



# ANNUAL REPORT 2019

## TABLE OF CONTENTS

<b>HISTORY</b>	<b>01</b>
<b>INTRODUCTION</b>	<b>01</b>
Corporate Information	02
ECSL Inauguration in the Year 2019	03
<b>OVERVIEW</b>	<b>04</b>
ECSL and its National Responsibility	04
Functions of ECSL	04
Categories and Qualifications of Engineering Practitioners	04
<b>CHAIRMAN'S MESSAGE</b>	<b>05</b>
<b>ORGANIZATION STRUCTURE</b>	<b>06</b>
The Council	07
Staff Cadre	08
Brief Profiles of Council Members	08
<b>PHOTO GALLERY</b>	<b>10</b>
<b>ADMINISTRATIVE HIGHLIGHTS</b>	<b>15</b>
The Establishment of the ECSL	15
Ministry Assistance to ECSL	15
Public Awareness of the Establishment of ECL	15
Inauguration Ceremony	15
Declaration of "Engineers Day" in Sri Lanka	15
Selection of Logo for ECSL	15
Council Meetings	15
Setting up Office	15
Coordination work for Cadre Approvals	15
Launching of WebSite	15
Office Staff	15
Financial Status	15
<b>ACTIVITIES COMPLETED &amp; IN PROGRESS</b>	<b>16</b>
Registration of Engineering of Practitioners	16
Activities Completed	16
Activities in Progress	16
<b>FUTURE OF ECSL</b>	<b>16</b>
<b>FINANCIAL STATEMENTS</b>	<b>17</b>
<b>AUDITED ACCOUNTS &amp; AUDITORS REPORT</b>	<b>23</b>

## HISTORY

The great historic monumental structures of diverse types found in many parts of Sri Lanka bear ample and amazing witness to the unprecedented engineering and technological advances the nation has practiced several centuries and many generations ago. The gigantic structures depicting the glorious religious complexes of yesteryear and the unparalleled massive irrigation systems with marvelous technological features reveal that there were many professionals with heavy engineering and technological knowledge in Sri Lanka much before most of the high-tech nations of the contemporary world.

The practice of engineering thus existed thousands of years ago has slowly and steadily continued in Sri Lanka for centuries, culminating in the evolution of the establishment of formal contemporary engineering and technological education during British rule. Although similar professional practices were somewhat regulated in a few professions such as Western and Indigenous medicine by state-sponsored regulatory bodies, there have been delays in introducing such regulatory exercises for the engineering profession. In this context establishment of the Engineering Council of Sri Lanka (ECSL) was an unprecedented remarkable milestone of the long-cherished profession of Engineering of the motherland, which has its proven roots extending to several millennia in the pre-historic times.

The contemporary organized passion of Engineering across the globe has been virtually tapping the doors of the Sri Lankan engineering profession for quite some time reminding it of the need to establish an organized national regulatory cum representative national body in the same lines practiced by other nations. The initiative to do so emerged about 25 years ago when relevant professional bodies began to lobby the government strongly and repetitively to establish a suitable regulatory body.

Long-term soft discussions among the stakeholders and with the leadership and facilitation gracefully coming from the Governments of different times, eventually rhymed together to produce the essential legal impetus by way of an ACT of PARLIAMENT, enacted by the Parliament of Sri Lanka in 2017.

Accordingly, the government took official steps to appoint the very first Engineering Council of Sri Lanka (ECSL) with an official pronouncement in the national newspapers of 16<sup>th</sup> and 19<sup>th</sup> December 2018 with a

legal date of commencement of ECSL being the 24<sup>th</sup> of August 2018.

The ECSL office was ceremonially opened on the top floor of the Irrigation Department Head Office Building with the graceful presence of His Excellency the President of Sri Lanka on the 17<sup>th</sup> of September 2019, culminating the historic sequence of events.

## INTRODUCTION

Engineering Council, Sri Lanka (ECSL) has been established under the Engineering Council, Sri Lanka Act No. 4 of 2017 which was published as a supplement to Part II of the gazette of the Democratic Socialist Republic of Sri Lanka of March 10, 2017.

The Act empowers ECSL for:

- Maintenance of professional standards and conduct of Engineering Practitioner
- Registration of Engineering Practitioners
- To provide for matters connected therewith or incidental thereto

### Registration of Engineering Practitioners

All Engineering Practitioners are required to get registered with the ECSL according to the Act. The categories of Engineering Practitioners as defined in the Act are:

- Chartered Engineer
- Associate Engineer
- Affiliate Engineer
- Incorporated Engineer
- Engineering Diplomat
- Engineering Technician

In the case of foreign practitioners in Sri Lanka, the ECSL intends to provide temporary registration facilities for a period of four months, if the ECSL is satisfied with his /her relevant qualifications, which thereafter could be renewed at the discretion of the ECSL.

## CORPORATE INFORMATION

**Name of the Organization**  
Engineering Council, Sri Lanka

### Legal Form

Government owned Regulatory Body

### Year of Establishment

2017 by Act of Parliament, No.04 of 2017

### Line Ministry

Ministry of Irrigation

### Date of Commencement

24<sup>th</sup> August 2018

### Legal Consultant

Mrs. Ruvani Hapuarachchi

### Head Office

4<sup>th</sup> Floor, Irrigation Department Premises,  
230, Bauddhaloka Mawatha,  
Colombo 7  
Phone: 2588811,  
Email: registrar@ecsl.lk,  
Website: www.ecsl.lk

### Bankers

Bank of Ceylon

### Tax Identification No

10276922802192003

### Stakeholders as per the Act

The Institution of Engineers, Sri Lanka (IESL)  
The Institution of Incorporated Engineers, Sri Lanka (IIESL)  
Tertiary and Vocational Education Commission (TVEC)  
University Grants Commission (UGC)



## ENGINEERING COUNCIL OF SRI LANKA INAUGURATION IN THE YEAR 2019



Engineering Council of Sri Lanka (ECSL), a long-felt national need, was eventually established at a ceremonial setting on the 17<sup>th</sup> of September 2019.

It is an integral part of the system of justice of the State of Sri Lanka and is the apex regulatory body for the profession of engineering in Sri Lanka.

