



**SLAASMB**

Sri Lanka Accounting and Auditing  
Standards Monitoring Board

Enhancing Reliability

Annual Report '15

The Sri Lanka Accounting and Auditing Standards Monitoring Board was established under the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995.

The function of the Board is to monitor compliance with the Sri Lanka Accounting Standards and the Sri Lanka Auditing Standards in the preparation, presentation and audit of financial statements of specified business enterprises. (See page 55)

## Contents

|   |    |
|---|----|
| Members of the Board .....  | 01 |
| Members of the the Board as at 31 December 2015.....  | 02 |
| Staff of the Board.....   | 06 |
| Technical Staff of the Board.....   | 07 |
| Review of Activities.....   | 08 |
| Observations Made on Review of Financial Statements during 2015.....  | 13 |
| Undertakings Obtained during the year 2015 .....  | 14 |
| List of Specified Business Enterprises for which Letters of<br>Comfort were issued during 2015 .....                              | 15 |
| List of Specified Business Enterprises for which Letters of<br>Observation were issued during 2015.....                           | 22 |
| Listed Companies and Public Sector Entities which have not<br>submitted Audited Financial Statements as at 31 December 2015 ..... | 32 |
| Observations Made on Audit Reviews during 2015.....   | 33 |
| Performance Scorecard.....  | 36 |
| Report of the Auditor General .....   | 38 |
| Statement of Financial Position.....  | 44 |
| Statement of Financial Performance and Other Comprehensive Income .....   | 45 |
| Statement of Changes in Net Assets.....   | 46 |
| Cash Flow Statement .....   | 47 |
| Notes to the Financial Statements.....  | 48 |
| Specified Business Enterprises .....  | 55 |

# Members of the Board

|   |   |   |
|---|---|---|
| P.V.L. Nandasiri B.Sc. (Public Admin), LLB, FCA, FTII, AIB<br>Director Legal and Compliance, Central Bank of Sri Lanka              | Chairman<br>(w.e.f. 8 June 2015)            |   |
| D.N.R. Siriwardena B.A. (Hons.), Attorney-at-Law, LLB<br>Registrar General of Companies   | Ex Officio Member                           |   |
| Mrs. W. Manchanayake BA (Hons), Attorney-at-Law, MPM<br>Commissioner General - Department of Inland Revenue                         | Ex Officio Member<br>(up to 13 March 2015)  |   |
| Mrs. K. Dahanayake B.Com. (Sp), PGDM, M.pub.mgp., FTII(SL)<br>Commissioner General - Department of Inland Revenue                   | Ex Officio Member<br>(w.e.f. 14 March 2015) |   |
| V.P. Wijegunawardane BA(Hons), M.A. (Finance Economics)<br>Director General, Securities and Exchange Commission of Sri Lanka        | Ex Officio Member<br>(w.e.f. 10 April 2015) |   |
| L.L.S.Wickremasinghe FCA, FMAAT<br>President - ICASL<br>Partner, B.R.De Silva & Co.   | Appointed Member<br>(w.e.f. 26 May 2015)    | Institute of<br>Chartered Accountants<br>of Sri Lanka |
| A. Herath B.Sc., MBA, MAFE, FCA<br>Former President - ICASL<br>Partner, Ernst & Young   | Appointed Member                            | Institute of<br>Chartered Accountants<br>of Sri Lanka |
| W.W.J.C. Perera FCA, B.Sc. (B.Admin), CFE<br>Partner, KPMG  | Appointed Member<br>(w.e.f. 26 May 2015)    | Institute of<br>Chartered Accountants<br>of Sri Lanka |
| S.N. Jayasinghe FCMA(UK)<br>Group Director Finance, Ceylon Biscuits Group of Companies  | Appointed Member<br>(w.e.f. 14 May 2015)    | CIMA of<br>UK (Sri Lanka)                             |
| P.L.C. Peiris Attorney-at-Law, FCA<br>Managing Partner, P L C Law Chambers  | Appointed Member<br>(w.e.f. 14 May 2015)    | Bar Association<br>of Sri Lanka                       |
| Ms. N. Sivapragasam FCA, FCMA (UK)<br>Chief Financial Officer, Aitken Spence PLC  | Appointed Member                            | Ceylon Chamber<br>of Commerce                         |
| A.De Vas Gunasekara FCA, FSCMA<br>Deputy General Manager - Finance, Sampath Bank PLC  | Appointed Member<br>(w.e.f. 27 May 2015)    | Sri Lanka<br>Bankers' Association                     |
| Ms. M.D.G.L. Perera FCA, MBA (Finance)<br>Deputy Director General - Sri Lanka Accounting and<br>Auditing Standards Monitoring Board | Secretary to<br>the Board                   |   |

*★Two members representing Federation of Chambers of Commerce and Industry of Sri Lanka and University Grants Commission are yet to be appointed to the board*

## Members of the Board as at 31 December 2015



**P.V.L. Nandasiri** - *B.Sc., (Pub.Admin.) LLB, FCA, FTII, AIB*

Mr. Nandasiri, Chairman of the Board since June 2015, is the Director of Legal and Compliance Department of the Central Bank of Sri Lanka. He is also the Chief Compliance Officer of the Central Bank of Sri Lanka and counts over 27 years in service at the Central Bank of Sri Lanka. His wide range of experience includes banking and financial regulations and accounting.



**D.N.R. Siriwardena** - *B.A. (Hons) Attorney at law, LLB*

Mr. Siriwardena, the Registrar General of Companies counts over 27 years at the Department of Registrar of Companies. He is also an ex-officio council member of the Institute of Chartered Accountants of Sri Lanka, Insurance Board of Sri Lanka and the Securities and Exchange Commission of Sri Lanka.



**Mrs. K Dahanayake** - *B.Com (Sp), PGDM, M.pub.mgp, FTII*

Mrs. Dahanayake, the Commissioner General of Inland Revenue counts over 34 years service at the Department of Inland Revenue. She is a fellow member of the Sri Lanka Institute of Taxation and Board Member of Public Sector Wing (ABFASL) of the Institute of Chartered Accountants of Sri Lanka.



**V P Wijegunawardana** - *BA(Hons), MA(Financial Economics)*

Mr. Wijegunawardane is the Director General of the Securities and Exchange Commission of Sri Lanka. He also holds the International Capital Markets qualification from the Securities and Investment Institute, London. He has had exposure in Investment Analysis and Fund Management for over 10 years and has provided leadership through many key initiatives in the development and reform of the capital market.

## Members of the Board as at 31 December 2015



**L.L.S. Wickremasinghe - FCA, FMAAT**

Mr Wickremasinghe, the President of the Institute of Chartered Accountants of Sri Lanka serves as a Board Member of the Confederation of Asian and Pacific Accountants and the South Asian Federation of Accountants (SAFA). He is also the Chairman of the Improvement in Transparency, Accountability and Governance Committee of SAFA and currently serves as the Chairman of the New Core Information System Development Steering Committee of the Institute.



**A Herath - BSc. MBA, MAFE, FCA**

Mr. Herath, a Senior Partner at Ernst & Young, Sri Lanka and Maldives is the Immediate Past President of the Institute of Chartered Accountants of Sri Lanka. He is a member of the Professional Accountancy Organisation Development Committee of the International Federation of Accountants (IFAC) and of the Confederation of Asian Pacific Accountants (CAPA). He also serves as a Director in many Boards of corporate entities, and as members of several regulatory bodies and statutory committees.



**W W J C Perera - FCA, B.sc(B.Admin.), CFE**

Mr. Perera, the Vice President of the Institute of Chartered Accountants of Sri Lanka is a Partner, KPMG Sri Lanka and the Maldives. He serves as a Member of the Professional Ethics and Independence Committee and Small and Medium Practices Committee of the South Asian Federation of Accountants (SAFA) and as a Member of the Public Sector Financial Management Committee of the Confederation of Asian and Pacific Accountants (CAPA)

He is also a certified Fraud Examiner accredited by the Association of Certified Fraud Examiners of USA.



**S N Jayasinghe - FCMA**

Mr. Jayasinghe is the Group Director - Finance, of Ceylon Biscuits Group of companies counting over 25 years of experience in the finance field. He has served on the Global Board of the Chartered Institute of Management Accountants (CIMA) of UK, for a three year term and is also a Past President of CIMA Sri Lanka. He is presently the Chairman of the Industrial Association of Sri Lanka, and serves on the main committee of the Ceylon Chamber of Commerce.

## Members of the Board as at 31 December 2015



**P L C Peiris - FCA, Attorney at Law**

Mr. Peiris, is the Managing Partner of PLC Law Chambers and counts over 20 years of experience in investment banking, finance and law. Being a professional in law and finance he is also a Passed Finalist of the Chartered Institute of Management Accountants of UK. (CIMA) Currently he serves as a Member of the Governing Council of The Institute of Chartered Accountants of Sri Lanka and a delegate member of the Bar Council of the Bar Association of Sri Lanka.



**Ms N Sivapragasam - FCA, FCMA (UK)**

Ms. Sivapragasam is the Chief Financial Officer of the Aitken Spence Group and serves on Boards of several companies in the Group. She is the Chairperson of the Financial Reporting Faculty of the Institute of Chartered Accountants of Sri Lanka and serves in the Council of the Sri Lanka Institute of Directors and in several other regulatory bodies and committees.



**A de Vas Gunasekara – FCA, FCMA**

Mr. Gunasekara is the Deputy General Manager, Finance of Sampath Bank PLC. He counts over 21 years of post qualifying experience including 16 years at senior corporate management level in Insurance and Banking sectors. Previously he has been serving as Chief Financial Officer of Hatton National Bank PLC, General Manager Finance and Corporate Services at HNB Assurance PLC, Finance Manager at Asian Alliance Insurance PLC and as Accountant at Finlay's PLC.

### Treasury Representative - observer of the Board



**M.R.V.R. Meepura - ACA, MBS, Bsc HRM**

Mr. Meepura, Director of Department of Public Enterprises counts over 17 years of experience in the public sector. He also serves as a member of the Board of Chilaw Plantations Limited and Hector Kobbekaduwa Agrarian Research and Training Institute.

## Chairman of the Statutory Accounting Standards Committee



**D T S H Mudalige** - FCA, FCCA, FCPA

Mr. Mudalige, a Partner at PricewaterhouseCoopers - Sri Lanka is a past President of the Institute of Chartered Accountants of Sri Lanka (ICASL). He counts over 25 years of experience in public accounting practice and in industry in Sri Lanka and overseas. Previously he has been a commissioner of the Securities and Exchange Commission of Sri Lanka and the Deputy Chairman of the Financial Systems Stability Consultative Committee of the Central Bank of Sri Lanka.

## Chairman of the Statutory Auditing Standards Committee



**Sujeewa Rajapakshe** - MBA, FCA

Mr. Rajapakse, Past President of The Institute of Chartered Accountants of Sri Lanka (ICASL) is the Managing Partner of BDO Partners. He is also a Council member of the University of Sri Jaywardenepura and serves as Director and the Audit Committee Chairman of few listed companies.

## Director General of SLAASMB



**H M G Wijesinghe** - FCA, MA(Econ Korea) B.sc(Hons)  
up to 27 November 2015

Mr. Wijesinghe had over 28 years experience at the Department of Inland Revenue. Prior to joining the Board he was the Senior Commissioner International Tax Policy attending to all transfer pricing issues.

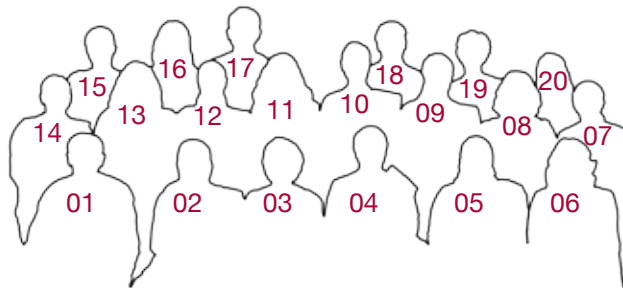
He resigned from the board to assume duties as the Auditor General.



**Ms. W J K Geeganage** - FCA, B.Com(Special) CIPPCA  
w.e.f. 25 April 2016

Ms. Geeganage has over 34 years of experience in the field of auditing, financial and business management in a firm of Chartered Accountants and in leading State Sector Organizations respectively. She has served in the Governing Council of The Association of Accounting Technicians of Sri Lanka (AAT) and in Boards of Directors of several subsidiaries and investee companies of a leading commercial public enterprise. She holds the life membership of the Association of Professional Bankers of Sri Lanka too.

## Staff of the Board



- 1 Mr P S B Ekanayake
- 2 Ms Hafsa Banu Razzak
- 3 Mrs Gayani L Perera
- 4 Mrs Anusha I Mohotti
- 5 Mrs Asha Ahamath
- 6 Mrs Monita N Bandara
- 7 Mrs Imalka Iddamalgoda
- 8 Ms Mahesha Lakmalie Hewage
- 9 Ms W G Eranga Amarasinge
- 10 Mrs D M Nilanthi Dandeni

- 11 Mrs Kalani Hettiarachchi
- 12 Ms Ishari Manushka Silva
- 13 Mrs Dilinika Menmendaarachchi
- 14 Mrs L Wathsala Mallawarachchi
- 15 Mrs Randima De Silva
- 16 Ms R A Nadeeshani Manodika
- 17 Mr H S U P Jayawardena
- 18 Mr K R S Bandara
- 19 Mrs F Shiromi Abeykoon
- 20 Ms M S T Fernando

# Technical staff of the Board

Ms. Wasantha Geeganage  
FCA, B.Com(Sp) CIPPCA  
Director General

Mrs. Anusha I Mohotti  
FCA, FCMA (UK), BBA (Hons.), MBA (UK)  
Deputy Director General  
Acting Director General (08/12/2015 - 24/04/2016)

Mrs. Gayani L Perera  
FCA, MBA (Finance)  
Deputy Director General  
Board Secretary

Mrs. Asha Ahamath  
FCA  
Technical Manager

Mrs. Monita N Bandara  
FCA, BB Mgt.(Acc)  
Technical Manager

Ms. Hafsa B Razzak  
ACA, ACMA  
Technical Manager

Ms. W G Eranga Amarasinghe  
FCA, B.Sc.(Acc) Sp. (Hons.) MBS (Colombo)  
Technical Manager

Ms. M Lakmalie Hewage  
ACA, ACMA  
Technical Manager

Mrs. Imalka Iddamalgoda  
ACA, B.Sc. (Fin)sp  
Technical Manager

Mrs. Dilinika Menmendaarachchi  
ACA, B.Sc. (Acc) Sp. (Hons.)  
Assistant Technical Manager

Mrs. Kalani Hettiarachchi  
ACA, B.Sc. (Acc) Sp. (Hons.)  
Assistant Technical Manager

Mrs. Randima De Silva  
ACA, B.Sc. (Acc) Sp. (Hons.)  
Assistant Technical Manager

Ms. Ishari Manushka Silva  
ACA, BBA (Acc) Sp. (Hons.)  
Assistant Technical Manager

Mrs. D M Nilanthi Dandeni  
ACA, BBA (Acc) Sp. (Hons.)  
Assistant Technical Manager

Mrs. L Wathsala Mallawarachchi  
ACA, B.Sc. (Acc) Sp. (Hons.)  
Assistant Technical Manager

# Review of Activities

## 1. Introduction

The Sri Lanka Accounting and Auditing Standards Monitoring Board (SLAASMB) was established in 1997 under the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995. Based on the definitions and criteria laid down by the Act, certain institutions are identified as Specified Business Enterprises (SBEs - see page 55 for definition of SBEs). These SBEs are required to comply with Sri Lanka Accounting Standards and the auditors of SBEs are required to comply with Sri Lanka Auditing Standards. The Act requires SBEs to submit their annual audited financial statements to SLAASMB to enable SLAASMB to monitor compliance with Sri Lanka Accounting Standards and Sri Lanka Auditing Standards. SLAASMB carries out its function by reviewing financial statements received, reviewing audits of SBEs, conducting investigations on failure to comply with standards and taking appropriate corrective action with regard to non-compliances with standards by SBEs and auditors. Under the Act, Sri Lanka Accounting Standards and Sri Lanka Auditing Standards are prescribed or adopted by the Institute of Chartered Accountants of Sri Lanka. In order to make recommendations and assist the Institute to adopt such standards, an Accounting Standards Committee and an Auditing Standards Committee have been established under the Act. The Institute of Chartered Accountants of Sri Lanka adopts accounting standards based on International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) developed by the International Accounting Standards Board (IASB). Similarly the auditing standards adopted are based on the International Auditing Standards developed by the International Auditing and Assurance Standards Board (IAASB). Presently the Institute has adopted nearly 40 Accounting Standards and 39 Auditing Standards to be complied by the SBEs and Auditors. A brief description of the main operations and activities of SLAASMB carried out to discharge its statutory functions during the year is given below.

## 2. Review of Financial Statements

### 2.1 Methodology followed on Reviews

The financial statement reviews are conducted to ensure compliance by SBEs with Sri Lanka Accounting Standards. The required action on non-compliances is determined based on materiality of the non-compliance. SLAASMB mainly focus on non-compliances relating to recognition and measurement issues. Based on the

findings, where a cause for concern relating to a significant non-compliance with standards is not observed, letters of comfort are issued to the respective SBEs. When the identified issue is material, but not significant to use statutory provisions, the issues are communicated to the respective SBEs in the form of a letter of assistance. When such deviations from standards substantially alter the financial position and financial performance, an undertaking is sought from such SBE to make the required corrections. However, where such deviation makes the financial statements misleading, legal action is instigated based on the statute.

### 2.1.1 Highlights of Review of Financial Statements

As at 31 December 2015, 1,410 SBEs had been identified for monitoring under the Act. During the year, 1,430 sets of financial statements from 1,345 SBEs were received and reviews of 1,122 sets of financial statements relating to 1,068 SBEs were completed when compared with 1,200 sets of financial statements relating to 1,151 SBEs during the previous year. The anticipated staff engaging in reviews not being available during the entire year 2015 resulted in SLAASMB being able to review 94 % of the planned number of financial statements.

The corrective action taken during the year 2015 revealed 50% SBEs as being compliant while 50% being compliant with issues. However, during the years 2013 and 2014, the number of SBEs which were compliant with issues was high due to the implementation of a number of new accounting standards which had become effective from 1 January 2012.

Significant deviations from the relevant requirements of Sri Lanka Accounting Standards which substantially altered the financial position and financial performance were identified in the financial statements of two specified business enterprises (SBEs). Undertakings obtained from companies in the private sector resulted in corrections to net profits/equity amounting to Rs. 0.55 billion. (see page 13 for Observations Made on Review of Financial Statements during 2015 and page 14 for Undertakings Obtained during the year 2015). The Undertakings are followed up for compliance in the subsequent annual financial statements.

# Review of Activities

## 2.1.2 Performance Information

|   | Item   | 2012  | 2013  | 2014  | 2015  |
|---|--|-------|-------|-------|-------|
| 1 | <b>No. of SBEs Identified (as at period end)</b> | 1,313 | 1,358 | 1,353 | 1,410 |
| 2 | <b>Financial statements received</b>             |       |       |       |       |
|   | No of financial statements                       | 1,443 | 1,322 | 1,371 | 1,430 |
|   | No. of SBEs                                      | 1,253 | 1,248 | 1,289 | 1,345 |
| 3 | <b>Review of financial statements</b>            |       |       |       |       |
|   | No. of reviews                                   | 302   | 751   | 1,200 | 1,122 |
|   | No. of SBEs                                      | 295   | 708   | 1,151 | 1,068 |
| 4 | <b>Corrective Actions</b>                        |       |       |       |       |
|   | <b>Compliant</b>                                 |       |       |       |       |
|   | No. of financial statements                      | 159   | 309   | 498   | 553   |
|   | No of SBEs                                       | 158   | 280   | 483   | 534   |
|   | <b>Compliant with issues</b>                     |       |       |       |       |
|   | No. of financial statements                      | 135   | 438   | 697   | 567   |
|   | No of SBEs                                       | 131   | 424   | 674   | 541   |
|   | <b>Non Compliant</b>                             |       |       |       |       |
|   | (Undertakings and Directions)                    |       |       |       |       |
|   | No. of financial statements                      | 8     | 4     | 5     | 2     |
|   | No of SBEs                                       | 8     | 4     | 5     | 2     |
| 5 | <b>Corrective action as a % of No. of SBEs</b>   |       |       |       |       |
|   | Compliant  | 54%   | 40%   | 42%   | 50%   |
|   | Compliant with issues                            | 44%   | 60%   | 59%   | 50%   |
|   | Non Compliant                                    | 3%    | 1%    | -     | -     |

**2.2.2** Where an identified non-compliance with Sri Lanka Accounting Standards was material, but not significant as to require the use of statutory provisions, such non-compliance was communicated in the form of a letter of assistance. During the year, 567 letters of assistance were issued to encourage those SBEs to improve their systems for financial reporting.

**2.3** SLAASMB continued issuing letters of comfort to SBEs where a desk review of the financial statements shows no cause for major concern on non-compliance with Sri Lanka Accounting Standards. In 2015, 553 such letters of comfort were issued compared with 498 letters of comfort issued during 2014.

### 3. Review of Audits

During the year, 91 audits carried out by 29 firms of practicing Chartered Accountants were reviewed, compared with the 100 audits carried out by 41 firms which were reviewed during the preceding year. Completion of 91% of the planned number was a result of the anticipated staff engaging in reviews not being available during the entire year 2015. Deficiencies were observed in 56 audits conducted by 29 firms. Significant concerns were communicated to the relevant audit firms (See pages 33-35 for Observations Made on Audit Reviews during 2015).

### 4. Investigations

Touchwood Investments PLC had made an application to the Court of Appeal during the year 2007 to quash the decisions of the Board that the valuation of the biological assets of the company in its financial statements for the years ended 31 March 2005 and 2006 were clearly unreliable and therefore to refer the said matter to the Attorney General. The application was allowed by the Court of Appeal in 2010. The Supreme Court granted special leave to the Board to appeal against the judgement of the Court of Appeal.

