



100 YEARS OF WORLD BUSINESS

ICC **SRI LANKA**
INTERNATIONAL
CHAMBER OF COMMERCE
The world business organization

International Chamber of Commerce Sri Lanka | [Annual Report 2018/19](#)

100 YEARS OF WORLD BUSINESS



International Chamber of Commerce Sri Lanka | [Annual Report 2018/19](#)

With roots that were firmly planted in 1919, the International Chamber of Commerce had flourished into an entity that is highly respected all over the world. With connections in over 130 countries and over 45 million member companies, our influence is saturated in varied industries, and we always strive to keep pace with the changes and improvements as well as the challenges and issues that are faced by our members. Therefore, in crafting opportunity for all, we will continue to create awareness, maintain close connections and also enhance our presence as we step into the next century of possibility in world business.

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COMPANY INFORMATION

Name of Institute

International Chamber of Commerce Sri Lanka

Legal Form

Incorporated under the Companies Act 07 of 2007 as a Guarantee Limited Company.

Registered Office

ICC Sri Lanka Secretariat, 8th Floor, Aitken Spence Tower 1, #305, Vauxhall Street, Colombo 00200

Telephone : +94 112 307 841

Fax : +94 112 307 841

Website : <https://iccsrilanka.com/>

Executive Committee

1. Mr Dinesh Weerakkody, Chairman
2. Mr. Keerthi Gunawardane , Immediate Past Chairman
3. Mr. Shanil Fernando, Hony . Secretary
4. Mr. Sheanath De Soysa, Hony. Treasurer
5. Capt. Nalin Peiris, Vice Chairman
6. Mr. S. Renganathan, Vice Chairman,
7. Mr. Rohith Udalgama, Vice Chairman
8. Mr. Johnny Fernando, Vice Chairman
9. Mr. Hemakumara Gunasekera, Vice Chairman
10. Mr. Tissa Jayaweera, Committee Member
11. Mr. Rohan Masakorala, Committee Member
12. Mr. Dinesh Saparamadu, Committee Member
13. Mr. Janath Illanganthilake, Committee Member
14. Mr. P. M. Abeysekera, Committee Member

15. Mrs. Manohari Abeysekera, Committee Member
16. Ms. Manisha Rajanayake, Committee Member
17. Mrs. Chaturi Munaweera, Committee Member
18. Mrs. Indira Malwatte (Alternate Director Mrs. Sepalika Jayawardena), Committee Member
19. Mrs. Nipunika Wijeratne, Committee Member (Shobhani Prathapasinghe - Retired)

Lawyers

Anton Fernando Associates

Auditors

Ernst & Young

Bankers & Financial Institutes

1. Commercial Bank of Ceylon PLC
2. Hatton National Bank PLC
3. People's Bank

Audit Committee

1. Mrs. Manisha Rajanayake - Committee Chair
2. Mrs. Chaturi Munaweera
3. Mr. Johnny Fernando

Training and Development Committee

1. Mrs. Chaturi Munaweera - Committee Chair
2. Mr Johnny Fernando
3. Mr. S Renganathan
4. Mrs. Manohari Abeysekera
5. Member Company Invitees

International Relations Committee

1. Mr Shanil Fernando - Committee Chair
2. Mr Keerthi Gunawardena
3. Mr Dinesh Saparamadu
4. Mr Tissa Jayaweera
5. Mr. Hemakumara Gunasekera
6. Member Company Invitees

Membership Committee

1. Capt Nalin Peiris - Committee Chair
2. Mr P M Abeysekera
3. Mrs Manisha Rajanayake
4. Mr Janath Illangathilake
5. Mr Hemakumara Gunasekera
6. Member Company Invitees

Policy Advocacy Committee

1. Mr. Chandra Shafter - Committee Chair
2. Mr. Shanil Fernando
3. Mr. Sheanath De Soysa
4. Member Company Invitees

Nominations Committee

1. Mr Dinesh Weerakkody
2. Mr Shanil Fernando
3. Capt. Nalin Peiris

Banking Committee

1. Mr. Janath Illanganthilake - Committee Convener
2. Member representation of all leading banks - International Trade division

VISION & MISSION

VISION

To be the organization for choice to advance international trade and investment for business in Sri Lanka.

MISSION

To be the change agent in national policy formulation and implementation, and facilitator of global business with Sri Lanka, and disseminator of information of development of business utilizing the services of ICC Paris, whilst continuing to be the facilitator in dispute resolution.

