

ANNUAL REPORT

2020



ENGINEERING COUNCIL, SRI LANKA

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VISION

To ensure the public confidence and trust in the Engineering Practitioners of Sri Lanka and to be an active contributor to the socio-economic development of the country.

MISSION

Register different categories of Engineering Practitioners of Sri Lanka as mandated by law while maintaining internationally recognized and locally relevant standards, competence and commitment for the profession towards the development of the country.

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 Democratic Socialist Republic of Sri Lanka of March 10, 2017.

The Act empowers ECSL for:

- Maintenance of professional standards and conduct of Engineering Practitioners
- 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 engineering practitioners in Sri Lanka, the ECSL intends providing temporary registration facilities for a maximum period of four months, if the ECSL is satisfied about 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

24th August 2018

Legal Consultant

Mrs. Ruvani Hapuarachchi

Head Office

4th Floor, Irrigation Department Premises,
230, Bauddhaloka Mawatha,
Colombo 7

Bankers

Bank of Ceylon

Phone: 2588811,

Email: registrar@ecsl.lk,

Website: www.ecsl.lk

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)

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 the 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 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 in to 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 the practice of 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 required to enhance the quality of engineering practitioners.
- To provide for matters connected therewith or incidental there to.

Categories and Qualifications of Engineering Practitioners

(Ref: 'SCHEDULE A' of Section 15, Engineering Council, Sri Lanka Act No.4 of 2017.)

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



Mr. Tilak De Silva

BSc Eng., MSc, CEng(SL), CEng(UK), CITP(UK), FIE(SL), FIET(UK), FBCS(UK), SMIEEE(USA), MCS(SL)

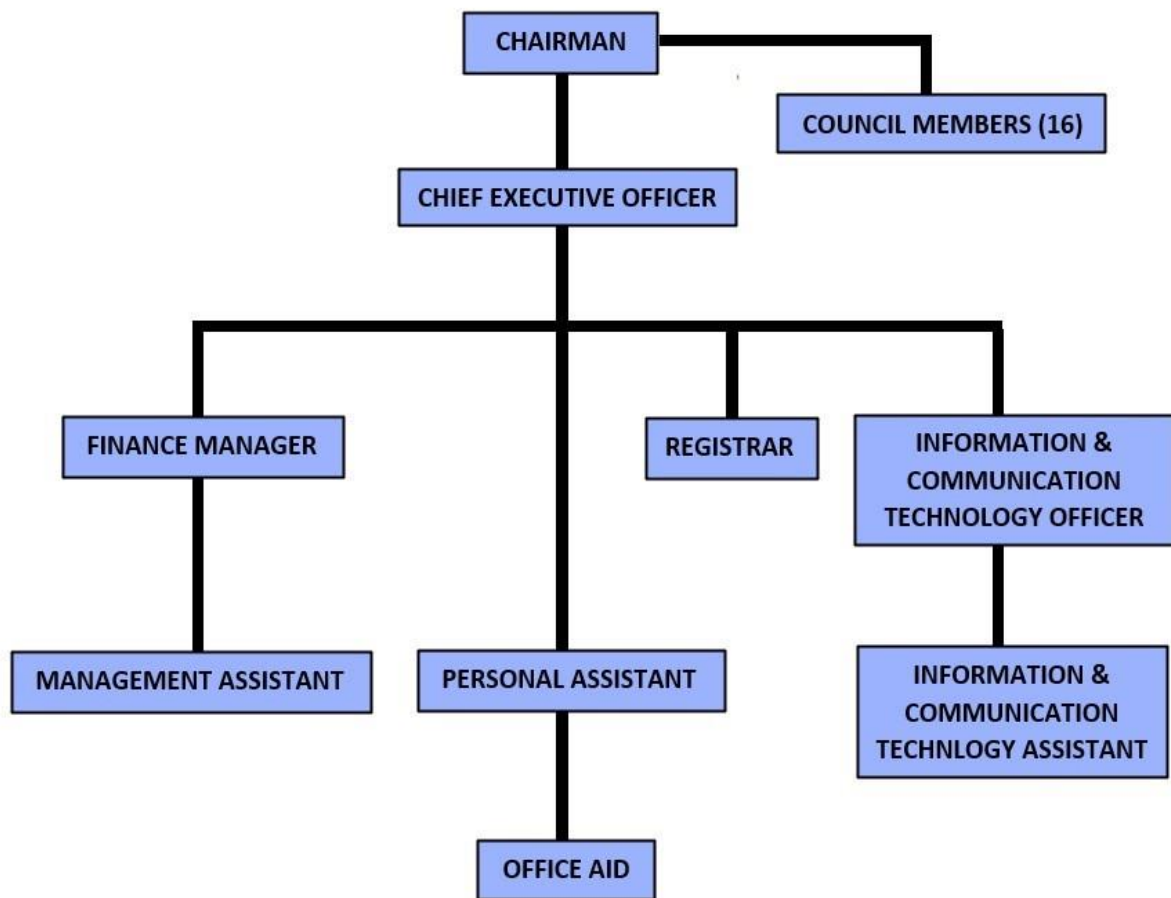
When the Engineering Council Sri Lanka (ECSL) started its functions in August 2018 everything had to be started from the ground level. There was no place to operate, no funds available, and no resources to start the work. During the year 2019 we could find a place to operate, bulk register the IESL and IIESL members, and got a carder approval from the Department of Management Services (DMS) to recruit the staff. At the end 2019 two staff members were recruited on a contract basis to start the operations.