ECSL draws its powers from the Engineering Council, Sri Lanka Act, No. 4 of 2017 and is charged with the function of registering engineering practitioners holding such qualifications as set out in the respective schedule of the Act, and to regulate and represent the engineering profession in Sri Lanka.

This Annual Report concisely captures the formative activities and other important details of the performance of the council in its historical inaugural year.

## OVERVIEW

### ECSL AND ITS NATIONAL RESPONSIBILITY

The establishment of the Engineering Council of Sri Lanka was an unprecedented and remarkable milestone in the cherished profession of engineering for the motherland. It has its proven roots extending to several millennia in pre-historic times. Contemporary organized passion for engineering across the globe has been virtually tapping at the doors of the Sri Lankan engineering profession for quite some time to remind it of the need to establish an organized national regulatory cum representative national body in the same lines practiced by other developed nations. Long-term soft discussions among the stakeholders, with of course the leadership and facilitation gracefully coming from the nation's leadership at different times, eventually rhymed together to produce the essential legal impetus by way of an ACT of Parliament, enacted by the Parliament of Sri Lanka in 2017.

ECSL so established, from the very day it came into being, inherited the huge responsibility of providing the national leadership in becoming the apex organization to regulate the profession of engineering. In the nutshell, it is legally empowered to do the function of registering engineering practitioners holding the accepted qualifications, hold inquiries on any professional misconduct of such professionals, and make representations to the government and other relevant bodies on matters relating to the practice of the Engineering profession in Sri Lanka.

### FUNCTIONS OF ECSL

The Engineering Council of Sri Lanka is empowered with the function of:

- Maintenance of Professional Standards of Engineering Practitioners.
- Maintenance of Professional Conduct of Engineering Practitioners.
- Registration of six Categories of Engineering Practitioners.
- Make representations to the Government and relevant bodies on matters relating to the practice of the engineering profession in Sri Lanka.
- Maintain registers of the engineering practitioners.
- Publish from time to time the list of the registered engineering practitioners.
- Hold inquiries on any matter relating to the professional misconduct of the engineering practitioners.
- Determine the remuneration payable to the staff of the Council.
- Determine the fees payable in respect of Registration.
- Issuing of Certificates of Registration
- Any other matter is required to enhance the quality of engineering practitioners.

- To provide for matters connected therewith or incidental thereto.

### CATEGORIES AND QUALIFICATIONS OF ENGINEERING PRACTITIONERS AS IN THE ACT

#### Chartered Engineer

Chartered Engineer of the Institution of Engineers, Sri Lanka established by the Institution of Engineers, Sri Lanka Act, No.17 of 1968.

#### Associate Engineer

Four-year Full-time degree in Engineering recognized by the Institution of Engineers, Sri Lanka established by the Institution of Engineers, Sri Lanka Act, No.17 of 1968 or an Associate Member of the Institution of Engineers, Sri Lanka established by the Institution of Engineers, Sri Lanka Act, No.17 of 1968.

#### Affiliate Engineer

Three-year full-time degree in Engineering recognized by the Institution of Engineers, Sri Lanka established by the Institution of Engineers, Sri Lanka Act, No.17 of 1968.

#### Incorporated Engineer

Incorporated Engineer of the Institution of Incorporated Engineers, Sri Lanka established by the Institution of Incorporated Engineers of Sri Lanka (Incorporation) Act, No. 64 of 1992.

#### Engineering Diplomat

Diploma in Engineering from a recognized University or Technical or Technological Institute recognized by the Institution of Incorporated Engineers of Sri Lanka (Incorporation) Act, No. 64 of 1992.

#### Engineering Technician

(i) National Vocational Qualification Level IV of Engineering Technology or equivalent qualification recognized by the Tertiary and Vocational Education Commission established by the Tertiary and Vocational Education Act, No. 20 of 1990.

(ii) One-year full-time academic course in Engineering Technology and has obtained one-year industrial experience in the relevant field or a holder of a Diploma or Certificate in Technology by a University or a Technical or Technological Institute of the Government of Sri Lanka.

## CHAIRMAN'S MESSAGE

A dream and a struggle that lasted for about a quarter of a century, of a group of professionals that provide the backbone of development of this country, was fulfilled with the promulgation of Act No. 4 of 2017, which was gazette on 10th of March 2017. The Act was termed "ENGINEERING COUNCIL, SRI LANKA, ACT" and it paved the way for the establishment of the ENGINEERING COUNCIL, SRI LANKA (ECSL) that shall be responsible for the maintenance of professional standards and conduct of engineering practitioners; registration of different categories of engineering practitioners; and to provide for matters connected therewith or incidental thereto.

It was common knowledge that the Medical Council that was established in 1924, falls under the purview of the Ministry that is responsible for the health sector of Sri Lanka. As, in general, there are a few ministries that deal with the practice of engineering, the ministry that will initiate the setting up of the Engineering Council was anyone's guess. The guesses were put to rest when the prospective members of the Engineering Council received their letters of appointment dated 10<sup>th</sup> of April 2018, signed by the secretary to the ministry of Mahaweli Development and Environment. The Chairman of the Engineering Council was appointed by a letter dated 31<sup>st</sup> of April 2018.

As in the case of any new entity, there were several obstacles the inaugural council had to confront, including a zero account and a zero space. As the inaugural Chairman, I must place on record the value of unconditional commitment, enthusiasm, and support extended to me by all the members of the inaugural council, in steering the council through turbulent waters, especially in its first 18 months of existence. There was no mention of subsistence, sitting allowances, transport allowances, etc. and the council conducted its affairs in a virtual space. I take this opportunity to thank the administration of the Ministry of Mahaweli Development and the Institution of Engineers, Sri Lanka for granting permission to use their spaces for meetings of the council, held physically, during this period.

