The Chartered Institute of Logistics and Transport

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT - SRI LANKA

ANNUAL REPORT 2014

COUNCIL - 2014

Office Bearers

Chairman	:	Mr Niral Kadawatharatchie, CMILT
Vice Chairperson	:	Mrs Namalie Siyambalapitiya, CMILT
Vice Chairperson	:	Mrs Gayani de Alwis, CMILT
Vice Chairperson	:	Capt Lasitha Cumaratunga, CMILT
Immediate Past Chairman	:	Mr Romesh David, CMILT
Secretary	:	Mr Channaka de Alwis, CMILT
Treasurer	:	Mr Ravi Edirisinghe, CMILT

Members

Prof Amal S Kumarage, FCILT(IVP)
Mr Rohaan Abeywickrama, Hon. FCILT
Mr Saliya Senanayake, FCILT
Mr H. A. Premaratne, FCILT
Mr M. A. Jeffrey, FCILT
Mr Upaliee Gunawardena, CMILT
Mr Vernon de Rosairo, FCILT
Dr Indika Sigera, CMILT
Capt. D. J. Amarasuriya, FCILT
Mr Amal Rodrigo, CMILT
Mr Ajith Ekanayake, CMILT
Mr Upali de Zoysa, CMILT
Mr Nujith Samarawickrama, CMILT
Mr Chaminda Perera, CMILT
Mrs Anoma Ranasinghe. CMILT
Mr Nishantha Fernando, MILT
Mr Gihan Jayasinghe, CMILT

Secretariat

Secretary General : Maj Gen (Retd) Lionel Aluvihare
Coordinator : Ms Maryse De Costa

CILT SRI LANKA COUNCIL - 2014

Seated (Row 1) Left → Right - M. H. A. Premaratne (Council Member), Mr Saliya Senanayake (Council Member), Mr Romesh David (Immediate Past Chairman), Mrs Namalie Siyambalapitiya (Vice Chairperson), Mr Niral Kadawatharatchie (Chairman), Mrs Gayani De Alwis (Vice Chairperson), Capt. Lasitha Cumaratunga (Vice Chairman), Mr Ravi Edirisinghe (Treasurer), Prof. Amal S. Kumarage (International Vice President)

Standing (Row 2) Left → Right - Major General (Retd) Lionel Aluvihare (Secretary General), Capt. D. J. Amarasuriya (Council Member), Mr Chaminda Perera (Council Member), Mr M.A. Jeffrey (Council Member), Mrs Anoma Ranasinghe (Council Member), Mr Ajith Ekanayake (Council Member), Mr Upali de Zoysa (Council Member), Mr Nishantha Fernando (Council Member), Dr Indika Sigera (Council Member), Mr Vernon de Rosairo (Council Member)

Not present - Mr Channaka De Alwis (Secretary), Mr Rohaan J. Abeywickrema (Council Member), Mr Upali Gunawardena (Council Member), and Mr Amal Rodrigo (Council Member)

Chairman's Message

The time has come for us to gather for another Annual General Meeting and it is with pleasure that I look back at the progress that CILT Sri Lanka has made during the past year.

We were able to conduct a very successful International Conference in November 2014 where we had the participation of a host of our members and some eminent speakers of international repute. The presentations and the panel discussion at the end of the session was very informative and would have provided a great learning experience to many of our young members who were present at the conference.

We had our Annual John Diandas Memorial lecture on 30th July 2014 where Prof Shivanand Swamy from India gave some detailed insights on "Urban Transport Developments in India" and the P B Karadawala Memorial lecture this year, on 27th January 2015 was presented by Mr Mangala Yapa, Secretary General of the Ceylon Chamber of Commerce. I am happy that both these events were well attended by our members.

The Young Professionals Forum (YPF) has been organising some interesting and educative sessions and we can see a lot of potential in these youngsters, a very good sign for the future of our industry.

Wilat has also been doing some great work and I am thankful to our two Vice Presidents for the leadership that they have provided in its progress.

CILT SL takes pride in the fact that our senior member, Saliya Senanayake was awarded the Pegasus Medal at the International Award ceremony of CILT held in Malaysia in June last year.
As we move on to another eventful year, I invite all members of CILT Sri Lanka to actively participate in the events that are being planned by our sub committees, and make the maximum benefit out of these opportunities.

I wish to thank everyone who supported CLIT in our endeavours last year, especially the members of the Council and those who gave leadership to the different sub committees as we come towards the end of a very good year for the branch.

Niral Kadawatharatchie, CMILT
Chairman
CILT Sri Lanka

CILT Sri Lanka

The Institute which has functioned in Sri Lanka since 1960 as a section of the Chartered Institute of Transport (CIT) was incorporated as the Chartered Institute of Logistics and Transport (CILT Sri Lanka) by an Act of Parliament in the year 2000. The renaming of the Institute followed as a result of merging it with the Chartered Institute of Logistics (CILog) in 1999. It has a current membership of 1060 accredited professionals and students in the sphere of transport and logistics.