Based on a winding up petition filed by a creditor for failing to pay dues, Commercial High Courts of Colombo appointed a liquidator during 2014 for Touchwood Investments PLC. The entity is under liquidation at present. As the liquidator was in agreement with the appeal made by SLAASMB, the supreme court ordered to set aside the judgement of the court of appeal on 29 March 2016.

### 5. Performance on Recommendations of the Committee on Public Enterprises (COPE)

SLAASMB was examined by the Sub Committee III and the Main Committee of the COPE during the year 2012 in view of the importance of activities of the Board

# Review of Activities

towards monitoring of financial reporting of the SBEs. Inadequacy of the coverage of the number of reviews of financial statements of SBEs and considerable shortage of technical staff of the Board to do such reviews due to certain causes such as low salaries and inadequate funding were the major concerns raised by the COPE. In compliance with the COPE's recommendations, SLAASMB planned to complete review of financial statements of all SBEs (about 1,200) during one year period commencing from 1 July 2013 and to continue the same level of performance annually thereafter. For this purpose, SLAASMB introduced a new cadre and an incentive package to facilitate the recruitment of accounting professionals from the market and the General Treasury provided finance for the additional expenditure in this connection as recommended by the COPE. As a result, SLAASMB was able to expand its technical staff by recruiting 8 in the cadre during 2013. This arrangement enabled SLAASMB's performance to be aligned with the target as reflected in the Performance Information given in the Table in paragraph 2.1.2 above.

Since meeting the undertaking given to the COPE on reviewing financial statements of all SBEs during the past two years, SLAASMB considers moving towards a risk based selection of financial statements for reviews in the future as being a better means of enhancing the quality of findings on non-compliances. Accordingly, all regulated entities have been focussed to be reviewed annually while the other privately owned SBEs are to be reviewed on a systematic basis.

## 6. Assistance to the Standards Setter

**6.1** In terms of the current arrangement with the Ministry of Finance, SLAASMB continued to provide an annual grant of Rs. 2.5 million to the Institute of Chartered Accountants of Sri Lanka to facilitate the work of the Accounting Standards Committee and the Auditing Standards Committee as adoption of high quality standards facilitate the proper discharge of the functions of SLAASMB.

**6.2** The main activities carried out during the year in relation to revision of accounting and auditing standards were the following:

- a) Comparing existing Sri Lanka Accounting Standards against respective standards on the International

Financial Reporting Standards (IFRS) 2015 consolidated without early application edition. This publication was approved by the Council of the Institute in the year 2015 and is in the process of being gazetted.

- b) Six other Sri Lanka Accounting Standards are in the process of being gazetted.
- c) One Statement of Recommended Practice (SoRP) and Guidelines on Valuation is in the process of being gazetted.
- d) Approval of one other Guideline, a Statement of Alternative Treatment (SoAT) and an Interpretation (IFRIC) by the Council of the Institute for issue.
- e) Recommending amendments to nine standards were recommended to the Council during the year and one such amendment is in the process of being gazetted.
- f) Incorporating the International Auditing Standards issued by the International Auditing and Assurance Standards Board (IAASB) as per the International Federation of Accountant's (IFAC's) 2013 publication in the 2014 Bound Volume of Sri Lanka Auditing Standards and the Sri Lanka Standard on Quality Control 1 (Volume I) which is in the process of being gazetted.

## 7. International Relations

**7.1** Membership in international organizations has enabled SLAASMB to keep itself abreast of developments around the world on matters relating to financial reporting, auditing and monitoring compliance with standards. It has also opened a window to obtain information and assistance from other regulators, and to carry out activities which are of benefit to many regulators as joint activities. During the year, SLAASMB continued its membership of the following international organisations:

- a) International Forum of Independent Audit Regulators (IFIAR) - SLAASMB has been a member of IFIAR since its first plenary meeting held in 2007.
- b) Consultative Advisory Group of the International Auditing and Assurance Standards Board (IAASB) - SLAASMB was appointed as a member of the Consultative Advisory Group of IAASB in 2007.

# Review of Activities

- c) Consultative Advisory Group of the International Ethics Standards Board for Accountants (IESBA) -SLAASMB was admitted to the Consultative Advisory Group of IESBA in 2009.

**7.2** The staff of SLAASMB represented Sri Lanka in the sessions of the Intergovernmental Group of Experts on International Standards of Accounting and Reporting (ISAR). The staff also participated in the international sessions which facilitated refreshing the principles of international accounting and auditing standards, awareness of latest standards, up-to-date developments in standards and the direction of the future developments. These sessions also provided practical guidance on application of principles by way of cases and interpretations and means of establishing international relations to foster knowledge sharing opportunities.

## 8. Human Resources

### 8.1 Staff

As at the end of 2015, SLAASMB had a staff of 20 of which 14 were Chartered Accountants. The total technical staff comprised of the 2 Deputy Director Generals, 6 Technical Managers and 6 Assistant Technical Managers. 5 of the technical staff were employed on a contractual basis while 9 were employed on a permanent basis. The increase in staff strength was facilitated by the implementation of the incentive pay scheme which was based on an approval received from the Ministry on the recommendation of the Salaries and Cadre Commission. The staff had international exposure on areas relating to financial reporting, auditing and regulation by attending conferences, workshops and training programmes on 6 occasions during the year.

### 8.2 External Panel of Reviewers

In order to comply with the recommendations of the COPE, SLAASMB continued to engage reviewers to review financial statements received in its attempt to increase the number of financial statements being reviewed. 5 reviewers were engaged during the year. Of the financial statement reviews completed during the year, reviewers had completed the preliminary reviews of 72 sets of financial statements. The finalization of the reviews carried out by the external reviewers which includes obtaining additional information, seeking agreements for corrections and issuing observation letters are carried out by the existing technical staff.

## 9. Governance

**9.1** In terms of the statute, the Board consists of 3 ex-officio members and 10 members appointed by the Minister of Finance out of nominations received from identified institutions. The ex-officio members are Registrar General of Companies, Commissioner General of Inland Revenue and Director General of the Securities and Exchange Commission of Sri Lanka. The appointed members are nominees from the Central Bank of Sri Lanka, Institute of Chartered Accountants of Sri Lanka (3 members), Sri Lanka Division of the Chartered Institute of Management Accountants of UK, Bar Association of Sri Lanka, Ceylon Chamber of Commerce, Federation of Chambers of Commerce and Industry of Sri Lanka, Sri Lanka Banks' Association and University Grants Commission. The term of office of a member is four years. Subsequent to the Presidential Elections held in January 2015, the members of the Board were requested to resign and new members were appointed to the Board in May 2015.

**9.2** Mr. P V L Nanadasiri, Director Legal and Compliance of the Central Bank of Sri Lanka, was appointed as Chairman during the year. As nominations were not received from the Federation of Chambers of Commerce and Industry of Sri Lanka and University Grants Commission, 2 positions of the Board remained vacant as at the end of the year.

**9.3** Messrs. A De Vas Gunasekara, S N Jayasinghe and N Sivapragasam members of the Board appointed in terms of the statute, served as directors or senior officers of some of the SBEs. Similarly, Messrs. A Herath, W W J C Perera, and L L S Wickramasinge, who were also members of the Board, served as partners of firms of practicing accountants which audit some of the SBEs. In order to ensure independence of the Board, all papers relating to matters concerning an SBE or its auditor are omitted from the papers sent to members who have a connection with the relevant SBEs or its auditors. Such members do not participate in discussions on subjects relating to those SBEs.

**9.4** The Board had 8 meetings during the year. The deliberations of the Board during the year covered performance of the staff in terms of overall operational indicators, action required to resolve significant technical issues related to entities under liquidation and litigation and significant amendments to relevant statutory provisions

# Review of Activities

in the Act to adopt suitable accounting and auditing standards for state organisations which do not fall within the category of SBEs to promote monitoring of state sector financial reporting under a common system. The Board also focussed on approving issue of letters of comfort to SBEs, issues relating to non-compliances with standards by SBEs, approving financial statements, annual budget and the corporate plan of the Board. Further, the Board was engaged in reviewing staff compensation to ensure the appropriate staffing to meet the set performance targets.

**9.5** In terms of the delegation policy of the Board, regular operations relating to monitoring compliance with standards such as gathering information, reviewing financial statements and audits and investigations were carried out by the staff supervised and guided by the Director General.

## **10. Financial Performance**

The operating expenses of SLAASMB for the year was Rs. 69,158,863 compared to Rs. 60,929,561 for the previous year. SLAASMB limited its operations to keep the expenses within the allocated budget. The increase in operating expenses was 13.5% for the year. Staff costs during the year was Rs. 37,322,152 compared to Rs. 32,438,665 during the previous year which indicates an increase of 14.7% for the year. Staff costs constituted to be 52% of the operating expenses of SLAASMB. Increase in expenses of the year was mainly attributable to the increase in staff costs due to introduction of the interim allowance and increase of other staff benefits as per Government circulars and due to the depreciation of the motor vehicles that were provided by the Government in December 2014. The expenses were financed out of funds provided by the Government. Alternatively, a cess can be levied from SBEs computed as a percentage of shareholders' equity or profit after tax which ever is higher as may be determined by the Hon. Minister of Finance under the Act to finance the expenditure of the Board. However, this option was not preferred by the Ministry of Finance and the cess which was proposed to be in operation for periods commencing on or after 1 January 2008 was withdrawn by the Hon. Minister on 7 October 2008.

# Observations Made on Review of Financial Statements during 2015

## 1. Undertakings obtained to make the required corrections

Sri Lanka Accounting and Auditing Standards Monitoring Board (SLAASMB) obtained undertakings from two specified business enterprises (SBEs) to make corrections in financial statements. These undertakings resulted in corrections to net profits/equity amounting to Rs. 551 million.

Types of items for which the undertakings were obtained along with the Sri Lanka Accounting Standards (Prefixed SLFRS/ LKAS) not complied with by the SBEs are as follows.

- Failure to transfer the balance in the revaluation reserve directly to retained earnings at the time of disposal of an investment property which was previously classified as owner occupied property. (Reference; LKAS 40 paragraph 61 and LKAS 16 paragraph 41)
- Failure to prepare and present consolidated financial statements (Reference; LKAS 27 paragraphs 9 and 10)

## 2. Letters of Assistance

Departures from Sri Lanka Accounting Standards detected, which were material, but not significant as to require the use of procedure using statutory provisions, were informed to the enterprises, by letter, without extensive inquiries, so that enterprises could, where necessary, take corrective action on their own. Such letters not being directions issued by SLAASMB, are intended to be letters of assistance.

The main findings on which the Sri Lanka Accounting Standards (prefixed SLFRS/ LKAS) had been complied with by SBEs with issues observed are set out below.

- Failure to disclose information relating to the nature of the related party relationships as well as information about transactions with related parties - in 170 SBEs including 51 in SME sector. (Reference; LKAS 24 paragraphs 17 and 18; SME section 33 paragraph 33.9)

- Failure to disclose the nature and extent of risks arising from financial instruments to which the entity is exposed at the end of the reporting period - in 77 SBEs. (Reference; SLFRS 7 paragraphs 31, 36 and 37)
- Failure to disclose the summary of significant accounting policies used when preparing financial statements including the measurement bases that are relevant to understanding the financial statements - in 32 SBEs including 12 in SME sector. (Reference; LKAS 1 paragraph 117; SME section 8 paragraph 8.5)
- Failure to disclose the effective date of revaluation, method and significant assumptions used in the valuation and carrying value of property plant and equipment that would have been recognised under the cost model - in 35 SBEs. (Reference; LKAS 16 paragraph 77)
- Failure to prepare and present consolidated financial statements - in 29 SBEs including 14 in SME sector. (Reference; LKAS 27 paragraphs 9 and 10; SME section 9 paragraphs 9.2 and 9.3)
- Failure to disclose an explanation of the relationship between tax expense (income) and accounting profit - in 38 SBEs including 14 in SME sector. (Reference; LKAS 12 paragraph 81; SME section 29 paragraph 29.32)
- Failure to recognise deferred tax liabilities - in 45 SBEs including 15 in SME sector. (Reference; LKAS 12 paragraphs 15, 20 and 24; SME section 29 paragraph 29.15)
- Failure to recognise impairment loss at the end of each reporting period when objective evidence exist, that a financial asset or group of financial assets is impaired.- in 59 SBEs including 21 in SME sector. (Reference; LKAS 39 paragraphs 58, LKAS 36 paragraph 9 and SME section 11 paragraph 11.21)

# Undertakings Obtained during the year 2015

## 1. Piramal Glass Ceylon PLC

Primal Glass Ceylon PLC had not transferred the revaluation surplus of the land which was subsequently classified as Investment Property and disposed during the year, directly to the retained earnings, and had transferred to the profit and loss for the year ended 31 March 2014. The auditors had not qualified their opinion on this issue. Subsequent to the inquiries made by SLAASMB, the entity undertook to restate the comparative information by reflecting the correct disposal gain and transferring the revaluation surplus directly to the retained earnings in the financial statements for the year ended 31 March 2015. This resulted in a decrease in the profits for the year ended 31 March 2014 by Rs. 551 million.

## 2. Mackwoods (Private) Ltd

Mackwoods (Private) Ltd had not presented consolidated financial statements by consolidating the results of its 11 subsidiaries, in the financial statements for the year ended 31 March 2012. The auditors had not qualified their opinion on this issue.

Subsequent to the inquiries made by SLAASMB, the entity undertook to present consolidated financial statements from the year ended 31 March 2016.

# List of Specified Business Enterprises for which Letters of Comfort were issued during 2015

Letters of Comfort are issued to Specified Business Enterprises when Sri Lanka Accounting and Auditing Standards Monitoring Board (SLAASMB) has not observed a cause for concern relating to a significant non-compliance with Sri Lanka Accounting Standards after having performed a desk review of their financial statements. A desk review is a review of the financial statements with a view to detect a significant noncompliance with Sri Lanka Accounting Standards which can be detected by a review which does not involve obtaining information or explanations from the Company, except in limited circumstances. A desk review could reveal some types of significant noncompliance with Sri Lanka Accounting Standards and therefore is one of the tools used for monitoring compliance. However, it may not reveal other types of significant noncompliance and therefore does not provide an assurance that the financial statements show a true and fair view. Some specified business enterprises for which letters of Comfort were issued included specific items in the financial statements the review of which were not within the scope of the desk review.

|    | Specified Business Enterprise           | Financial Year End |
|----|---|--------------------|
| 1  | A B Developments (Pvt) Ltd              | 31 March 2014      |
| 2  | A. S. Chatoor and Company (Pvt) Ltd     | 31 March 2014      |
| 3  | AB Securitas (Pvt) Ltd                  | 31 March 2014      |
| 4  | Abans Environmental Solutions (Pvt) Ltd | 31 December 2013   |
| 5  | Abans Lanka (Pvt) Ltd                   | 31 March 2014      |
| 6  | Access Engineering PLC                  | 31 March 2015      |
| 7  | Ace Container Repairs (Pvt) Ltd         | 31 March 2015      |
| 8  | Ace Containers (Pvt) Ltd                | 31 March 2015      |
| 9  | ACE Distriparks (Pvt) Ltd               | 31 March 2015      |
| 10 | ACE Exports (Pvt) Ltd                   | 31 March 2015      |
| 11 | Ace International Express (Pvt) Ltd     | 31 March 2015      |
| 12 | ACL Cables PLC                          | 31 March 2015      |
| 13 | ACL Kelani Magnet Wire (Pvt) Ltd        | 31 March 2014      |
| 14 | ACL Plastics PLC                        | 31 March 2014      |
| 15 | Acuity Securities Ltd                   | 31 December 2014   |
| 16 | Acuity Stockbrokers (Pvt) Ltd           | 31 December 2014   |
| 17 | Adamjee Lukmanjee (Pvt) Ltd             | 31 March 2014      |
| 18 | Adamjee Marketing (Pvt) Ltd             | 31 March 2014      |
| 19 | AEN Palm Oil Processing (Pvt) Ltd       | 31 March 2015      |
| 20 | AES Kelanitissa (Pvt) Ltd               | 31 December 2013   |
| 21 | AES Kelanitissa (Pvt) Ltd               | 31 December 2014   |
| 22 | Agio Tobacco Processing Co (Pvt) Ltd    | 31 December 2014   |
| 23 | Agro Harapan Lestari (Pvt) Ltd          | 31 March 2015      |
| 24 | Agro Technica Ltd                       | 31 March 2015      |

|    | Specified Business Enterprise                  | Financial Year End |
|----|--|--------------------|
| 25 | Agstar Fertilizers PLC                         | 31 March 2014      |
| 26 | Agstar PLC                                     | 31 March 2015      |
| 27 | AHL Business Solutions (Pvt) Ltd               | 31 March 2015      |
| 28 | Ahungalla Resorts Ltd                          | 31 March 2015      |
| 29 | AIG Insurance Ltd                              | 31 December 2014   |
| 30 | Airport and Aviation Services (Sri Lanka) Ltd  | 31 December 2013   |
| 31 | Aitken Spence C&T Investments (Pvt) Ltd        | 31 March 2015      |
| 32 | Aitken Spence Cargo (Pvt) Ltd                  | 31 March 2014      |
| 33 | Aitken Spence Hotel Holdings PLC               | 31 March 2014      |
| 34 | Aitken Spence Hotel Holdings PLC               | 31 March 2015      |
| 35 | Aitken Spence Hotel International (Pvt) Ltd    | 31 March 2015      |
| 36 | Aitken Spence PLC                              | 31 March 2014      |
| 37 | Aitken Spence PLC                              | 31 March 2015      |
| 38 | Aitken Spence Printing and Packaging (Pvt) Ltd | 31 March 2015      |
| 39 | Aitken Spence Shipping Ltd                     | 31 March 2015      |
| 40 | Akbar Brothers Exports (Pvt) Ltd               | 31 March 2014      |
| 41 | Akzo Nobel Paints Lanka (Pvt) Ltd              | 31 March 2015      |
| 42 | Alco Industries (Pvt) Limited                  | 31 March 2015      |
| 43 | Alhambra Hotels Ltd                            | 31 March 2014      |
| 44 | Allianz Insurance Lanka Ltd                    | 31 December 2013   |
| 45 | Alpha Apparels Ltd                             | 31 December 2014   |
| 46 | Alpha Industries (Pvt) Ltd                     | 31 March 2014      |
| 47 | Alpha Tours (Pvt) Ltd                          | 31 March 2014      |
| 48 | Alufab PLC                                     | 31 March 2015      |
| 49 | Alumex PLC                                     | 31 March 2014      |
| 50 | Amana Asset Management Ltd                     | 31 December 2014   |
| 51 | Amana Bank Ltd                                 | 31 December 2012   |
| 52 | Amana Bank Ltd                                 | 31 December 2013   |
| 53 | Amana-Candor Shariah Balanced Fund             | 31 December 2014   |
| 54 | Amaya Leisure PLC                              | 31 March 2015      |
| 55 | Amazon Trading (Pvt) Ltd                       | 31 March 2014      |
| 56 | Amba Research Lanka (Pvt) Ltd                  | 31 March 2014      |
| 57 | Anilana Hotels & Properties PLC                | 31 March 2015      |
| 58 | APL Lanka (Pvt) Ltd                            | 31 March 2014      |
| 59 | APL Lanka (Pvt) Ltd                            | 31 March 2015      |
| 60 | Aqua Packaging (Pvt) Ltd                       | 31 March 2014      |
| 61 | Arpico Insurance PLC                           | 31 December 2014   |
| 62 | Arpimalls Development Co. (Pvt) Ltd            | 31 March 2014      |
| 63 | Asia Asset Finance Ltd                         | 31 March 2013      |
| 64 | Asia Asset Finance Ltd                         | 31 March 2014      |