In the beginning of the year 2020, all recruitments were withheld due to general elections. Major part of the year, country was closed due to the COVID 19 pandemic. However, we could recruit three staff members (ICT Officer, Management Assistant, and ICT Assistant) with special approval from DMS and the Election commissioner. Individual registration in the categories of Chartered Engineer, Associate Engineer, Affiliate Engineer, Incorporate Engineer and Engineering Diplomate were carried out. The following are the achievements during the year 2020.

For the first time in history, an electronic certificate was issued to all engineering practitioners registered, this was valid until 31st December of the year and thereafter it should be renewed for the next year. The validity of the certificate could be verified from the ECSL website. This can be considered as a great achievement since most of the organizations requested the certificate at the time of recruitment. Therefore, it gave great value to ECSL registration. This could help to increase the ECSL revenue and some of the expenses could be borne by ECSL without utilizing treasury funds.

Most of the functions of ECSL were started online and it helped to carry out the work from any location despite the country being closed most of the time. Initial discussions were held with many relevant organizations to establish the mandate given in the Act. Preliminary work has been completed jointly with the Tertiary and Vocational Education Commission (TVEC) to register Engineering Technicians.

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 assigned to.

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 term of the following Council appointed on 28th April 2018 was ended on 28th October 2020:

No.	Name	Qualifications	Position
1	Mr. Tilak De Silva	<i>BSc Eng., MSc, CEng(SL), CEng(UK), CITP(UK), FIE(SL), FIET(UK), FBCS(UK), SMIEEE(USA), MCS(SL)</i>	Chairman
2	Prof. N.K. Wickramarachchi	<i>BSc Eng., MSc, PhD, DIC, CEng, MIE(SL)</i>	Member (Ex-Officio)
3	Prof. G.B.B. Herath	<i>BSc Eng., MEng, PhD</i>	Member (Ex-Officio)
4	Prof. A. Athputharajah	<i>BSc Eng.(Hons), PhD, CEng, MIE(SL)</i>	Member (Ex-Officio)
5	Mr. S.U.K. Rubasinghe	<i>PGDBM, PGCTM, AMIE(SL)</i>	Member (Ex-Officio)
6	Prof. A.K.W. Jayawardena	<i>BSc Eng.(Hons), MSc, PhD, CEng, Int PE(SL), FIE(SL), FIPM(SL), FNAS(SL), GSLID</i>	Member
7	Mr. J. Meegoda	<i>BSc Eng.(Hons), PGD, MBA, CEng, FIE(SL), Int PE(SL), MIEEE(USA)</i>	Member
8	Mr. K.P.I.U. Dharmapala	<i>BSc Eng, CEng, FIE(SL), FICE(UK), FIE(Aust.), MASCE(USA), MSSE(SL), MACE(SL), IntPE(SL), PEng(Aust)</i>	Member
9	Mr. A. Manamperi	<i>BSc Eng, MS Eng, MBA, CEng, FIE(SL)</i>	Member
10	Mr. J.A.G.R. Jayalath	<i>BSc Eng., MSc Eng., MEcon, PG(Dip)IT, PG(Dip) ConstMgt. FIE(SL), FCIHT(UK), LM(IRC), CMILT, MSSE(SL)</i>	Member