The principal purpose of the Institute is "To promote and encourage the art and science of Logistics and Transport". The Institute pursues this objective through its membership, its tutelage of aspirant professionals in transport and logistics and by providing a universally accepted professional identity to its members.

The Institute offers an opportunity to those engaged in Logistics and Transport to access requisite expertise to enhance their knowledge and skills. The CILT collaborates with recognized institutions of higher learning to provide continuing professional development by widening learning opportunities in the required disciplines. It sets the criteria and standards of assessment in professional examinations in Transport and Logistics.

The Institute is acutely conscious of its responsibility to the nation as the principal advisory, regulatory and pioneering professional body in the field of Transport & Logistics. The CILT is committed to set value driven industry standards and measurable performance.

A Glimpse in to History

Professional activity related to Transport was assigned to an Honorary Corresponding member of the Parent Institute in London before the founding of the Sri Lanka Chapter of the CILT. The then General Manager of Railways was the Honorary Corresponding Member in Sri Lanka in the 1960's. He was succeeded by Eng. L. S. De Silva who was appointed Corresponding member in the 1970s.

Encouraged by the expansion of membership in Sri Lanka as witnessed in the following decade, a group of Sri Lankan pioneers in the profession launched an initiative to form a Sri Lanka Chapter to promote and engage in professional activities related to transport and logistics. The Honorary Correspondent responded to the initiative and obtained the consent of the Parent body to form the Sri Lanka section of the Chartered Institute of Transport in 1984.

The Founder Chairman of the Sri Lanka Section was Eng. L. S. De Silva who was the retired Additional General Manager (Technical) of Sri Lanka Railways. From these embryonic days, the Sri Lanka section commenced regular presentations and discussions on transport centric topics. The events were organized by the Chartered Institute of Transport in Sri Lanka as it was then known.

The professional development programmes enabled participants to enhance their knowledge and skills. In addition they offered a conducive environment for furthering a disciplined interest in the profession.

Many of the members of the Institute such as Mr Rohan Abeywickrama, Ms Mandrie Sahabandu, Mr Vernon Rozairo, Mr H.A.Premaratne, Mr F.D.C.Wijesinghe, Mr John Diandas, Prof Dayantha Wijesekera, were actively involved in the affairs of the local chapter of the Chartered Institute of Transport.

In later years, Prof Amal Kumarage contributed immensely towards the progress of the Institute, by formulating a Highways and Transport Policy. Mr Saliya Senanayake and Prof Amal Kumarage played leading roles during their tenures as Chairmen working towards elevating Sri Lanka from Branch to Territorial status. This was achieved in 2012 and was a milestone in the unfolding story of CILT SL. Mr Rohan Abeywickrama, Mr Saliya Senanayake and Prof Amal Kumarage Past Chairmen of CILT SL have had the distinction of serving as International Vice Presidents of CILT.

Territorial Status

The Council of Trustees of The Chartered Institute of Logistics and Transport (CILT), the International body announced the elevation of the status of CILT Sri Lanka from a Branch to a Territory at the Annual General Meeting held in Birmingham UK from 11th to 14thJune 2012. Mr Romesh David, Chairman of CILT SL, accepted the Territorial award on behalf of Sri Lanka from HRH Princess Anne, who represented HM Queen Elizabeth II, Patron of the Institute. Sri Lanka thus became the first Branch of the Institute to be elevated to Territorial status.

CILT SL began functioning as an independent Territory of CILT with effect from 01 January 2013. Despite the relatively small size, CILT SL is now on equal standing with other Territories such as the United Kingdom, Hong Kong, Singapore, Malaysia, Australia, and New Zealand.

CILT SL has the authority to elect its own membership and to determine and enforce conditions for admission of members. It is also authorised to accredit educational institutions and conduct educational programmes.

For the efficient functioning of the Institution a Council is elected very year at the Annual General Meeting and the Council nominates various Standing Sub Committees to handle important disciplines.

International Convention.

The International Convention of the institute was held in Melaka state in Malaysia from 01 June to 05 June. A seven member delegation from Sri Lanka attended this Convention. Mr Saliya Senanayake awarded with the Pegasus Medal at the International Award ceremony that drew special attention of all participants.

The Pegasus Medal. The Pegasus medal is awarded to Senior Members of the Institute by the Trustees for their Service to the Institute". It was awarded to Saliya, a senior member from Sri Lanka for his important contributions to the industry over many years also having taken into consideration the following achievements in his honour:

- being one of the people who drove the Sri Lanka Branch to be an important element in the Skills development of Supply Chain Logisticians and Transport Managers.

- being one who actively developed the Sri Lanka Branch to grow in stature to join the ranks of those Countries that are counted as Territories in the Institute, able to manage their own affairs and help the smaller Branches around them.

- for being a quiet counsel of the Institute as an International Vice-President.