# List of Specified Business Enterprises for which Letters of Comfort were issued during 2015

|     | Specified Business Enterprise                        | Financial Year End |
|-----|--|--------------------|
| 65  | Asia Pacific Investments (Pvt) Ltd                   | 31 March 2015      |
| 66  | Asia Power (Pvt) Ltd                                 | 31 March 2014      |
| 67  | Asia Securities (Pvt) Ltd                            | 31 March 2015      |
| 68  | Asia Siyaka Commodities PLC                          | 31 March 2015      |
| 69  | Asian Alliance Insurance PLC                         | 31 December 2014   |
| 70  | Asian Paints (Lanka) Ltd                             | 31 March 2014      |
| 71  | Asiri Hospital Holdings PLC                          | 31 March 2014      |
| 72  | Asiri Hospital Holdings PLC                          | 31 March 2015      |
| 73  | Assetline Insurance Brokers Ltd                      | 31 March 2014      |
| 74  | Assetline Leasing Co. Ltd                            | 31 March 2014      |
| 75  | Assetline Securities (Pvt) Ltd                       | 31 March 2015      |
| 76  | Associated CEAT (Pvt) Ltd                            | 31 March 2015      |
| 77  | Associated Electricals Corporation Ltd               | 31 March 2015      |
| 78  | Associated Property Development Ltd                  | 31 December 2014   |
| 79  | Avery Dennison Lanka (Pvt) Ltd                       | 3 January 2015     |
| 80  | Balangoda Plantations PLC                            | 31 December 2012   |
| 81  | Balangoda Plantations PLC                            | 31 December 2013   |
| 82  | Balfour Beatty Engineering Services Ceylon (Pvt) Ltd | 31 December 2014   |
| 83  | Bata Shoe Co. of Ceylon Ltd                          | 31 December 2014   |
| 84  | Berjaya Mount Royal Beach Hotel Ltd                  | 30 April 2014      |
| 85  | Beruwala Holiday Resorts (Pvt) Ltd                   | 31 March 2015      |
| 86  | Blue Diamonds Jewellery Worldwide PLC                | 31 March 2014      |
| 87  | Bluescope Lysaght Lanka (Pvt) Ltd                    | 31 March 2014      |
| 88  | Bogala Graphite Lanka PLC                            | 31 December 2014   |
| 89  | Bogawanthala Tea Estates PLC                         | 31 March 2013      |
| 90  | BRAC Lanka Finance PLC                               | 31 March 2014      |
| 91  | Brandix Apparel Ltd                                  | 31 March 2014      |
| 92  | Brandix Apparel Solutions Ltd                        | 31 March 2015      |
| 93  | Brandix Essentials Central Ltd                       | 31 March 2014      |
| 94  | Brandix Finishing Ltd                                | 31 March 2014      |
| 95  | Brandix Intimate Apparel Ltd                         | 31 March 2014      |
| 96  | Brandix Textiles Ltd                                 | 31 March 2014      |
| 97  | Brooke Bond Ceylon Ltd                               | 31 December 2014   |
| 98  | Browns Beach Hotels PLC                              | 31 March 2015      |
| 99  | C.T Properties Ltd                                   | 31 March 2014      |
| 100 | C.W. Mackie PLC                                      | 31 March 2015      |
| 101 | CAL Exports Lanka (Pvt) Ltd                          | 31 March 2014      |
| 102 | Cambio Softwear Engineering (Pvt) Ltd                | 31 December 2014   |
| 103 | Candor Asset Management (Pvt) Ltd                    | 31 December 2014   |
| 104 | Candor Equities Ltd                                  | 31 December 2014   |
| 105 | Candor Growth Fund                                   | 31 December 2014   |
| 106 | Capital Alliance Balanced Fund                       | 31 March 2015      |

|     | Specified Business Enterprise                         | Financial Year End |
|-----|---|--------------------|
| 107 | Capital Alliance Corporate Debt and Gilt Trading Fund | 31 March 2015      |
| 108 | Capital Alliance Gilt Fund                            | 31 March 2015      |
| 109 | Capital Alliance Income Fund                          | 31 March 2015      |
| 110 | Capital Alliance Ltd                                  | 31 March 2014      |
| 111 | Capital Trust Securities (Pvt) Ltd                    | 31 March 2015      |
| 112 | Capitol Hotel Holdings Ltd                            | 31 March 2014      |
| 113 | Carbotels Ltd   | 31 March 2015      |
| 114 | Cargills Foods Company (Pvt) Ltd                      | 31 March 2014      |
| 115 | Cargo Boat Development Company PLC                    | 31 March 2014      |
| 116 | CBL Foods International (Pvt) Ltd                     | 31 March 2014      |
| 117 | CBL Natural Foods (Pvt) Ltd                           | 31 March 2015      |
| 118 | CCS Lanka (Pvt) Ltd                                   | 31 December 2014   |
| 119 | CEAT Kelani Holdings (Pvt) Ltd                        | 31 March 2015      |
| 120 | Ceat Kelani International Tyres (Pvt) Ltd             | 31 March 2015      |
| 121 | Ceat Kelani Radials (Pvt) Ltd                         | 31 March 2015      |
| 122 | Central Developments Ltd                              | 31 December 2014   |
| 123 | Central Hospital Ltd                                  | 31 March 2014      |
| 124 | Central Industries PLC                                | 31 March 2015      |
| 125 | Ceybank Assets Management Ltd                         | 31 March 2014      |
| 126 | Ceylinco Insurance PLC                                | 31 December 2014   |
| 127 | Ceylon Beverage Holdings PLC                          | 31 March 2015      |
| 128 | Ceylon Biscuits Ltd                                   | 31 March 2014      |
| 129 | Ceylon Biscuits Ltd                                   | 31 March 2015      |
| 130 | Ceylon Cold Stores PLC                                | 31 March 2015      |
| 131 | Ceylon Galvanising Industries Ltd                     | 31 March 2014      |
| 132 | Ceylon Grain Elevators PLC                            | 31 December 2014   |
| 133 | Ceylon Holiday Resort Ltd                             | 31 March 2015      |
| 134 | Ceylon Hotel Holdings (Pvt) Ltd                       | 31 March 2014      |
| 135 | Ceylon Hotels Corporation PLC                         | 31 March 2014      |
| 136 | Ceylon Investments PLC                                | 31 March 2015      |
| 137 | Ceylon Leather products PLC                           | 31 March 2014      |
| 138 | Ceylon Ocean Lines Ltd                                | 31 March 2015      |
| 139 | Ceylon Tea Brokers PLC                                | 31 March 2015      |
| 140 | Ceylon Tea Marketing (Pvt) Ltd                        | 31 March 2015      |
| 141 | Ceylon Tea Services PLC                               | 31 March 2015      |
| 142 | Ceylon Tobacco Company PLC                            | 31 December 2013   |
| 143 | Ceylon Tobacco Company PLC                            | 31 December 2014   |
| 144 | Ceylon Trading Co. Ltd                                | 31 December 2014   |
| 145 | Ceymac Rubber Company Ltd                             | 31 March 2015      |
| 146 | CF Growth Fund Limited                                | 31 March 2015      |
| 147 | CF Insurance Brokers (Pvt) Ltd                        | 31 December 2014   |
| 148 | Chas. P. Hayley and Co. (Pvt) Ltd                     | 31 March 2015      |
| 149 | Chevron Ceylon Ltd                                    | 31 December 2014   |

# List of Specified Business Enterprises for which Letters of Comfort were issued during 2015

|     | Specified Business Enterprise                         | Financial Year End |
|-----|---|--------------------|
| 150 | Chevron Lubricants Lanka PLC                          | 31 December 2014   |
| 151 | CIC Cropguard (Pvt) Ltd                               | 31 March 2015      |
| 152 | CIC Dairies (Pvt) Ltd                                 | 31 March 2015      |
| 153 | CIC Dairy Breeding & Management (Pvt) Ltd             | 31 March 2014      |
| 154 | CIC Seeds (Pvt) Ltd                                   | 31 March 2014      |
| 155 | CIC Vetcare (Pvt) Ltd                                 | 31 March 2015      |
| 156 | Cinnamon Hotel Management Ltd                         | 31 March 2015      |
| 157 | Cisco Specialty Packaging (Pvt) Ltd                   | 31 March 2015      |
| 158 | Citizens Development Business Finance PLC             | 31 March 2013      |
| 159 | Citizens Development Business Finance PLC             | 31 March 2014      |
| 160 | Citrus Leisure PLC                                    | 31 March 2014      |
| 161 | City Properties (Pvt) Ltd                             | 31 March 2015      |
| 162 | Civaro Lanka(Pvt) Ltd                                 | 31 March 2015      |
| 163 | Cleanco Lanka Ltd                                     | 31 December 2014   |
| 164 | CMA CGM Lanka (Pvt) Ltd                               | 31 March 2015      |
| 165 | Coca-Cola Beverages Sri Lanka Ltd                     | 31 December 2014   |
| 166 | Colombo Dockyard PLC                                  | 31 December 2014   |
| 167 | Colombo Fort Investments PLC                          | 31 March 2015      |
| 168 | The Colombo International School (SL) Ltd             | 31 March 2014      |
| 169 | Colombo Investment Trust PLC                          | 31 March 2015      |
| 170 | Colombo Land and Development Co. PLC                  | 31 December 2014   |
| 171 | Commercial Bank of Ceylon PLC                         | 31 December 2014   |
| 172 | Commercial Development Co. PLC                        | 31 December 2014   |
| 173 | Crystal Martin Europe (Pvt) Ltd                       | 31 December 2014   |
| 174 | CT CLSA Securities (Pvt) Ltd                          | 31 March 2015      |
| 175 | CT Land Development PLC                               | 31 March 2014      |
| 176 | CT Smith Stockbrokers (Pvt) Ltd                       | 31 March 2014      |
| 177 | Culture Club Resorts (Pvt) Ltd                        | 31 March 2015      |
| 178 | D R Furniture (Pvt) Ltd                               | 31 March 2014      |
| 179 | D R Furniture Manufacturing (Pvt) Ltd                 | 31 March 2014      |
| 180 | D R Exports (Pvt) Ltd                                 | 31 March 2014      |
| 181 | David Pieris Automobiles Ltd                          | 31 March 2014      |
| 182 | David Pieris Information Technologies Ltd             | 31 March 2015      |
| 183 | David Pieris Motor Company (Lanka) Ltd                | 31 March 2015      |
| 184 | De La Rue Lanka Currency and Security Print (Pvt) Ltd | 31 March 2014      |
| 185 | Dehigama Hotels Company Ltd                           | 31 March 2015      |
| 186 | DFCC Bank   | 31 March 2014      |

|     | Specified Business Enterprise               | Financial Year End |
|-----|---|--------------------|
| 187 | DFCC Vardhana Bank PLC                      | 31 December 2014   |
| 188 | DHL Keels (Pvt) Ltd                         | 31 March 2015      |
| 189 | Dial Textile Industries (Pvt) Ltd           | 30 November 2014   |
| 190 | Dialog Axiata PLC                           | 31 December 2014   |
| 191 | Dialog Broadband Networks (Pvt) Ltd         | 31 December 2014   |
| 192 | DIC Lanka (Pvt) Ltd                         | 31 December 2014   |
| 193 | Diesel & Motor Engineering PLC              | 31 March 2015      |
| 194 | Dilma Property Developments (Pvt) Ltd       | 31 March 2014      |
| 195 | Dilmah Fine Teas and Herbs (Pvt) Ltd        | 31 March 2015      |
| 196 | DP Global Ventures (Pvt) Ltd                | 31 March 2014      |
| 197 | DP Logistics (Pvt) Ltd                      | 31 March 2014      |
| 198 | DSI Holdings Ltd                            | 31 March 2014      |
| 199 | DSL Lanka (Pvt) Ltd                         | 31 March 2014      |
| 200 | Dunamis Capital PLC                         | 31 March 2014      |
| 201 | Durtek Lanka (Pvt) Ltd                      | 31 December 2014   |
| 202 | Eagle Gilt-Edged Fund                       | 31 December 2014   |
| 203 | Eagle Growth and Income Fund                | 31 December 2014   |
| 204 | Eagle Growth Fund                           | 31 December 2014   |
| 205 | Eagle Income Fund                           | 31 December 2014   |
| 206 | Eagle Money Fund                            | 31 December 2014   |
| 207 | Eagle Money Plus Fund                       | 31 December 2014   |
| 208 | Eastern Hotels (Pvt) Ltd                    | 31 March 2015      |
| 209 | Eden Hotel Lanka PLC                        | 31 March 2015      |
| 210 | Elpitiya Plantations PLC                    | 31 March 2015      |
| 211 | Emerchemie NB (Ceylon) Ltd                  | 31 March 2014      |
| 212 | Equity One PLC                              | 31 March 2015      |
| 213 | Equity Three (Pvt) Ltd                      | 31 March 2015      |
| 214 | Equity Two PLC                              | 31 March 2015      |
| 215 | Ericsson Telecommunications Lanka (Pvt) Ltd | 31 December 2014   |
| 216 | Eskimo Fashion Knitwear (Pvt) Ltd           | 31 December 2014   |
| 217 | Eswaran Brothers Exports (Pvt) Ltd          | 31 March 2014      |
| 218 | ETA Melco Engineering (Pvt) Ltd             | 31 December 2014   |
| 219 | Expolanka Freight (Pvt) Ltd                 | 31 March 2014      |
| 220 | Expolanka Holdings PLC                      | 31 March 2014      |
| 221 | Expolanka International (Pvt) Ltd           | 31 March 2014      |
| 222 | Express Newspapers (Cey) (Pvt) Ltd          | 31 March 2014      |
| 223 | Fairmount Fashion (Pvt) Ltd                 | 31 March 2014      |
| 224 | Finlay Cold Storage (Pvt) Ltd               | 31 December 2014   |
| 225 | Finlay Properties (Pvt) Ltd                 | 31 December 2014   |
| 226 | Finlay Rentokil Ceylon (Pvt) Ltd            | 31 December 2014   |
| 227 | Finlay Teas (Pvt) Limited                   | 31 December 2014   |
| 228 | Finlays Colombo PLC                         | 31 December 2014   |
| 229 | First Capital Equities (Pvt) Ltd            | 31 March 2015      |

# List of Specified Business Enterprises for which Letters of Comfort were issued during 2015

|     | Specified Business Enterprise              | Financial Year End |
|-----|--|--------------------|
| 230 | First Capital Ltd                          | 31 March 2014      |
| 231 | First Capital Markets Ltd                  | 31 March 2015      |
| 232 | FLC Hydro Power PLC                        | 31 March 2014      |
| 233 | Fonterra Brands Lanka (Pvt) Ltd            | 31 July 2014       |
| 234 | G T B Steel Corporation (Pvt) Ltd          | 31 March 2014      |
| 235 | Galadari Hotels (Lanka) PLC                | 31 December 2014   |
| 236 | Gamma Pizzakraft Lanka (Pvt) Ltd           | 31 March 2015      |
| 237 | George Steuart Finance PLC                 | 31 March 2013      |
| 238 | George Steuart Finance PLC                 | 31 March 2014      |
| 239 | George Steuart Teas (Pvt) Ltd              | 31 March 2014      |
| 240 | Gestetner of Ceylon PLC                    | 31 March 2015      |
| 241 | Gold Coin Feedmills (Lanka) Ltd            | 31 December 2014   |
| 242 | Golden Sun Resorts (Pvt) Ltd               | 31 March 2015      |
| 243 | Grossart (Private) Limited                 | 31 March 2014      |
| 244 | Guardian Acuity Equity Fund                | 31 December 2014   |
| 245 | Guardian Capital Partners PLC              | 31 March 2015      |
| 246 | Habarana Lodge Ltd                         | 31 March 2015      |
| 247 | Habarana Walk Inn Ltd                      | 31 March 2015      |
| 248 | Hanwellla Rubber Products Ltd              | 31 March 2015      |
| 249 | Harischandra Mills PLC                     | 31 March 2014      |
| 250 | Hatton National Bank PLC                   | 31 December 2014   |
| 251 | Haycarb PLC                                | 31 March 2015      |
| 252 | Haycarb Value Added Products (Pvt) Ltd     | 31 March 2015      |
| 253 | Hayleys Hydro Energy (Pvt) Ltd             | 31 March 2014      |
| 254 | Hayleys Advantis Ltd                       | 31 March 2015      |
| 255 | Hayleys Agro Fertilizers (Pvt) Ltd         | 31 March 2015      |
| 256 | Hayleys Fibre PLC                          | 31 March 2015      |
| 257 | Hayleys Travels & Tours (Pvt) Ltd          | 31 March 2015      |
| 258 | Hedges Court Residencies (Pvt) Ltd         | 31 March 2015      |
| 259 | Hemas Air Services (Pvt) Ltd               | 31 March 2014      |
| 260 | Hemas Holdings PLC                         | 31 March 2014      |
| 261 | Hemas Hospitals (Pvt) Ltd                  | 31 March 2015      |
| 262 | Hemas Integrated Logistics (Pvt) Ltd       | 31 March 2015      |
| 263 | Hemas Logistics (Pvt) Ltd                  | 31 March 2015      |
| 264 | Hemas Manufacturing (Pvt) Ltd              | 31 March 2014      |
| 265 | Hemas Surgicals & Diagnostics (Pvt) Ltd    | 31 March 2015      |
| 266 | Hemas Travels (Pvt) Ltd                    | 31 March 2014      |
| 267 | Heritage (Pvt) Ltd                         | 31 March 2015      |
| 268 | Hi Fashion Holdings (Pvt) Ltd              | 31 March 2015      |
| 269 | Hikkaduwa Holiday Resorts (Pvt) Ltd        | 31 March 2015      |
| 270 | Hirdaramani International Export (Pvt) Ltd | 31 March 2014      |

|     | Specified Business Enterprise                        | Financial Year End |
|-----|--|--------------------|
| 271 | Hirdaramani Investments Holdings (Pvt) Ltd           | 31 March 2013      |
| 272 | Hirdaramani Mercury Apparel (Pvt) Ltd                | 31 March 2015      |
| 273 | HJS Condiments Ltd                                   | 31 March 2015      |
| 274 | Holcim (Lanka) Ltd                                   | 31 December 2014   |
| 275 | Hotel Developers (Lanka) PLC                         | 31 March 2014      |
| 276 | HSBC Electronic Data Processing Lanka (Pvt) Ltd      | 31 December 2014   |
| 277 | Hunas Falls Hotels PLC                               | 31 March 2015      |
| 278 | Hunter & Co. PLC                                     | 31 March 2015      |
| 279 | Hydro Trust Lanka (Pvt) Ltd                          | 31 March 2014      |
| 280 | Hyson Teas (Pvt) Ltd                                 | 31 December 2014   |
| 281 | IIFL Securities Ceylon (Pvt) Ltd                     | 31 March 2014      |
| 282 | Induruwa Beach Resorts Ltd                           | 31 March 2014      |
| 283 | Industrial Clothing (Pvt) Ltd                        | 31 March 2014      |
| 284 | International Construction Consortium (Pvt) Ltd      | 31 March 2014      |
| 285 | International College of Business and Technology Ltd | 31 December 2014   |
| 286 | International Distillers Ltd                         | 30 September 2014  |
| 287 | International Tourists & Hotelier Ltd                | 31 March 2015      |
| 288 | ISIN Lanka (Pvt) Ltd                                 | 31 December 2014   |
| 289 | J L Morison Son & Jones (Ceylon) PLC                 | 31 March 2014      |
| 290 | J B Fishing Industries Ltd                           | 31 March 2014      |
| 291 | Janaka Bogollagama & Co. (Pvt) Ltd                   | 31 March 2014      |
| 292 | Jay Jay Mills Lanka (Pvt) Ltd                        | 31 March 2015      |
| 293 | JB Vantage Money Market Fund                         | 31 December 2014   |
| 294 | JB Vantage Value Equity Fund                         | 31 December 2014   |
| 295 | John Keells Computer Services (Pvt) Ltd              | 31 March 2015      |
| 296 | John Keells International (Pvt) Ltd                  | 31 March 2015      |
| 297 | John Keells Logistics (Pvt) Ltd                      | 31 March 2015      |
| 298 | John Keells PLC                                      | 31 March 2015      |
| 299 | John Keells Properties (Pvt) Ltd                     | 31 March 2015      |
| 300 | John Keells Properties Ja-Ela (Pvt) Ltd              | 31 March 2015      |
| 301 | John Keells Residential Properties (Pvt) Ltd         | 31 March 2015      |
| 302 | John Keells Stock Brokers (Pvt) Ltd                  | 31 March 2015      |
| 303 | John Keells Warehousing (Pvt) Ltd                    | 31 March 2014      |
| 304 | Jubilant Foodworks (Pvt) Ltd                         | 31 March 2015      |
| 305 | Kandy Private Hospitals Ltd                          | 31 March 2015      |
| 306 | Kandyan Resorts (Pvt) Ltd                            | 31 March 2014      |
| 307 | Keells Realtors Limited                              | 31 March 2015      |
| 308 | Kelsey Developments PLC                              | 31 March 2014      |

# List of Specified Business Enterprises for which Letters of Comfort were issued during 2015

|     | Specified Business Enterprise                   | Financial Year End |
|-----|---|--------------------|
| 309 | Keppel CT Developments (Pvt) Ltd                | 31 December 2013   |
| 310 | Kotmale Holdings PLC                            | 31 March 2014      |
| 311 | Kotmale Products Limited                        | 31 March 2014      |
| 312 | La Fortresse (Pvt) Ltd                          | 31 March 2015      |
| 313 | Lake House Printers and Publishers PLC          | 31 March 2014      |
| 314 | Lanka Communication Services (Pvt) Ltd          | 31 March 2015      |
| 315 | Lanka Dairies (Pvt) Ltd                         | 31 March 2014      |
| 316 | Lanka Electricity Co. (Pvt) Ltd                 | 31 December 2014   |
| 317 | Lanka Energy International (Pvt) Ltd            | 31 March 2015      |
| 318 | Lanka Industrial Estates Ltd                    | 31 March 2014      |
| 319 | Lanka Industrial Products Engineering (Pvt) Ltd | 31 March 2015      |
| 320 | Lanka IOC PLC                                   | 31 March 2015      |
| 321 | Lanka Island Resorts Ltd                        | 31 March 2015      |
| 322 | Lanka Leather Fashion (Pvt) Ltd                 | 31 March 2014      |
| 323 | Lanka Maritime Services Ltd                     | 31 March 2014      |
| 324 | Lanka Orient Express Lines Ltd                  | 31 March 2015      |
| 325 | Lanka Orix Finance PLC                          | 31 March 2015      |
| 326 | Lanka Salt Ltd                                  | 31 December 2013   |
| 327 | Lanka Tiles PLC                                 | 31 March 2015      |
| 328 | Lanka Ventures PLC                              | 31 March 2014      |
| 329 | Lankaclear (Pvt) Ltd                            | 31 March 2015      |
| 330 | Lankem Chemicals Ltd                            | 31 March 2015      |
| 331 | Lankem Paints Ltd                               | 31 March 2014      |
| 332 | Laugfs Capital Ltd                              | 31 March 2015      |
| 333 | Laugfs Leisure Ltd                              | 31 March 2014      |
| 334 | Laugfs Power Ltd                                | 31 March 2015      |
| 335 | Laxapana Batteries PLC                          | 31 March 2015      |
| 336 | Lee Hedges PLC                                  | 31 March 2015      |
| 337 | Leisure Asia Investments Ltd                    | 31 March 2014      |
| 338 | Leson Ltd                                       | 31 March 2014      |
| 339 | Life Insurance Corporation (Lanka) Ltd          | 31 December 2013   |
| 340 | Lighthouse Hotel PLC                            | 31 March 2015      |
| 341 | Link Natural Products (Pvt) Ltd                 | 31 March 2015      |
| 342 | Lion Brewery (Ceylon) PLC                       | 31 March 2015      |
| 343 | Logilink (Pvt) Ltd                              | 31 March 2015      |
| 344 | Logistics International Ltd                     | 31 March 2015      |
| 345 | LTL Galvanizers (Pvt) Ltd                       | 31 March 2014      |
| 346 | LTL Transformers (Pvt) Ltd                      | 31 March 2014      |
| 347 | LVL Energy Fund Ltd                             | 31 March 2014      |
| 348 | M.P.S. Hotels (Pvt) Ltd                         | 31 March 2015      |
| 349 | Mabroc Teas (Pvt) Ltd                           | 31 March 2015      |
| 350 | Mackinnon Keells Ltd                            | 31 March 2015      |

|     | Specified Business Enterprise             | Financial Year End |
|-----|---|--------------------|
| 351 | Madulsima Plantations PLC                 | 31 December 2012   |
| 352 | Madulsima Plantations PLC                 | 31 December 2013   |
| 353 | Maga Engineering (Pvt) Ltd                | 31 March 2014      |
| 354 | Mahaweli Reach Hotels PLC                 | 31 March 2015      |
| 355 | Mainettech Lanka (Pvt) Ltd                | 31 December 2013   |
| 356 | Marawila Resorts PLC                      | 31 March 2015      |
| 357 | Mark Marine Services (Pvt) Ltd            | 31 March 2015      |
| 358 | MAS Active (Pvt) Ltd                      | 31 December 2014   |
| 359 | MAS Holdings (Pvt) Ltd                    | 31 December 2013   |
| 360 | Masons Mixture Ltd                        | 31 March 2014      |
| 361 | MCSL Financial Services Ltd               | 31 December 2013   |
| 362 | Melbourne Textile Washing Plant (Pvt) Ltd | 31 March 2014      |
| 363 | Melsta Regal Finance Ltd                  | 31 March 2014      |
| 364 | Mercantile Investments & Finance PLC      | 31 March 2015      |
| 365 | Mercantile Produce Brokers (Pvt) Ltd      | 31 March 2014      |
| 366 | Merril J Fernando & Sons (Pvt) Ltd        | 31 March 2014      |
| 367 | Metecon Lanka (Pvt) Ltd                   | 31 December 2014   |
| 368 | Microsoft Sri Lanka (Pvt) Ltd             | 30 June 2014       |
| 369 | Millenium Housing Developers PLC          | 31 March 2014      |
| 370 | Millennium IT Software (Pvt) Ltd          | 31 March 2013      |
| 371 | Millennium IT Software (Pvt) Ltd          | 31 March 2014      |
| 372 | Millers Brewery Ltd                       | 31 March 2014      |
| 373 | MJF Leisure (Pvt) Ltd                     | 31 March 2015      |
| 374 | MJF Properties (Pvt) Ltd                  | 31 March 2015      |
| 375 | Mobitel (Pvt) Ltd                         | 31 December 2014   |
| 376 | Moceti International (Pvt) Ltd            | 31 March 2015      |
| 377 | Mountain Hawk Express (Pvt) Ltd           | 31 March 2014      |
| 378 | MSJ Industries (Cey) (Pvt) Ltd            | 31 March 2014      |
| 379 | MTD Walkers PLC                           | 31 March 2013      |
| 380 | MTD Walkers PLC                           | 31 March 2014      |
| 381 | Muller & Phipps (Ceylon) PLC              | 31 March 2015      |
| 382 | N-Able (Pvt) Ltd                          | 31 March 2014      |
| 383 | NAMAL Acuity Value Fund                   | 31 March 2015      |
| 384 | National Asset Management Ltd             | 31 December 2014   |
| 385 | National Development Bank PLC             | 31 December 2014   |
| 386 | Nations Insurance Brokers Ltd             | 31 December 2014   |
| 387 | Natwealth Securities (Pvt) Ltd            | 31 December 2014   |
| 388 | NDB Securities (Pvt) Ltd                  | 31 December 2014   |
| 389 | NDB Wealth Management Ltd                 | 31 December 2014   |
| 390 | Neil Marine (Pvt) Ltd                     | 31 March 2014      |
| 391 | Neluwa Cascade Hydro Power (Pvt) Ltd      | 31 March 2014      |
| 392 | Nestlé Lanka PLC                          | 31 December 2014   |
| 393 | Next Manufacturing (Pvt) Ltd              | 31 January 2014    |