11	Dr. T.A.G. Gunasekara	<i>M Eng, MSc Eng (Hons), PhD, CEng, IEng, MIE(SL), FIIE(SL)</i>	Member
12	Mr. D.S. Senarath	<i>MCGI(UK), IEng, MEG(SL), DTM(USA), FIIE(SL),</i>	Member
13	Mr. K. Ariyawansa	<i>GCGI(UK), MCGI(UK), IEng, MASCE(USA), MEG(SL), FIIE(SL),</i>	Member
14	Mr. U.P.P.Kavikeshawa	<i>BSc(Hons), MCGI (UK), IEng, TEng. AIE(SL), MEG(SL), MIAENG, FIIE(SL)</i>	Member
15	Mr. D. Abeysiriwardena	<i>BSc Eng, CEng, MIE(SL)</i>	Member
16	Mr. Channa Wijesekara	<i>IEng, FIIESL</i>	Member
17	Dr. Ananda Ranasinghe	<i>BSc, MTech, MEng, LLM (Colombo) LLM (Wales), PhD, CEng, FIStructE (UK), FICE (UK), FIE (SL), FSSE, FCI Arb, Attorney at Law</i>	Member

The new Council was appointed with effect from 29th October 2020 is as follows:

No.	Name	Qualifications	Position
1	Mr. Tilak De Silva	<i>BSc Eng., MSc, CEng(SL), CEng(UK), CITP(UK), FIE(SL), FIET(UK), FBCS(UK), SMIEEE(USA), MCS(SL)</i>	Chairman
2	Prof. N.K. Wickramarachchi	<i>BSc Eng., MSc, PhD, DIC, CEng, MIE(SL)</i>	Member (Ex-Officio)
3	Prof. G.B.B. Herath	<i>BSc Eng., MEng, PhD</i>	Member (Ex-Officio)
4	Prof. A. Athputharajah	<i>BSc Eng.(Hons), PhD, CEng, MIE(SL)</i>	Member (Ex-Officio)
5	Mr. S.U.K. Rubasinghe	<i>PGDBM, PGCTM, AMIE(SL)</i>	Member
6	Mr. J. Meegoda	<i>BSc Eng.(Hons), PGD, MBA, CEng, FIE(SL), Int PE(SL), MIEEE(USA)</i>	Member
7	Mr. K.P.I.U. Dharmapala	<i>BSc Eng, CEng, FIE(SL), FICE(UK), FIE(Aust.), MASCE(USA), MSSE(SL), MACE(SL), IntPE(SL), PEng(Aust)</i>	Member
8	Mr. A. Manamperi	<i>BSc Eng, MS Eng, MBA, CEng, FIE(SL)</i>	Member
9	Mr. J.A.G.R. Jayalath	<i>BSc Eng., MSc Eng., MEcon, PG(Dip)IT, PG(Dip) Const Mgt. FIE(SL), FCIHT(UK), LM(IRC), CMILT, MSSE(SL)</i>	Member
10	Dr. T.A.G. Gunasekara	<i>M Eng, MSc Eng (Hons), PhD, CEng, IEng, MIE(SL), FIIE(SL)</i>	Member
11	Mr. D.S. Senarath	<i>MCGI(UK), IEng, MEG(SL), DTM(USA), FIIE(SL),</i>	Member
12	Mr. K. Ariyawansa	<i>GCGI(UK), MCGI(UK), IEng, MASCE(USA), MEG(SL), FIIE(SL),</i>	Member
13	Mr. U.P.P. Kavikeshawa	<i>BSc (Hons), MCGI (UK), IEng, TEng. AIE(SL), MEG(SL), MIAENG, FIIE(SL)</i>	Member
14	Mr. D. Abeysiriwardena	<i>BSc Eng, CEng, MIE(SL)</i>	Member
15	Dr. Ananda Ranasinghe	<i>BSc, MTech, MEng, LLM (Colombo) LLM (Wales), PhD, CEng, FIStructE (UK), FICE (UK), FIE (SL), FSSE, FCI Arb, Attorney at Law</i>	Member
16	Mr. Kosala Kamburadeniya	<i>BSc Eng, PG Dip(Ind. Eng), MBA, Dip(Com. Arb), Attorney-at-Law, CEng, FIE(SL), IntPE(SL), MIET, MIEEE, MASHRAE</i>	Member

