35	4,592,964.03	0.74	6,230,060.35		6,230,060.35	5,420,940.31	909,123.28	5,481,326.42	848,820.69	483,838.54	717,688.93
59	1031	DEYATA KIRULA - HOROMBANA	10,257,377.13		8,711,172.44	4,493,707.31	3,145,595.12	0.70	6,097,820.71		6,097,820.71	3,145,595.12	2,952,225.59	919,658.96	5,178,161.75	91,965.90	1,935,000.00
60	1032	DEYATA KIRULA FAIR AT KATUPOTHIA.	34,936,999.54		34,936,999.54	32,340,841.07	6,369,175.91	0.20	6,880,461.00		6,880,461.00	6,369,175.91	511,285.09	3,185,513.92	3,694,947.08	318,551.39	6,591,000.00
61	1033	DEYATA KIRULA FAIR AT HOROMBANA	13,916,059.77		13,613,832.76	10,366,116.53	7,256,281.57	0.70	9,529,682.93		9,529,682.93	7,256,281.57	2,273,401.36	9,518,773.76	10,909.17	656,417.91	510,538.04
62	1034	DEYATA KIRULA FAIR AT YAKWILA	34,181,103.73		27,633,770.64	17,740,094.89	14,192,795.91	0.80	22,107,016.51		22,107,016.51	14,192,795.91	7,914,220.60	11,351,637.78	10,755,378.73	1,135,163.78	3,610,863.82
63	1035	DEYATA KIRULA FAIR AT BAND AKOROSWATTA.	18,480,082.48		15,839,265.26	9,300,024.27	6,510,016.99	0.70	11,087,485.68		11,087,485.68	6,510,016.99	4,577,468.69	7,475,571.07	3,611,914.61	747,557.12	1,566,141.34
64	1036	DEYATA KIRULA FAIR AT HAMANNAPALIWA	10,257,377.13		8,718,213.73	6,191,373.96	4,333,961.77	0.70	6,102,749.61		6,102,749.61	4,333,961.77	1,768,787.84	2,770,538.40	3,332,211.21	277,053.84	1,192,389.94
65	1037	DEYATA KIRULA FAIR AT KITHULGAMA	22,718,347.58		23,411,183.19	14,415,659.54	10,090,961.68	0.70	16,387,828.24		16,387,828.24	10,090,961.68	6,296,866.56	12,548,973.09	4,038,855.15	1,071,620.16	1,520,091.49
66	1038	DEYATA KIRULA FAIR AT KARAVITAGARA	14,787,099.40		15,635,233.10	4,964,294.14	3,298,837.75	0.71	11,022,989.38		10,761,902.03	3,409,875.01	7,523,114.37	3,863,565.26	7,159,424.12	386,356.53	3,124,821.00
67	1039	DEYATA KIRULA BUS STAND AT YATINANTOTA.	24,047,804.98		10,904,396.61	7,536,137.52	7,536,137.52	1.00	10,904,396.61		10,904,396.61	7,536,137.52	3,368,259.09	10,904,396.61	-	889,667.13	
68	1040	DAYATA KIRULA FAIR AT GIRIULLA	48,839,995.88		48,347,969.63	30,601,735.05	22,951,201.29	0.75	36,260,977.23		36,260,977.23	22,951,201.29	13,309,675.94	17,013,819.80	19,247,157.43	1,701,381.98	5,072,486.86
69	1041	DEYATA KIRULA WELARAWA	9,337,015.40		7,709,635.12	2,111,127.35	2,111,127.35	1.00	7,709,635.12		7,709,635.12	2,111,127.35	5,598,507.77	7,026,307.86	68,332.76	68,332.76	1,761,000.00
70	1042	DEYATA KIRULA WERAPOKUNA	10,257,377.13		9,291,051.55	2,505,618.48	2,505,618.48	1.00	9,291,051.55		9,291,051.55	2,505,618.48	6,785,433.07	3,053,119.80	6,255,931.75	303,511.98	1,121,462.48
71	1043	DEYATA KIRULA DEWALEGAMA	13,377,647.92		7,839,770.05	3,384,335.01	3,262,018.60	1.00	7,839,770.05		7,839,770.05	3,384,335.01	4,455,375.04	7,839,770.05	-	517,142.40	-
72	1045	FAIR AT WHAYAKATUPOTHA	9,636,646.16		8,558,116.47	5,117,421.68	4,605,679.51	0.90	7,702,304.82		7,702,304.82	4,605,679.51	3,096,625.31	7,331,083.05	371,221.77	800,716.55	-
73	1046	DEYATA KIRULA FAIR AT KARAVITAGARA	12,261,490.78		10,698,305.53	5,602,879.90	5,020,344.19	0.90	9,631,727.27		9,601,004.28	5,044,200.89	4,587,526.38	7,340,613.53	2,291,113.74	822,148.72	-
74	1047	DEYATA KIRULA BUS STAND AT PANNALA.	27,200,448.49		26,118,810.89	14,616,610.80	5,850,644.32	0.40	10,454,672.06		10,454,672.06	5,850,644.32	4,604,027.74	1,784,137.14	8,670,534.92	178,413.71	5,447,000.00
75	1048	DEYATA KIRULA BUS STAND AT GALIGAMUWA	9,605,686.02		8,150,868.63	4,691,684.40	4,691,684.40	1.00	8,150,868.63		8,150,868.63	4,691,684.40	3,459,184.23	7,337,143.78	813,724.85	446,788.85	
76	1049	DEYATA KIRULA CONS OF WALKING TRACKS AT MAHAWEWA.	6,700,631.00		5,355,943.36	3,855,371.19	3,855,371.19	1.00	5,355,943.36		5,355,943.36	3,855,371.19	1,500,572.17	5,355,943.36	-	578,713.10	
77	1050	DEYATA KIRULA BUS STAND AT CHILLAW	57,492,274.00		84,474,399.71	37,929,337.46	26,550,536.22	0.70	59,132,079.79		59,132,079.79	26,550,536.22	32,581,543.57	27,633,591.16	31,498,488.63	2,919,290.87	90,000.00
78	1051	DEYATA KIRULA BEACH PARK AT CHILLAW.	38,565,262.13		11,387,250.00	15,034,175.48	6,013,670.19	0.40	4,554,900.00		4,554,900.00	6,013,670.19	(1,458,770.19)	11,387,250.00	(6,832,350.00)	1,249,349.06	
79	1052	DEYATA KIRULA CONS OF WALKING	9,192,850.00		6,468,845.20	6,350,233.76	6,350,233.76	1.00	6,468,845.20		6,468,845.20	6,350,233.76	118,611.44	6,468,845.20	-	685,859.34	