# List of Specified Business Enterprises for which Letters of Comfort were issued during 2015

|     | Specified Business Enterprise                | Financial Year End |
|-----|--|--------------------|
| 394 | Nilkamal Eswaran Plastics (Pvt) Ltd          | 31 March 2015      |
| 395 | Nividhu Assupiniella (Pvt) Ltd               | 31 March 2014      |
| 396 | Negombo Hotels Ltd                           | 31 March 2014      |
| 397 | Noratel International (Pvt) Ltd              | 31 March 2015      |
| 398 | Noritake Lanka Porcelain (Pvt) Ltd           | 31 December 2014   |
| 399 | North Cloth Lanka (Pvt) Ltd                  | 31 March 2014      |
| 400 | North Manufacturing (Pvt) Ltd                | 31 December 2014   |
| 401 | North Sails 3DL Lanka (Pvt) Ltd              | 31 March 2014      |
| 402 | Noyon Lanka (Pvt) Ltd                        | 31 December 2014   |
| 403 | Ocean View Ltd                               | 31 March 2014      |
| 404 | Ocean Lanka (Pvt) Ltd                        | 31 December 2013   |
| 405 | Odel Properties (Pvt) Ltd                    | 31 March 2014      |
| 406 | Office Equipments PLC                        | 31 March 2014      |
| 407 | Okanda Power Grid (Pvt) Ltd                  | 31 March 2015      |
| 408 | On'ally Holdings PLC                         | 31 March 2015      |
| 409 | Orient Finance PLC                           | 31 March 2014      |
| 410 | Orient Motor Co. Ltd                         | 31 March 2015      |
| 411 | Packages Lanka (Pvt) Ltd                     | 31 December 2014   |
| 412 | Pan Asia Banking Corporation PLC             | 31 December 2014   |
| 413 | Panasian Power PLC                           | 31 March 2014      |
| 414 | Paradise Toys (Pvt) Ltd                      | 31 March 2014      |
| 415 | Pegasus Hotels of Ceylon PLC                 | 31 March 2015      |
| 416 | Penthouse Engineers (Pvt) Ltd                | 31 March 2014      |
| 417 | Perera and Sons Bakers (Pvt) Ltd             | 31 March 2015      |
| 418 | Phoenix Industries Ltd                       | 31 March 2015      |
| 419 | Piramal Glass Ceylon PLC                     | 31 March 2015      |
| 420 | Piyestra Furniture (Pvt) Ltd                 | 31 March 2014      |
| 421 | Polytex Garments Ltd                         | 31 December 2014   |
| 422 | Port Management Container Services (Pvt) Ltd | 31 March 2015      |
| 423 | Premium Exports Ceylon Ltd                   | 31 December 2014   |
| 424 | Prima Land (Pvt) Ltd                         | 31 December 2014   |
| 425 | Printcare Packaging (Pvt) Ltd                | 31 March 2014      |
| 426 | Printcare Premedia Services Ltd              | 31 March 2015      |
| 427 | Printcare Secure Ltd                         | 31 March 2014      |
| 428 | Procter and Gamble Lanka (Pvt) Ltd           | 30 June 2014       |
| 429 | Propertex Development Ltd                    | 31 March 2014      |
| 430 | Property Development PLC                     | 31 December 2014   |
| 431 | Prym Intimates Lanka (Pvt) Ltd               | 31 December 2014   |
| 432 | Pubs' N Places (Pvt) Ltd                     | 31 March 2015      |
| 433 | Quenby Lanka Prints (Pvt) Ltd                | 31 March 2014      |
| 434 | Radiant Gems International PLC               | 31 March 2014      |
| 435 | Ramboda Falls PLC                            | 31 March 2015      |
| 436 | Regency Teas (Pvt) Ltd                       | 31 March 2014      |

|     | Specified Business Enterprise                | Financial Year End |
|-----|--|--------------------|
| 437 | Regnis (Lanka) PLC                           | 31 December 2014   |
| 438 | Regnis Appliances (Pvt) Ltd                  | 31 December 2014   |
| 439 | Rekitt Benckiser (Lanka) Ltd                 | 31 December 2014   |
| 440 | Renuka Agri Foods PLC                        | 31 March 2014      |
| 441 | Renuka City Hotels PLC                       | 31 March 2014      |
| 442 | Renuka Hotels Ltd                            | 31 March 2014      |
| 443 | Residence Peelawatte (Pvt) Ltd               | 31 March 2015      |
| 444 | Resort Hotels Ltd                            | 31 March 2015      |
| 445 | Resources Development Consultants (Pvt) Ltd  | 31 March 2014      |
| 446 | Rhino Products Limited                       | 31 March 2015      |
| 447 | Richard Pieris & Co. PLC                     | 31 March 2014      |
| 448 | Richard Pieris & Co PLC                      | 31 March 2015      |
| 449 | Richard Pieris Distributors Ltd              | 31 March 2015      |
| 450 | Richard Pieris Tyre Co. Ltd                  | 31 March 2015      |
| 451 | Riverina Resorts (Pvt) Ltd                   | 31 March 2015      |
| 452 | RM Holdings (Pvt) Ltd                        | 31 March 2014      |
| 453 | Royal Ceramics Lanka PLC                     | 31 March 2015      |
| 454 | Royal Palms Beach Hotels PLC                 | 31 March 2015      |
| 455 | RPC Management Services (Pvt) Ltd            | 31 March 2015      |
| 456 | RPC Plantation Management Services (Pvt) Ltd | 31 March 2015      |
| 457 | Rubber Investment Trust Ltd                  | 31 March 2014      |
| 458 | Saffron Aviation (Pvt) Ltd                   | 31 March 2014      |
| 459 | Samson Manufacturers (Pvt) Ltd               | 31 March 2014      |
| 460 | Sancity Hotels & Properties Ltd              | 31 March 2014      |
| 461 | Sapphirus Lanka(Pvt) Ltd                     | 31 December 2014   |
| 462 | Sathosa Motors PLC                           | 31 March 2015      |
| 463 | SC Securities (Pvt) Ltd                      | 31 December 2014   |
| 464 | Seashells Hotels (Pvt) Ltd                   | 31 March 2014      |
| 465 | Serandib Leisure Management Ltd              | 31 March 2015      |
| 466 | Serendib Land PLC                            | 31 March 2014      |
| 467 | Seylan Bank PLC                              | 31 December 2014   |
| 468 | SGI Lanka (Pvt) Ltd                          | 31 March 2014      |
| 469 | Shanbe Jeans Corporation (Pvt) Ltd           | 31 March 2014      |
| 470 | Shaw Wallace Ceylon Ltd                      | 31 March 2015      |
| 471 | Shehans (Pvt) Ltd                            | 31 March 2014      |
| 472 | Silueta (Pvt) Ltd                            | 31 December 2013   |
| 473 | Silueta (Pvt) Ltd                            | 31 December 2014   |
| 474 | Singer (Sri Lanka) PLC                       | 31 December 2014   |
| 475 | Singer Finance (Lanka) PLC                   | 31 March 2015      |
| 476 | Sithro Garment Finishing Company Ltd         | 31 March 2015      |
| 477 | Sky Sport International (Pvt) Ltd            | 31 March 2014      |
| 478 | Smart Shirts (Lanka) Ltd                     | 31 December 2014   |

# List of Specified Business Enterprises for which Letters of Comfort were issued during 2015

|     | Specified Business Enterprise                     | Financial Year End |
|-----|---|--------------------|
| 479 | SMB Securities (Pvt) Ltd                          | 31 December 2014   |
| 480 | SML Dualplast Lanka (Pvt) Ltd                     | 31 December 2014   |
| 481 | South Asia Gateway Terminals (Pvt) Ltd            | 31 March 2015      |
| 482 | South Asia Textile Industries Lanka (Pvt) Ltd     | 31 March 2014      |
| 483 | Sri Lanka Shipping Co. Ltd                        | 31 March 2015      |
| 484 | Sri Lanka Telecom PLC                             | 31 March 2014      |
| 485 | Sri Ramco Lanka (Pvt) Ltd                         | 31 March 2014      |
| 486 | Stafford Motor Company (Pvt) Ltd                  | 31 March 2014      |
| 487 | Strechline (Pvt) Ltd                              | 31 December 2014   |
| 488 | Stromme Microfinance Asia (Guarantee) Ltd         | 31 December 2014   |
| 489 | Sunpower Constructions (Pvt) Ltd                  | 31 March 2015      |
| 490 | Sunpower Systems (Pvt) Ltd                        | 31 March 2015      |
| 491 | Sunshine Holdings PLC                             | 31 March 2014      |
| 492 | Superfine Teas (Pvt) Ltd                          | 31 March 2014      |
| 493 | Swiss Boigenic Ltd                                | 31 March 2014      |
| 494 | Swisstek (Ceylon) PLC                             | 31 March 2015      |
| 495 | T & S Buttons Lanka (Pvt) Ltd                     | 31 March 2015      |
| 496 | Tal Lanka Hotels PLC                              | 31 March 2015      |
| 497 | Talawakele Tea Estates PLC                        | 31 December 2012   |
| 498 | Talawakele Tea Estates PLC                        | 31 March 2015      |
| 499 | Taprobane Holdings PLC                            | 31 March 2014      |
| 500 | Tea Smallholder Factories PLC                     | 31 March 2015      |
| 501 | Tea Tang (Pvt) Ltd                                | 31 December 2014   |
| 502 | Texlan Center (Pvt) Ltd                           | 31 December 2013   |
| 503 | Texpro Industries Ltd                             | 31 March 2014      |
| 504 | Textured Jersey Lanka PLC                         | 31 March 2014      |
| 505 | The Autodrome PLC                                 | 31 March 2014      |
| 506 | The Fortress Resorts PLC                          | 31 March 2015      |
| 507 | The Kandy Hotels Co. (1938) PLC                   | 31 March 2015      |
| 508 | The Kingsbury PLC                                 | 31 March 2015      |
| 509 | The Lanka Hospital Corporation PLC                | 31 December 2014   |
| 510 | The Nuwara Eliya Hotels Co. PLC                   | 31 March 2015      |
| 511 | The Overseas School of Colombo Ltd                | 31 July 2014       |
| 512 | The Royal Heritage Hotel (Pvt) Ltd                | 31 March 2014      |
| 513 | The Swadeshi Marketing (Pvt) Ltd                  | 31 March 2014      |
| 514 | The Wekanda Building & Property Company (Pvt) Ltd | 31 March 2014      |
| 515 | Thomas Kershaw Lanka (Pvt) Ltd                    | 31 March 2014      |
| 516 | Three Acre Farms PLC                              | 31 December 2014   |
| 517 | TKS Finance Ltd                                   | 31 March 2014      |

|     | Specified Business Enterprise                   | Financial Year End |
|-----|---|--------------------|
| 518 | TKS Finance Ltd                                 | 31 March 2015      |
| 519 | Trans Asia Hotels PLC                           | 31 March 2015      |
| 520 | Transnational Lanka Records Solutions (Pvt) Ltd | 30 June 2014       |
| 521 | Trinco Holiday Resorts (Pvt) Ltd                | 31 March 2015      |
| 522 | Trinco Walk Inn Ltd                             | 31 March 2015      |
| 523 | TTEL Hydro Power Company (Pvt) Ltd              | 31 March 2014      |
| 524 | Tuffline Ltd                                    | 31 March 2014      |
| 525 | TVS Automotives (Pvt) Ltd                       | 31 March 2015      |
| 526 | Twin Star Clothing (Pvt) Ltd                    | 31 March 2015      |
| 527 | Uga Escapes (Pvt) Ltd                           | 31 March 2014      |
| 528 | Ulagalla Walawwa Resort (Pvt) Ltd               | 31 March 2014      |
| 529 | Ultratech Cement Lanka (Pvt) Ltd                | 31 March 2015      |
| 530 | Uni Dil Packaging Ltd                           | 31 March 2014      |
| 531 | Unilever Sri Lanka Ltd                          | 31 December 2014   |
| 532 | Unimo Entreprises Ltd                           | 31 March 2015      |
| 533 | Union Chemicals Lanka PLC                       | 31 December 2014   |
| 534 | Union Resorts (Pvt) Ltd                         | 31 March 2014      |
| 535 | United Motors Lanka PLC                         | 31 March 2015      |
| 536 | United Tobacco Processing (Pvt) Ltd             | 31 March 2014      |
| 537 | Vallibel Finance PLC                            | 31 March 2015      |
| 538 | Vauxhall Investments (Pvt) Ltd                  | 31 March 2015      |
| 539 | Vidullanka PLC                                  | 31 March 2015      |
| 540 | Virtusa (Pvt) Ltd                               | 31 March 2014      |
| 541 | Vogue Jewellers (Pvt) Ltd                       | 31 March 2014      |
| 542 | Walkers Piling (Pvt) Ltd                        | 31 March 2014      |
| 543 | Walkers Tours Ltd                               | 31 March 2015      |
| 544 | Waskaduwa Beach Resorts PLC                     | 31 March 2015      |
| 545 | West Coast Power (Pvt) Ltd                      | 31 March 2014      |
| 546 | Whittall Boustead (Travel) Ltd                  | 31 March 2015      |
| 547 | Whittall Boustead Ltd                           | 31 March 2015      |
| 548 | World Duty Free Group Lanka Ltd                 | 31 December 2014   |
| 549 | Yala Village (Pvt) Ltd                          | 31 March 2015      |
| 550 | York Arcade Holdings PLC                        | 31 March 2015      |
| 551 | York Hotels (Kandy) Ltd                         | 31 March 2015      |
| 552 | Yusen Logistics & Kusuhara Lanka (Pvt) Ltd      | 31 March 2015      |
| 553 | Zyrex Power Co Ltd                              | 31 December 2014   |

# List of Specified Business Enterprises for which Letters of Observation were issued during 2015

|    | Specified Business Enterprise             | Financial Year End |
|----|---|--------------------|
| 1  | A Baur & Company (Pvt) Ltd                | 31 December 2013   |
| 2  | A F Jones Exporters Ceylon (Pvt) Ltd      | 31 March 2014      |
| 3  | Abans Electricals PLC                     | 31 March 2014      |
| 4  | Abans Ltd                                 | 31 March 2013      |
| 5  | Abans Office Automation (Pvt) Ltd         | 31 March 2014      |
| 6  | Abans Retail (Pvt) Ltd                    | 31 March 2014      |
| 7  | Access Agencies (Pvt) Ltd                 | 31 March 2014      |
| 8  | Ace Cargo (Pvt) Ltd                       | 31 March 2013      |
| 9  | Ace Power Generation Horana (Pvt) Ltd     | 31 March 2014      |
| 10 | ACE Wind Power (Pvt) Ltd                  | 31 March 2015      |
| 11 | Adamjee Lukmanjee & Sons (Pvt) Ltd        | 31 March 2014      |
| 12 | Agarapatana Plantations Ltd               | 31 March 2013      |
| 13 | Agarapatana Plantations Ltd               | 32 March 2014      |
| 14 | Aida Gems And Jewellery (Pvt) Ltd         | 31 March 2013      |
| 15 | Airport Garden Hotel (Pvt) Ltd            | 31 March 2014      |
| 16 | Airport Garden Leisure (Pvt) Ltd          | 31 March 2014      |
| 17 | Aitken Spence Hotel Managements (Pvt) Ltd | 31 March 2015      |
| 18 | Aitken Spence Plantation Managements PLC  | 31 March 2015      |
| 19 | Alliance Finance Co. PLC                  | 31 March 2014      |
| 20 | Allianz Life Insurance Lanka Ltd          | 31 December 2014   |
| 21 | Allied Properties Ltd                     | 31 December 2014   |
| 22 | Almar Trading Company (Pvt) Ltd           | 31 March 2014      |
| 23 | Alufab PLC                                | 31 March 2015      |
| 24 | Amana - Candor Shariah Fund               | 31 December 2013   |
| 25 | Amana Capital Ltd                         | 31 December 2014   |
| 26 | Ambewela Products (Pvt) Ltd               | 31 March 2014      |
| 27 | American and Enfird Lanka (Pvt) Ltd       | 30 September 2013  |

|    | Specified Business Enterprise                                    | Financial Year End |
|----|--|--------------------|
| 28 | American Education Centre Ltd                                    | 31 December 2014   |
| 29 | AMP Ceylon (Pvt) Ltd   | 31 March 2014      |
| 30 | Arpico Atraxia Cash Management Trust Fund                        | 31 March 2014      |
| 31 | Arpico Industrial Development Co. (Pvt) Ltd                      | 31 March 2014      |
| 32 | Arpidag International (Pvt) Ltd                                  | 31 March 2014      |
| 33 | Arpitalian Compact Soles (Pvt) Ltd                               | 31 March 2014      |
| 34 | ASCOT Holdings PLC   | 31 March 2014      |
| 35 | Asiri Central Hospitals PLC                                      | 31 March 2014      |
| 36 | Asha Phillip Securities Ltd                                      | 31 March 2014      |
| 37 | Asia Broadcasting Corporation (Pvt) Ltd                          | 31 March 2014      |
| 38 | Asia Pacific Institute of Information Technology Lanka (Pvt) Ltd | 31 December 2013   |
| 39 | Asia Siyaka Warehousing (Pvt) Ltd                                | 31 March 2015      |
| 40 | Asian Finance Ltd  | 31 March 2013      |
| 41 | Asian Finance Ltd  | 31 March 2014      |
| 42 | Asian Hotels and Properties PLC                                  | 31 March 2015      |
| 43 | Asian Tyres (Pvt) Ltd  | 31 March 2015      |
| 44 | Asiri Central Hospitals PLC                                      | 31 March 2015      |
| 45 | Asiri Surgical Hospital PLC                                      | 31 March 2014      |
| 46 | Associated Motor Finance Company PLC                             | 31 March 2013      |
| 47 | Associated Motor Finance Company PLC                             | 31 March 2014      |
| 48 | Associated Motorways (Pvt) Ltd                                   | 31 December 2013   |
| 49 | Austin Gloves (Ceylon) Ltd                                       | 31 March 2014      |
| 50 | Ayurveda Kurklinik Maho (Pvt) Ltd                                | 31 March 2014      |
| 51 | B P De Silva Ceylon (Pvt) Ltd                                    | 31 March 2015      |
| 52 | Bairaha Farms PLC  | 31 March 2014      |
| 53 | BAM Holdings Ltd   | 31 March 2014      |
| 54 | Bartleet Finance PLC   | 31 March 2014      |
| 55 | Bartleet Religare Securities (Pvt) Ltd                           | 31 March 2015      |
| 56 | BASF Lanka (Pvt) ltd   | 31 December 2014   |