Council Meetings

Dates which the Council meetings were held:

- | | |
|---------------------|----------------------|
| 1. 09 January 2020 | 7. 09 July 2020 |
| 2. 13 February 2020 | 8. 13 August 2020 |
| 3. 12 March 2020 | 9. 10 September 2020 |
| 4. 09 April 2020 | 10. 08 October 2020 |
| 5. 14 May 2020 | 11. 12 November 2020 |
| 6. 11 June 2020 | 12. 10 December 2020 |

Staff Cadre

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

ACTIVITIES COMPLETED AND IN-PROGRESS

ACTIVITIES COMPLETED.

1) Registration of Engineering Practitioners

Details of registered practitioners for 2020 is given below.

➤ Chartered Engineer	- 5,166
➤ Associate Engineer	- 9,431
➤ Affiliate Engineer	- 116
➤ Incorporated Engineer	- 447
➤ Engineering Diplomat	- 598
Total Registrations	- 15,758

2) Issuing of Certificates

It was initiated to issue an Electronic Certificate annually to every Engineering Practitioner registered in ECSL. The certificate is valid until 31st December and a new certificate is issued in each year after the renewal of registration. Also, the validity of the certificate can be checked from the www.ecsl.lk website. This is the first time the such certificate is issued in Sri Lanka with online verification. This can be considered as a great achievement of ECSL.

3) Improvement of the Database

The database of the registered Engineering Practitioners was improved with new features such as verification of Electronic Certificates.

4) Revamp the Website

Several changes were done to the ECSL Website to make it more informative and user-friendly.

5) Awareness Programs

A series of radio programs were conducted in Sri Lanka Broadcasting Corporation to make aware the public about the functions of ECSL.

6) Meetings with other organizations.

The following meetings were held with different organizations to discuss the matters to enhance the quality and standards of Engineering Practitioners.

- i. Meeting with Public Service Commission (PSC) 29 June
- ii. Meeting with the Department of Management Services (DMS)
- iii. Meetings at the Institution of Engineers (IESL) on 2 January
- iv. Meetings with IIESL on 16th January
- v. Meeting with the Representatives of IET, IMechE, and ICE on 13 March
- vi. Meeting with UGC Chairman
- vii. Meeting with Construction Industry Development Agency (CIDA)
- viii. Meeting with Public Service Engineers' Association (PSEA) on 28 August
- ix. Meeting with KDU
- x. Meeting with Foreign Employment Bureau

7). Published Extra Ordinary Gazette No:2198/9 dated 20 October 2020. The Gazette consists of:

(I). Registration of Engineering Practitioners

- Credential Committee to scrutinize applications for registration
- Annual fee for registration
- Issuing a certificate of registration for every engineering practitioner registered
- Application for engineering practitioner registration
- Application for foreign engineering practitioner registration

(II). Maintenance of Registers and Seal

(III). Rules

- Code of Professional Conduct for engineering practitioners

ACTIVITIES IN PROGRESS

- 1) Preparation of remaining Rules & Regulations
- 2) Preparation of process for Engineering Technician Registration