ACTIVITIES OF THE STANDING SUB-COMMITTEES

1. Membership Criteria Sub-committee.

- Prof. Amal Kumarage, FCILT - Chairman
- Mr Romesh David, CMILT - Member
- Mr Rohan Abeywickrama, Hon FCILT - Member
- Mr Channaka De Alwis, CMILT - Member

This committee is responsible for formulating membership criteria and updating such in accordance with the guidelines of CILT International. The task faced by the sub- committee in the recent past was the formulation of relevant criteria to regulate the admission of new applicants in keeping with the authority granted under Territorial Status; which was implemented with effect from 01 January 2013. The criterion so developed for Sri Lanka has a unique feature with a category of Graduate Membership specially created to suit the local scenario. The SC has been closely monitoring and recommends upgrading through the year to arrive at best practicable and meaningful systems compatible with the Industry requirements.

2. Membership Evaluation Sub Committee

- Mr Rohan Abeywickrema, Hon FCILT - Chairman
- Mrs Mandrie Sahabandu, FCILT - Member
- Mr Vernon De Rosairo, FCILT - Member
- Mr Channaka De Alwis, CMILT - Secretary/Member

This is the pivotal Subcommittee that ensures conformity and transparency in recommending applicants for election to various categories of membership. They have maintained consistency in the process and have gained experience over the years. The committee has processed 46 applications during the year under review, out of which few applicants were referred for VIVA VOCE and subjected for Qualifying Examinations re-introduced with our local membership criterion assuring the quality standards of memberships. The council also could obtain the expertise views of any panel nominated from a specific sector of the Industry.

3. Evaluation Panels

Having achieved Territorial status, the Council felt the need for standardisation in the process of evaluating of applicants from specific disciplines of the Industry. Given that members of the Evaluation Subcommittee may not always possess sector specific knowledge on every sector and in order to buttress the evaluation of the sub-committee, four Industry panels were appointed with effect from Jan 2013. Their guidance has helped resolve some complexities and complications with regard to some applications.

a. Aviation Sector
Mr Ajith Ekanayake, CMILT
Prof. Saman Bandara, FCILT
Mr Romesh David, CMILT
Mr Chaminda Perera, CMILT

b. Marine Sector
Capt Lasitha Cumaratunga, CMILT
Capt D J Amarasuriya, FCILT
Mr Saliya Senanayake, FCILT
Mr Amal Rodrigo, CMILT

c. Logistics & Supply Chain
Mrs Gayani De Alwis, CMILT
Mr Niral Kadawatharatchie, CMILT
Mr Channaka De Alwis, CMILT
Mr Gihan Jayasinghe, CMILT

d. Land Transportation
Dr. T L Gunaruwan, CMILT
Prof. Amal Kumarage, FCILT
Mr. H A Premaratne, FCILT
Mrs. Namalie Siyambalapitiya, CMILT

4. Membership Drive Sub-Committee

- Mrs Namalie Siyambalapitiya, CMILT- Chairperson
- Mr Amal Rodrigo, CMILT - Member
- Capt. D.J. Amarasuriya, FCILT - Member
- Mr Upali de Zoysa, CMILT - Member
- Mr Nujith Samarawickrama, CMILT - Member
- Mr Gihan Jayasinghe, CMILT - Member

The Membership Drive sub-committee is focused on attracting members ranging from under graduate students to talented professionals through promotional programmes in conjunction with other Subcommittees. With the formation of the YPF and WiLAT, the subcommittee has succeeded in drawing a considerable number to its cadre specially women members.

5. CILT Young Professionals Forum (YPF)

- Mr Nujith Samarawickrema, CMILT
- Mr Ravi Edirisinghe, CMILT
- Capt Lasitha Cumaratunga,CMILT
- Dr Indika Sigera, CMILT
- Mr Nishantha Fernando, MILT

The Subcommittee within the CILT Council responsible for guiding and seeing it operate within the mandate of CILTSL but it has its own executive committee that is responsible for their own planning and innovative programmes ran through the year under review.

YPF started the year,2014 with a field visit to Fonterra Lanka to learn about the milk supply chain and manufacturing process of milk based products. The visit was well attended & participants were able to gain valuable insights into the real world processes of some of the commonly consumed products.

YPF Dream Project was launched in order to create a platform for innovative minds in transport and logistics sector to present their visionary projects which can make a difference in the field. The grand finale was held at University of Colombo where four teams from University of Moratuwa and CINEC Maritime Campus competed for the title and it was Thilina Rathnayake & Upeka Rangala from the Department of Transport & Logistics Management, University of Moratuwa who emerged victorious.

A Transport & Logistics Awareness Program promoting transport & logistics among the GCE A/L students was held at Pannala National School with the support of MAS Slimline. First part of the program was focused on motivation. The terms logistics & supply chain management was introduced with examples from our day-to-day life. Higher education & career opportunities in transport & logistics were explained to the audience and YPF received positive feedback about the program from both students and teachers.

The YPF Quiz Master 2014 was held at the auditorium of CINEC Maritime Campus and 19 teams competed in the inaugural event which was aimed at providing a platform to develop knowledge and awareness in the broad areas of international trade, logistics & transport. Team TeLeMax from University of Moratuwa won the title after a thrilling competition. Team SAGT from South Asia Gateway Terminal (Pvt) Ltd became the 1st Runner-up while Team NYK Quiz Masters from NYK Line Lanka (Pvt) Ltd became the 2nd Runner-up.