# List of Specified Business Enterprises for which Letters of Observation were issued during 2015

|    | Specified Business Enterprise                             | Financial Year End |
|----|---|--------------------|
| 57 | Benji Ltd   | 31 December 2014   |
| 58 | Bernard Botheju Industries (Pvt) Ltd                      | 31 March 2014      |
| 59 | Beruwala Resorts PLC                                      | 31 March 2015      |
| 60 | Bimpuh Finance PLC  | 31 March 2013      |
| 61 | Bimpuh Finance PLC  | 31 March 2014      |
| 62 | Blue Oceanic Beach Hotel (Pvt) Ltd                        | 31 March 2014      |
| 63 | BOC Property Development & Management (Pvt) Ltd           | 31 December 2014   |
| 64 | Bodyline (Pvt) Ltd  | 31 December 2014   |
| 65 | Bogo Power (Pvt) Ltd                                      | 31 March 2015      |
| 66 | Brandix Hangers (Pvt) Ltd                                 | 31 March 2014      |
| 67 | Brandix i3 (Pvt) Ltd                                      | 31 March 2015      |
| 68 | Brandix Lanka Ltd   | 31 March 2015      |
| 69 | Brandix Textile Holdings Ltd                              | 31 March 2015      |
| 70 | Branford Hydropower (Pvt) Ltd                             | 31 March 2014      |
| 71 | Bratex (Pvt)Ltd   | 31 December 2014   |
| 72 | Browns Investments PLC                                    | 31 March 2015      |
| 73 | Built Element Ltd   | 31 March 2015      |
| 74 | Bureau Veritas Consumer Products Services Lanka (Pvt) Ltd | 31 December 2014   |
| 75 | Busan Dipping Ko- Lanka (Pvt) Ltd                         | 31 March 2014      |
| 76 | C S D Auto Services (Pvt) Ltd                             | 31 March 2014      |
| 77 | C T Properties Lakeside (Pvt) Ltd                         | 31 March 2014      |
| 78 | Cape Weligama (Pvt) Ltd                                   | 31 March 2015      |
| 79 | Capital Alliance Corporate Treasury Fund                  | 31 March 2014      |
| 80 | Capital Alliance Finance PLC                              | 31 March 2013      |
| 81 | Capital Alliance Finance PLC                              | 31 March 2014      |
| 82 | Capital Alliance High Yield Fund                          | 31 March 2014      |
| 83 | Capital Alliance Quantitative Equity Fund                 | 31 March 2014      |
| 84 | Captain Steel (Pvt) Ltd                                   | 31 March 2014      |
| 85 | Capital Suisse Asia Ltd                                   | 31 December 2014   |

|     | Specified Business Enterprise              | Financial Year End |
|-----|--|--------------------|
| 86  | Cargills Agrifoods Ltd                     | 31 March 2014      |
| 87  | Cargills Bank Ltd                          | 31 December 2014   |
| 88  | Cargills Food Processors (Pvt) Ltd         | 31 March 2014      |
| 89  | Cargills Quality Confectionaries (Pvt) Ltd | 31 March 2014      |
| 90  | Cargills Quality Diaries (Pvt) Ltd         | 31 March 2014      |
| 91  | Cargills Quality Foods Ltd                 | 31 March 2014      |
| 92  | Carlton Garments (Pvt) Ltd                 | 31 December 2014   |
| 93  | Carson Cumberbatch PLC                     | 31 March 2013      |
| 94  | Carson Cumberbatch PLC                     | 31 March 2014      |
| 95  | CBL Natural Foods (Pvt) Ltd                | 31 March 2014      |
| 96  | CEG Education Holdings (Pvt) Ltd           | 31 December 2014   |
| 97  | Ceramic World (Pvt) Ltd                    | 31 March 2014      |
| 98  | Certis Lanka Security Solutions (Pvt) Ltd  | 31 March 2014      |
| 99  | Ceybank Century Growth Fund                | 31 March 2013      |
| 100 | Ceybank Century Growth Fund                | 31 March 2014      |
| 101 | Ceybank Unit Trust Fund                    | 31 March 2013      |
| 102 | Ceybank Unit Trust Fund                    | 31 March 2014      |
| 103 | Ceyko Projects (Pvt) Ltd                   | 31 March 2014      |
| 104 | Ceylon Ambuja Cements (Pvt) Ltd            | 31 December 2014   |
| 105 | Ceylon and Foreign Trades PLC              | 31 March 2014      |
| 106 | Ceylon Asset Management Co. Ltd            | 31 December 2013   |
| 107 | Ceylon Auto Industries (Pvt) Ltd           | 31 March 2014      |
| 108 | Ceylon Bulbs and Electricals Ltd           | 31 March 2014      |
| 109 | Ceylon Business Appliances (Pvt) Ltd       | 31 March 2014      |
| 110 | Ceylon Ceramics Corporation                | 31 December 2012   |
| 111 | Ceylon Financial Sector Fund               | 31 December 2013   |
| 112 | Ceylon Fisheries Corporation               | 31 December 2012   |
| 113 | Ceylon Gilt Edged Fund                     | 31 December 2013   |

# List of Specified Business Enterprises for which Letters of Observation were issued during 2015

|     | Specified Business Enterprise           | Financial Year End |
|-----|---|--------------------|
| 114 | Ceylon Guardian Investment Trust PLC    | 31 March 2015      |
| 115 | Ceylon Knit Trend (Pvt) Ltd             | 31 March 2015      |
| 116 | Ceylon Oxygen Ltd                       | 31 December 2013   |
| 117 | Ceylon Printers PLC                     | 31 March 2014      |
| 118 | Ceylon Shipping Lines Ltd               | 31 December 2013   |
| 119 | Ceylon Steel Corporation Ltd            | 31 December 2014   |
| 120 | Ceylon Tourism Fund                     | 31 December 2013   |
| 121 | Ceyquartz MBI (Pvt) Ltd                 | 31 March 2014      |
| 122 | Chemane Exports (Pvt) Ltd               | 31 March 2014      |
| 123 | Chilaw Plantations Ltd                  | 31 December 2013   |
| 124 | CIC Agri Biotech (Pvt) Ltd              | 31 March 2015      |
| 125 | CIC Agri Business (Pvt) Ltd             | 31 March 2014      |
| 126 | CIC Feeds (Pvt) Ltd                     | 31 March 2015      |
| 127 | CIC Poultry Farms Ltd                   | 31 March 2015      |
| 128 | Citihealth Imports (Pvt) Ltd            | 31 March 2014      |
| 129 | City Developers International (Pvt) Ltd | 31 March 2014      |
| 130 | City Housing & Real Estate Co. PLC      | 31 March 2014      |
| 131 | City Housing & Real Estate Co. PLC      | 31 March 2015      |
| 132 | CKT Apparel (Pvt) Ltd                   | 31 March 2015      |
| 133 | Cliftex Industries (Pvt) Ltd            | 31 March 2013      |
| 134 | CML-MTD Construction Ltd                | 31 March 2014      |
| 135 | Coats Thread Exports (Pvt) Ltd          | 31 December 2014   |
| 136 | Coats Thread Lanka (Pvt) Ltd            | 31 December 2014   |
| 137 | Cobra (Pvt) Ltd                         | 31 March 2015      |
| 138 | Colombo City Holdings PLC               | 31 March 2015      |
| 139 | Colombo Fort Hotels Ltd                 | 31 March 2014      |
| 140 | Colombo Power (Pvt) Ltd                 | 31 December 2013   |
| 141 | Colombo Stock Exchange                  | 31 December 2014   |
| 142 | Comfortwear (Pvt) Ltd                   | 31 March 2014      |
| 143 | Comtrust ADL Mudarabah Fund             | 31 March 2014      |

|     | Specified Business Enterprise                | Financial Year End |
|-----|--|--------------------|
| 144 | Comtrust Asset Management (Pvt) Ltd          | 31 March 2015      |
| 145 | Comtrust Equity Fund                         | 31 March 2014      |
| 146 | Comtrust Gilt Edged Fund                     | 31 March 2014      |
| 147 | Comtrust Money Market Fund                   | 31 March 2014      |
| 148 | Consolidated Business Systems (Pvt) Ltd      | 31 March 2014      |
| 149 | Continental Insurance Lanka Ltd              | 31 December 2014   |
| 150 | Convenience Foods (Lanka) PLC                | 31 March 2015      |
| 151 | Co-operative Leasing Co. Ltd                 | 31 March 2014      |
| 152 | Creative Cycles (Pvt) Ltd                    | 31 March 2014      |
| 153 | Crescent Launderers & Dry Cleaners (Pvt) Ltd | 31 March 2014      |
| 154 | Crown City Developers (Pvt) Ltd              | 31 March 2014      |
| 155 | CT Holdings PLC                              | 31 March 2015      |
| 156 | D P L Premier Gloves Ltd                     | 31 March 2015      |
| 157 | D R Industries (Pvt) Ltd                     | 31 March 2014      |
| 158 | D Samson Industries (Pvt) Ltd                | 31 March 2014      |
| 159 | D. Samson & Sons (Pvt) Ltd                   | 31 March 2014      |
| 160 | D.R. Manufacturing Company (Pvt) Ltd         | 31 March 2014      |
| 161 | Darley Butler & Company Ltd                  | 31 March 2014      |
| 162 | David Pieris Motor Company Ltd               | 31 March 2014      |
| 163 | Dawson Capital Ltd                           | 31 March 2014      |
| 164 | Daya Apperal Exports (Pvt) Ltd               | 31 March 2013      |
| 165 | Daya Constructions (Pvt) Ltd                 | 31 March 2013      |
| 166 | Dean Foster (Pvt) Ltd                        | 31 March 2014      |
| 167 | Delmege Forsyth & Co. Ltd                    | 31 March 2015      |
| 168 | Delmege Forsyth & Company Ltd                | 31 March 2014      |
| 169 | Developemnt Lotteries Board                  | 31 December 2013   |
| 170 | Development Holdings (Pvt) Ltd               | 31 December 2014   |
| 171 | Diana Chocolates (Pvt) Ltd                   | 31 March 2014      |
| 172 | Diana Trading Co (Pvt) Ltd                   | 31 March 2015      |
| 173 | Dolphin Hotels PLC                           | 31 March 2014      |
| 174 | Douglas & Co (Pvt) Ltd                       | 31 March 2014      |

# List of Specified Business Enterprises for which Letters of Observation were issued during 2015

|     | Specified Business Enterprise                 | Financial Year End |
|-----|---|--------------------|
| 175 | Durdans Medical & Surgical Hospital (Pvt) Ltd | 31 March 2015      |
| 176 | Durdens Heart Surgical Centre (Pvt) Ltd       | 31 March 2015      |
| 177 | Dutch Lanka Trailer Manufactures Ltd          | 31 March 2015      |
| 178 | E B Creasy & Co. PLC                          | 31 March 2014      |
| 179 | EAM Maliban Textiles (Pvt) Ltd                | 31 March 2014      |
| 180 | EAM Maliban Textiles Mahiyanganaya (Pvt) Ltd  | 31 March 2014      |
| 181 | East West Properties PLC                      | 31 March 2015      |
| 182 | Eastern Brokers Ltd                           | 31 March 2014      |
| 183 | Eastern Merchants PLC                         | 31 March 2014      |
| 184 | eChannelling PLC                              | 31 March 2014      |
| 185 | Eco Power (Pvt) Ltd                           | 31 March 2014      |
| 186 | Elastro Metric Engineering (Pvt) Ltd          | 31 December 2014   |
| 187 | Elphis Lanka (Pvt) Ltd                        | 31 December 2013   |
| 188 | Elsteel (Pvt) Ltd                             | 31 August 2014     |
| 189 | Emjay International (Pvt) Ltd                 | 31 March 2014      |
| 190 | Empire Teas (Pvt) Ltd                         | 31 December 2014   |
| 191 | Employees' Trust Fund Board                   | 31 December 2012   |
| 192 | Entrust Capital Markets (Pvt) Ltd             | 31 March 2015      |
| 193 | Entrust Investments Ltd                       | 31 March 2014      |
| 194 | Equity Investment Lanka Ltd                   | 31 December 2014   |
| 195 | Etisalat Lanka (Pvt) Ltd                      | 31 December 2014   |
| 196 | Eveden Timex (Pvt) Ltd.                       | 31 March 2014      |
| 197 | Ever Paint & Chemical Industries (Pvt) Ltd    | 31 March 2015      |
| 198 | Expolanka (Pvt) Ltd                           | 31 March 2014      |
| 199 | Ezy Distribution (Pvt) Ltd                    | 31 March 2014      |
| 200 | Fashion Bug (Pvt) Ltd                         | 31 March 2014      |
| 201 | Fashion Bug Asia (Pvt) Ltd                    | 31 March 2014      |
| 202 | Favorite Garments (Pvt) Ltd                   | 31 March 2014      |
| 203 | Fergasam Garment Industries (Pvt) Ltd         | 31 March 2015      |
| 204 | Finco (Pvt) Ltd                               | 31 March 2014      |

|     | Specified Business Enterprise          | Financial Year End |
|-----|--|--------------------|
| 205 | Finco Holdings (Pvt) Ltd               | 31 March 2014      |
| 206 | Firoze (Pvt) Ltd                       | 31 March 2014      |
| 207 | First Capital Asset Management Ltd     | 31 March 2014      |
| 208 | First Capital Holdings PLC             | 31 March 2015      |
| 209 | First Capital Treasuries Ltd           | 31 March 2014      |
| 210 | Flexi Print (Pvt) Ltd                  | 31 March 2015      |
| 211 | Forbes Air Services (Pvt) Ltd          | 31 March 2015      |
| 212 | Fuji Cement Co. (Lanka) Ltd            | 31 March 2014      |
| 213 | Gas Auto Lanka Ltd                     | 31 March 2014      |
| 214 | General Inks (Pvt) Ltd                 | 31 March 2014      |
| 215 | George Steuart & Company Ltd           | 31 March 2014      |
| 216 | Glaxo Wellcome Ceylon Ltd              | 31 December 2014   |
| 217 | Globe Knitting (Pvt) Ltd               | 31 March 2014      |
| 218 | Great Cycles (Pvt) Ltd                 | 31 March 2014      |
| 219 | Green Paradise (Pvt) Ltd               | 31 March 2015      |
| 220 | Harcros Chemicals (Pvt) Ltd            | 31 March 2014      |
| 221 | Hands Dipping (Pvt) Ltd                | 31 March 2014      |
| 222 | Hands International (Pvt) Ltd          | 31 March 2014      |
| 223 | Hapugastenne Plantations PLC           | 31 December 2012   |
| 224 | Hapugastenne Plantations PLC           | 31 December 2013   |
| 225 | Hayleylines Ltd                        | 31 March 2015      |
| 226 | Hayleys Agriculture Holdings Ltd       | 31 March 2014      |
| 227 | Hayleys Agro Farms (Pvt) Ltd           | 31 March 2015      |
| 228 | Hayleys Consumer Products Ltd          | 31 March 2014      |
| 229 | Hayleys Industrial Solutions (Pvt) Ltd | 31 March 2014      |
| 230 | Hayleys MGT Knitting Mills PLC         | 31 March 2015      |
| 231 | Hela Clothing (Pvt) Ltd                | 31 March 2014      |
| 232 | Heladhanavi Ltd                        | 31 March 2014      |
| 233 | Hemachandras (Kandy) Ltd               | 31 March 2014      |
| 234 | Hemas Capital Hospital (Pvt) Ltd       | 31 March 2015      |
| 235 | Hemas Developments (Pvt) Ltd           | 31 March 2014      |
| 236 | Hemas Marketing (Pvt) Ltd              | 31 March 2014      |
| 237 | Hemas Pharmaceuticals (Pvt) Ltd        | 31 March 2015      |

# List of Specified Business Enterprises for which Letters of Observation were issued during 2015

|     | Specified Business Enterprise                | Financial Year End |
|-----|--|--------------------|
| 238 | Hemas Power PLC                              | 31 March 2014      |
| 239 | Hemas Southern Hospitals (Pvt) Ltd           | 31 March 2015      |
| 240 | Hemas Transportation (Pvt) Ltd               | 31 March 2015      |
| 241 | Hemtours (Pvt) Ltd                           | 31 March 2014      |
| 242 | Hethersett Hotels Ltd                        | 31 March 2015      |
| 243 | Hettigoda Industries (Pvt) Ltd               | 31 March 2014      |
| 244 | Hirdaramani (Pvt) Ltd                        | 31 March 2014      |
| 245 | Hirdaramani Fashions (Pvt) Ltd               | 31 March 2015      |
| 246 | Hirdaramani Garments Katunayake (Pvt) Ltd    | 31 March 2015      |
| 247 | Hirdaramani International (Pvt) Ltd          | 31 March 2014      |
| 248 | Hirdaramani Leisure Holdings (Pvt) Ltd       | 31 March 2013      |
| 249 | Hovael Construction (Pvt) Ltd                | 31 March 2014      |
| 250 | Hutchison Telecommunications Lanka (Pvt) Ltd | 31 December 2015   |
| 251 | HVA Foods PLC                                | 31 March 2015      |
| 252 | ICC Housing (Pvt) Ltd                        | 31 March 2014      |
| 253 | IFS R and D International (Pvt) Ltd          | 31 December 2014   |
| 254 | Imperial Tea Exports (Pvt) Ltd               | 31 March 2013      |
| 255 | Imperial Teas (Pvt) Ltd                      | 31 March 2014      |
| 256 | Independent Television Network Ltd           | 31 December 2014   |
| 257 | Indra Property Development (Pvt) Ltd         | 31 March 2014      |
| 258 | Industrial Asphalts (Ceylon) PLC             | 31 March 2014      |
| 259 | Interbrush Lanka Ltd                         | 31 March 2014      |
| 260 | Intercom (Pvt) Ltd                           | 31 March 2014      |
| 261 | International Cosmetics (Pvt) Ltd            | 31 March 2014      |
| 262 | Intertea (Pvt) Ltd                           | 31 December 2014   |
| 263 | Isabella (Pvt) Ltd                           | 31 March 2014      |
| 264 | J. B. Securities (Pvt) Ltd                   | 31 March 2015      |
| 265 | J.F. & I Packaging (Pvt) Ltd                 | 31 March 2014      |
| 266 | J.K. Garments (Pvt) Ltd                      | 31 March 2014      |
| 267 | Jafferjee Brothers Exports (Pvt) Ltd         | 31 March 2014      |
| 268 | JB Financial (Pvt) Ltd                       | 31 March 2015      |

|     | Specified Business Enterprise              | Financial Year End |
|-----|--|--------------------|
| 269 | J-Cey Tea (Pvt) Ltd                        | 31 March 2014      |
| 270 | Jinasena (Pvt) Ltd                         | 31 March 2014      |
| 271 | Jinasena Industrial Parks (Pvt) Ltd        | 31 March 2014      |
| 272 | Jinasena New Technology Holdings (Pvt) Ltd | 31 March 2014      |
| 273 | Jinasena New Technology Holdings (Pvt) Ltd | 31 March 2015      |
| 274 | John Keells Hotels PLC                     | 31 March 2015      |
| 275 | Kalamazoo Systems PLC                      | 31 March 2014      |
| 276 | Kalubowitiyana Tea Factory Ltd             | 31 March 2013      |
| 277 | Kamal Cables (Pvt) Ltd                     | 31 March 2014      |
| 278 | Kandy Walk Inn Ltd                         | 31 March 2015      |
| 279 | KBSL Information Technologies Ltd          | 31 March 2013      |
| 280 | Keells Food Products PLC                   | 31 March 2015      |
| 281 | Kelani Cables Ltd                          | 31 March 2015      |
| 282 | Kelani Cycles (Pvt) Ltd                    | 31 March 2014      |
| 283 | Kelani Tyres PLC                           | 31 March 2015      |
| 284 | KIK Lanka (Pvt) Ltd                        | 31 March 2014      |
| 285 | Koggala Garments (Pvt) Ltd                 | 31 December 2013   |
| 286 | Koggala Manufacturing (Pvt) Ltd            | 31 March 2014      |
| 287 | Kohoku Lanka (Pvt) Ltd                     | 31 March 2015      |
| 288 | Korean SPA Packaging (Pvt) Ltd             | 31 March 2014      |
| 289 | Kotmale Dairy products (Pvt) Ltd           | 31 March 2014      |
| 290 | Kotmale Milk Products Ltd                  | 31 March 2014      |
| 291 | Kramski Lanka (Pvt) Ltd                    | 31 March 2014      |
| 292 | Kuruwita Textile Mills Ltd                 | 31 March 2015      |
| 293 | Lancaster Holdings Ltd                     | 31 March 2014      |
| 294 | Lanka Ashok Leyland PLC                    | 31 March 2015      |
| 295 | Lanka Bell Ltd                             | 31 March 2014      |
| 296 | Lanka Canneries Ltd                        | 31 March 2014      |
| 297 | Lanka Ceramic PLC                          | 31 March 2014      |
| 298 | Lanka Commodity Brokers Ltd                | 31 March 2014      |
| 299 | Lanka Marine Services (Pvt) Ltd            | 31 March 2015      |
| 300 | Lanka Mineral Sands Ltd                    | 31 December 2013   |
| 301 | Lanka Naigai (Pvt) Ltd                     | 31 January 2014    |