FINANCIAL STATEMENTS

THE ENGINEERING COUNCIL, SRI LANKA

Statement of Financial Performance

For the year ended 31 December 2020	NOTE NO	2020 Rs'000	2019 Rs'000
Revenue from Operating Activities	01	15,757	17,033
Treasury Grants- Recurrent		800	3,548
Interest Income	02	1,008	
Total Revenue		17,565	20,581
Administrative Costs	3.1	(5,938)	(2,805)
Contractual Services & Maintenance expenses	3.2	(659)	(454)
Other Operational Expenses	3.3	(633)	(2,625)
Depreciation		(52)	
Total Expenses		(7,282)	(5,884)
Surplus / (Deficit) from Operations		10,283	14,697
Tax		(1,329)	(1,086)
Surplus / (Deficit) for the period		8,954	13,611

THE ENGINEERING COUNCIL, SRI LANKA**Statement of Financial Position****As at 31 December 2020**

	NOTE	2020	2019
	NO.	Rs'000	Rs'000
ASSETS			
Current assets			
Cash and cash equivalents	04	2,235	2,038
Cash and cash equivalents - Short Term	05	20,008	14,000
Trade & Other Receivables	06	1,194	3,731
Prepayments	07	23	30
		23,460	19,799
Non - current assets			
Property, Plant & Equipment	08	3036	3,036
TOTAL ASSETS		26,496	22,835
LIABILITIES			
Current liabilities			
Other Provisions & Payables	09	1,523	6,188
Non - current liabilities			
Deferred Income (For Government Grants)	10	2408	3,036
TOTAL LIABILITIES		3,931	9,224
NET ASSETS		22,565	13,611
NET ASSETS / EQUITY			
CAPITAL & RESERVES			
Contributed Capital	11	-	-
Accumulated Profit/(Deficit)	12	22,565	13,611
TOTAL NET ASSETS / EQUITY		22,565	13,611

The Accounting Policies and the Notes from pages 05 To 12 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.

Signed by Mr. 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.

Signed by Eng. Thilak De Silva
Chairman

Signed by Eng. D. S. Senarath
Council Member

The Engineering Council, Sri Lanka

08th April 2021

Statement of Changes in Net Assets/ Equity**As at 31st DECEMBER****NOTE : 12**

	Contributed	Accumulated	Total
	Capital	Profit/Deficit	
	Rs'000	Rs'000	Rs'000
Balance as at 31st December 2018 B/F	-	-	-
Surplus / (Deficit) for the period		13,611	13,611
Balance as at 31st December 2019	-	13,611	13,611
Balance as at 31st December 2019 B/F		13,611	13,611
Surplus / (Deficit) for the period		8,954	8,954
Balance as at 31st December 2020	-	22,565	22,565

CASH FLOW STATEMENT

	<u>2020</u> Rs'000	<u>2019</u> Rs'000
Cash Flows from Operating activities		
Surplus / [Deficit] for the year before Treasury Grants (Recurrent)	8,154	11,149
Add: Treasury Grants received (Recurrent)	800	3,548
Add: Depreciation	<u>52</u>	-
Surplus / [Deficit] before Tax for the year	9,006	14,697
Non Cash Movements		
Decrease in payables	(4,665	5,102
Decrease in Other Current Assets	2,545 (2,120)	(3,761) 1,341
Net cash flows from operating activities	6,886	16,038
Cash Flows from Investing activities		
Purchase of Property Plant & Equipment's	(681)	(3,140)
Net cash flows from Investing activities	(681)	(3,140)
Cash Flows from Financing activities		
Government Grants [Capital for Property Plant & Equipment]	-	3,140
Net cash flows from financing activities	-	3,140
Net Increase/[decrease] in cash & cash Equivalents	6,205	16,038
Cash & Cash Equivalents at beginning of Period	16,038	-
Cash & Cash Equivalents at end of Period	22,243	16,038

NOTES TO THE CASH FLOW STATEMENT

01. 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>2020</u> Rs'000	<u>2019</u> Rs'000
Current Account Balances with Banks (Note No.04)	2,235	2,038
Investments - Fixed Deposit (Short Term) (Note No.05)	20,008	14,000
	22,243	16,038