Finding a permanent home for the Council, with a zero-bank account, was a priority challenge. After having visited a few available places owned by the government and semi-government organizations, the space available at the top floor of the headquarters of the Irrigation Department was acceptable to the Council. The main reasons were (a) Irrigation Department was one of the earliest engineering institutions set up in the country and the building that houses it is considered as iconic by many practicing engineers (b) The location and architecture of the building and (c) Sri Lanka is globally recognized for its ancient achievements in irrigation engineering. The vital contributions of Mr. NA Sisira Kumara, then secretary to the Ministry of Irrigation and Water Resource Management who was instrumental in obtaining necessary



approvals for space, and Mr. S Mohanarajah, then Director-General of Irrigation, who tirelessly worked for getting the space furnished in an exemplary manner, are gratefully appreciated.

After conducting 22 meetings where several initiatives were commenced on different aspects of the duties, responsibilities, and expectations of the ECSL, the council was officially inaugurated at its current home at the headquarters of the Irrigation Department building on 17th of September 2019, the day of 145<sup>th</sup> birth anniversary of one of the most eminent engineers and statesmen of Sri Lanka, Eng. DJ Wimalasurendra.

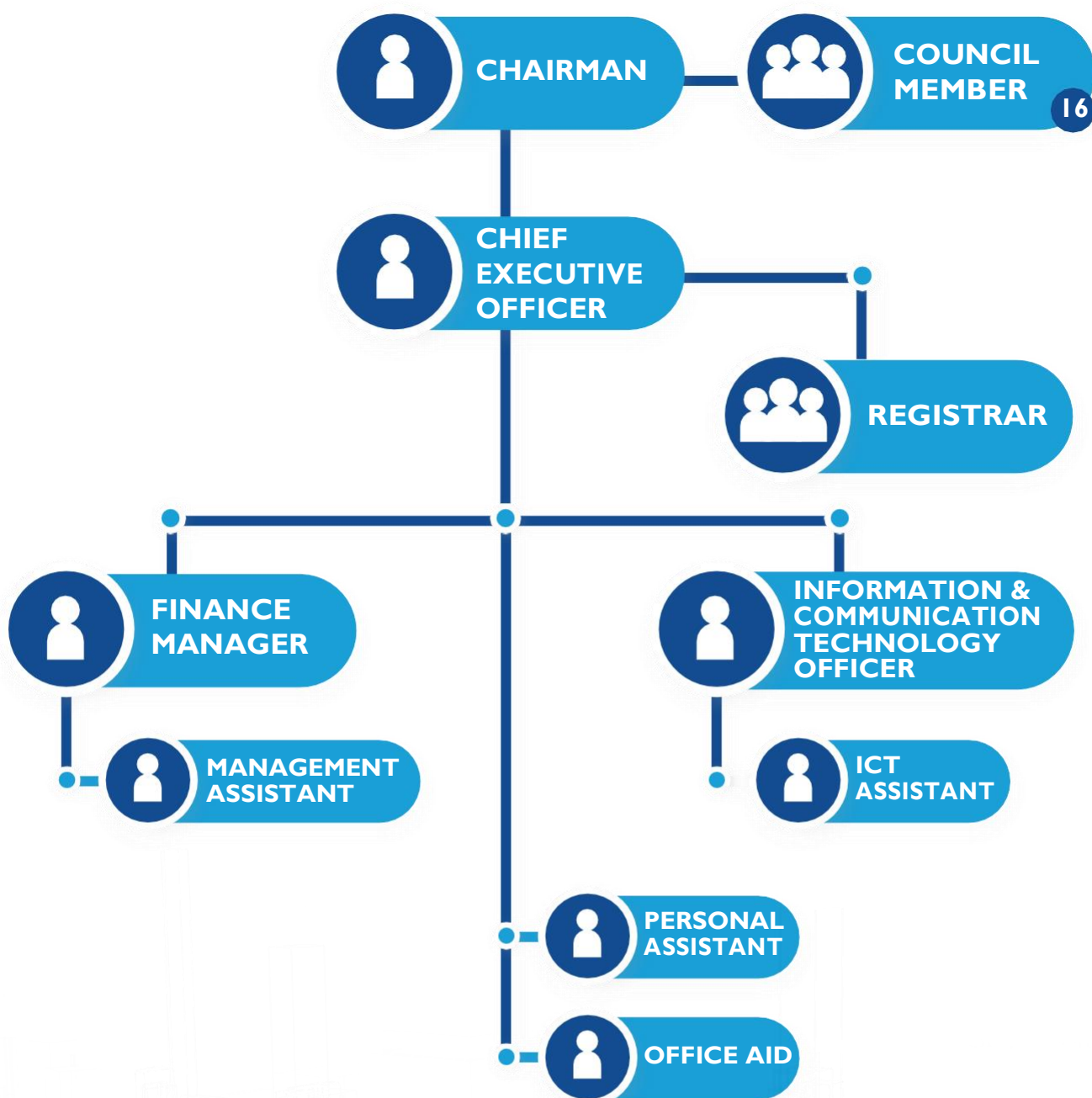
As the inaugural Chairman of ECSL, I prepared this message with great enthusiasm and pride. I am extremely happy to note that the ECSL has lived up to its expectations, following the mandate of the people of Sri Lanka, who have paid for the education of most of the engineering professionals of this country. It is the utmost duty of ECSL to continue to conduct its affairs vigorously in a manner that is focused on improving the well-being of all citizens of this country.

I wish the very best for ECSL in all its future endeavors.

**Prof. S. B. S. Abayakoon**

BSc Eng., M. A. Sc., PhD, CEng, FIE(SL), Int. PEng.(SL)  
Chairman ECSL

# ORGANIZATION STRUCTURE





## THE COUNCIL

The Council consists of seventeen members, out of which four are *ex-officio* members (three Deans of Faculties of Engineering not below the rank of Professor and the Director-General of Tertiary and Vocational Education Commission) and thirteen other members are appointed by the minister in charge of the line ministry under which ECSL is established.

The “appointed members” consist of seven Chartered Engineers representing different engineering disciplines in rotation for every two years, nominated by the IESL, four

members representing different engineering disciplines in rotation for every two years, nominated by the IIESL, one Chartered Engineer nominated by the Sri Lanka Engineering Service and one representative from the Engineering Technicians nominated by the Tertiary and Vocational Education Commission.

The Minister to appoint one of the Chartered Engineers from among the appointed members to be the Chairman of the ECSL.