YPF Inspire was the first of its kind in Sri Lankan transport and logistics sector which was created with the objective of providing a stage for innovative & trending ideas in the field. Five experts; Mr. Ravi Edirisinghe, Freight Links International, Mr. Chulendra De Silva, John Keells Holdings, Mr. Sanjeev Walgampaya, Attune Group, Mr. Indika Fernando, South Asia Gateway Terminals (Pvt) Ltd and Mr. Sanjeeva FedEx Sri Lanka gave five short presentations on five different topics. YPF received very positive feedback about the event from the audience.

Young Professionals' Challenge 2014; case study based competition, being the flag ship event of YPF was held in October 2014. With the reputation gained from its inception, this year's event saw a record number of 26 teams registering for the event. Team SATA from the University of Moratuwa won the title and Team Aster from University of Moratuwa became the 1st Runner-Up while Team Fabulous Four from CINEC Maritime Campus was placed as the 2nd Runner-Up in the second chapter of CILT Young Professionals' Challenge.

YPF Emerge – the skill development workshop was implemented in December at University of Moratuwa, with Mr. Ranil Sugathadasa & Mr. Gihan Thalgodapitiya facilitating the workshop. Participants were exposed to a number of motivational, leadership, team work & communication improvement sessions combined with games & activities.
YPF – SL appointed the new 25 member core-committee for the year 2015 and Mr. Udaya Vattala from SDV / Bollore Logistics Sri Lanka was appointed as the new Chairman of YPF – CILT Sri Lanka. YPF –CILT SL, past chairman, Mr Nishantha Fernando was appointed as the Young Professionals' Regional Ambassador – Subcontinents by the CILT International.

6. CPD/Education/Accreditation

- Dr Indika Sigera, CMILT - Chairperson
- Mr Romesh David, CMILT - Member
- Prof Amal Kumarage, FCILT - Member
- Mr Priyal De Silva, FCILT - Member

This Committee is engaged in the accreditation process of education related activities for CILT-SL. With its authority to accredit institutions for educational purposes the committee has met the challenge of formulating a specific set of guidelines compiled as a manual which is sanctioned by Mr Jon Harris the International Professional Development Coordinator (IPDC) thus authorising CILT Sri Lanka to accredit Training providers and programmes. The first such accreditation undertaken was on CINEC and re-accreditation was granted by CILT International on the recommendation of the SC based on a report of the accrediting panel nominated by the Sub Committee.

The Committee was also successful in completing the first programme, Certificate Course of Aviation Management, a programme undertaken jointly with the Sri Lankan Airlines Aviation Academy. The second course was also planned and the process of selection of the trainees was underway towards the end of the year.

In keeping with the Vision of the Institute the academic progression is a must and developing our own programmes must be the goal. Nevertheless having a lot of current developments in a programme would be an attraction to draw beginners and therefore the Council has decided to adopt programmes from CILT UK and to see steady progress on this endeavour. A Director Education was enrolled to work closely with the subcommittee in developing and finalising suitable programmes.

7. John Diandas Memorial Fund Management Committee (JDMFC)

- Prof Amal S Kumarage, FCILT - Chairperson
- Mr Rohan Abeywickrama, Hon FCILT - Member.
- Dr T L Gunaruwan, CMILT - Member.
- Mrs Namalie Siyambalapitiya, CMILT - Convenor and Secretary

John Diandas Memorial Lecture 2014

The memorial lecture for this year was held on 30th July 2014 at The Winchester Hall of The Kingsbury Hotel, Colombo. Prof. H M Shivanand Swamy, Executive Director, Centre of Excellence in Urban Transport in India made the oration on "*Urban Transport Developments in India under JnNURM*". The event attracted over 150 participants from various sectors in the Industry. The cost of organizing this Memorial lecture was borne through this fund.

Award of John Diandas Memorial Scholarship. A trust fund was established during the year 2013 with a generous donation made by the family members of late John Diandas with the mandate of financially supporting the research students who do post graduate studies in the Transportation sector. There were two applicants for this during 2014 but none were selected as their suitability was questionable. The payment in relation to the first recipient in 2013 Mr Janaka Weerawardena continued through the year 2014.

8. International Conference – 2014

- Mr Niral Kadawatharatchie, CMILT
- Mr Ravi Edirisinghe, CMILT
- Mr Channaka De Alwis, CMILT
- Capt. Lasitha Cumaratunga, CMILT
- Mr Ajith Ekanayake, CMILT
- Mrs Gayani De Alwis, CMILT
- Mr Amal Rodrigo, CMILT
- Mr Chaminda Perera, CMILT
- Mr Henry De Silva, CMILT
- Mr Varuna Ratnaweera, MILT
- Mr Janaka Sumithrarachchi

The annual flagship event the International Conference 2014, themed "Re Defining Cornerstones of Logistics and Transport", was held on 04th November 2014 at the Colombo Kingsbury Hotel. The Secretary, Ministry of Defence and Urban Development Mr Gotabaya Rajapaksa graced the occasion as the Chief Guest and delivered the Key Note address. The conference was attended by the Chairperson of CILT Dr Dorothy Chan and the Secretary General of CILT Mr Keith Newton together with many other distinguished personalities from the CILT family and from the Industry and academics.