NOTES TO THE FINANCIAL STATEMENTS**REVENUE FROM OPERATING ACTIVITIES**

	2020 Rs'000	2019 Rs'000
NOTE NO:01		
Registrations		
Chartered Engineers	4,906	5,409
Associate Engineers	9,716	10,491
Affiliate Engineers	91	129
Incorporated Engineers	446	410
Engineering Diplomates	598	594
TOTAL	15,757	17,033

NOTE NO:02**Interest Income**

Interest Income: A/C No BOC 85326186	224	
Interest Income: A/C No BOC 86301038	63	
Interest Income: A/C No BOC 85326167	721	
TOTAL	1,008	

EXPENSES**NOTE NO: 3.1****ADMINISTRATIVE COSTS**

Salaries & Wages	2466	918
Council Members Allowances	3472	1,887
TOTAL	5,938	2,805

NOTE NO: 3.2**CONTRACTUAL SERVICES & MAINTENANCE EXPENSES**

Postage & Telephone Charges	289	18
IT Expenses	114	165
Entertainment	92	68
Audit Fees	75	75
Printing	10	34
Consultancy Charges	52	49
Sundry Expenses		33
Maintenance of Office Equipment	27	12
TOTAL	659	454

NOTE NO: 3.3**OTHER OPERATING EXPENSES**

Stationery & Office Requisites	30	3
Periodicals & Newspapers	286	600
Bank Charges	13	3
Interest Paid		3
Other Operating Expenses	88	2,016
Advertisement Expenses		
Traveling & Transport	22	
Water	24	
WEB Development	170	
TOTAL	633	2,625
Depreciation	52	
GRAND TOTAL	7,282	5,884

2020	2019
Rs'000	Rs'00

NOTE NO:04**CASH & CASH EQUIVALENTS**

(1) Bank of Ceylon (Independence Square) (C/A No. 83585687)	(1,871)	1,570
(2) Bank of Ceylon (Independence Square) (C/A No. 83591633)	4,091	453
(3) Petty Cash	15	15
GRAND TOTAL	2,235	2,038

NOTE NO:05**CASH & CASH EQUIVALENTS - INVESTMENTS (SHORT TERMS)**

(1) Fixed Deposits - Bank of Ceylon (Ind. Square) (83326167)	10,721	10,000
(2) Fixed Deposits - Bank of Ceylon (Ind. Square) (83301038)	5,063	4,000
(2) Fixed Deposits - Bank of Ceylon (Ind. Square) (85326186)	4,224	
GRAND TOTAL	20,008	14,000

NOTES TO THE FINANCIAL STATEMENTS CONTD;

	2020 Rs'000	2019 Rs'000
NOTE NO:06		
TRADE AND OTHER RECEIVABLES		
Members Fees Receivables	943	3,731
VAT receivable (Over paid)	250	
	1,194	3,731

NOTE NO:07**PRE-PAYMENTS**

IT Expenses		30
Water deposit	3	
EPF	17	
ETF	3	
GRAND TOTAL	23	30

NOTE NO:08

Property, Plant & Equipment

Please see page No.10**NOTE NO: 09****OTHER PROVISIONS & PAYABLES**

(1) Provision for Audit Fees	150	75
(2) PAYE Tax Payable	18	17
(3) Other Payables	26	7
(4) Income Tax Payable	1,329	1,086
(5) VAT Payable		1,549
(6) Members Renewal Advance		3,454
GRAND TOTAL	1,523	6,188

NOTES TO THE FINANCIAL STATEMENTS CONTD.

PROPERTY, PLANT & EQUIPMENT

NOTE: 08

Cost	Balance as at 01.01.2020 <u>Rs'000</u>	Additions <u>Rs'000</u>	Disposal / Adjustments <u>Rs'000</u>	Balance as at 31.12.2020 <u>Rs'000</u>
Furniture Fittings	3,041		-	3,041
Office Equipment		108		108
Computers & Accessories	99	574	-	673
GRAND TOTAL	3,140	681	-	3,822

Depreciation	Balance as at 01.01.2020 <u>Rs'000</u>	Charges for the Year <u>Rs'000</u>	Disposal / Adjustments <u>Rs'000</u>	Balance as at 31.12.2020 <u>Rs'000</u>
Furniture Fittings & Office Equipment	101	608		709
Office Equipment		5		5
Computers & Accessories	3	67	-	71
GRAND TOTAL	104	681	-	785
NET BOOK VALUE	3,036			3,036

Depreciation Charges to the Financial Performance is made as follows.