The Council was appointed in April 2018 is as follows:

No	Name	Qualifications	Position
01	Prof. S.B.S. Abayakoon	BScEng., M.A. Sc., PhD, CEng, FIE(SL), Int. PEng.(SL)	Chairman
02	Prof. N.K. Wickramarachchi	BScEng., M.A. Sc., PhD, CEng, FIE(SL), Int. PEng.(SL)	Member (Ex-Officio)
03	Prof. G.B.B. Herath	BSc Eng., MEng, PhD	Member (Ex-Officio)
04	Prof. A. Athputharajah	BSc Eng.(Hons), PhD, CEng, MIE(SL)	Member (Ex-Officio)
05	Mr. S.U.K. Rubasinghe	PGDBM, PGCTM, AMIE(SL)	Member (Ex-Officio)
06	Prof. A.K.W. Jayawardena	BSc Eng.(Hons), MSc, PhD, CEng, Int PE(SL), FIE(SL), FIPM(SL), FNAS(SL), GSLID	Member
07	Mr. Tilak De Silva	BScEng., MSc, CEng(SL), CEng(UK), CITP(UK), FIE(SL), FIET(UK), FBCS(UK), SMIEEE(USA), MCS(SL)	Member
08	Mr. J. Meegoda	BSc Eng.(Hons), PGD, MBA, CEng, FIE(SL), Int PE(SL), MIEEE(USA)	Member
09	Mr. K.P.I.U. Dharmapala	BScEng, CEng, FIE(SL), FICE(UK), FIE(Aust.), MASCE(USA), MSSE(SL), MACE(SL), IntPE(SL), PEng(Aust)	Member
10	Mr. A. Manamperi	BSc Eng, MS Eng, MBA, CEng, FIE(SL)	Member
11	Mr. J.A.G.R. Jayalath	BSc Eng., MSc Eng. , MEcon, PG(Dip)IT, PG(Dip) ConstMgt. FIE(SL), FCIHT(UK), LM(IRC), CMILT, MSSE(SL)	Member
12	Dr. T.A.G. Gunasekara	MEng, MSc Eng (Hons), PhD, CEng, IEng, MIE(SL), FIIE(SL)	Member
13	Mr. D.S. Senarath	MCGI(UK), IEng, MEG(SL), DTM(USA), FIIE(SL)	Member
14	Mr. K. Ariyawansa	GCGI(UK), MCGI(UK), IEng, MASCE(USA), MEG(SL), FIIE(SL)	Member
15	Mr. U.P.P. Kavikeshawa	BSc (Hons), MCGI (UK), IEng, TEng. AIE(SL), MEG(SL), MIAENG, FIIE(SL)	Member
16	Mr. D. Abeywardena	BSc Eng, CEng, MIE(SL)	Member
17	Mr. Channa Wijesekara	IEng, FIIESL	Member
18	Dr. Ananda Ranasinghe	BSc, MTech, MEng, LLM(Colombo), LLM(Wales), PhD, CEng, FStructE(UK), FICE (UK) FIE (SL), FSSE, Attorney at Law	Member

Prof. S.B.S. Abayakoon held the post of Chairman since 2018 and he resigned from the post of Chairman ECSL and the Council with effect from 01<sup>st</sup> October 2019 to assume the duties as the President of IESL for the Session 2019/2020. Mr. Tilak De Silva covered up the duties of Chairman from 02<sup>nd</sup> October 2019 and subsequently confirmed in his appointment as the Chairman by His Excellency the President with effect from 15<sup>th</sup> October 2019. Dr. Ananda Ranasinghe was appointed as a Council Member with effect from 02<sup>nd</sup> October 2019.

### STAFF CADRE

1. Chief Executive Officer	- 01 No
2. Registrar	- 01 No
3. IT Officer	- 01 No
4. Accountant	- 01 No
5. IT Assistant	- 01 No
6. Management Assistant	- 01 No
7. Personal Assistant	- 01 No
8. Office Aid	- 01 Nos

## BRIEF PROFILE OF THE MEMBERS OF THE COUNCIL



**Prof. S.B. Abeyekoon**  
Chairman

From 2018-04-10 to 2019-10-01



**Tilak De Silva**  
Chairman

From 2019-10-15 upto date  
Covering up Chairman  
From 2019-02-02 to 2019-10-14  
Council Member  
From 2018-04-10 to 2019-10-14



**Prof. N. K. Wickramarachchi**  
Council Member (Ex-officio)



**Prof. G. B. B. Herath**  
Council Member (Ex-officio)



**Prof. A. Atputharajah**  
Council Member (Ex-officio)



**S. U. K. Rubasinghe**  
Council Member (Ex-officio)



**Prof. A.K. Jayawardena**  
Council Member



**J. Meegoda**  
Council Member



**K. P. I. U. Dharmapala**  
Council Member



**A. Manamperi**  
Council Member



**J. A. G. R. Jayalath**  
Council Member



**D. Abeysiwardena**  
Council Member



**Dr. Ananda Ranasinghe**  
Council Member  
From 2019-10-02



**Dr. T. A. G. Gunasekara**  
Council Member



**D. S. Senarath**  
Council Member



**K. Ariyawansa**  
Council Member



**Lt. Col. U. P. P. Kavikeshawa**  
Council Member



**H. L. C. G. Wijesekara**  
Council Member

## PHOTO GALLERY

### Welcoming the President



**ECSL Office opening**



### Introducing Council Members





## Signing the Visitors Book

## Lighting the traditional oil lamp



## Launching EC SL Website



**Address by  
the Chairman  
ECSL**

**Address by the  
His Excellency  
the President**



**Handing over  
souvenir to the  
His Excellency**



**Invitees and Council Members**



**Invitees and Council Members**



**Invitees and Council Members**

### Awarding Registration Certificate to Chairman ECSL



### Awarding Registration Certificate to President IESL



### Awarding Registration Certificate to President IIESL



### Awarding Registration Certificate to Chairman TVEC





## GROUP PHOTO



## ADMINISTRATIVE HIGHLIGHTS OF EC SL

### THE ESTABLISHMENT OF EC SL

- An Enactment was passed by the Parliament on 09<sup>th</sup> March 2017.
- Council was appointed on 10<sup>th</sup> April 2018.
- 1<sup>st</sup> meeting was held with the Secretary of the Ministry Mr. Anura Dissanayaka and his officials on 10<sup>th</sup> August 2018.
- 1<sup>st</sup> EC SL Council Meeting was held at Sodaham Paya on 24<sup>th</sup> August 2018.