HISTORICAL MILESTONES



100 YEARS

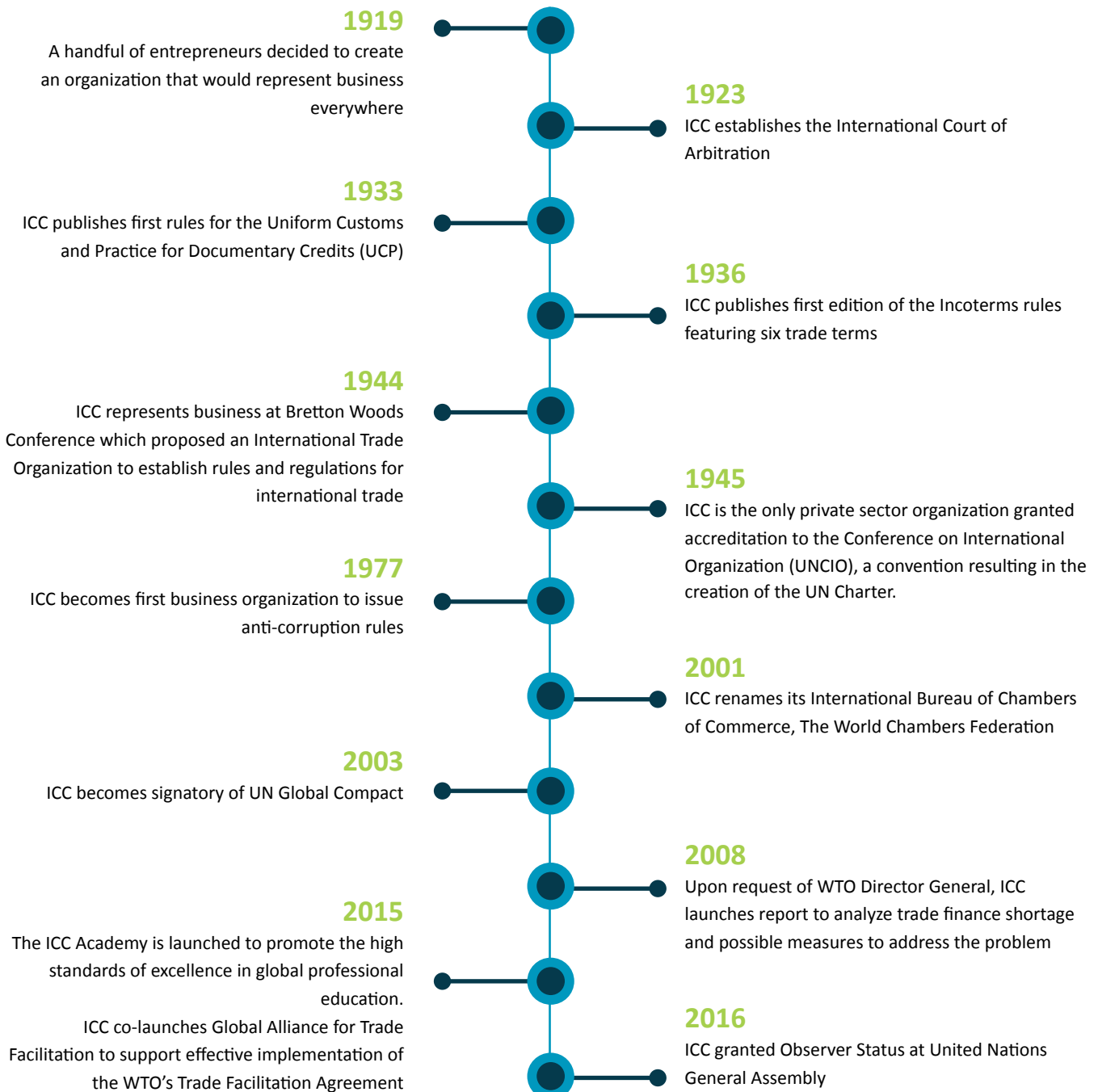
In May 2019, the ICC hosted a half-day summit in Paris, featuring leaders from business, government and international organizations, to mark our centenary. The summit highlighted thought leadership on addressing pressing global challenges through international cooperation and the role of business in the 21st century.

Following the May summit, three regional events have been planned in Lagos (June), Athens (October) and Bogota (November) and two more events are scheduled for Dubai and Hong Kong. A closing event

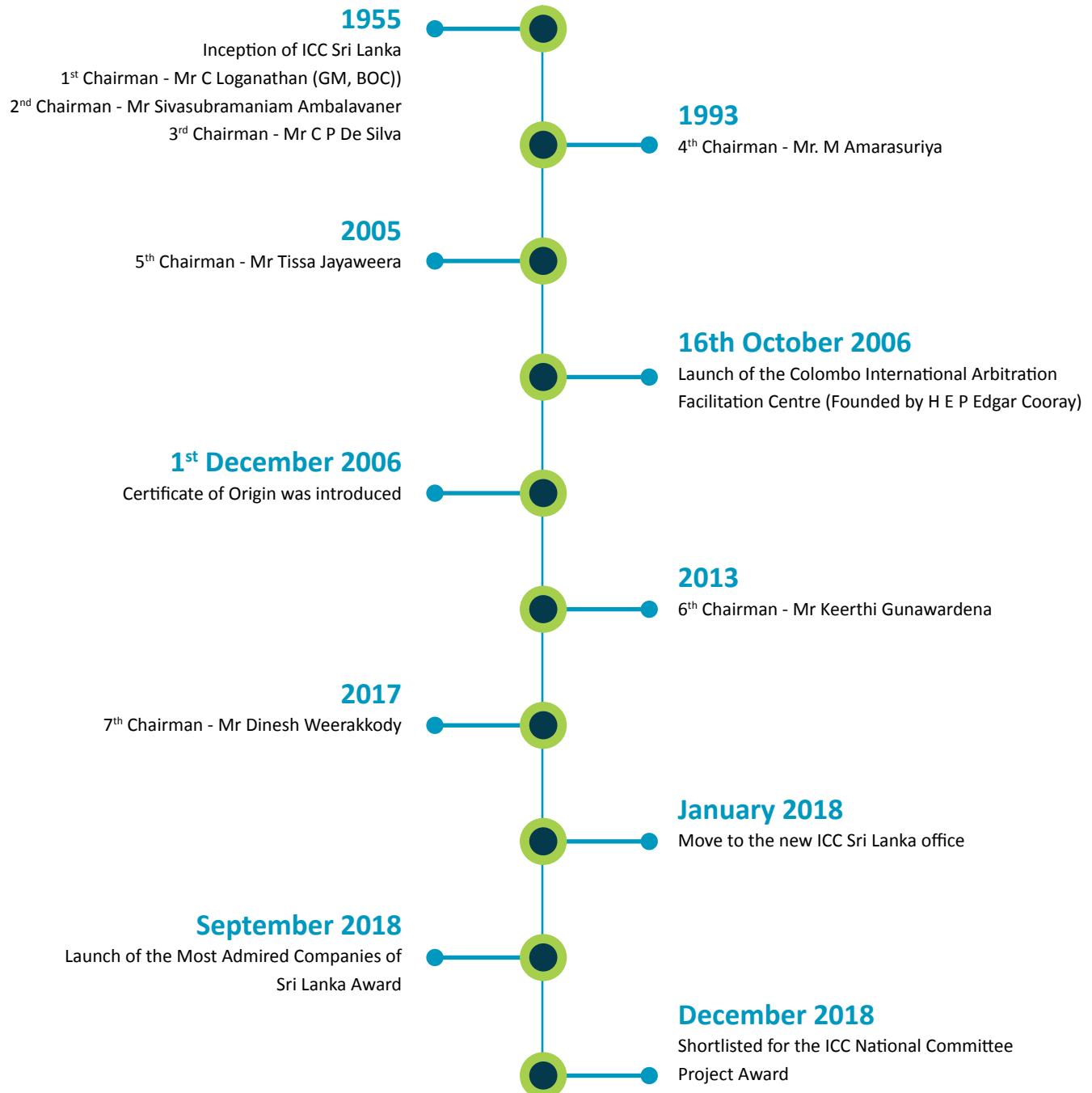
will also be held in early 2020, in Mexico.