# List of Specified Business Enterprises for which Letters of Observation were issued during 2015

|     | Specified Business Enterprise                | Financial Year End |
|-----|--|--------------------|
| 302 | Lanka Plastic Industries (Pvt) Ltd           | 31 March 2014      |
| 303 | Lanka Securities (Pvt) Ltd                   | 31 December 2014   |
| 304 | Lanka Valiant Developers (Pvt) Ltd           | 31 March 2015      |
| 305 | Lanka Walltiles PLC                          | 31 March 2015      |
| 306 | Lankapura Apparels (Pvt) Ltd                 | 31 March 2014      |
| 307 | Lankem Ceylon PLC                            | 31 March 2014      |
| 308 | Lankem Paints Ltd                            | 31 March 2015      |
| 309 | Lankem Tea Rubber Plantations (Pvt) Ltd      | 31 March 2014      |
| 310 | Lapp Trading Ceylon (Pvt) Ltd                | 31 March 2014      |
| 311 | Latex Green (Pvt) Ltd                        | 31 March 2014      |
| 312 | Laugfs Corporation (Rubber) Ltd              | 31 March 2014      |
| 313 | Laugfs Lubricants Ltd                        | 31 March 2014      |
| 314 | Laugfs Petroleum (Pvt) Ltd                   | 31 March 2014      |
| 315 | Laugfs Property Developers (Pvt) Ltd         | 31 March 2014      |
| 316 | Lever Brothers (Exports & Marketing ) Ltd    | 31 December 2014   |
| 317 | Litro Gas Terminal Lanka (Pvt) Ltd           | 31 December 2013   |
| 318 | Logistics Park (Pvt) Ltd                     | 31 March 2014      |
| 319 | Logiventures (Pvt) Ltd                       | 31 March 2014      |
| 320 | Logiwiz Ltd                                  | 31 March 2014      |
| 321 | LTL Holdings (Pvt) Ltd                       | 31 March 2014      |
| 322 | Lyceum International School (Pvt) Ltd        | 31 March 2014      |
| 323 | M G Logistics (Pvt) Ltd                      | 31 March 2014      |
| 324 | Macbertan (Pvt) Ltd                          | 31 March 2015      |
| 325 | Mackinnon Mackenzie & Company (Shipping) Ltd | 31 March 2015      |
| 326 | Mackwoods (Pvt) Ltd                          | 31 March 2013      |
| 327 | Mackwoods Energy PLC                         | 31 March 2014      |
| 328 | Macson Mesh Industries (Pvt) Ltd             | 31 March 2014      |
| 329 | Maersk Lanka (Pvt) Ltd                       | 31 December 2013   |
| 330 | Maliban Biscuit Manufactories (Pvt) Ltd      | 31 March 2014      |
| 331 | Maliban Milk Products (Pvt) Ltd              | 31 March 2014      |

|     | Specified Business Enterprise              | Financial Year End |
|-----|--|--------------------|
| 332 | Marangoni Industrial Tyres Lanka (Pvt) Ltd | 31 December 2014   |
| 333 | MAS Active Trading (Pvt) Ltd               | 31 December 2014   |
| 334 | MAS Intimates (Pvt) Ltd                    | 31 December 2014   |
| 335 | Mascons (Pvt) Ltd                          | 31 March 2014      |
| 336 | Master Divers (Pvt) Ltd                    | 31 March 2014      |
| 337 | MBC Networks (Pvt) Ltd                     | 31 March 2014      |
| 338 | MBSL Insurance Company Ltd                 | 31 December 2014   |
| 339 | Mclarens Holdings Ltd                      | 31 March 2014      |
| 340 | McLarens Hotels (Pvt) Ltd                  | 31 March 2014      |
| 341 | McOcean Property Developers (Pvt) Ltd      | 31 March 2015      |
| 342 | Melsta Logistics (Pvt) Ltd                 | 31 March 2015      |
| 343 | Mercantile Shipping Co. PLC                | 31 March 2015      |
| 344 | Merchant Bank of Sri Lanka & Finance PLC   | 31 December 2014   |
| 345 | Metropolitan Office (Pvt) Ltd              | 31 March 2014      |
| 346 | Miami Beach Hotels Ltd                     | 31 March 2014      |
| 347 | Miami Exports (Pvt) Ltd                    | 31 March 2014      |
| 348 | Michelangelo Footwear Ltd                  | 31 March 2013      |
| 349 | Milford Exports (Ceylon) (Pvt) Ltd         | 31 December 2014   |
| 350 | Millers Ltd                                | 31 March 2014      |
| 351 | MIT Cargo (Pvt) Ltd                        | 31 March 2015      |
| 352 | MJF Exports (Pvt) Ltd                      | 31 March 2014      |
| 353 | MJF Teas (Pvt) Ltd                         | 31 March 2014      |
| 354 | Moksha Ltd                                 | 31 March 2014      |
| 355 | Mowbray Hotels Ltd                         | 31 March 2014      |
| 356 | MTV Channel (Pvt) Ltd                      | 31 March 2014      |
| 357 | N. Vaitilingam & Company (Pvt) Ltd         | 31 March 2014      |
| 358 | Namal Growth Fund                          | 31 March 2014      |
| 359 | Namal High Yield Fund                      | 31 March 2014      |
| 360 | Namal Income Fund                          | 31 March 2014      |
| 361 | Namal IPO Fund                             | 31 March 2014      |
| 362 | Namal Money Market Fund                    | 31 March 2014      |
| 363 | Nation Lanka Finance PLC                   | 31 March 2013      |
| 364 | Nation Lanka Finance PLC                   | 31 March 2014      |
| 365 | National Equity Fund                       | 31 March 2014      |

# List of Specified Business Enterprises for which Letters of Observation were issued during 2015

|     | Specified Business Enterprise             | Financial Year End |
|-----|---|--------------------|
| 366 | National Film Corporation                 | 31 December 2012   |
| 367 | National Institute of Business Management | 31 December 2013   |
| 368 | National Insurance Brokers Ltd            | 31 December 2013   |
| 369 | National Wealth Corporation (Pvt) Ltd     | 31 December 2014   |
| 370 | Navara Securities (Pvt) Ltd               | 31 March 2015      |
| 371 | Nawaloka Developments (Pvt) Ltd           | 31 March 2013      |
| 372 | Nawaloka Developments (Pvt) Ltd           | 31 March 2014      |
| 373 | Nawaloka Hospitals PLC                    | 31 March 2015      |
| 374 | Nawaloka Polysacks (Pvt) Ltd              | 31 March 2014      |
| 375 | NDB Capital Holdings Ltd                  | 31 December 2014   |
| 376 | NDO Lanka (Pvt) Ltd                       | 31 March 2014      |
| 377 | Neoprex (Pvt) Ltd                         | 31 March 2014      |
| 378 | Neptune Papers (Pvt) Ltd                  | 31 March 2014      |
| 379 | New Nawaloka Hospitals (Pvt) Ltd          | 31 March 2014      |
| 380 | New Nawaloka Medical Centre (Pvt) Ltd     | 31 March 2014      |
| 381 | Nico Battery Manufacturers Ltd            | 31 March 2014      |
| 382 | Nidro Supply (Pvt) Ltd                    | 31 March 2014      |
| 383 | Nilaveli Beach Hotels (Pvt) Ltd           | 31 March 2014      |
| 384 | Nobleswear (Pvt) Ltd                      | 31 March 2014      |
| 385 | Norfolk Foods (Pvt) Ltd                   | 31 March 2015      |
| 386 | Northern Power Company (Pvt) Ltd          | 31 March 2013      |
| 387 | Northern Power Company (Pvt) Ltd          | 31 March 2014      |
| 388 | NSB Fund Management Company Ltd           | 31 December 2014   |
| 389 | NYK Line Lanka (Pvt) Ltd                  | 31 March 2015      |
| 390 | Odel PLC                                  | 31 March 2015      |
| 391 | Omega Line Ltd                            | 31 December 2014   |
| 392 | Orel MFG (Pvt) Ltd                        | 31 March 2014      |
| 393 | Orel SLK (Pvt) Ltd                        | 31 March 2014      |
| 394 | Orient Garments PLC                       | 31 March 2014      |
| 395 | Orient Holdings (Pvt) Ltd                 | 31 March 2014      |

|     | Specified Business Enterprise                    | Financial Year End |
|-----|--|--------------------|
| 396 | Orit Apparels Lanka (Pvt) Ltd                    | 31 March 2014      |
| 397 | Orit Trading Lanka (Pvt) Ltd                     | 31 March 2014      |
| 398 | Osprey Clothing (Pvt) Ltd                        | 31 December 2013   |
| 399 | Overseas Realty (Ceylon) PLC                     | 31 December 2014   |
| 400 | Packaging Materials (Pvt) Ltd                    | 31 March 2014      |
| 401 | Packwell Lanka (Pvt) Ltd                         | 31 March 2014      |
| 402 | Paragon Ceylon PLC                               | 31 March 2014      |
| 403 | PCH Holding PLC                                  | 31 March 2013      |
| 404 | PCL Solutions (Pvt) Ltd                          | 31 March 2014      |
| 405 | Perfetti Van Melle Lanka (Pvt) Ltd               | 31 December 2014   |
| 406 | Periceyl (Pvt) Ltd                               | 31 December 2014   |
| 407 | Phamaco (Pvt) Ltd                                | 31 March 2014      |
| 408 | Phoenix Ventures (Pvt) Ltd                       | 31 March 2015      |
| 409 | Plastipak Lanka Ltd                              | 31 March 2014      |
| 410 | Plenty Foods (Pvt) Ltd                           | 31 March 2015      |
| 411 | Power House Ltd                                  | 31 March 2014      |
| 412 | Prime Homes International (Pvt) Ltd              | 31 March 2014      |
| 413 | Prime Homes International (Pvt) Ltd              | 31 March 2015      |
| 414 | Prime Lands (Pvt) Ltd                            | 31 March 2014      |
| 415 | Printcare Universal (Pvt) Ltd                    | 31 March 2014      |
| 416 | Pulses Splitting & Processing Industry (Pvt) Ltd | 31 March 2014      |
| 417 | Pyramid Lanka (Pvt) Ltd                          | 31 December 2013   |
| 418 | Pyramid Lanka (Pvt) Ltd                          | 31 December 2014   |
| 419 | Raigam Wayamba Salterns PLC                      | 31 March 2015      |
| 420 | Rajawella Holdings Ltd                           | 31 March 2014      |
| 421 | Ranfer Teas (Pvt) Ltd                            | 31 March 2014      |
| 422 | Ravi Industries Ltd                              | 31 March 2014      |
| 423 | Readywear Industries Ltd                         | 31 March 2014      |
| 424 | Reb Mech (Pvt) Ltd                               | 31 March 2014      |
| 425 | Renuka Consultants & Services Ltd                | 31 March 2014      |
| 426 | Renuka Holdings PLC                              | 31 March 2014      |
| 427 | Renuka Properties Ltd                            | 31 March 2014      |
| 428 | Renuka Shaw Wallace PLC                          | 31 March 2014      |

# List of Specified Business Enterprises for which Letters of Observation were issued during 2015

|     | Specified Business Enterprise             | Financial Year End |
|-----|---|--------------------|
| 429 | Rhino Roofing Products Ltd                | 31 March 2014      |
| 430 | Richard Peiris Natural Foams Ltd          | 31 March 2014      |
| 431 | Richard Pieris Exports PLC                | 31 March 2015      |
| 432 | RIL Property (Pvt) Ltd                    | 31 March 2014      |
| 433 | Rileys (Pvt) Ltd                          | 31 March 2015      |
| 434 | Rising Sun Garments (Pvt) Ltd             | 31 December 2013   |
| 435 | Rocell Bathware Ltd                       | 31 March 2015      |
| 436 | Rockland Distilleries (Pvt) Ltd           | 31 March 2014      |
| 437 | Rosewood (Pvt) Ltd                        | 31 March 2015      |
| 438 | Rotunda Property Development Ltd          | 31 March 2014      |
| 439 | Royal Fernwood Porcelain (Pvt) Ltd        | 31 March 2014      |
| 440 | Royal Porcelain (Pvt) Ltd                 | 31 March 2015      |
| 441 | Rusirumal (Pvt) Ltd                       | 31 March 2014      |
| 442 | Saboor Chatoor (Pvt) Ltd                  | 31 March 2014      |
| 443 | Saman Villas Ltd                          | 31 March 2014      |
| 444 | Sampath Bank PLC                          | 31 December 2014   |
| 445 | Sampath Centre Ltd                        | 31 December 2014   |
| 446 | Samson Bikes (Pvt) Ltd                    | 31 March 2014      |
| 447 | Samson Compounds (Pvt) Ltd                | 31 March 2014      |
| 448 | Samson Exports (Pvt) Ltd                  | 31 March 2014      |
| 449 | Samson Information Technologies (Pvt) Ltd | 31 March 2014      |
| 450 | Samson Rajarata Tiles (Pvt) Ltd           | 31 March 2014      |
| 451 | Samson Reclaim Rubbers Ltd                | 31 March 2014      |
| 452 | Samson Rubber Products (Pvt) Ltd          | 31 March 2014      |
| 453 | Sanken Construction (Pvt) Ltd             | 31 March 2014      |
| 454 | Sanken Overseas (Pvt) Ltd                 | 31 March 2015      |
| 455 | Schneider Electric Lanka (Pvt) Ltd        | 31 December 2014   |
| 456 | Screenline (Pvt) Ltd                      | 31 March 2013      |
| 457 | Seemasahitha Sanasa Rakshana Samagama     | 31 December 2013   |
| 458 | Seemasahitha Sanasa Rakshana Samagama     | 31 December 2014   |
| 459 | Semini Motors (Pvt) Ltd                   | 31 March 2014      |
| 460 | Senkadagala Finance PLC                   | 31 March 2013      |

|     | Specified Business Enterprise                | Financial Year End |
|-----|--|--------------------|
| 461 | Senkadagala Finance PLC                      | 31 March 2014      |
| 462 | Serendib Hotels PLC                          | 31 March 2014      |
| 463 | Serene Pavilions (Pvt) Ltd                   | 31 March 2014      |
| 464 | Shaw Wallace Ceylon Ltd                      | 31 March 2014      |
| 465 | Siedles (Pvt) Ltd                            | 31 March 2014      |
| 466 | Sierra Cables PLC                            | 31 March 2014      |
| 467 | Sigiri Weaving Mills (Pvt) Ltd               | 31 March 2014      |
| 468 | Sigiriya Village Hotels PLC                  | 31 March 2015      |
| 469 | Silverstock Ltd                              | 31 March 2015      |
| 470 | Simmet (Pvt) Ltd                             | 31 March 2014      |
| 471 | Singer Industries (Ceylon) PLC               | 31 December 2014   |
| 472 | Singha Cement (Pvt) Ltd                      | 31 December 2014   |
| 473 | Singworld Lanka (Pvt) Ltd                    | 31 December 2014   |
| 474 | Sinwa Holdings Ltd                           | 31 March 2014      |
| 475 | Sirio Ltd                                    | 31 December 2014   |
| 476 | SMB Leasing PLC                              | 31 December 2012   |
| 477 | SMB Leasing PLC                              | 31 December 2013   |
| 478 | Softlogic Capital PLC                        | 31 March 2013      |
| 479 | Softlogic Capital PLC                        | 31 March 2014      |
| 480 | Softlogic Communications (Pvt) Ltd           | 31 March 2014      |
| 481 | Softlogic Information Technologies (Pvt) Ltd | 31 March 2014      |
| 482 | Softlogic International (Pvt) Ltd            | 31 March 2014      |
| 483 | Softlogic Retail (Pvt) Ltd                   | 31 March 2014      |
| 484 | Sonic Steel Industries (Pvt) Ltd             | 31 March 2014      |
| 485 | Spice of Life (Pvt) Ltd                      | 31 March 2014      |
| 486 | Sri Lanka Ayurvedic Drugs Corporation        | 31 December 2013   |
| 487 | Sri Lanka Cashew Corporation                 | 31 December 2012   |
| 488 | Sri Lanka Cashew Corporation                 | 31 December 2013   |
| 489 | Sri Lankan Catering Ltd                      | 31 March 2015      |
| 490 | Sri Lanka Institute of Textile & Apparel     | 31 December 2012   |
| 491 | Sri Lanka Savings Bank Ltd                   | 31 December 2012   |

# List of Specified Business Enterprises for which Letters of Observation were issued during 2015

|     | Specified Business Enterprise  | Financial Year End |
|-----|--|--------------------|
| 492 | Sri Lanka Savings Bank Ltd   | 31 December 2013   |
| 493 | Sri Lanka Standards Institution  | 31 December 2014   |
| 494 | Sri Lanka State Trading (General) Corporation Ltd                      | 31 March 2014      |
| 495 | St. Anthony's Consolidated (Pvt) Ltd                                   | 31 March 2014      |
| 496 | St. Anthony's Hardware (Pvt) Ltd                                       | 31 March 2014      |
| 497 | St. Regis Packaging (Pvt) Ltd  | 31 March 2014      |
| 498 | Standard Capital PLC   | 31 March 2014      |
| 499 | Star Garments (Pvt) Ltd  | 31 March 2014      |
| 500 | Stassen Exports (Pvt) Ltd  | 31 March 2014      |
| 501 | Summit Industries (Pvt) Ltd  | 31 March 2014      |
| 502 | Sun Tea (Pvt) Ltd  | 31 December 2014   |
| 503 | Suwasevana Hospitals (Pvt) Ltd   | 31 March 2014      |
| 504 | Swarnamahal Financial Services PLC                                     | 31 March 2013      |
| 505 | Swarnamahal Financial Services PLC                                     | 31 March 2014      |
| 506 | Tangerine Beach Hotels PLC   | 31 March 2015      |
| 507 | Taprobane Securities (Pvt) Ltd   | 31 March 2015      |
| 508 | Tea Small Holdings Development Authority                               | 31 December 2012   |
| 509 | Tess Agro PLC  | 31 March 2015      |
| 510 | Texwin Clothing (Pvt) Ltd  | 31 March 2014      |
| 511 | The Arunadisi (Pvt) Ltd  | 31 December 2013   |
| 512 | The Church of Jesus Christ of Latter Day Saints Ceylon (Guarantee) Ltd | 31 December 2013   |
| 513 | The Colombo Fort Land & Building PLC                                   | 31 March 2014      |
| 514 | The Colombo Fort Land & Building PLC                                   | 31 March 2015      |
| 515 | The Swadeshi Industrial Works PLC                                      | 31 March 2014      |
| 516 | The Tradesmann SL (Pvt) Ltd  | 31 March 2014      |
| 517 | Timex Garments (Pvt) Ltd   | 31 March 2015      |
| 518 | TKS Securities (Pvt) Ltd   | 31 March 2015      |
| 519 | Tokyo Cement Colombo Terninal (Pvt) Ltd                                | 31 March 2014      |

|     | Specified Business Enterprise                    | Financial Year End |
|-----|--|--------------------|
| 520 | Tokyo Cement Company (Lanka) PLC                 | 31 March 2015      |
| 521 | Toyota Lanka (Pvt) Ltd                           | 31 March 2014      |
| 522 | Trade Finance and Investments PLC                | 31 March 2013      |
| 523 | Trade Finance and Investments PLC                | 31 March 2014      |
| 524 | Trade Finance and Investments PLC                | 31 March 2015      |
| 525 | Trans-Ware Logistics (Pvt) Ltd                   | 31 March 2014      |
| 526 | Tree of Life (Pvt) Ltd                           | 31 March 2015      |
| 527 | Trico Maritime (Pvt) Ltd                         | 31 March 2013      |
| 528 | Trico Maritime (Pvt) Ltd                         | 31 March 2014      |
| 529 | Tropic Fishery (Pvt) Ltd                         | 31 March 2014      |
| 530 | Tropic Frozen Foods (Pvt) Ltd                    | 31 March 2014      |
| 531 | Tropical Findings (Pvt) Ltd                      | 31 December 2014   |
| 532 | Tropical Villas (Pvt) Ltd                        | 31 March 2014      |
| 533 | Tudawe Brothers (Pvt) Ltd                        | 31 March 2013      |
| 534 | TVS Lanka (Pvt) Ltd                              | 31 March 2015      |
| 535 | Unilever Ceylon Services Ltd                     | 31 December 2014   |
| 536 | Union Assurance PLC                              | 31 December 2014   |
| 537 | Union Bank of Colombo PLC                        | 31 December 2013   |
| 538 | Union Bank of Colombo PLC                        | 31 December 2014   |
| 539 | Union Commodities (Pvt) Ltd                      | 31 March 2014      |
| 540 | Union Commodities Exports (Pvt) Ltd              | 31 March 2014      |
| 541 | Unit Energy Lanka (Pvt) Ltd                      | 31 March 2014      |
| 542 | United Tractor & Equipment (Pvt) Ltd             | 31 December 2013   |
| 543 | Uniwalker Packaging Ltd                          | 31 March 2014      |
| 544 | Urban Investment & Development Company (Pvt) Ltd | 31 December 2014   |
| 545 | Usui Lanka (Pvt) Ltd                             | 31 December 2013   |
| 546 | V S Hydro (Pvt) Ltd                              | 31 March 2014      |
| 547 | Vallibel Power Erathna PLC                       | 31 March 2015      |
| 548 | Vauxhall Property Development (Pvt) Ltd          | 31 March 2014      |

## List of Specified Business Enterprises for which Letters of Observation were issued during 2015

|     | Specified Business Enterprise             | Financial Year End |
|-----|---|--------------------|
| 549 | Vechenson (Pvt) Ltd                       | 31 March 2014      |
| 550 | Venigros (Pvt) Ltd                        | 31 March 2014      |
| 551 | Vishwa BPO (Pvt) Ltd                      | 31 March 2014      |
| 552 | Volanka Exports Ltd                       | 31 March 2014      |
| 553 | VT Manufacturing (Pvt) Ltd                | 31 March 2014      |
| 554 | W D R Samarakoon and Sons Ltd             | 31 March 2014      |
| 555 | W.A.Perera & Co (Pvt) Ltd                 | 31 March 2014      |
| 556 | Waldock Mackenzie Ltd                     | 31 December 2014   |
| 557 | Walker Sons & Company Engineers (Pvt) Ltd | 31 March 2015      |
| 558 | Walker Sons & Company Ltd                 | 31 March 2014      |
| 559 | Wayamba Plantation (Pvt) Ltd              | 31 December 2013   |
| 560 | Wheels Lanka (Pvt) Ltd                    | 31 March 2014      |
| 561 | Wickramaratne Logistics (Pvt) Ltd         | 31 March 2014      |
| 562 | Wilton Metal Box Co. (Pvt) Ltd            | 31 March 2014      |
| 563 | Winterquilts (Pvt) Ltd                    | 31 March 2014      |
| 564 | WNS Global Services (Pvt) Ltd             | 31 March 2014      |
| 565 | World Vision Lanka (Guarantee) Ltd        | 30 September 2014  |
| 566 | YKK Lanka (Pvt) Ltd                       | 31 March 2015      |
| 567 | Zam Gems (Pvt) Ltd                        | 31 March 2014      |

# Listed Companies and Public Sector Entities which have not submitted Audited Financial Statements as at 31 December 2015

Listed companies which have not submitted financial statements for the year ended 31 December 2014 :

- Vanik Incorporation PLC
- Lanka Cement PLC

Listed Companies which have not submitted financial statements for the year ended 31 March 2015 :

- Orient Garments PLC
- Huejay International Investment PLC
- Miramar Beach Hotels PLC
- PC Pharma PLC
- PCH Holdings PLC
- PC House PLC
- Pelwatte Sugar Industries PLC

Public Sector entities which have not submitted financial statements for the year ended 31 December 2014 :

- Building Materials Corporation Limited
- Central Engineering Consultancy Bureau
- Ceylon Ceramic Corporation
- Ceylon Electricity Board
- Ceylon Fisheries Corporation
- Ceylon Petroleum Corporation
- Coconut Cultivation Board
- Employees Trust Fund Board
- Janatha Estates Development Board
- Local Loans & Development Fund
- National Film Corporation
- National Livestock Development Board
- National Water Supply & Drainage Board
- National Institute of Business Management
- National Lotteries Board
- Paddy Marketing Board
- Sri Jayewardenepura General Hospital
- Sri Lanka Cement Corporation
- Sri Lanka Transport Board
- Sri Lanka Ayurvedic Drugs Corporation
- Sri Lanka Bureau of Foreign Employment
- Sri Lanka Land Reclamation & Development Corporation
- Sri Lanka Export Credit Insurance Corporation

- Sri Lanka Handicrafts Board
- Sri Lanka Institute of Textile & Apparel
- Sri Lanka Ports Authority
- State Pharmaceuticals Manufacturing Corporation of Sri Lanka
- State Development & Construction Corporation
- State Engineering Corporation of Sri Lanka
- State Timber Corporation
- State Pharmaceuticals Corporation of Sri Lanka
- State Mortgage & Investment Bank
- The Co-operative Wholesale Establishment
- Urban Development Authority
- Vocational Training Authority of Sri Lanka

Public Sector entities which have not submitted financial statements for the year ended 31 March 2015 :

- National Paper Company Ltd
- Ceylon Shipping Corporation

# Observations Made on Audit Reviews during 2015

## 1. Introduction

Sri Lanka Accounting and Auditing Standards Monitoring Board (SLAASMB) reviewed 91 audits carried out by 29 firms during the year 2015 compared with 100 audits carried out by 41 firms during the previous year. Audits reviewed included 57 audits carried out by 4 firms which are members of international networks and 17 audits carried out by 17 firms which have conducted audits of less than 10 Specified Business Enterprises (SBEs).