### MINISTRY ASSISTANCE

- Additional Secretaries Mr. R.A.R.R. Rupasingha and Mrs. Lochana Peris of the Ministry provided support and guidance in numerous ways to begin the functional aspects of the Engineering Council.

### PUBLIC AWARENESS OF ESTABLISHMENT

- Public notified through newspaper advertisements on 16<sup>th</sup> and 19<sup>th</sup> December 2018.

### INAUGURATION CEREMONY

- The ceremonial opening of the EC SL office was inaugurated by the His Excellency the President at the Irrigation Department Head Office building on the 17<sup>th</sup> of September 2019.

### DECLARATION OF THE “ENGINEERS DAY” OF SRI LANKA

- His Excellency the President has declared the 17<sup>th</sup> of September each year as the “Engineers Day”.

### SELECTION OF A LOGO

- Engineering Council selected the logo for the EC SL which has been designed by Mr. H.B. Dayarathna.

### COUNCIL MEETINGS

- Initially, the Council had not a place to hold the Council meetings and at that time the Ministry allowed their premises to have the meetings.

### SETTING UP OFFICE

- The Director-General of Irrigation and his team supported in many ways the provision of office space from the top floor of the Irrigation Department Head Office.
- Mr. Channa Wijesekara and his team provided interior design and furniture arrangements.

### COORDINATION WORK FOR CADRE APPROVALS

- Prof S B Abeykoon and Ministry Secretaries provided coordination to obtain cadre approvals from the Department of Management Service (DMS)

### LAUNCHING OFFICIAL WEB SITE

- Launched of the official website [www.ecsl.lk](http://www.ecsl.lk) on 17<sup>th</sup> of September 2019.

### OFFICE STAFF

- Appointed a Coordinator for the Office on 17<sup>th</sup> October 2019 for associated work of EC SL.

### FINANCIAL STATUS

- The Institution of Engineers Sri Lanka (IESL) and the Institution of Incorporated Engineers Sri Lanka (IIESL) provided loans of Rs. One Million each to initiate functions related to EC SL pending funds from Treasury allocations.

## ACTIVITIES COMPLETED AND IN PROGRESS

### REGISTRATION OF ENGINEERING PRACTITIONERS

- Started registration of Engineering Practitioners in the following categories:
  - Chartered Engineer
  - Associate Engineer
  - Affiliate Engineer
  - Incorporated Engineer
  - Engineering Diplomat
 (Newspaper advertisements of 27<sup>th</sup> and 30<sup>th</sup> January 2019)
- Finalized an Annual Registration Fee which will be the same for all irrespective of the practitioner category.
- Details of registered practitioners in 2019
 

● Chartered Engineer	- 5,409
● Associate Engineer	- 10,491
● Affiliate Engineer	- 129
● Incorporated Engineer	- 410
● Engineering Diplomat	- 594

### ACTIVITIES COMPLETED.

- Two workshops were conducted.
  - The first one was to enlighten the legal background of the ECSL Act for Council Members by the Legal Consultant Mrs. Ruvani Hapuararchchi
  - The second one to invited heads of government and semi-government engineering establishments to discuss issues in the implementation of the ECSL Act

### ACTIVITIES IN PROGRESS

- Preparation of Rules & Regulations
- Preparation of a Professional Code of Conduct
- Meetings with stakeholders
- Responding to inquiries

## FUTURE OF ECSL

The Engineering Council of Sri Lanka although in its formative period as at present is firmly destined to function constitutionally and legislatively to lead the engineering profession in Sri Lanka for either many more decades or even centuries in the future as the apex formal umbrella organization for Engineering. Its futuristic activities therefore in the broad sense are very much clear, coherent, and well recognized.

Being a formally established and functional state-sponsored organization, ECSL will embark on several futuristic activities as short and long-term programs.

During the coming year itself, plans are underway to complete most of the formative activities of the ECSL such as the recruitment and training of essential core staff, acquisition of essential equipment, etc. so that its premier function of registering the Engineering Practitioners becomes a routine smooth function for the council as well as the registrants.

Strengthening of dialogue between the ECSL and the utilizers of Engineering Practitioners in the State and

Private sector as well as the General Public through discussions, written correspondence, and by using electronic information and social media is another key activity that will be performed soon.

ECSL is also due soon to sort out outstanding issues in the registration process such as registration of Engineering Technicians, Foreign Practitioners and to troubleshoot /take decisions on debatable issues of the registration process. It will also commence the process of implementing the Code of Professional Conduct for all Registered Practitioners of Engineering in Sri Lanka.

ECSL will also have, in the long run, to stamp itself firmly as the apex organization to represent all matters related to the profession of engineering in Sri Lanka. Most of its long-term future activities will be focused on this direction. Another of its futuristic goals for the broader future is to embark on setting up its premises of elegance with the due respect it deserves as a link in the chain of its advancement.

## FINANCIAL STATEMENTS

### Statement of Financial Performance

<b>For the year ended</b>	<b>NOTE NO</b>	<b>2019 Rs'000</b>	<b>2018 Rs'000</b>
Revenue from Operating Activities	01	17,033	-
Treasury Grants- Recurrent		3,548	-
<b>Total Revenue</b>		<b>20,581</b>	<b>-</b>
Administrative Costs	2.1	(2,805)	-
Contractual Services & Maintenance expenses	2.2	(454)	-
Other Operational Expenses	2.3	(2,625)	-
<b>Total Expenses</b>		<b>(5,884)</b>	<b>-</b>
<b>Surplus / (Deficit) from Operations</b>		<b>14,697</b>	<b>-</b>
Tax		(1,086)	-
<b>Surplus / (Deficit) for the period</b>		<b>13,611</b>	<b>-</b>