In the context of the centenary, ICC will also launch a fund raising drive to support the €100m Centenary Fund under the theme “The next century of global business”. The fund will enable ICC to invest in the creation and expansion of results-oriented projects and business lines, as well as support ICC operations.

HISTORICAL MILESTONES : ICC PARIS



HISTORICAL MILESTONES : ICC SRI LANKA





ICCSL flagship event launched Fireside Chat 2018 featuring Six Bold and daring Entrepreneurs in Sri Lanka in August 2018 which drew in a large crowd of over 1000 participants.



The 2nd Fireside Chat 2019 was held featuring foreign envoys in March 2019 with the participation of the Hon. Prime Minister Ranil Wickremesighe. Over 1000 professionals attended this event.



ICC Sri Lanka celebrates ICC Centenary by ringing the bell at the Colombo Stock Exchange.

STRATEGIC PROGRESS

TO ENABLE BUSINESS WORLDWIDE TO SECURE PEACE, PROSPERITY AND OPPORTUNITY FOR ALL. Five pioneer campaigns will serve as ICC organising principles to make business work for everyone, every day, everywhere. These campaigns aim to unlock the unique power of ICC's global network to achieve real change at scale—from protecting the planet to ensuring decent work and economic opportunity for all.

MAKE TRADE WORK FOR PEOPLE AND PLANET

The rules-based multilateral trading system has fuelled over seven decades of unprecedented job creation and poverty alleviation. As the linchpin of this system, the World Trade Organization has helped to create a more prosperous world order in which communities linked by international commerce have a common interest in maintaining peace. But that system now stands at a crossroads: with a major revolt against global trade integration under way in many countries around the world.

Our objective

Champion multilateral trade policies that support private sector development and ensure that trade contributes effectively to addressing social and environmental challenges.

- Secure G20 commitments on World Trade Organization reform based on business expertise and insights to strengthen global trade governance, check damaging protectionism and enable inclusive growth.
- Accelerate on-going negotiations to establish a new global framework on digital trade to empower entrepreneurs and small businesses.
- Mobilize business leaders to secure a World Trade Organization Agreement on eliminating harmful fisheries subsidies.
- Champion trade and investment policy reforms to speed effective implementation of the Paris Agreement and reduce the risk of climate-related trade disputes.

MAKE ACTION ON CLIMATE CHANGE EVERYONE'S BUSINESS

The Intergovernmental Panel on Climate Change (IPCC) Special Report on 1.5°C underscores the need to strengthen the global response to climate change. Current climate commitments are insufficient to meet the goals of the Paris Agreement and limit the average global rise in temperature to 1.5°C. 2019 will be a pivotal year with several critical milestones for stepping up climate ambition by 2020. These include the United Nation's Secretary-General's Climate Summit in September and the Santiago Climate Change Conference (UNFCCC COP 25) in Chile in December.

Our objective

Mobilize business and ICC's global network to raise ambition and take action pursuant to the goals of the Paris Agreement and findings of the IPCC Special Report on 1.5°C.

- Align and mobilize business behind the 1.5°C target, with an incentive framework and toolbox for SMEs.
- Ensure business is engaged in the development of more actionable and ambitious nationally determined contributions under the Paris Agreement. Showcase climate leaders to inspire action and enable peer-to-peer learning.

MAKE TECHNOLOGY WORK FOR ALL

Technological progress has led to immense productivity gains. ICC will work with stakeholders in the public and private sectors to ensure economies are inclusive while being prepared to thrive in an environment of constant technological change. We will look at overcoming market failures in access and at developing the skills that will be needed for 21st century life-long employment.

Our objective

Ensure that new technologies deliver benefits for all in society and play a key role in delivering the United Nations' Sustainable Development Goals (SDGs).

- Launch the ICC #tech4all challenge.
- Work with the public sector to co-create enabling policy environments for investment and innovation in information and communication technologies (ICT) to meet the SDGs.
- Help the private sector scale up efforts across the digital ecosystem to provide meaningful access to all—infrastructure, applications and services, and skills.
- Foster dialogue with civil society, technology players and public policy experts to re-establish trust in the digital economy.

STOP THE RISE IN GLOBAL INEQUALITY

Inequality has become a subject of intense debate particularly in economies where inequality has risen sharply over the past 30 years.

There are already many examples of companies showing real leadership on this vital agenda: from businesses working to broaden access to technological solutions through to pioneering efforts to ensure gender parity in the workplace.

Businesses that embed social and environmental objectives in their core mission are having a positive impact but political changes are needed to reduce inequality more universally.

Our objective

Mobilize the power of business as a force for equality in both social and economic context.

- Increase corporate awareness of the United Nations' Sustainable Development Goals and ensure every business knows how to take action.
- Secure the ratification and implementation of the International Labor Organization's Forced Labor Protocol.
- Develop global standards on diversity, for adoption by multinational corporations and throughout supply chains.

- Help curb illicit financial flows to strengthen trade and integrity of the financial system, and eliminate corruption and its harmful impact on MSMEs.

LEAD FOR THE LONG TERM

Trust in business has eroded sharply since the global financial crisis.

Research from PR firm Edelman found that only 15% of the general population believes that the present system is working.

Yet 76% of people want CEOs to drive change rather than wait for governments, according to the 2019 survey. Business leaders can regain society's trust by working collaboratively to drive the social and environmental objectives embedded in the United Nations' Sustainable Development Goals (SDGs). Achieving the SDGs will require an estimated US\$2.4 trillion per year of additional investment, especially for infrastructure and other projects with long payback periods.

Our objective

Champion long-term planning and investment by the private sector as a driver of sustainable development.

- Promote a shift in market incentives to spur investment into areas supporting the United Nations' Sustainable Development Goals and lower the associated risk.
- Secure commitments from key international forums to promote alignment between global financial regulation and the imperative of long-term sustainability.
- Position ICC as a thought leader on the concept of a more inclusive capitalist model and advocate at national and international level for policy realignment.