## 2. Main findings

Deficiencies were identified in 56 audits conducted by 29 firms. The departures from Sri Lanka Auditing Standards detected were communicated to the respective firms in the form of letters of assistance. The main findings are as follows.

### 2.1 Failure to obtain sufficient appropriate audit evidence

Documentation relating to 28 audits did not provide a record of obtaining sufficient appropriate audit evidence from substantive procedures and from tests of controls to support financial statement assertions.

Deficiencies included:

- Absence of evidence of performing any audit procedures on any of the financial statements balances.
- Failure to perform any audit procedures to test the financial statement assertions relating to revenue, cost of sales, depreciation, property, plant and equipment, goodwill, investments, inventories, related party outstanding balances, loans receivable, payables, capital reserves, contribution against equity capital, retirement benefit liability, deferred tax liabilities, interest income and interest expenses.
- Failure to perform any audit procedures to test certain financial statement assertions.

Examples:

- Not performing audit procedures to ensure accuracy of reversal of capital work-in-progress.
- Not performing audit procedures to ensure whether the assets capitalized from capital work-in-progress met the criteria of capital assets.
- Not performing audit procedures to ensure accuracy and completeness of insurance provision for life fund and completeness of gross insurance premium income.
- Not performing audit procedures to ensure existence and ownership of investment property.
- Not performing any audit procedures to ascertain the existence of impairment indicators relating to investments.
- Not performing alternate audit procedures to ensure the accuracy of valuation of trade debtors when the initially planned audit procedures had not been satisfactory.
- Not performing audit procedures to verify existence and ownership of lands.
- Failure to verify the accuracy, valuation and completeness of cash and bank balances and loans and receivables of a finance company when a significant amount of cheques in respect of installment settlements had been returned.
- Failure to ascertain the percentage holding of investments to establish parent-subsidiary relationship.
- Failure to ascertain accuracy of income tax expenses and deferred tax provision.
- Not performing any audit procedures to cover the period subsequent to the interim period for which audit procedures had been performed in relation to inventories, revenue and cost of sales.

# Observations Made on Audit Reviews during 2015

## 2.2 Items not sufficiently documented

Documentation in relation to 27 audits had deficiencies relating to matters which are of importance to support the audit opinion and to provide evidence that the audits were conducted in accordance with Sri Lanka Auditing Standards.

Deficiencies observed included failure to document the following as required by Sri Lanka Auditing Standards.

- Planning of the audit, audit program including nature, timing and extent of audit procedures performed and results of such procedures.
- The auditor's understanding of the industry, economic and legal environment in which the entity operates and the accounting and internal control systems.
- Analyses of transactions, balances, significant ratios and trends.
- Identified and assessed risks of material misstatements at the financial statement and assertion level.
- Evidence that the work performed by assistants was supervised and reviewed.
- Conclusions reached by the auditor concerning significant aspects of the audit, including how exceptions and unusual matters were resolved and treated.
- Representations received from the management.

## 2.3. Non availability of evidence of understanding and assessment of control risk

Evidence regarding the auditor's understanding of the entity's accounting and internal control system and of the assessment of control risk was not available in 20 audits.

## 2.4. Failure to establish the audit materiality level

Any records on establishing the materiality level for the purpose of determining the nature, timing and extent of audit procedures and on evaluation of the effect of misstatements were not available in 19 audits.

## 2.5. Failure to identify material misstatements in financial statements due to inadequate use of assertions to form a basis for audit procedures

Failure to identify the following material misstatements in financial statements due to inadequate use of assertions for

classes of transactions, account balances and presentation and disclosures in sufficient detail to form a basis for the assessment of risks of material misstatements and the design and performance of further audit procedures, were observed in 22 audits.

- Recognizing and presenting amounts attributable to unit holders' funds as a financial liability and distribution to unit holders as finance cost.
- Recognizing fair value movements of investments within equity.
- Recognizing and presenting revaluation reserve relating to the period prior to the acquisition of a subsidiary as a post-acquisition revaluation reserve.
- Recognizing and presenting loans granted by directors as equity.
- Not adopting proportionate consolidation method or equity method when accounting for jointly controlled entities.
- Measuring property, plant and equipment at revalued amounts when SLFRS for SMEs had been applied by SBEs.
- Failure to perform an impairment test relating to investments and trade and other receivables when impairment indicators exist.
- Failure to account investment in an associate company using equity method of accounting.
- Failure to present consolidated financial statements when subsidiaries exist.
- Failure to disclose significant events occurred after the reporting period.
- Not making provisions for retirement benefit obligations.
- Not accounting for deferred taxation.
- Depreciating freehold land.
- Not making allowances for impairment of financial assets.
- Failure to classify preference shares as equity/ liabilities based on terms and conditions.

# Observations Made on Audit Reviews during 2015

## **2.6. Absence of evidence on the basis of selecting the samples**

Any evidence of the basis of selecting the samples for testing to gather sufficient appropriate audit evidence to meet the objectives of the audit procedures were not available in 20 audits while 13 audits failed to evaluate the sample results to determine whether the use of sampling has provided a reasonable basis when arriving at conclusions about the population.

## **2.7. Not ascertaining information regarding related party transactions**

Evidence of the auditor reviewing information provided by the management on related party relationships and transactions, performing audit procedures to identify and disclose related party relationships and transactions and on being alert of other material related party transactions to ascertain the completeness of the information were not available in 12 audits.

## **2.8. Absence of evidence on the application of analytical procedures**

Any evidence of performing analytical procedures as risk assessment procedures at the planning stage to obtain an understanding of the entity and its environment were not available in 10 audits.

## **2.9. Non availability of audit plans**

Any evidence relating to planning the audit and on establishing the overall audit strategy were not available in 13 audit files.

## **3. General**

Audit documentation of certain audit files reviewed did not provide adequate evidence relating to the implementation of quality control policies and procedures by audit firms designed to ensure that the individual audits are conducted in accordance with Sri Lanka Auditing Standards.

Most of the audits revealed absence of documentation on evaluating expert's work when an expert's assistance had been obtained by the management in making significant accounting estimates.

Not modifying the audit opinion relating to material misstatements, qualifying the opinion when there is no basis for qualification, improper wording in the opinion paragraphs, not documenting basis for the qualifications of audit opinion, not evaluating the appropriateness of the going concern assumption, qualifying the audit opinion referring to SLFRSs when the company adopts SLFRS for SMEs and referring to SLFRS for SMEs in the scope paragraph to the audit report instead of SLAuSs, were some of the salient findings in the conduct of the audit reviews.

# Performance Scorecard

SLAASMB uses the Performance Scorecard to plan its annual performance. The plan for 2015, actual for 2015 and plan for 2016 are given below;

**Financial statement user Perspective:** *To achieve our vision, how should financial statements users see us?*

| Goals   | Measures  | 2015 Plan                          | 2015 Actual                                    |                | 2016 Plan                                    |
|---|---|------------------------------------|--|----------------|--|
|   |   |                                    | Number   | As a % of plan |  |
| Financial Statements of SBE's to present a true and fair view | Review financial statements to determine compliance with Sri Lanka Accounting Standards | 1,200 sets of financial statements | 1,122 sets of financial statements<br>(Note 1) | 94             | 720 sets of financial statements<br>(Note 2) |
|   | Reviewing audits to determine compliance with Sri Lanka Auditing Standards              | 100 audits                         | 91 audits<br>(Note 1)                          | 91             | 100 audits                                   |

**Regulated entity Perspective:** *To achieve our vision, how should regulated institutions see us?*

| Goals                              | Measures                                | 2015 Plan | 2015 Actual                                      |                | 2016 Plan |
|------------------------------------|---|-----------|--|----------------|-----------|
|                                    |   |           | Number   | As a % of plan |           |
| Collection of financial statements | Number of financial statements received | 1,358     | 1,430<br>(Note 3)<br><br>(Number of SBE's 1,345) | 105            | 1,410     |

# Performance Scorecard

**Internal Process Perspective:** *To satisfy our stakeholders' what internal process must we excel at?*

| Goals   | Measures   | 2015 Plan  | 2015 Actual   |                | 2016 Plan  |
|---|--|--|---|----------------|--|
|   |  |  | Number  | As a % of plan |  |
| Employee performance  | Achieve targeted performance points for the year ( <i>Note 4</i> )   | 31,950   | 32,593  | 102            | 35,868   |
| Eliminate obstacles in meeting present mission goals by enhancing knowledge | Weekly learning activity (internally)                                | 48 presentations on Standards  | 46 presentations on Standards ( <i>Note 1</i> )             | 96             | Training planned based on capacity building budget                             |
| Timely Response   | Attend to complaints, clarifications sought and information received | Within an average of 5 days excluding the date of receipt and date of response | 2.6 days excluding the date of receipt and date of response | -              | Within an average of 5 days excluding the date of receipt and date of response |

**Note 1**

Reduced number was due to the anticipated technical staff not being available during the entire year.

**Note 2**

All regulated entities and SBE's identified as requiring close review during the year. The reduced number is planned for 2016 in order to enable the staff to enhance their knowledge through training planned under the capacity building budget of 2016.

**Note 3**

Receipt of the financial statements issued in respect of previous years due to action taken to follow up.

**Note 4**

Performance points are based on the nature and extent of work required to complete the tasks.

# Report of the Auditor General



## විගණකාධිපති දෙපාර්තමේන්තුව கணக்காய்வாளர் தலைமை அபிபதி திணைக்களம் AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය  
எனது இல.  
My No.

TRE/C/SLAASMB/15/10

ඔබේ අංකය  
உமது இல.  
Your No.

දිනය  
திகதி  
Date

05 September 2016

The Chairman

Sri Lanka Accounting and Auditing Standards Monitoring Board

### Report of the Auditor General on the Financial Statements of the Sri Lanka Accounting and Auditing Standards Monitoring Board for the year ended 31 December 2015 in terms of Section 14(2) (c) of the Finance Act, No. 38 of 1971

The audit of financial statements of the Sri Lanka Accounting and Auditing Standards Monitoring Board for the year ended 31 December 2015 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 33(2) of the Sri Lanka Accounting and Auditing Standards Act, No. 15 of 1995. My comments and observations which I consider should be published with the Annual Report of the Board 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 was issued to the Chairman of the Board on 03 June 2016.

#### 1.2 Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Public Sector 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.

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව. - இல. 306/72, பொல்துவ வீதி, பத்தரமுல்லை, இலங்கை. - No. 306/72, Polduwa Road, Battaramulla, Sri Lanka



+94-11-2887028-34



+94-11-2887223



oaggov@slt.net.lk



www.auditorgeneral.gov.lk

# Report of the Auditor General

## 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 Auditing 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 judgement, 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 Board'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 Board'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.

## 2. Financial Statements

### 2.1 Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the Sri Lanka Accounting and Auditing Standards Monitoring Board as at 31st December 2015 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

# Report of the Auditor General

## 2.2 Comments on Financial Statements

### 2.2.1 Non-compliance with Laws, Rules, Regulations and Management Decisions

The following instances of non-compliance with laws, rules, regulations and management decisions were observed.

#### Reference to Laws, Rules and Regulations

#### Non-compliance

- |   |   |
|---|---|
| (a) Section 25 and 27 of the Sri Lanka Accounting and Auditing Standards Act, No.15 of 1995 | Copies of the annual accounts of specified business enterprises should have been submitted to the Board in terms of Section 25(1) of the Act and as persons who fail to comply with or contravene those provisions, shall be guilty of an offence under the Act, relevant steps should be taken in terms of Section 27(1) (a) and (c). Action had not been taken in respect of non-rendition of reports on accounts to the Board by 17 specified business enterprises relating to the financial year 2014 even by 30 June 2016. |
| (b) Section 9.14 of the Public Enterprises Circular No. PED/12 of 02 June 2003              | Even though the Board should prepare a Manual of Procedures providing rules and regulations relating to Management of Human Resources and thereafter obtain the approval of the Secretary to the Treasury thereto, the preparation of that Manual had not been completed even by 30 June 2016, the date of audit.   |

## 3. Financial Review

### 3.1 Financial Performance

According to the financial statements presented, the Government grants, which are the main income of the Board, had increased by Rs. 8,229,302 or 13 per cent as compared

# Report of the Auditor General

with the preceding year and the recurrent expenditure incurred therefrom had equally increased as well. Grants utilized for capital expenditure had increased by Rs. 790,812 as compared with the preceding year.

## 4. Operating Review

### 4.1 Performance

The main objective of the Board shall be to monitor the compliance with Sri Lanka Accounting and Auditing Standards, by specified business enterprises in terms of Section 23 of the Sri Lanka Accounting and Auditing Standards Act, No.15 of 1995.

According to the progress reports furnished to audit, particulars on the review of the financial statements during the 5 preceding years are as follows.

| Details  | Years ended 31 December |       |       |       |       |
|--|-------------------------|-------|-------|-------|-------|
|  | 2015                    | 2014  | 2013  | 2012  | 2011  |
| Number of financial statements received during the year  | 1,430                   | 1,371 | 1,322 | 1,443 | 1,716 |
| Number of financial statements reviewed  | 1,122                   | 1,200 | 751   | 302   | 213   |
| Number of financial statements reviewed as a percentage of number of financial statements received | 78                      | 87    | 57    | 21    | 12    |
| Technical staff participated in the review   | 13                      | 14    | 13    | 06    | 06    |
| Number of financial statements reviewed by one technical officer during each year                  | 86                      | 86    | 58    | 50    | 35    |

The following observations are made.

- (a) Even though the progress reviewed in the year 2011 out of the financial statements received for review to the Board had been 12 per cent, thereafter that progress had regularly improved annually. However, out of the financial statements received during the year 2014, 87 per cent had been reviewed, but it had decreased up to 78 per cent in the year 2015. Even though the number of financial statements submitted for review annually had improved, a considerable number had not been reviewed every year. Moreover, attention had not been paid in respect of a proper methodology to follow thereon in future.

# Report of the Auditor General

- (b) According to the particulars presented to audit, the external reviewers carry out a preliminary review and internal reviewers carry out an extensive and final review on accounting reports. Accordingly, the total cost (staff wages and incentives and payments made for external reviewers) and the unit cost incurred directly in respect of those reviews in the year 2015 had increased by Rs. 4,474 as compared with the year 2014. It represented 20 per cent.
- (c) Even though it was expected to obtain observations within 14 days after submitting the report to reviewers, rendition of observations in 12 instances had been made with a delay of a period from 17 to 86 days. The relevant institutions had not made any response whatsoever for observations submitted in respect of 13 out of 17 files examined. The Board had informed the audit thereon that the observations submitted are not statutory guidance and are submitted for the preparation and improvement of submission of financial statements in future.

## **5. Accountability and Good Governance**

### **5.1 Unresolved Audit Paragraphs**

The Board had been directed at the Committee on Public Enterprises held on 19 September 2012 to implement Public Awareness Programmes and the relevant programmes had been included in the Corporate Plan for the years 2015- 2019. However, action in this regard had not been taken up to now.

### **5.2 Effectiveness of the Management Information System**

Even though the main function of the Board is the review of the financial statements, the Board had failed to operate and maintain a proper computerized data base system including the functions such as receipt of financial statements, forward for review, rendition of reports/observations and rectifications thereon and matters such as selection of reviewers, relevant payments and incentives.

# Report of the Auditor General

## 5.3 Internal Audit

---

Even though half yearly reports for the year 2015 should be presented according to the concurrence with the internal auditors, the internal auditor had not presented the final half yearly reports even by 30 June 2016.

## 5.4 Human Resource Management

---

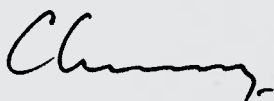
The following observations are made.

- (a) According to Letter No. DMS/E1/4/6/11 of 21 April 2011 of the Director General of the Department of Management Services, 20 permanent posts of the Board had been approved. Officers had been recruited on contract basis with the approval of the Board of Directors to 05 posts belonging to the Top Management including the Deputy Director General of the Board without obtaining the approval of the Department of Management Services.
- (b) Even though the scheme of recruitment for the entire staff of the Board should be prepared and get it approved in terms of the above Letter, the schemes of recruitment for 04 posts had not been approved even up to 31 March 2015, the date of audit.

## 5.5 Budgetary Control

---

Significant variances ranging from 22 per cent to 100 per cent were observed between the budgeted and actual income and expenditure, thus indicating that the budget had not been made use of as an effective instrument of management control.



W.P.C. Wickramaratne

Additional Auditor General

For Auditor General

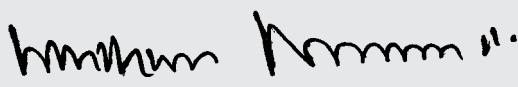
# Statement of Financial Position


| As at                              | Note | 31-Dec-15<br>Rs.  | 31-Dec-14<br>Rs.  |
|------------------------------------|------|-------------------|-------------------|
| <b>ASSETS</b>                      |      |                   |                   |
| <b>Non - Current Assets</b>        |      |                   |                   |
| Property, plant and equipment      | 3    | 30,874,340        | 39,350,014        |
| Deposits                           | 4    | 5,138,775         | 5,138,775         |
| Net defined benefit asset          | 9    | 259,859           | -                 |
|                                    |      | <b>36,272,974</b> | <b>44,488,789</b> |
| <b>Current Assets</b>              |      |                   |                   |
| Inventories                        | 5    | 521,125           | 581,611           |
| Accounts receivable                | 6    | 1,869,420         | 1,635,533         |
| Cash and cash equivalents          | 7    | 1,492,926         | 923,954           |
|                                    |      | <b>3,883,471</b>  | <b>3,141,098</b>  |
| <b>Total Assets</b>                |      | <b>40,156,445</b> | <b>47,629,887</b> |
| <b>LIABILITIES</b>                 |      |                   |                   |
| <b>Non - Current Liabilities</b>   |      |                   |                   |
| Deferred income - government grant | 8    | 36,272,974        | 40,203,275        |
| Defined benefit obligations        | 9    | -                 | 2,971,962         |
|                                    |      | <b>36,272,974</b> | <b>43,175,237</b> |
| <b>Current Liabilities</b>         |      |                   |                   |
| Deferred income - government grant | 10   | 923,935           | -                 |
| Accounts payable                   | 11   | 2,959,536         | 4,454,650         |
|                                    |      | <b>3,883,471</b>  | <b>4,454,650</b>  |
| <b>Total Liabilities</b>           |      | <b>40,156,445</b> | <b>47,629,887</b> |

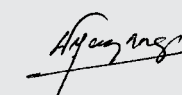
The notes appearing on pages 48 to 54 form an integral part of the financial statements.

Members of the Board of Sri Lanka Accounting and Auditing Standards Monitoring Board are responsible for the preparation and presentation of these financial statements

These financial statements were approved by the Board and signed on their behalf

  
Chairman

  
Member

  
Director General  
6 May 2016

  
Finance and Administration Manager

# Statement of Financial Performance and Other Comprehensive Income

For the year ended 31 December

|  | Note | 2015<br>Rs.       | 2014<br>Rs.  |
|--|------|-------------------|--------------|
| <b>Revenue</b>   |      |                   |              |
| Government grants  | 12   | 71,658,863        | 63,429,561   |
| Less: Grants released to the Institute of Chartered Accountants of Sri Lanka |      | 2,500,000         | 2,500,000    |
|  |      | <b>69,158,863</b> | 60,929,561   |
| <b>Operating Expenses</b>  |      |                   |              |
| Board Members' allowances  |      | (745,333)         | (612,000)    |
| Auditor's remuneration   | 14   | (196,242)         | (126,000)    |
| Staff costs  | 15   | (37,322,152)      | (32,438,665) |
| Fuel and lubricants  |      | (1,423,720)       | (1,164,000)  |
| Press notices  |      | (740,650)         | (277,890)    |
| Rent and building service charges  |      | (6,121,671)       | (6,351,852)  |
| Depreciation and amortisation expenses                                       | 3    | (9,835,358)       | (3,498,813)  |
| Electricity  |      | (1,363,186)       | (1,623,809)  |
| Professional fees to reviewers   |      | (1,130,000)       | (1,910,000)  |
| International memberships  |      | (1,113,833)       | (2,016,734)  |
| Books & periodicals  |      | (1,078,530)       | (914,878)    |
| International travel   |      | (3,024,736)       | (4,061,488)  |
| Training and development   |      | (847,805)         | (847,750)    |
| License and insurance  |      | (734,539)         | (272,381)    |
| Stationery   |      | (636,657)         | (785,182)    |
| Other administration expenses  |      | (2,844,451)       | (4,028,119)  |
|  |      | -                 | -            |
| <b>Other Comprehensive Income</b>  |      |                   |              |
| Gain /(loss) on remeasurement of the defined benefit obligation              |      | 1,335,222         | (981,490)    |
| Government grant related to remeasurement of defined benefit obligation      |      | (1,335,222)       | 981,490      |
|  |      | -                 | -            |
| <b>Net surplus / (deficit) for the year</b>                                  |      | -                 | -            |

The notes appearing on pages 48 to 54 form an integral part of the financial statements.