Given below is an overview of the presentations and addresses by the keynote speaker and eminent international personalities at this year's Conference. They drew attention to their own success stories or pertinent case studies; relevant from an academic and industry perspective.

- Address by the Keynote Speaker - Mr Gotabaya Rajapaksa, Secretary, Ministry of Defence and Urban Development "*Re-defining Logistics- Learning from Defence"*
- Dr Dorothy Chan, Former Transport Commissioner of Hong Kong

  "Modern transport developments to manage urban congestion"
- Mr Frank Dedenis, Managing Director, Maersk Line India Cluster

  "Emerging trends in the shipping industry"
- Mr Tommy Lui, Executive Director, U & Fung Logistics

  "Empowering business strategies through logistics solutions"

9. Awards & Exhibition

- Mr Rohan J. Abeywickrama, Hon FCILT - Chairman
- Mrs Namalie Siyambalapitiya, CMILT - Member
- Mr Upali Gunawardena, CMILT - Member
- Mr Chaminda Perera, CMILT - Member
- Mr Amal Rodrigo, CMILT - Member

This is a re-constituted subcommittee to plan and execute exhibitions and awards that could draw public and industry attention. The preliminary work and negotiations began with a professional PCO during the year. The dates of events are not finalized due to constraints on the choice of available venues. The purpose for presentation of these awards is to recognize and appreciate outstanding organizations and individuals who contribute towards the development of the T&L industry in Sri Lanka. The criteria for the awards are presently being formulated and no definite decisions have been reached. The Committee is engaged in the widest possible consultations.

10. CILT Women in Logistics and Transport (WiLAT)

- Mrs Gayani De Alwis, CMILT - Chairperson
- Mrs Namalie Siyambalapitiya, CMILT - Vice Chairperson

The newest and the youngest forum of the CILT were launched in March 2013 as a prelude to the Global launch of WiLAT during the International Convention in Colombo in June 2013. Since then WiLAT Sri Lanka has progressed well. A few milestones include,

- Celebration of WiLAT first anniversary together with International Women's day, on the subject of *"Can women change the dynamics of the logistics and transport industry?"* a key note speech and a discussion with a panel of high ranking officials from the Industry.
- Attending the WiLAT International Convention in Malaysia June 2014.
- Joining many social networks such as LinkedIn, Twitter and Facebook
- A joint program with Mosh Aesthetic Lounge on personal grooming –August 2014.
- Launch of the WiLAT Mentoring Program "Ignite" – November 2014.
- Mentor Mentee evening a talk on *"Mentoring: A Powerful Tool for Personal Development and Empowerment"- Decmber 2014.*
- WiLAT has also done a WiLAT brochure and plans on developing a career brochure for women.

11. CILT SL History & Corporate Plan

- Mr H. A. Premaratne, FCILT - Chairman
- Mr Priyal De Silva, FCILT - Member
- Mr Saliya Senanayake, FCILT - Member
- Mr Rohan J. Abeywickrama, Hon FCILT- Member
- Mr Romesh David, CMILT - Member
- Prof Amal Kumarage, FCILT - Member

CILT Corporate plan lays down the strategy for the institute with its mission as a guide to the Council and all other stake holders. In recognition of the importance of documenting the plan of action for CILTSL, it has prepared the first phase of the Corporate Plan till 2016 together with a brief history of the institute. The committee has identified strengths and weaknesses of the Institute through a SWOT analysis**.**

SOME MOMENTS TO REMEMBER

CILT International Conference 2014

WiLAT first anniversary

WiLAT Mentoring Launch "Ignite"

WiLAT Mentee Mentor Evening

WiLAT and Mosh

CILT SL Delegation to CILT International Conference in Malaca, Malaysia – 2014

Mr Saliya Senanayake Receiving the awarded – The Pegasus Medal of CILT

CINEC Maritime Campus – CILT Convocation 2014

Membership Drive at Civil Aviation Authority of Sri Lanka

John Diandas Memorial Lecture 2014

Maritime Evening 2014

CILT YPF Quiz Master - 2014

Young Professionals' Challenge - 2014

YPF Fonterra Factory Visit - 2014

YPF Emerge – 2014

YPF Inspire - 2014

THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2014

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT

Report on the Financial Statements
We have audited the accompanying financial statements of The Chartered Institute of Logistics and Transport, ("the institute"), which comprise the statement of financial position as at 31 December 2014, and the statement of income and expenditure and accumulated fund, statement of changes in funds, cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
The Management is responsible for the preparation of these financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standard for Small and Medium-Sized Entities ("SLFRS for SMEs"), and for such internal control as Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those standards require that we comply with ethical requirements plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Opinion
Provision for income tax has not been made by the institute for the year ended 31 December 2014.

In our opinion, except the effects of the above, the financial statements give a true and fair view of the financial position of the Institute as at 31 December 2014, and of its financial performance and cash flows for the year then ended in accordance with SLFRS for SMEs.