ICC Policy Commissions

The 12 ICC commissions are specialized working bodies composed of business experts

who examine major issues of interest to the business world. The 12 ICC Policy Commissions are described below;

1. Arbitration and ADR

The Commission is a unique think tank and rule-making body for ICC Dispute Resolution Services. Together with the ICC Court and the ICC Centre for ADR it also drafts and revises the ICC's range of rules for dispute resolution, including the ICC Rules of Arbitration and the ICC Mediation Rules.

2. Banking

The mandate of this Commission is to serve as a global forum and rule-making body for banks worldwide, with particular focus on the financing of international trade; and to help policymakers and standard setters create a regulatory framework that facilitates trade finance throughout the world.

3. Commercial Law and Practice

The Commission mandate is to set global business standards for international B2B transactions and provide world business input on commercial rules developed by intergovernmental organizations.

4. Competition

The mandate of the Commission is to ensure that business needs and markets are taken into account in the formulation and implementation of competition laws and policies.

5. Corporate Responsibility and Anti-Corruption

The Commission is mandated to develop policy recommendations and practical tools from a global business perspective on corporate responsibility and fighting corruption.

6. Customs and Trade Facilitation

The Commission promotes simplified customs and transport policies and procedures as well as other measures to facilitate international trade.

7. Digital Economy

The Commission promotes the global development of the digital economy and continued growth of its underlying information and communication technologies (ICTs) and related business models, through private sector policy leadership, regulatory advocacy and the promotion of best practice.

8. Environment and Energy

Develop policy recommendations and tools to address major global environmental and energy issues, including climate change and green economy within the framework of sustainable development, and make a substantive contribution to key intergovernmental discussions in these areas.

9. Marketing and Advertising

Promoted high ethical standards in marketing by business self-regulation through the Consolidated ICC Code of Advertising and Marketing Communications Practice and formulate world business positions and initiatives to address government actions that affect marketing and consumer protection.

10. Intellectual Property

Promotes efficient intellectual property (IP) systems that support international trade, encourage investment in creation and innovation, and facilitate sustainable economic development.

11. Taxation

Promotes transparent and non-discriminatory treatment of foreign investments and earnings that eliminates tax obstacles to cross-border trade and investment.

12. Trade and Investment Policy

Promotes cross-border trade and investment by business and an open global economy to foster job creation, sustainable development, and improve living standards.

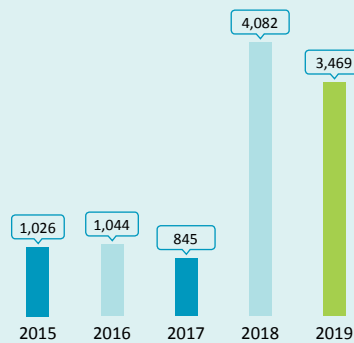
FINANCIAL HIGHLIGHTS

STATEMENT OF FINANCIAL POSITION

As at 31 March 2019	2015 Rs.	2016 Rs.	2017 Rs.	2018 Rs.	2019 Rs.
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	638,273.89	695,207	514,670	3,844,287	3,224,974
Other Intangible Assets	165,488.33	246,217	184,663	138,497	103,873
Deferred Tax Asset	222,713	102,227	145,837	99,433	140,484
	1,026,475	1,043,651	845,170	4,082,217	3,469,330
Current Assets					
Inventories	225,787.36	258,793	210,136	194,106	185,180
Short Term Financial Assets	111,972,287.4	112,593,926	136,284,904	128,185,888	163,652,094
Trade and Other Receivables	2,394,161.15	2,895,871	3,501,671	4,102,486	4,738,920
Income Tax Refund Due	272,004.3	558,624	837,661	1,307,840	544,535
Cash and Cash Equivalents	29,272,589.31	12,772,976	4,008,979	23,948,142	10,507,799
	144,136,829	129,080,190	144,843,351	157,738,462	179,628,528
	145,163,305	130,123,843	145,688,520	161,820,679	183,097,858
EQUITY AND LIABILITIES					
Capital and Reserves					
Accumulated Fund	78,258,073.78	93,377,211	115,216,198	134,498,844	152,609,198
Capital Reserve					
Retained Earnings					
Total Equity	78,258,074	93,377,211	115,216,198	134,498,844	152,609,198
Non Current Liabilities					
Provision for Employee Benefits	2,703,222.65	1,518,500	1,806,200	1,741,014	1,945,532
Deferred Income	-	174,400	20,800	-	
	2,703,223	1,518,500	1,980,600	1,761,814	1,945,532
Current Liabilities					
Trade & Other Payables	57,698,693.37	32,036,532	26,734,090	23,752,041	28,222,928
Bank Overdraft	6,503,314.68	3,191,600	1,757,633	1,807,980	320,200
	64,202,008	35,228,132	28,491,722	25,560,021	28,543,128
Total Equity and Liabilities	145,163,304	130,123,842	145,688,520	161,820,679	183,097,858