# Statement of Changes in Net Assets

|                                       | Accumulated Fund<br>Rs. |
|---------------------------------------|-------------------------|
| <b>Balance as at 31 December 2013</b> | -                       |
| Net surplus/deficit for the year      | -                       |
| <b>Balance as at 31 December 2014</b> | -                       |
| Net surplus/deficit for the year      | -                       |
| <b>Balance as at 31 December 2015</b> | -                       |

The notes appearing on pages 48 to 54 form an integral part of the financial statements.

# Cash Flow Statement

For the year ended 31 December

|  | Note | 2015<br>Rs.      | 2014<br>Rs.  |
|--|------|------------------|--------------|
| <b>Cash flows from operating activities</b>  |      |                  |              |
| Net surplus / (deficit) for the year   |      | -                | -            |
| Adjustments for;   |      |                  |              |
| Government grants received during the year   |      | 67,317,275       | 100,010,000  |
| Deferred government grants transferred to total comprehensive income                         | 12   | (70,323,641)     | (64,411,051) |
| Grants received in the form of non-current assets  | 3    | -                | (34,770,000) |
| Depreciation   | 3    | 9,835,358        | 3,498,813    |
| Loss on disposal of office equipment   |      | 1                | 6            |
| Interest received on investment in gratuity fund   |      | (110,689)        | (70,876)     |
| Defined benefit obligation   | 15.1 | (549,338)        | 1,767,647    |
| Excess of income over expenditure / (expenditure over income) before working capital changes |      | 6,168,966        | 6,024,539    |
| (Increase) / decrease in rent deposit  |      | -                | (3,798,225)  |
| (Increase) / decrease in inventories   |      | 60,485           | (4,193)      |
| (Increase) / decrease in accounts receivable   |      | (233,887)        | 112,320      |
| Increase / (decrease) in accounts payable  |      | (1,495,113)      | (332,476)    |
| <i>Net cash flows from operating activities</i>  |      | <b>4,500,451</b> | 2,001,965    |
| <b>Cash flows from investing activities</b>  |      |                  |              |
| Purchase of property, plant and equipment  |      | (1,359,685)      | (568,873)    |
| Investment in gratuity fund  |      | (2,682,483)      | (865,594)    |
| Interest received on investment in gratuity fund   |      | 110,689          | 70,876       |
| <i>Net cash flows</i>  |      | <b>568,972</b>   | 638,374      |
| <b>Cash flows from financing activities</b>  |      |                  |              |
|  |      | -                | -            |
| <b>Net increase / (decrease) in cash and cash equivalents</b>                                |      | <b>568,972</b>   | 638,374      |
| Cash and cash equivalents at the beginning of the year                                       |      | 923,954          | 285,580      |
| <b>Cash and cash equivalents at the end of the year</b>                                      | 7    | <b>1,492,926</b> | 923,954      |

The notes appearing on pages 48 to 54 form an integral part of the financial statements.

# Notes to the Financial Statements

## 1. Corporate Information

The financial statements of Sri Lanka Accounting and Auditing Standards Monitoring Board for the year ended 31 December 2015 were authorised for issue by a resolution of the Members of the Board on 23 February 2016. Sri Lanka Accounting and Auditing Standards Monitoring Board is a Statutory Board established by Sri Lanka Accounting and Auditing Standards Act No.15 of 1995.

The function of the Board is to monitor compliance with Sri Lanka Accounting Standards and Sri Lanka Auditing Standards in the preparation, presentation and audit of financial statements of specified business enterprises under the provisions of Sri Lanka Accounting and Auditing Standards Act No.15 of 1995. The Board employed 15 employees on permanent basis 5 employees on contract basis as at 31 December 2015 (13 on permanent basis and 6 on contract basis as at 31 December 2014).

## 2. Significant Accounting Policies

### Basis of Preparation

The financial statements of the Board are prepared under the historical cost convention in conformity with Sri Lanka Public Sector Accounting Standards for Accrual Basis of Accounting.

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

### Events after the date of the Statement of Financial Position

All material events after the date of the Statement of Financial Position are considered and appropriate adjustments or disclosure made in the financial statements, where necessary.

### Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation. Depreciation is charged to the Statement of Financial Performance, on a straight-

line basis, over the estimated useful lives of the assets as follows.

| Description                    | Estimated Useful Life |
|--------------------------------|-----------------------|
| Motor Vehicles                 | 5 Years               |
| Office Equipment               | 4 Years               |
| Furniture, Fixtures & Fittings | 6-10 Years            |
| Books and Publications         | 3 Years               |

Depreciation is provided in the year of purchase and in the year of sale based on the period used, with full depreciation being provided in the month of purchase and no depreciation being provided in the month of sale.

Items other than books and publications purchased at a cost not exceeding Rs.7500/-, all Accounting Standards and Auditing Standards, and other publications with a cost not exceeding Rs.1000/- are expensed in the year of purchase.

### Inventories

Inventories are valued at lower of cost and net realisable value. The cost of the inventories is arrived at by using the first-in, first-out (FIFO) basis.

### Accounts Receivable

Accounts Receivable are stated at the amounts estimated to be realised, and where necessary, allowance is made in the financial statements, for bad and doubtful debts.

### Cash and Cash Equivalents

Cash on hand and in banks and short-term deposits are carried at cost.

For the purpose of the Cash Flow Statement, cash and cash equivalents consist of cash on hand and deposits in banks, net of outstanding bank overdrafts.

### Accounts Payable

Liabilities for Accounts Payable are carried at the amount of cash and cash equivalents expected to be paid.

# Notes to the Financial Statements

## 2. Significant Accounting Policies (Continued)

### Defined Benefit Costs

The defined benefit obligation for retiring gratuities payable under the Payment of Gratuity Act No.12 of 1983 recognised in the Statement of Financial Position, represent the present value of the defined benefit obligation. All actuarial gains and losses are recognised immediately in the Statement of Financial Performance and Other Comprehensive Income.

### Government Grants

Grants received from the General Treasury of the Government of Sri Lanka are recognised as income in the period in which the related costs are recognized.

Government grants utilized to acquire assets that will be expensed in subsequent periods are recognized as deferred income. Government Grants represented by other assets including cash and cash equivalents, less liabilities (other than liabilities on account of the Grants received) are recognized as liabilities.

# Notes to the Financial Statements

## 3. Property, Plant and Equipment

|                                 | Motor Vehicles |             | Office Equipment |           | Furniture, Fixtures<br>& Fittings |           | Library Books |           | Total       |             |
|---------------------------------|----------------|-------------|------------------|-----------|-----------------------------------|-----------|---------------|-----------|-------------|-------------|
| As at                           | 31-Dec-15      | 31-Dec-14   | 31-Dec-15        | 31-Dec-14 | 31-Dec-15                         | 31-Dec-14 | 31-Dec-15     | 31-Dec-14 | 31-Dec-15   | 31-Dec-14   |
|                                 | Rs.            | Rs.         | Rs.              | Rs.       | Rs.                               | Rs.       | Rs.           | Rs.       | Rs.         | Rs.         |
| <b>Cost</b>                     |                |             |                  |           |                                   |           |               |           |             |             |
| At beginning of the year        | 45,070,000     | 11,675,000  | 8,770,395        | 8,531,305 | 9,865,503                         | 9,870,393 | 3,121,800     | 3,115,331 | 66,827,698  | 33,192,029  |
| Additions                       | -              | 34,770,000  | 590,350          | 507,860   | 764,835                           | 54,544    | 4,500         | 6,469     | 1,359,685   | 35,338,873  |
| Disposals                       | (1,300,000)    | (1,375,000) | -                | (268,770) | -                                 | (59,434)  | -             | -         | (1,300,000) | (1,703,204) |
| At end of the year              | 43,770,000     | 45,070,000  | 9,360,745        | 8,770,395 | 10,630,338                        | 9,865,503 | 3,126,300     | 3,121,800 | 66,887,383  | 66,827,698  |
| <b>Accumulated Depreciation</b> |                |             |                  |           |                                   |           |               |           |             |             |
| At beginning of the year        | 7,799,499      | 6,794,998   | 7,208,698        | 6,581,602 | 9,431,342                         | 9,350,766 | 3,038,145     | 2,954,703 | 27,477,684  | 25,682,069  |
| Depreciation for the year       | 8,754,000      | 2,379,500   | 826,017          | 895,862   | 199,757                           | 140,009   | 55,584        | 83,442    | 9,835,358   | 3,498,813   |
| Depreciation on disposals       | (1,299,999)    | (1,374,999) | -                | (268,766) | -                                 | (59,433)  | -             | -         | (1,299,999) | (1,703,198) |
| At end of the year              | 15,253,500     | 7,799,499   | 8,034,715        | 7,208,698 | 9,631,099                         | 9,431,342 | 3,093,729     | 3,038,145 | 36,013,043  | 27,477,684  |
| <b>Written Down Value</b>       |                |             |                  |           |                                   |           |               |           |             |             |
| at end of the year              | 28,516,500     | 37,270,501  | 1,326,030        | 1,561,697 | 999,239                           | 434,161   | 32,572        | 83,655    | 30,874,340  | 39,350,014  |

|       |           |           |
|-------|-----------|-----------|
| As at | 31-Dec-15 | 31-Dec-14 |
|       | Rs.       | Rs.       |

## 4. Deposits (Non-current)

|              |           |           |
|--------------|-----------|-----------|
| Rent deposit | 5,138,775 | 5,138,775 |
|--------------|-----------|-----------|

## 5. Inventories

|            |         |         |
|------------|---------|---------|
| Stationery | 521,125 | 581,611 |
|------------|---------|---------|

## 6. Accounts Receivable

|             |           |           |
|-------------|-----------|-----------|
| Prepayments | 1,789,420 | 1,555,533 |
| Deposits    | 80,000    | 80,000    |
|             | 1,869,420 | 1,635,533 |

## 7. Cash and Cash Equivalents

|                          |           |         |
|--------------------------|-----------|---------|
| Cash on hand and in bank | 1,492,926 | 923,954 |
|--------------------------|-----------|---------|

# Notes to the Financial Statements

| As at   | 31-Dec-15<br>Rs. | 31-Dec-14<br>Rs. |
|---|------------------|------------------|
| <b>8. Deferred Income - Government Grants (Non-current)</b>   |                  |                  |
| Balance at the beginning of the year                          | 41,516,827       | 6,780,601        |
| Grants received and utilised to acquire non-current assets    | 1,359,685        | 568,873          |
| Grants received in the form of non-current assets             | -                | 34,770,000       |
| Grants received and invested in gratuity fund                 | 2,682,483        | 865,594          |
| Increase of deposit (non-current)                             | -                | 3,798,225        |
| Depreciation and amortisation expenses for the year           | (9,835,358)      | (3,498,813)      |
| Interest received on gratuity fund                            | 110,689          | 70,876           |
| Loss on disposal of office equipment                          | (1)              | (6)              |
| Change in defined benefit obligation for the year             | 438,649          | (1,838,523)      |
| Balance at the end of the year                                | 36,272,974       | 41,516,827       |
| Transferred from Deferred Income - Government Grant (current) | -                | (1,313,552)      |
|   | 36,272,974       | 40,203,275       |
| <b>Represented by</b>   |                  |                  |
| Property, plant and equipment                                 | 30,874,340       | 39,350,014       |
| Deposit (non-current)   | 5,138,775        | 5,138,775        |
| Excess of Gratuity Fund / (Provision for gratuity)            | 259,859          | (2,971,962)      |
|   | 36,272,974       | 41,516,827       |
| Transferred from Deferred Income - Government Grant (current) | -                | (1,313,552)      |
|   | 36,272,974       | 40,203,275       |
| <b>9. Defined Benefit Obligations</b>                         |                  |                  |
| Balance at the beginning of the year                          | 4,431,079        | 4,750,561        |
| Charge for the year   | 429,260          | 664,055          |
| Interest for the year   | 467,313          | 192,978          |
| Actuarial gains / losses                                      | (1,335,222)      | 981,490          |
|   | 3,992,430        | 6,589,084        |
| Payments during the year                                      | -                | (2,158,005)      |
|   | 3,992,430        | 4,431,079        |
| Gratuity Fund (Note 9.1)                                      | (4,252,289)      | (1,459,117)      |
| Balance at the end of the year                                | (259,859)        | 2,971,962        |

Present value of the obligation was measured using the following assumptions.

|                           |        |       |
|---------------------------|--------|-------|
| Expected salary increment | 10%    | 10%   |
| Discount / interest rate  | 10.94% | 7.88% |
| Staff turnover factor     | 9%     | 9%    |

The liability for gratuity is funded.

# Notes to the Financial Statements

| As at   | 31-Dec-15<br>Rs. | 31-Dec-14<br>Rs. |
|---|------------------|------------------|
| <b>9.1 Gratuity Fund</b>  |                  |                  |
| Balance at the beginning of the year                              | 1,459,117        | 2,680,652        |
| Investments made during the year                                  | 2,682,483        | 865,594          |
| Interest earned during the year                                   | 110,689          | 70,876           |
| Payments during the year  | -                | (2,158,005)      |
| Balance at the end of the year                                    | 4,252,289        | 1,459,117        |
| <b>10. Deferred Income - Government Grants (Current)</b>          |                  |                  |
| Balance at the beginning of the year                              | (1,313,552)      | (2,176,276)      |
| Increase / (decrease) in inventories and accounts receivable      | 173,401          | (108,127)        |
| Increase / (decrease) in cash and cash equivalents                | 568,972          | 638,374          |
| (Increase) / decrease in accounts payables                        | 1,495,114        | 332,477          |
| Balance at the end of the year                                    | 923,935          | (1,313,552)      |
| Transferred to Deferred Income - Government Grant (non-current)   | -                | 1,313,552        |
|   | 923,935          | -                |
| <b>Represented by</b>   |                  |                  |
| Inventories   | 521,125          | 581,611          |
| Accounts receivable   | 1,869,420        | 1,635,533        |
| Cash and cash equivalents   | 1,492,926        | 923,954          |
| Less: accounts payable  | (2,959,536)      | (4,454,650)      |
|   | 923,935          | (1,313,552)      |
| Transferred to Deferred Income - Government Grant (non-current)   | -                | 1,313,552        |
|   | 923,935          | -                |
| <b>11. Accounts Payable</b>                                       |                  |                  |
| Auditors' remuneration  | 150,000          | 378,000          |
| Grants payable to Institute of Chartered Accountants of Sri Lanka | 1,250,000        | 1,875,000        |
| Professional fees payable to reviewers                            | 110,000          | 70,000           |
| Staff incentive payable   | 949,000          | 936,000          |
| Other payables  | 500,536          | 1,195,650        |
|   | 2,959,536        | 4,454,650        |

# Notes to the Financial Statements

| As at   | 31-Dec-15<br>Rs. | 31-Dec-14<br>Rs. |
|---|------------------|------------------|
| <b>12. Government Grants</b>  |                  |                  |
| Government Grants received during the year  | 67,317,275       | 100,010,000      |
| Grants received in the form of non-current assets   | -                | (34,770,000)     |
| Grants used to increase rent deposit  | -                | (3,798,225)      |
| Grants used for capital expenditure   | (1,359,685)      | (568,873)        |
| Grants invested in gratuity fund  | (2,682,483)      | (865,594)        |
| Grants used to finance net current assets   | (2,237,486)      | (862,723)        |
| Depreciation and amortisation expenses for the year   | 9,835,358        | 3,498,813        |
| Interest received on gratuity fund  | (110,689)        | (70,876)         |
| Loss on disposal of office equipment  | 1                | 6                |
| Defined benefit liability for the year  | 896,573          | 857,033          |
| Grants shown in the Statement of Financial Performance  | 71,658,863       | 63,429,561       |
| Grant related to remeasurement of defined benefit liability shown in Other Comprehensive Income | (1,335,222)      | 981,490          |
| Total grants transferred to total comprehensive income shown in Statement of Cash Flows         | 70,323,641       | 64,411,051       |

## 13. Net surplus / (deficit) for the year

Net surplus / (deficit) for the year is stated after charging all expenses including following

|                          |           |         |
|--------------------------|-----------|---------|
| Annual report            | 280,510   | 945,807 |
| Books and periodicals    | 1,078,530 | 914,878 |
| Equipment maintenance    | 357,879   | 612,788 |
| Stationery               | 642,067   | 785,182 |
| Telephone                | 560,610   | 606,325 |
| Training and development | 847,805   | 847,750 |

## 14. Auditors' Remuneration

|   |         |         |
|---|---------|---------|
| Current year                                    | 150,000 | 126,000 |
| (Over) / under provisions in the previous years | 46,242  | -       |
|   | 196,242 | 126,000 |

# Notes to the Financial Statements

| As at  | 31-Dec-15<br>Rs.  | 31-Dec-14<br>Rs.  |
|--|-------------------|-------------------|
| <b>15. Staff Costs</b>   |                   |                   |
| Staff remuneration   | 16,492,887        | 14,274,465        |
| Employees' provident fund  | 2,142,546         | 1,892,747         |
| Employees' trust fund  | 535,638           | 473,187           |
| Defined benefit obligation (note 15.1)                                   | 785,884           | 786,157           |
| Vehicle rent and driver's payment  | 771,915           | 2,304,455         |
| Staff incentive  | 11,561,767        | 9,660,017         |
| Health insurance   | 418,977           | 231,695           |
| Staff welfare  | 611,299           | 579,880           |
| Other staff benefits   | 4,001,239         | 2,236,062         |
|  | <b>37,322,152</b> | <b>32,438,665</b> |
| <b>15.1 Defined Benefit Obligation</b>                                   |                   |                   |
| Charge for the year  | 429,260           | 664,055           |
| Net interest for the year  | 356,624           | 122,102           |
|  | <b>785,884</b>    | <b>786,157</b>    |
| Actuarial gains / losses disclosed as other comprehensive income         | (1,335,222)       | 981,490           |
| Total Defined Benefit Obligation included in the Statement of Cash flows | (549,338)         | 1,767,647         |

## 16. Comparative Figures

**16.1** Following expenditure items were reclassified to be included in the face of the Statement of Financial Performance and Other Comprehensive Income as separate line items without being disclosed together as other administration expenses as in 2014, due to the significance of the values.

| Item                     | Amount reclassified<br>Rs. |
|--------------------------|----------------------------|
| Books and periodicals    | 914,878                    |
| Training and development | 847,750                    |
| Stationery               | 785,182                    |
| License and Insurance    | 272,831                    |

**16.2** Following expenditure items which were included under other administration expenses in the Statement of Financial Performance and Other Comprehensive Income in 2014 were reclassified to be included under staff costs for better presentation.

| Item             | Amount reclassified<br>Rs. |
|------------------|----------------------------|
| Health insurance | 231,695                    |
| Staff welfare    | 579,880                    |

## 17. Capital Commitments

There were no capital commitments as at 31 December 2015 (as at 31 December 2014 - Nil).

## 18. Contingent Liabilities

There were no contingent liabilities as at 31 December 2015 (as at 31 December 2014 - Nil).

## 19. Events after the Date of the Statement of Financial Position

There were no material events after the date of the Statement of Financial Position necessitating any adjustments or disclosure in the financial statements.

# Specified Business Enterprises

The following have been defined as specified business enterprises by the Act and the regulations made under the Act:

- Licensed banks.
- Companies authorised to carry on insurance business.
- Companies carrying on leasing business.
- Factoring Companies.
- Finance Companies.
- Companies licensed to carry on business as stockbrokers of stockdealers.
- Companies licensed to operate unit trust.
- Fund Management Companies.
- Companies licensed to operate a stock exchange.
- Companies listed in a Stock Exchange.
- Other Companies -
  - (a) which have an annual turnover in excess of Rupees 500 Million;
  - (b) which at the end of the previous financial year, had shareholders' equity in excess of Rupees 100 Million;
  - (c) which at the end of the previous financial year, had gross assets in excess of Rupees 300 Million;
  - (d) which at the end of the previous year, had liabilities to banks and other financial institutions in excess of Rupees 100 Million;
  - (e) which have a staff in excess of 1,000 employees.
- Public Corporations engaged in the sale of goods or the provision of services.
- A group of companies, anyone of which falls within any of the above categories. For this purpose, 'a group of companies' means a holding company and its subsidiaries, the accounts of which have to be consolidated under the Companies Act.

[illegible]

**Name of Organization**

Sri Lanka Accounting and  
Auditing Standards Monitoring Board

**Legal Form**

A Statutory Board established by  
Sri Lanka Accounting  
and Auditing Standards  
Act No.15 of 1995

**Country of Incorporation**

Sri Lanka

**Head Office**

3rd Floor,  
293, Galle Road,  
Colombo 3

Telephone: 011 2301210

Fax: 011 2301211

E-mail: slaasmb@sltnet.lk

**Website**

[www.slaasmb.gov.lk](http://www.slaasmb.gov.lk)

**Auditors****External Auditors**

The Auditor General  
Auditor General's Department  
No. 306/72, Polduwa Road  
Battaramulla

**Internal Auditors**

Edirisinghe & Company  
45, Braybrooke Street,  
Colombo 02

**Bankers**

Bank of Ceylon

**Legal Advisers**

Attorney General  
Attorney General's Department  
Colombo 12

**Sri Lanka Accounting and Auditing  
Standards Monitoring Board**

3rd Floor  
293, Galle Road  
Colombo 3  
Sri Lanka