Depreciation	Charges for the Year <u>Rs'000</u>	Deferred Income for the Year <u>Rs'000</u>	Disclosed Amount <u>Rs'000</u>
Furniture Fittings	608	608	0
Office Equipment	5		5
Computers & Accessories	67	20	47
GRAND TOTAL	681	628	52

NOTES TO THE FINANCIAL STATEMENTS CONTD;**NOTE: 10****Deferred Income**

	Balance as at 01.01.2020	Additions During the Year	Charges for the Year		Balance as at 31.12.2020
			Depreciation	Revaluation Adjustments/ Disposal	
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Furniture Fittings & Office Equipment	2,940		(608)		2,332
Computers & Accessories	96		(20)		76
GRAND TOTAL	3,036	-	(628)	-	2,408

AUDITOR'S REPORT

My No.IWR/A/ECSL /FA/2020Your No.

Date 31st December 2021

Chairman

Engineering Council of Sri Lanka

Auditor General's Report, regarding the Financial Statements and other Legal and Regulatory requirements of the Engineering Council of Sri Lanka for the year ending on 31st December 2020in compliance with Section 12 of the National Audit Act No. 19 of 2018.

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1. Financial Statement

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1.1 Opinion

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The financial statements of the Engineering Council, Sri Lanka as at 31st of December 2020 consisting of the financial position statement for the year ending as that date, the statement of changes in equity, the cash flow statements 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 Article 154(1) of the constitution of the Democratic Socialist Republic of Sri Lanka read conjugation 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 Article 154(6) of the constitution.

I am of the opinion that the financial position and the financial operation and Cash Flow of the Council for the year ending on 31st December, 2020 reflect the true and fair position in accordance with the Sri Lanka Public Sector Accounting Standards.

1.2 Basis for the Opinion

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My audit was conducted in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibility under those standards is further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Other information included in the Performance Report 2020 of the Council

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The other information means the information which had been obtained by me before the date of this Audit report and included in the Annual Report 2020, but not included in the Financial Statements and my audit report in that regard.

My opinion regarding the Financial Statements does not disclose other information and I do not express any assurance or opinion whatsoever in that respect.

Regarding my audit of the financial statements, my responsibility is to read the other information identified above when obtainable and, in doing so, to consider whether the other information is materially non-compliance with the financial statements or to my knowledge obtained during the audit or otherwise.

On the basis of other information obtained prior to the date of this audit report and based on actions carried out by me, if I conclude that the other information is materially misstated, I am required to report that matter. I have nothing to report in this regard.

1.4 Responsibility of the parties who are in charge of Management and Administration with regard to the Financial Statements.

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

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

In terms of sub-section 16(1) of the National Audit Act No. 19 of 2018, appropriate books, registers, and reports should be maintained pertaining to revenue, expenditure, assets and liabilities of the Council in order to enable the preparation of the Annual and timely Financial Statements of the Council.

1.5 Auditor's responsibility with regard to auditing financial statements

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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 at a higher level, but when conducting an audit according to Sri Lanka Auditing Standards, it is always not the confirmation obtained from illegitimate statements. A 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.

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

- My opinion is based on obtaining sufficient and suitable audit evidence, to avoid the dangers resulting from fraudulent and inaccurate financial statements and identifying and assessing such dangers, by taking appropriate audit procedures according to the situation. The impact caused by fraud is much more powerful than the impact created by quantitative guilty statements. Preparing unconnected fraudulent documents, and avoiding intentionally or avoiding internal administrations are reasons for the occurrence of fraud.
- Despite having obtained an understanding of 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 evidence 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 continued 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 requirement

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2.1 Special provisions are included in the National Audit Act No. 19 of 2018 with regard to the under mentioned requirements.

2.1.1 According to the requirements mentioned in Section 12(a) of the National Audit Act No. 19 of 2018, I have obtained all information and explanations required for the Auditing subject to the observations mentioned in para 1.2 of this report and

the Council had maintained appropriate Financial Report as appearing in my examination.