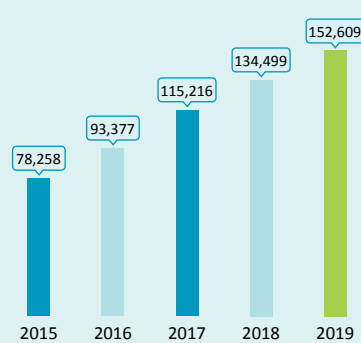
Non-Current Assets

Rs. Mn



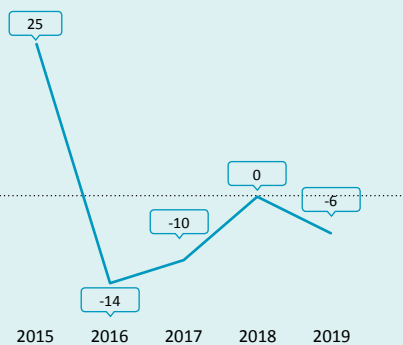
Accumulated Fund

Rs. Mn



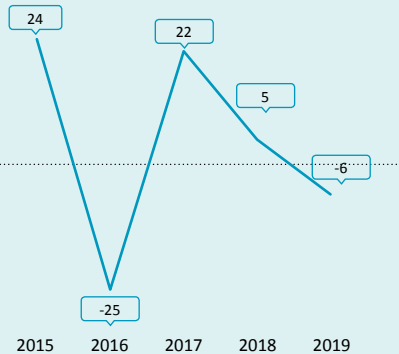
Growth in Operating Income

%



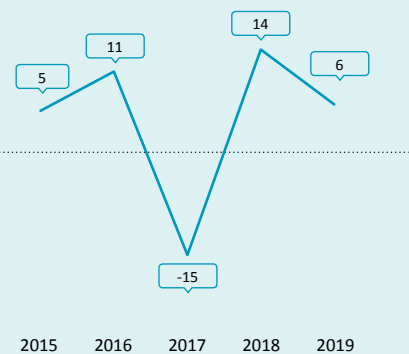
Growth in Retained Income

%



Growth in Administrative Expenses

%



RS. 183.09 MN

Assets

RS. 152.61 MN

Equity

RS. 18.53 MN

Revenue

RS. 21.08 MN

Finance and other income

RS. 18.11 MN

Total comprehensive income



Hon. Prime Minister Ranil Wickremesinghe receiving the 'Most Admired Leaders 2018' award for National Contribution, from ICC India President, Mr. Jawahar Vadivelu in September 2018 while Mr. Dinesh Weerakkody, Chairman ICC Sri Lanka looks on..



99x Technologies receiving award at the Most Admired Companies 2018 Awards



Fireside Chat 2019 featuring the Hon. Prime Minister Ranil Wickremesinghe and Dhammika Perera on one platform with Dinesh Weerakkody and Nisthar Cassim



CHAIRMAN'S MESSAGE

It is my great pleasure to present the Annual Report and Audited Accounts of the International Chamber of Commerce Sri Lanka (ICCSL) for the financial year 2018-19.

The year under review was both challenging and eventful for ICCSL as we faced a turbulent domestic environment, while our parent, the ICC, marked its centenary year. Within this backdrop, I am pleased to report that ICCSL has continued to remain focused on its primary strategic objective of facilitating trade and trade relationships between Sri Lankan and foreign business entities. In this regard, we organized and successfully conducted a full calendar of activities that provided many opportunities for our member companies to engage with, and learn from, the best, when it comes to international trade.

The year 2019 is a milestone year for the ICCSL as it marks 100 years of the ICC as a leading international trade body. The ICC celebrated this momentous occasion by organizing events across the globe, providing platforms for businesses around the world to interact and exchange ideas that would further augment the benefits of international trade, particularly for developing nations such as ours. We took this opportunity to directly engage with senior ICC decision makers to discuss opportunities for ICCSL to participate more actively in ICC global initiatives. I believe participation in such global events will expose more Sri Lankan companies to business opportunities through relationship building. We also moved proactively to promote the 'Invest Sri Lanka,' forum held in the UK in October 2018, to the ICC UK membership, with very positive outcomes. I am confident of opening up further opportunities for business interactions and promotional activities through the ICC, in the new financial year, in line with my vision to provide multiple channels for Sri Lankan businesses to reach out to new frontiers. I believe the ICCSL can play a key role in making Sri Lanka a trade hub in the Indian Ocean.

In our own home front, the ICCSL remained in the vanguard of business opinion setting and was a significant influencer of economic policy and economic growth direction. The ICCSL flagship forum, the Fireside Chat achieved two successes to its credit in 2018 and 2019, attracting key national figures, including the Prime Minister of Sri Lanka the Hon. Ranil Wickremesinghe, top business leaders and senior foreign diplomats, to provide insights into economic and trade topics. With over 1,000 representatives from the local business community at each Fireside Chat, I can definitely state that the ICCSL Fireside Chat has now evolved into a national business event.


Another milestone event that was launched during the year was the Most Admired Company of Sri Lanka Awards. We invited CIMA Sri Lanka to partner with us in recognizing not only financially stable companies but also the value they create for their shareholders, customers, employees and the general community. These awards attested the admiration of the nation. By recognizing the top 10 Most Admired Companies of Sri Lanka, the awards have become one of the most sought after awards in Sri Lanka and this showcases the standing that ICCSL has achieved as one of the premier business chamber in Sri Lanka.

While doing everything within our power to build a conducive policy and operational environment for businesses at home, we have also attempted to open up direct windows into external markets. The ICCSL's Trade Info Series have been designed to enable our members to establish contact with Trade Attachés at Sri Lankan High Commissions, in foreign shores. In fact, during the current financial year, many companies participated in a discussion with the Trade Attaché to better understand entry and operations to overseas markets. The ICCSL, together with the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) also facilitated a seminar on the Singapore Sri Lanka

Free Trade Agreement (FTA). We will continue to organize such linkages with key external diplomatic personnel in the new financial year to provide stepping stones for Sri Lankan businesses in foreign markets.

The ICCSL is the only authorized issuer of ATA Carnet in Sri Lanka and I am happy to report the growing awareness and progress in the use of ATA Carnet for duty-free and tax-free temporary import of goods, which is essential to build a value added export industry in Sri Lanka. During the year, we also continued to enhance our capacities to issue Certificates of Origin (CO) that directly support growth of Sri Lankan exports to the world. In addition, during the current financial year we introduced an ICCSL Corporate Membership Card for our members, which gives many benefits and privileges to our members through our partner merchants/retailers. This program was recognized by the Paris Chamber at the 100 year celebrations in Paris.

I would like to conclude by extending a note of appreciation to ICC our parent body, and all our partners for their support during the year. I would also like to express my thanks to all the ICCSL Board, the committees and staff who have worked tirelessly to serve our membership. As always, I appreciate and honour the trust of our members and ICCSL looks forward to serving you effectively in the coming years.



Dinesh Weerakkody
Chairman - ICC Sri Lanka



SECRETARY'S MESSAGE

I am pleased to announce 65 years of successful operations for the International Chamber of Commerce in Sri Lanka. ICC Paris, our Headquarters, Celebrated 100 years of trade facilitation as a leading private sector trade body with global representation of ICC in more than 130 countries and over 45 million. In recognition, ICC was given a seat at the United Nations. ICC SL, commemorated the 100 years, with a Bell Ringing Ceremony at the Colombo Stock Exchange, to celebrate the centenary year of the International Chamber of Commerce (ICC) Paris France.