CHARTERED ACCOUNTANTS
Colombo

25 March 2015

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December,	Note	2014 Rs.	2013 Rs.
Income	**2**	2,981,000	2,397,000
Other income	**3**	9,932,439	13,788,610
Total income		**12,913,439**	**16,185,610**
Administrative expenses	**4**	(794,297)	(762,470)
Other operating expenses	**5**	(7,702,377)	(10,011,011)
Total expenses		**(8,496,674)**	**(10,773,481)**
Surplus before tax expense		**4,416,765**	**5,412,129**
Tax expense	**13**	**-**	**-**
Surplus for the year		**4,416,765**	**5,412,129**

The financial statements are to be read in conjunction with the related notes, which from an integral part of these financial statements of the Institute.

The Council Members are responsible for the preparation and presentation of these financial statements in accordance with SLFRS for SMEs.

Approved and signed for and on behalf of the Council:

Niral Kadawatharatchie
Chairman
The Chartered Institute of
Logistics and Transport

Ravi Edirisinghe
Treasurer
The Chartered Institute of Logistics and
Transport

Colombo
25 March 2015

STATEMENT OF FINANCIAL POSITION

As at 31 December,	Note	2014 Rs.	2013 Rs.
Assets			
Non current assets			
Property plant and equipment	**6**	143,595	111,372
Total non current assets		**143,595**	**111,372**
Current assets			
Subscription receivable	**7**	684,875	792,521
Other receivables	**8**	2,025,229	337,666
Fixed deposits	**9**	11,313,574	10,905,703
Prepayment to BMICH		100,000	-
Cash and cash equivalents	**10**	4,312,627	2,091,274
Total current assets		**18,436,305**	**14,127,164**
Total assets		**18,579,900**	**14,238,536**
Funds and liabilities			
Accumulated fund		12,141,582	8,462,941
John Diandas Memorial Fund	**11**	6,204,999	5,544,554
Total funds		**18,346,581**	**14,007,495**
Current liabilities			
Subscription received in advance		35,353	51,875
Accrued expenses	**13**	106,053	87,253
Tax expense payable		91,913	91,913
Total current liabilities		**233,319**	**231,041**
Total fund and liabilities		**18,579,900**	**14,238,536**

The financial statements are to be read in conjunction with the related notes, which from an integral part of these financial statements of the Institute.

STATEMENT OF CHANGES IN FUNDS

For the year ended 31 December 2014	JDM Fund (Restricted) Rs.	Accumulated fund Rs.	Total Rs.
Balance as at 31 December 2012	5,194,323	3,050,812	8,245,135
Surplus for the year	350,231	5,412,129	5,762,360
Balance as at 31 December 2013	**5,544,554**	**8,462,941**	**14,007,495**
Fund transferred during the year (Note 01)	738,124	(738,124)	-
(Deficit)/surplus for the year	(77,679)	4,416,765	**4,339,086**
Balance as at 31 December 2014	**6,204,999**	**12,141,582**	**18,346,581**

Note 01:
The institute has transferred funds as a contribution from the institute to the John Diandas Memorial Fund.

The financial statements are to be read in conjunction with the related notes, which from an integral part of these financial statements of the Institute.

STATEMENT OF CASH FLOW

For the year ended 31 December,	2014 Rs.	2013 Rs.
Cash flow from operating activities		
Surplus before income tax	4,416,765	5,412,129
Adjustment for:		
Interest income	(413,072)	(248,899)
Depreciation	31,430	46,887
Provision for bad/ doubtful debt	484,567	592,809
Operating cash flow before working capital changes	**4,519,690**	**5,802,926**
Adjustment for working capital changes		
(Increase)/ decrease in subscription receivable	(107,646)	(657,477)
(Increase)/decrease in other receivables	(1,687,563)	855,571
(Increase)/decrease in prepayment	(100,000)	-
Increase/ (decrease) in accrued expenses	(18,800)	(91,447)
(Decrease)/ increase in subscription received in advance	(16,522)	(63,792)
Net cash used in operating activities	**2,842,051**	**5,835,644**
Cash flows from investing activities		
Investments in fixed deposits	(945,054)	(5,150,564)
Interest income received	377,872	223,761
Investment in PPE	(63,653)	-
Net cash used in investing activities	**(630,835)**	**(4,926,803)**
Cash flows from financing activities		
John Diana's Memorial Grant	-	350,231
Net cash generated from financing activities	**-**	**350,231**
Net increase cash and cash equivalents	2,211,216	1,259,072
Cash and cash equivalents at the beginning of the year	2,101,411	832,202
Cash and cash equivalents at the end of the period **(Note 09)**	**4,312,627**	**2,091,274**

The financial statements are to be read in conjunction with the related notes, which from an integral part of these financial statements of the Institute.

1. Accounting policies

1.1 Reporting entity

The Chartered Institute of Logistics and Transport ("the Institute") is an Association registered and located at 450, D.R Wijewardana Mawatha, Colombo 10.

The principle objectives of the Institute are to promote and encourage the art and science of logistic and transport.

1.2 Basis of preparation

(a) Statement of compliance
The financial statements have been prepared in accordance with Sri Lanka Accounting Standard for Small and Medium Sized Entities (SLFRS for SMEs).