## Statement of Financial Position

	NOTE NO.	2019 Rs'000	2018 Rs'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	03	2,038	-
Cash and cash equivalents - Short Term Investments	04	14,000	
Trade & Other Receivables	05	3,731	
Prepayments	06	30	-
		<b>19,799</b>	-
<b>Non - current assets</b>			
Property, Plant & Equipment	07	3,036	-
<b>TOTAL ASSETS</b>		<b>22,835</b>	-
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other Provisions & Payables	08	6,188	-
<b>Non - current liabilities</b>			
Deferred Income (For Government Grants)	09	3,036	-
<b>TOTAL LIABILITIES</b>		<b>9,224</b>	-
<b>NET ASSETS</b>		<b>13,611</b>	-
<b>NET ASSETS /EQUITY</b>			
<b>CAPITAL &amp; RESERVES</b>			
Contributed Capital	10	-	-
Accumulated Profit/( Deficit)	10	13,611	-
<b>TOTAL NET ASSETS /EQUITY</b>		<b>13,611</b>	-

The Accounting Policies and the Notes from pages 05 To 11 form an integral part of these Financial Statements.

I certify that the above Financial Statements are true and correct as per the records available of the Engineering Council.

P.A.P. Silva  
Accountant (Acting)

The Council members are responsible for the preparation & presentation of the Financial Statements. Approved and Signed on behalf of the Engineering Council.

Eng. Thilak De Silva  
Chairman  
The Engineering Council, Sri Lanka  
05<sup>th</sup> February 2021

Eng. D.S. Senrath  
Council Member

## CASH FLOW STATEMENT

	<u>2019</u>	<u>2018</u>
	Rs'000	Rs'000
<b>Cash Flows from Operating activities</b>		
Surplus / [Deficit] for the year before Treasury Grants (Recurrent)	11,149	
Add: Treasury Grants received (Recurrent)	<u>3,548</u>	
Surplus / [Deficit] before Tax for the year	<b>14,697</b>	
<b>Non Cash Movements</b>		
Increase in payables	5,102	
Increase in Other Current Assets	(3,761)	1,341
<b>Net cash flows from operating activities</b>	<b>16,038</b>	-
<b>Cash Flows from Investing activities</b>		
Purchase of Property Plant & Equipment	(3,140)	
<b>Net cash flows from Investing activities</b>	<b>(3,140)</b>	-
<b>Cash Flows from Financing activities</b>		
Government Grants [Capital for Property Plant & Equipments]	3,140	
<b>Net cash flows from financing activities</b>	<b>3,140</b>	-
<b>Net Increase/[decrease] in cash &amp; cash Equivalents</b>	<b>16,038</b>	-
Cash & Cash Equivalents at beginning of Period	-	
<b>Cash &amp; Cash Equivalents at end of Period</b>	<b>16,038</b>	-

## **NOTES TO THE CASH FLOW STATEMENT**

Cash and cash equivalents consist of balances with banks. Cash and Cash equivalents included in the Cash Flow Statement comprise the following Statement of Financial Position amounts.

	<u>2019</u>	<u>2018</u>
	Rs'000	Rs'000
Current Account Balances with Banks (Note No.03)	2,038	
Investments - Fixed Deposit (Short Term) (Note No.04)	14,000	
	<b>16,038</b>	-

## **NOTES TO THE FINANCIAL STATEMENTS**

### **REVENUE FROM OPERATING ACTIVITIES**

	<b>2019</b>	<b>2018</b>
	<b>Rs'000</b>	<b>Rs'000</b>
<b>NOTE NO:01</b>		
<b>REGISTRATION</b>		
Chartered Engineers	5,409	-
Associate Engineers	10,491	-
Affiliate Engineers	129	-
Incorporated Engineers	410	-
Engineering Diplomates	594	-
<b>GRAND TOTAL</b>	<b>17,033</b>	<b>-</b>
<b>EXPENSES</b>		
<b>NOTE NO: 2.1</b>		
<b>ADMINISTRATIVE COSTS</b>		
Salaries & Wages	918	-
Council Memembers Allowances	1,887	-
<b>TOTAL</b>	<b>2,805</b>	<b>-</b>
<b>NOTE NO: 2.2</b>		
<b>CONTRACTUAL SERVICES &amp; MAINTENANCE EXPENSES</b>		
Postage & Telephone Charges	18	-
IT Expenses	165	-
Entertainment	68	-
Audit Fees	75	-
Printing	34	-
Consultancy Charges	49	-
Sundry Expenses	33	-
Maintenance of Office Equipments	12	-
<b>TOTAL</b>	<b>454</b>	<b>-</b>
<b>NOTE NO: 2.3</b>		
<b>OTHER OPERATING EXPENSES</b>		
Stationery & Office Requisites	3	-
Periodicals & Newspapers	600	-
Bank Charges	3	-
Interest Paid	3	-
Other Operating Expenses	2,016	-
<b>TOTAL</b>	<b>2,625</b>	<b>-</b>
<b>GRAND TOTAL</b>	<b>5,884</b>	<b>-</b>

	<b>2019</b>	<b>2018</b>
	<b>Rs'000</b>	<b>Rs'000</b>
<b>NOTE NO:03</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
( 1 ) Bank of Ceylon (Independence Square) (C/A No. 83585687)	1,570	
( 2 ) Bank of Ceylon (Independence Square) (C/A No. 83591633)	453	
( 3 ) Petty Cash	15	
<b>GRAND TOTAL</b>	<b>2,038</b>	
<b>NOTE NO:04</b>		
<b>CASH &amp; CASH EQUIVALENTS - INVESTMENTS (SHORT TERMS)</b>		
( 1 ) Fixed Deposits - Bank of Ceylon (Ind. Square) (85326167)	10,000	
( 2 ) Fixed Deposits - Bank of Ceylon (Ind. Square) (85326186)	4,000	
<b>GRAND TOTAL</b>	<b>14,000</b>	-