ICCSL as the Sri Lankan Chapter of the of the ICC, has continued to advance Sri Lanka's economic growth through promotion and facilitation of international trade. I am pleased to report that we have made strong progress in this regard during the year, by strengthening external connectivity and domestic capacity by signing MOU with many professional organizations, by working with foreign embassies and foreign chambers.

ICC SL was also selected by the UNESCAP Bangkok to promote, facilitate and to conduct workshops for The Asia-Pacific Sustainable Financing and Development Initiative and ICCSL participated in the Oman and Bangkok environmental financing workshops, and will follow up with a Workshop organized jointly by ICC SL and UNESCAP in Colombo in October 2019.

During 2018, Sri Lanka's external sector experienced significant pressure, particularly during the second half of 2018, due to both external and domestic factors. On the external front, the stronger US dollar resulted in foreign investment outflows from emerging markets, including Sri Lanka.

The Central Bank data records that the Sri Lankan Governments, prudent implementation of remedial measures resulted in the situation coming under control and starting the recovery process in 2019. The Central Bank Annual Report, states the trade deficit declined significantly in November and December 2018 and the Sri Lankan rupee appreciated by over 3% in the first quarter of 2019.

The external trade policy environment was also reinforced during the year with Sri Lanka signing a bilateral trade agreement with Singapore in January 2018, which came into force in May 2018. Meanwhile, negotiations for bilateral trade agreements with Thailand, China and India continued.

The Generalized System of Preferences (GSP) facility offered by USA was extended through end 2020 and steps were taken to further improve the utilization of the GSP facilities of the USA and the European Union (EU). Since the reinstatement of the EU GSP+ scheme in May 2017, exports to the EU have continued to grow under this scheme.


In addition, laws against Anti-Dumping and Countervailing Duties and Safeguard Measures, were passed by Parliament to protect local industries from unfair trade practices. To increase exports, in July 2018, the National Export Strategy (NES) 2018-2022 was launched.

Against this macro backdrop, the ICCSL played its role with integrity and steadfastness to support trade expansion and international market linkages by providing multiple platforms for stakeholder networking and capacity building in Sri Lanka.

The ICCSL Fireside Chat 2018 and 2019, were resoundingly successful with around 900 participants, drawing top level participation from policy makers, international trade representatives and local businesses, thereby creating an unparalleled networking opportunity to promote trade and business growth.

The ICC SL organized a seminars the Sri Lanka-Singapore Free Trade Agreement (FTA) jointly with Chartered Accountants, to promote trade by interacting with local businesses regarding the application of the trade agreement and the opportunities presented by the trade agreements. To promote and enhance domestic business capacity, we continued to conduct awareness events on trade documentation, trade insurance and banking matters by having workshops in the Free Trade Zones introducing, INCOTERM, ATA Carnet, and the on line Country of Origin Certificate issued by ICCSL to the business community.

ICCSL, as a trade facilitation body, is guided by the needs and expectations of our members and during the year, we continued to structure our programs to meet knowledge and networking requirements of our members. As always, we are fully appreciative of the feedback we receive from our esteemed members and we encourage our members to engage with us in developing the ICCSL agenda for the future.



Anthony M Shanil Fernando
Secretary - ICC Sri Lanka

EXECUTIVE COMMITTEE 2018/19



Mr Dinesh Weerakkody
Chairman



Mr. Keerthi Gunawardane
Past Chairman



Mr. Tissa Jayaweera



Mr. Shanil Fernando
Hon. Secretary



CAPT. Nalin Peiris
Vice Chairman



Mr. Rohith Udalgama
Vice Chairman



Mr. Johnny Fernando
Vice Chairman



Mr. Hemakumara Gunasekera
Vice Chairman



Mr. Sivakrishnarajah Renganathan
Vice Chairman



Mr. Sheanath De Soysa
Treasurer



Mr. Rohan Masakorala



Ms. Manohari Abeyesekera



Mr. Dinesh Saparamadu



Mr. Janath Ilangantileke



Mr. P M Abeyesekera



Ms. Manisha Charmain
Rajanayake



Mrs. Chathuri Munaweera



Mrs. Indira Malwatte



Mrs. Nipunika Wijayaratne



Mr. Nihal Perera
Company Secretary

Executive Committee 2018/19 Contd.

Mr. Dinesh Weerakkody

Chairman

Dinesh is the Chairman of Hatton National Bank PLC, National Human Resource Development Council of Sri Lanka, and Cornucopia Sri Lanka. He is also an adviser to the Ministry of National Policies and Economic Affairs. He is a former Chairman of the Commercial Bank of Ceylon PLC and the Employees' Trust Fund Board of Sri Lanka. He is a Council Member of the Employers Federation of Ceylon and the Institute of Directors of Sri Lanka. He is a member of the CIMA Asia Pacific Industry Advisory Body. He is a Graduate in Business Administration (United Kingdom), a Fellow Member of both the Chartered Institute of Management Accountants (United Kingdom) and the Certified Management Accountants (Sri Lanka), a Professional Member of the Singapore Human Resource Institute and holds an MBA from the University of Leicester, United Kingdom. Mr Weerakkody has published widely on economics, banking and finance, human resources, leadership, management, international relations and development issues. He is an author of six books and is a regular business speaker / commentator.

Mr. Keerthi Gunawardane

Past Chairman

Keerthi has a qualification on Hypermedia Engineering from the Colombo University and a qualification on Multimedia Technology from the Colombo University. He has a Economics Special (Hons) Degree (1997-1981) from the Sri Jayewardenepura University. Keerthi began his career as the Sri Lanka State Trading (General) Company as a Management Trainee. He also worked at Toppan Moore (Colombo) Limited as the Marketing Manager / Director Marketing and at Graphic Systems (Pvt) Ltd., Graphic Systems International (Pvt) Ltd. as the Chairman / Managing Director. Keerthi is the National Bronze award Winner of the Sri Lanka Entrepreneur of the Year 1999 from the FCCISL and is a Provincial Merit Award winner, Western Province, Sri Lanka Entrepreneur of the Year 2001. Keerthi was

awarded the Pradeepa Pranama – 2107, a very special award from the Sri Jayewardenepura University for a few selected graduates who contributed to national development.