(b) Basis of measurement
The financial statements have been prepared on the historical cost.

(c) Functional and presentation currency
These financial statements are presented in Sri Lankan Rupees, which is the Company's functional currency.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with Sri Lanka Accounting Standard for Small and Medium Sized Entities (SLFRS for SMEs) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgment about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only the financial year or in the period of the revision and future periods if the revision affects both current and future financial years.

1.3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Certain comparative amounts in the financial statements have been reclassified to conform with the current year's presentation.

(a) Foreign currency

i. Foreign currency transactions
Transactions in foreign currencies are translated in to reporting currency at the rate of exchange ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at rate of exchange prevailing at that date. Foreign currency gain or loss on monetary items exchange differences arising on translation are recognized in the income statement.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits with maturity of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

(b) Property, plant and equipment

(i) Recognition and measurement
Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- When the group of asset to obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment is recognised in statement of comprehensive income.

(ii) Subsequent expenditure
Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company incurred.

(iii) Depreciation
Items of property, plant and equipment are depreciated on a straight- line basis in profit or loss over the estimated useful lives of each component.

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use. The estimated useful lives for the current and comparative periods are as follows:

	Years
Computer equipment	4
Furniture	10

All assets are depreciated from the month of the asset is available for use up to the month of disposal.

(c) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Institute and the revenue can be reliably measured on an accrual basis. Revenue is measured at the fair value of the consideration received or receivable. The following specific criteria are used for the purpose of recognition or revenue.

i) Membership subscription
Membership subscription is accounted for on time accrual basis.

ii) Interest income
Interest income represents the interest on fixed deposits and is accounted on accrual basis.

d) Expenses
All expenditure incurred in the operations of the business and in maintaining the capital assets in a state of efficiency have been charged to income in arriving at the Institute's profit for the year.

e) Events occurring after the balance sheet date
All material post balance sheet events have been considered and where appropriate adjustments to or disclosures in the financial statements have been made.

f) Commitments and contingencies
Contingencies are possible assets or obligations that arise from a past event and would be confirmed only on the occurrence or non-occurrence of uncertain future events, which are beyond the Institute’s control.

Commitments and contingent liabilities are disclosed in Notes to the financial statements.

		2014	2013
		Rs.	**Rs.**
2	**Income**		
	Renewal of individual membership	1,681,000	1,497,000
	Renewal Corporate Partnership	1,300,000	900,000
		2,981,000	**2,397,000**
3	**Other income**		
	Interest income	413,072	248,899
	International Conference	7,612,500	6,169,837
	International Convention	-	6,650,817
	Aviation evening	275,000	-
	Maritime Evening	165,000	-
	P.B. Karandawala memorial lecture	40,000	-
	Student ID cards	-	70,500
	Sale of tie	-	25,000
	New Membership Registration	-	18,200
	Assessment fee	432,000	287,000
	Application submission fee	63,750	-
	International Conference 2012 income adjustment	-	32,500
	Transfer from John Diandas memorial fund	605,267	285,857
	Qualifing Examination Level 1	4,000	-
	Certificate Programme	70,000	-
	Education & Training -Accrediation Fee	195,300	-
	CILT students registration	56,550	-
		9,932,439	**13,788,610**
4	**Administrative expenses**		
	Postage and telephone	93,955	82,514
	Printing and stationery	75,541	63,549
	Office Equipment Maintenance	11,090	1,020
	Courier charges	2,020	21,716
	Depreciation	31,430	46,887
	Entertainment and refreshments	30,747	45,420
	Sundry expenses	75,494	46,050
	News letter	10,000	30,000
	Subscription to CILTI	243,308	365,166
	Travelling	31,252	28,888
	Software Maintenance	41,960	31,260
	AMCHAM Breakfast Meeting	47,500	-
	Social Media Consultancy Services	70,000	-
	Question Bank	30,000	-
		794,297	**762,470**
5	**Other operating expenses**		
	Secretarial fee	1,881,600	1,881,600
	Annual general meeting expenses	177,500	173,506
	P.B. Karandawala memorial lecture	64,777	-
	International Conference 2013	2,219,962	2,248,709
	International Convention	-	3,629,476
	Balance carried forward	**4,343,839**	**7,933,291**

		Rs.	Rs.
5	**Other operating expenses *(Contd.)***		
	Balance brought forward	4,343,839	7,933,291
	Aviation evening	216,114	-
	Maritime Evening	174,170	-
	L.S. de Silva memorial lecture	53,350	-
	Audit fee	65,041	51,200
	Write off of subscription	-	50,875
	Provision for bad/ doubtful debt	484,567	592,809
	Bank Charges	3,555	3,205
	Consultancy Allowance	1,200,000	1,050,000
	Write off receivable	38,000	43,774
	Expenditure of John Diandas memorial fund	605,267	285,857
	Delegation to Malasiya	286,215	-
	CILT Knowledge Centre Update	172,259	-
	Education & Training -Accrediation Fee	60,000	-
		7,702,377	**10,011,011**