- 2.1.2** According to the requirement mentioned in Section 6(I)(d)(iii) of the National Audit Act No.19 of 2018, Financial Statements of the council correspond with the year ended.
- 2.1.3** According to the requirement mentioned in Section 6(I)(d)(iv) of the National Audit Act No.19 of 2018, recommendations made by me in the year ended have been included in the Financial Statements submitted.
- 2.2** Upon the action followed and evidence obtained and confining to within quantitative matters, nothing was subjected to my attention to the extent to declare as mentioned below.
- 2.2.1** 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.
- 2.2.2** 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.

Reference to Laws, Rules and Regulations Observations

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(a) Engineering Council,
Sri Lanka Act, No. 4 of 2017
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| (i) Section 12 of the Act | Inquiries on any matter relating to professional misconduct of the engineering practitioners should be held, but no action had been taken to regulate the professional misconduct, committed by the engineering practitioners |
| (ii) Section 14, 15 and 18 of the Act | No engineering practitioner shall engage in the practice of engineering profession unless such engineering practitioner is registered. However, at the end of the year review, number of Engineering practitioners of the Institute of Engineers, Sri Lanka (IESL) and the Institute of |

Incorporated Engineers, Sri Lanka (IIESL) was 20,248 and 8,000 respectively, but, only 17,757 engineering practitioners had been registered at the Engineering Council. Without making the relevant parties aware of that and registering the same, a mechanism which enables to identify the persons engaged in engineering profession, had not been formulated and implemented.

(iii) Section 25 of the Act

The Registrar shall, in accordance with the provisions of this Act and regulations made there under maintain the registers of the engineering practitioners substantially in the Form specified in the Schedule B hereto. Nevertheless, as set out in the said Form, address, date of registration and registration fee had not been included in the register maintained by the Engineering Council.

(iv) Section 41 of the Act

Even though the Engineering Council should take action to register engineering practitioners under 06 categories, action had not been taken so far to register Engineering Technicians coming under the said categories under the Council.

(v) Powers of the Act

A procedure should be determined for the purpose of carrying out disciplinary inquiries in respect of professional misconduct of the engineering practitioners, but, such procedure to be followed in relation to the professional misconduct had not been determined up to date.

(B) Financial Regulations of the Democratic Socialist Republic of Sri Lanka

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Financial Regulation 396 (C)

Action should be taken to address the payee with regard to the cheques which have not been presented for payment for more or more than 6 months and make arrangements to credit the government revenue. Nevertheless, no action had been taken regarding two cheques amounting to Rs.10, 557.

**(C)Public Enterprise Circular No 12dated 02
June 2003.**

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| (i) | Section5.1.1 and 5.1.3 of the Chapter 5 of the Circular | A corporate plan for period of not less than 03 years and an Action Plan for the year 2020 so as to applicable to the council, should be prepared. Further, the prepared corporate plan and the Action plan should be approved by the Director Board of the institution, and copies of the corporate plan and the action plans so approved along with the annual budget report should be forwarded to the line Ministry, Department of Public Enterprises, General Treasury and Auditor General at least 15 days before the commencement of each financial year. But, such action had not been taken. |
| (ii) | Section5.2.3 and 5.2.4 of the Chapter 5 of the Circular | An Annual Budget Report should be prepared by the Council before 06 months prior to the commencement of the financial year and it should be forwarded for the approval of the Board of Directors three months before the commencement of the relevant year, and approval should be obtained for the same. Nevertheless, it had not been done. |
| (iii) | Chapter 7.4.5 | Even though Boards of Survey with regard to fixed assets and stores should be conducted at the end of each year, such Board of Survey had not been conducted at the end of year 2020. |

2.2.3 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.

2.2.4 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.

2.3 Other Observation

The head office of the Engineering Council has been housed in the buildings premises of the Irrigation Department the office of the Engineering Council., thus, an amount of Rs.437,350 had been expended for partitions of

Signed by Mr. W.P.C. Wickremaratne
Auditor General