Mr. Tissa Jayaweera

Tissa has a National Diploma in Technology (NDT), a Bachelor of Science (BS), a Master in Science (MS) and a Doctorate in Business (PhD). Tissa has held positions as Chairman / Managing Director Lanka Ceramic Ltd, Noritake Lanka Porcelain (Pvt) Ltd, Lanka Walltile Ltd, Lanka Walltile Meepe (Pvt) Ltd, Lanka Tiles Ltd, Ceradec (Pvt) Ltd, Lanka Refractories Ltd, ITMIN Ltd, Director / Alternate Chairman JAIC Lanka (Pvt) Ltd, Advisor Japan Asia Investment Company Ltd President, American Chamber of Commerce, Royal Commonwealth Society Sri Lanka Branch, Federation of Chambers of Commerce and Industry of Sri Lanka, Executive Committee Member SAARC Chamber of Commerce and Industry. He is presently the Chairman of Chelsea Enamels (Pvt) Ltd, Managing Partner of TJ Associates, Director of Lanka Startex Marketing (Pvt) Ltd and 2nd Vice President SAARC Chamber of Commerce and Industry.

Mr. Shanil Fernando

Hon. Secretary

Shanil is the Chairmen of Asian Logistics Park Ltd and World Express CBM Ltd, an International freight forwarding, 3PL Warehousing, Providing Supply Chain Management Services to multinational companies in Sri Lanka. Shanil is Independent Director of the Colombo Stock Exchange, and The Central Depository System. Chairman of AFA Corporate Services Ltd, Company Secretaries and management Consultancy Company advising foreign investors to Sri Lanka, and handles company incorporation. Shanil obtained a First Class Honours and Prize in Commercial Law at the Sri Lanka Law College where he started the first Law Students Human Rights Society, has followed Postgraduate studies at the Queen Mary College, University of London, on a Commonwealth (Chevning) Scholarship, have followed postgraduate

courses at The University of Texas, USA, and University of Prince Edward Island Canada. Attended the Corporate Management Training in Tokyo Japan. Anthony Shanil Fernando, Attorney-at-Law, Solicitor, MBA, MsiArb, is Partner at Anton Fernando Associates Law firm. Shanil is Lawyer, Arbitrator, Notary Public, and Registered Trade Mark Agent and Company Secretary. Member of the Singapore Institute of Arbitrators, BASL, OPA. Shanil obtained a Master of Business Administration (MBA) degree from PIM, University of Sri Jayewardenepura. Shanil is a Task Force Member, of the ICC Commission on Arbitration and ADR, and has attended many international ICC workshops. Shanil is a certified trainer on Corporate Governance and was trained by Commonwealth Association for Corporate Governance London.

CAPT. Nalin Peiris

Vice Chairman

Nalin, who has been a Master on-board foreign-going vessels for 5 years and got his Master Mariner Class 1 Certificate of Competency, United Kingdom In 1977. His areas of expertise include recruitment and training of seafarers, ship management, port operations, port agency operations, chartering, bunker broking, marine protection & indemnity and marine insurance. Since December 2013, he is serving as the CEO of Manaco Marine Pvt Ltd, a company engaged in providing crew management, port agency services, chartering, maritime transportation & logistics, STS services and crew boat operators, providing maritime logistical support to shipping agents and foreign maritime security companies.

Mr. Rohith Udalagama

Vice Chairman

Rohitha is a professional with 38 years' experience in the telecommunications and IT industry encompassing a range of management roles with leading ICT companies in Sri Lanka. He is currently the Managing Director of Lanka Communication Services (LankaCom) Sri Lanka, where he has been employed since 1992.

LankaCom is a subsidiary of Singapore Telecom and is a leading provider of Internet and DataCom services to corporates/enterprises in Sri Lanka.

Mr. Johnny Fernando

Vice Chairman

Johnny, is a Co-owner, Director of Expo Industrial Group, which has diversified interests in apparel, food packaging, industrial printing, commercial printing, logistics management, engineering and construction, through Expo Property Developers (Pvt) Limited, Shore to Shore (Pvt) Limited, Expo Cargo Links (Pvt) Limited, Expo Industrial Engineering (Pvt) Limited, Expo Printers (Pvt) Limited and Expo Regional Holdings (Pvt) Limited. Mr Fernando counts more than 25 years of experience in senior positions within the Group. He, is a Deshabandu, Lankaputhra and a whole island Justice of Peace. He holds non-executive, independent Director positions at People's Leasing & Finance PLC, People's Merchant Finance PLC and Alliance Leasing And Finance Limited Bangladesh.

Mr. Hemakumara Gunasekera

Vice Chairman

Mr Gunasekera has a Postgraduate Certificate in HRM, from the Postgraduate Institute of Management and an MSc in Project Management from the AeU University, Malaysia. From 1987 – 1989 he was employed as the Coordinating Assistant to the Minister of Education. From 1990 – 1994 he was the Coordinating Assistant to the Minister of Industries & Science. From 1995 – 1997 he worked as the General Manager of the Institute of Management Planning Accounting and Computing. From 1997 – 2003 he served as the Director of the JMC Management Centre. From 2003 – 2005, he was the Executive Director of HuengIn Enterprises. From 2005 – 2010, he was the Executive Director of Ceykor (now Swisstech) and from 2010 to now he serves as a Director of Adam Lanka Institute Pvt Ltd. He is the Executive Director of Yoshida Shokanji International School, the Managing Partner of G Link International, Partner of Green Fabric

Enterprises and is a Professional Associate of People Focus Consulting, Tokyo, Japan.