As at 31 December,

6 Property plant and equipment

	Computer equipment	Furniture	Total 2014	Total 2013
	Rs.	Rs.	Rs.	Rs.
Cost				
Balance at the beginning of the year	187,547	-	187,547	187,547
Additions during the year	-	63,653	63,653	-
Balance at the end of the year	**187,547**	**63,653**	**251,200**	**187,547**
Depreciation				
Balance at the beginning of the year	76,175	-	76,175	29,288
Charge for the year	28,247	3183	31,430	46,887
Balance at the end of the year	**104,422**	3,183	**107,605**	**76,175**
Written down value	**83,125**	**60,470**	**143,595**	**111,372**

7	**Subscription receivable**		
	Subscription receivable	2,262,252	1,885,331
	Less: Provision for doubtful subscription receivable (Note 6.1)	(1,577,377)	(1,092,810)
		684,875	**792,521**
7.1	Provision at the beginning of the year	1,092,810	500,000
	Charge for the year	484,567	592,810
	Provision at the end of the year	**1,577,377**	**1,092,810**
8	**Other receivables**		
	Receivable IC 2011	-	48,000
	Receivable YPF Mr. Nishantha Fernando	20,000	-
	WiLAT	256,629	172,687
	YPF	310,850	116,979
	IC 2014 Receivables	1,437,750	-
		2,025,229	**337,666**

9 Fixed deposits

National Savings Bank	551,884	551,884
Bank of Ceylon	10,761,690	10,353,819
	11,313,574	**10,905,703**

9.1 Rs. 5,466,875/- of these funds are restricted in use for the purpose of John Diandas Memorial Fund.

10 Cash and cash equivalents

Call deposit	800,000	800,000
Bank of Ceylon	3,502,627	1,281,274
Sampath Bank	-	-
Petty cash	10,000	10,000
	4,312,627	**2,091,274**

11 John Diandas Memorial Fund

Balance at the beginning of the year	5,544,554	5,194,323
Income to the fund	527,588	636,088
Transferred from retained earnings	738,124	-
Expenses from the fund	(605,267)	(285,857)
	6,204,999	**5,544,554**

The purpose of this fund is to promote the study and research, along with the publication, presentation and discussion thereof on public transport as relevant to Sri Lanka and the conduct of the annual John Diandas Memorial Lecture.

The institute maintaining fixed deposit bearing number 73766012 at Bank of Ceylon for the respective fund (JDMF). Since the institute has utilized the institute's funds for the expenses of JDMF, a difference has created between the investment and the JDMF. The institute has transferred the difference from retained earnings to JDMF to tally fund balance to the fixed deposit balance.

12 Accrued expenses

Audit fee	58,753	58,753
Direct deposits	47,300	28,500
	106,053	**87,253**

13 Tax expense

Current tax expense	-	-

The Institute is liable for income tax expense under the Section 101(2) of the Inland Revenue Act No. 10 of 2006 at the rate of 10%. Accordingly, the Institute is liable for income tax on business profit or investment income whichever is higher. However, the Institute has not filed due returns of income with the Commissioner General of Inland Revenue, and it is still in the process of registration for taxation.

14 Commitments

There were no commitments outstanding as at the date of the statement of financial position.

15 Contingent liabilities

The Institute has no significant contingent liabilities as at the reporting date.

16 Events occurring after the reporting date

Subsequent to the reporting date, no circumstances have arisen which would require adjustment to or disclosures in the financial statements.

17 The Council Members' responsibility statement

The Council Members are responsible for the preparation and presentation of these financial statements in accordance with SLFRS for SMEs.

CILT Sri Lanka Secretariat

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Secretary / Coordinator - CILT SL
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BY ORDER OF THE COMMITTEE

Channaka de Alwis
Honorary Secretary

The Chartered Institute of Logistics and Transport

23rd February 2015

Dear Member,

NOTICE OF ANNUAL GENERAL MEETING
Tuesday 31st March, 2015
Victorian Hall of the Kingsbury Colombo

The 31st Annual General Meeting of The Chartered Institute of Logistics & Transport Sri Lanka will be held on **Tuesday 31st March, 2015** commencing at 6.00 p.m. at the Victorian Hall of The Kingsbury Hotel Colombo 01**,** followed by a cocktail reception.

Tentative Programme

5.45 p.m.	-	Registrations.
6.00 p.m.	-	31st Annual General Meeting.
6.45 p.m.	-	Conclusion of the AGM.
6.45 p.m.	-	Cocktails.

The audited accounts for the year ended 2014 and other relevant documents will be made available at the reception and the agenda will be circulated in due course.

In order to proceed with the preliminary arrangements, we kindly request you to complete and forward the attached response form to the Secretariat of CILT SL, by post or by e-mail to: admin@ciltsl.com / sg@ciltsl.com , on or before **15th March, 2015.**

The Chairman and the CILT SL Council look forward to receiving you at the AGM.

Channaka De Alwis
Hon. Secretary – CILT SL

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CORPORATE PARTNERS OF CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT- SRI LANKA

The Chartered
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EXCLUSIVE TRANSPORT

ASSET PARTNER

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Sri Lanka
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