	<b>2019</b>	<b>2018</b>
	<b>Rs'000</b>	<b>Rs'000</b>
<b>NOTE NO:05</b>		
<b>TRADE AND OTHER RECEIVABLES</b>		
Members Fees Receivables	3,731	
	<b>3,731</b>	
<b>NOTE NO:06</b>		
<b>PRE-PAYMENTS</b>		
IT Expenses	30	
<b>GRAND TOTAL</b>	<b>30</b>	-
<b>NOTE NO: 08</b>		
<b>OTHER PROVISIONS &amp; PAYABLES</b>		
(1) Provision for Audit Fees	75	
(2) PAYE Tax Payable	17	
(3) Other Payables	7	
(4) Income Tax Payable	1,086	
(5) VAT Payable	1,549	
(6) Members Renewal Advance	3,454	
<b>GRAND TOTAL</b>	<b>6,188</b>	-

**PROPERTY, PLANT & EQUIPMENT**

<b>NOTE: 07</b>				
<b>Cost</b>	Balance as at	Additions	Disposal /	Balance as at
	01.01.2019		Adjustments	31.12.2019
	<b>Rs'000</b>	<b>Rs'000</b>	<b>Rs'000</b>	<b>Rs'000</b>
Furniture Fittings & Office Equipment	-	3,041	-	3,041
Computers & Accessories	-	99	-	99
<b>GRAND TOTAL</b>	<b>-</b>	<b>3,140</b>	<b>-</b>	<b>3,140</b>
<b>Depreciation</b>	Balance as at	Charges	Disposal /	Balance as at
	01.01.2019	for the Year	Adjustments	31.12.2019
	<b>Rs'000</b>	<b>Rs'000</b>	<b>Rs'000</b>	<b>Rs'000</b>
Furniture Fittings & Office Equipment	-	101	-	101
Computers & Accessories	-	3	-	3
<b>GRAND TOTAL</b>	<b>-</b>	<b>104</b>	<b>-</b>	<b>104</b>
<b>NET BOOK VALUE</b>	<b>-</b>			<b>3,036</b>

**Depreciation Charges to the Financial Performance is made as follows.**

<b>Depreciation</b>	Charges for the Year	Deferred Income for the Year	Disclosed Amount
	<b>Rs'000</b>	<b>Rs'000</b>	<b>Rs'000</b>
Furniture Fittings & Office Equipment	101	101	-
Computers & Accessories	3	3	-
<b>GRAND TOTAL</b>	<b>104</b>	<b>104</b>	<b>-</b>

**NOTE: 09**

<b>Deferred Income</b>	Balance as at 01.01.2019	Additions During the Year	Charges for the Year		Balance as at 31.12.2019
			Depreciation	Revaluation Adjustments / Disposal	
			<b>Rs'000</b>	<b>Rs'000</b>	
Furniture Fittings & Office Equipment		3,041	(101)		2,940
Computers & Accessories		99	(3)		96
<b>GRAND TOTAL</b>	<b>-</b>	<b>3,140</b>	<b>(104)</b>	<b>-</b>	<b>3,036</b>

**Statement of Changes in Net Assets/ Equity** As at 31<sup>st</sup> December

<b>NOTE: 10</b>	Contributed Capital	Accumulated Profit/Deficit	Total
	<b>Rs'000</b>	<b>Rs'000</b>	<b>Rs'000</b>
<b>Balance as at 31<sup>st</sup> December 2017 B/F</b>	-	-	-
Surplus /(Deficit) for the period	-	-	-
<b>Balance as at 31<sup>st</sup> December 2018</b>	-	-	-
<b>Balance as at 31<sup>st</sup> December 2018 B/F</b>	-	-	-
Surplus /(Deficit) for the period		13,611	13,611
<b>Balance as at 31<sup>st</sup> December 2019</b>	-	<b>13,611</b>	<b>13,611</b>



# AUDITORS REPORT FROM NATIONAL AUDIT OFFICE

My No. IEN/A//ECSL/SA/2019

30<sup>th</sup> June, 2021

Chairman  
Engineering Council Sri Lanka

Auditor General's Report, regarding the Financial Statements and other Legal and Regulatory requirements, of the Engineering Council Sri Lanka, for the year ending on 31<sup>st</sup> December, 2019 in compliance with Section 12 of the National Audit Act No. 19 of 2018.

## 1. Financial Statement

### 1.1 Qualified Auditing Opinion

The financial statements of the Engineering Council, Sri Lanka as at 31<sup>st</sup> of December, 2019 consisting of the financial position statement for the year ending as that date, the statement of changes in equity, the cash flow statement as at the end of that year, notes pertaining to the Financial Statements and summarized important accounting policies, were audited under my direction, according to Statute 154(1) of the constitution of the Democratic Socialist Republic of Sri Lanka, read together with the National Audit Act No. 19 of 2018 and with the provisions of the Financial Act No. 38 of 1971. My Report shall be tabled in the House of Parliament in due course, according to Statute 154(6) of the constitution.

Except for the effects caused by matters described in the Section under the heading "Basis for Qualified Opinion" in my Report, my opinion is that the financial position and the financial operation and Cash Flow of the Council for the year ending on 31<sup>st</sup> December, 2019 reflect the true and just position in accordance with the Sri Lanka Public Sector Accounting Standards.

### 1.2 Basis for Qualified Accounting Opinion

(a) Membership money relevant to the year 2020 was not received in the year under review, but Rs. 3,730,32 was shown erroneously in the Financial Statements of the year under review as receivable and received in advance.

(b) Though, amortization in Fixed Assets of Rs. 3,140,000, received as State Grant is disclosed in Financial Statements as identified according to revenue entry amortization relevant to the year under review is not identified as revenue, the amortization value is deducted in Fixed Assets and Capital Grant and shown in Financial Statements, contrary to Accounting Policies.

(c) According to the Tax Report, upon the added value for the third and fourth quarters, in the year under review, the tax amounts payable and receivable were Rs. 383,682 and Rs. 668,366 in that order. But without adjusting the payable

and receivable tax, Rs. 1,548,811 was shown in the Financial Statements as payable tax balance.

### 1.3 The Responsibility of the parties who are in charge of management and administration with regard to the Financial Statements

It is the responsibility of the Management to decide on the internal controls necessary for the preparation of the Financial Statements without considerable guilty statements which could result due to fraudulent and incorrect information and submit in a just and equitable manner in compliance to the Sri Lanka Accounting Standards.

When preparing Financial Statements, it is the responsibility of the Management to decide on the possibility of the continuous existence of the Council and maintain accounts on the basis of continuous process of existence and to disclose matters relevant to the continuous existence of the Council, unless it intends to wind up the Council or in the absence of alternatives, to cease operation.

The responsibility of the process of Financial Reporting of the Council is borne by the party in charge of administration.

According to sub-section 16(1) of the National Audit Act No. 19 of 2018, appropriate books, registers and reports should be maintained regarding the Council's income, expenditure, assets and liabilities to enable the preparation of the Annual and timely Financial Statements of the Council.

### 1.4 Auditor's responsibility regarding auditing financial statements

My objective is to issue my Audit Report, which includes my opinion and provides an equitable confirmation that the overall Financial Statements are without considerable guilty statements resulting from fraudulent and incorrect information. Equitable certifying is certifying at a higher level, but when conducting audit according to Sri Lanka Auditing Standards, always it is not the confirmation obtained from illegitimate statements. Considerable number of illegitimate statements could be created due to the impact of single or collective fraudulent and inaccurate information. It is hoped that there could be impact towards the economic decisions taken by users based on such financial statements.

I have done this Auditing with professional judgment and professional etiquette, according to Sri Lanka Auditing Standards.

Further,

- My opinion is based on obtaining sufficient and suitable audit evidences, to avoid the dangers that occur as a result of fraudulent and inaccurate financial statements and identifying and assessing such dangers, by taking appropriate audit procedures according to the situation. The impact caused by frauds are much more powerful than the impact created by quantitative guilty statements. Preparing unconnected fraudulent documents, avoiding intentionally or avoiding from internal administrations are reasons for the occurrence of frauds.

- Despite having obtained an understanding about the internal administration of the Council to plan an auditing procedure suitable to the situation, it is not intended to express an opinion about the successfulness of the Internal Administration.

- Equity of the Accounting Policies and the Accounting Estimates used and the suitability of the relevant disclosures made by the Administration have been evaluated.

- Based on the Audit evidences obtained regarding, whether there is sufficient undecidedness about the continuous existence of the Council, due to the reasons of incidents or conditions, the relevancy for accounting regarding engaging a basis for the continuous existence of the Council, was decided upon. If I conclude that there is considerable undecidedness, the attention of my Audit Report should be engaged to disclosures regarding such instances in the Financial Statements. If such disclosures are not considerable, I must modify my opinion. However, continuous existence could end, upon future incidents or conditions.

- Whilst evaluating the structure and contents of the Financial Statements submitted, which included the disclosures, it is appreciated that the transactions and instances which were the base of such disclosures were suitably and justly included in the Financial Statements.

The parties doing administration, were made aware of the important Audit Findings identified in my auditing, main internal administrative weaknesses and other matters.

## **2. Report regarding other legal and regulatory requirements**

Special provisions are included in the National Audit Act No. 19 of 2018, regarding the undermentioned, requirements :

- According to requirements mentioned in Section 12(a) of the National Audit Act No. 19 of 2018, except for the impact resulting from matters described in Section titled “Basis for Qualified Opinion” of my report, whilst I have obtained all information and explanations required for the

Auditing, the Council has maintained appropriate Financial Report, as appearing in my examination.

Upon the action followed and evidences obtained and confining to within quantitative matters, nothing was subjected to my attention to the extent to declare as mentioned below :

- That, according to the requirement mentioned in Section 12(d) of the National Audit Act No. 19 of 2018, any member of the Board of Administration of the Council, has directly or in any other manner any agreement connected to the Authority except the ordinary professional connection.

- That, according to the requirement mentioned in Section 12(F) of the National Audit Act No. 19 of 2018, except for the observation mentioned below, having performed any action contradictory to relevant written law or to any other general or special directive issued by the Board of Administration of the Council.

- That, according to requirement mentioned in Section 12(G) of the National Audit Act No. 19 of 2018, actions had been taken contradicting the powers, duties and works of the Council.

- That, according to requirement mentioned in Section 12(H) of the National Audit Act No. 19 of 2018, the resources of the Council were not procured and used thriftily, efficiently and productively within the periods, according to the rules and regulations.

## **2.1 Other Audit Observations**

The Director General of the Department of Management Services had approved a staff of 09 members, for 08 posts for the Council of Engineers. Without making recruitment for approved posts, 03 posts which were not approved were created, and Rs. 621,387/- had been paid as salary and allowances. Despite, there being an approved recruitment procedure for the Posts, no any worker had been recruited to the permanent cadre.

Signed by W.P.C. Wickremaratne  
Auditor General

## **RESPONSE TO THE AUDIT REPORT**

### **RECRUITMENT OF STAFF**

After the establishment of the Act, the first Council meeting was held on 24<sup>th</sup> August 2018. Since there was no permanent place belonged to the Engineering Council, Sri Lanka (ECSL) until September 2019 all the meetings were held at the Institution of Engineers Sri Lanka (IESL). Also, there was no staff to work in the ECSL, and a request was sent to the Management Services Department (MSD) in this regard. In order to carry out the financial functions with transparency, only a Finance Manager was recruited on a part-time basis from the inception. Subsequently, the Irrigation Department allocated space to the ECSL office in their premises at No 230, Jawatta Road, Colombo 7, and necessary infrastructure was developed and the new office was declared open on 17<sup>th</sup> September 2019 by His Excellency the President.

MSD approved to recruit the staff and provided the Scheme of Recruitments (SORs) on 31<sup>st</sup> October 2019. However, treasury has directed all state institutions to stop recruitments during the period of the Presidential Elections 2019 and it was further extended by the letter of Secretary to the Treasury

dated 20<sup>th</sup> November 2019.

In order to carry out the functions of ECSL, the Council decided to recruit a skeleton staff on a temporary basis in compliance with the powers vested to the Council by Section 22 of the ECSL Act. The following staff was recruited during the years 2018 and 2019.

#### **1. Coordinating Officer**

A person having stipulated qualifications to perform the duties of Registrar as directed in Section 24 of the ECSL Act. (In October 2019)

#### **2. IT Coordinator**

To perform the duties related to Information Technology and other supporting activities of the office. (In November 2019)

#### **3. Finance Manager (Part-Time)**

To perform the financial activities. (In August 2018)



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