Mr. Sivakrishnarajah Renganathan

Vice Chairman

Appointed to the pivotal position of Managing Director/ Chief Executive Officer of Commercial Bank of Ceylon Limited with effect from July 27, 2018, he has served Commercial Bank throughout the entirety of his career for more than 37 years and has held several key positions in the bank. In July 2003, he led the bank's acquisition of the Bangladesh operations of Credit Agricole Indosuez (CAI), Commercial Bank's first ever acquisition of a banking operation, and was appointed Country Manager – Bangladesh. He has served among others, as a Member of the General Council of the Institute of Bankers of Bangladesh, a founder President of the Sri Lanka Bangladesh Chamber of Commerce and Industry, an executive member of the Foreign Investors Chamber of Commerce and Industry in Bangladesh. He is a Fellow of the Chartered Institute of Management Accountants, UK (FCMA), Chartered Global Management Accountant (CGMA), London Institute of Banking & Finance, UK (FLIBF) and Institute of Bankers Sri Lanka (FIB).

Mr. Sheanath De Soysa

Hon. Treasurer

Sheanath has over 20 years of professional experience in the investment/ corporate banking and financial leasing sectors in the USA and in Sri Lanka, with over three years of professional work experience in the USA and 17 years of experience in Sri Lanka, which includes over 10 years in the banking sector. He has a Masters Degree in Business Administration (MBA) from American Graduate School of International Management (Thunderbird) Arizona, USA., and Bachelor of Science Degree in Business Administration (Finance) from Truman State University, Missouri, USA. He worked as a Director / General Manager in Seylan Merchant Leasing PLC, from 2000 to 2007 with a key part of the team tasked with

incorporating Seylan Merchant Leasing PLC as the flagship leasing subsidiary of Seylan Merchant Bank PLC. He also functioned as the first Director/ General Manager of the company with overall operational responsibility. He currently serves as a independent director of Sanasa Development bank.

Mr. Rohan Masakorala

Rohan is a Honors Graduate in Economics with a second major in Business Administration & Marketing from Connecticut State University U.S.A. he also has a Diploma in business management from Houston University Texas USA And is certified in supply chain management from Cranfield University U.K. He works as an independent shipping/trade consultant and writer/columnist and a UNESCAP certified trainer in shipping, international trade, logistics, and transport and trade facilitation. He has experience in the fields of export/import, ports, customs, shipping, international trade policy, logistics and supply chain management, for 26 years. Rohan is the CEO of the Shippers' Academy, Colombo.

Ms. Manohari Abeyesekera

Manohari is the Head of Strategic Business Development of Hayleys PLC, and is a Director of Hayleys Group Services Ltd. She is responsible for the Hayleys Group's acquisitions in new business, for transactions exceeding US \$200 Mn. An Alumnus of KPMG, Manohari is a Fellow of the Chartered Institute of Management Accountants -CIMA (UK) and a Fellow of the Institute of Chartered Accountants of Sri Lanka (ICASL). She read for an MBA from the University of Colombo, topping the batch and winning three gold medals. Her first degree is in Biology (First Class Honors) from the University of Colombo. Elected to the CIMA Sri Lanka Board in 2012, she was re-elected for a second term in 2015-2017. She also served in the CIMA Regional MESANA Board during the year 2017. Manohari was recognized by Women in Management Sri Lanka, as an Outstanding Career Woman in 2012.

Executive Committee 2018/19 Contd.

Mr. Dinesh Saparamadu

Dinesh is the Founder and CEO of the hSenid Group of Companies. He began his career with Aetna Life and Casualty, Connecticut, USA, where he worked on enterprise technology, and served as an Enterprise Technology Consultant. Then he joined Pepsi Cola, in Somers, New York, as a Software Engineer. With over 20 years of creative innovation in empowering human resource and mobile applications globally, he led hSenid to become a leading software development company operating from Australia, Africa, India, Singapore and Sri Lanka. Always an entrepreneur, his creativity and passion to build up new things has been the core to the company's operations and growth. In appreciation of his contribution to shape the ICT landscape of Sri Lanka for over 25 years, Dinesh has been recognized locally and internationally on several occasions. He was named the Entrepreneur of the Year.

Mr. Janath Ilangantileke

Janath is currently the Assistant General Manager - Trade & Financial Institutions at Hatton National Bank, PLC. He counts for over 20 years of experience in trade finance, financial institutions, training, audit and compliance, with local and overseas exposure. He holds a Honors degree in Leadership & Management from the University of Northumbria - UK and a Master's Degree from Manipal University India. He is an Associate of the Institute of Bankers Sri Lanka (AIB), an Associate Member of the Chartered Institute of Management Accounts - UK (ACMA - UK) and is also a Certified Global Management Accountant (CGMA) and a Certified Practicing Accountant (CPA-Australia).

Mr. P M Abeysekera

Mr Abeysekera is an experienced businessman with 38 years in the international commodity trade. He joined Eswaran Brothers in 1979 and held the position as Director Imports (Foods) of Eswaran Brothers (Foods) Private Ltd till 1999. During 2000-2007, he served as the Trade Representative for Limako Suiker B.V., a leading

sugar export company based in The Netherlands. In 2008-2014, he was appointed Country Manager for Energy Commerce BV, of the Netherlands, which involved management of a bonded warehouse operation for sugar, in Sri Lanka. From 2014 to date, he is engaged in the capacity of an international commodity trader, transacting business with many principals and trade houses – internationally for sugar, rice, dairy, spices, pulses and grains. Subsequently, he commenced the Vinu International Trading Company (Pvt) Ltd. being appointed as Managing Director /CEO.

Ms. Manisha Charmain Rajanayake

Manisha is the Finance Business Partner of Dilmah Ceylon Tea Company. She is a member of the Dilmah Chairman's strategic core team, responsible for looking into overall sustainability and wellbeing of the organization and advising the top management of the team's findings. Manisha's work experience spans over 3 different industries where she started her career at Citibank and then went on to MAS Intimates before joining Dilmah Ceylon Tea Company. She is an associate member of the Chartered Institute of Management Accountants – CIMA (UK) and has completed Chartered Financial Analyst Exams (CFA) on her first attempt over a period of 2 years.

Mrs. Chathuri Munaweera

Chathuri is a member of the Chartered Institute of Personnel Management., UK and also holds a postgraduate certificate in human resource management from the University of Sri Jayewardenepura. She is an attorney at law and holds a Bachelor of Laws and Master if Laws from the University of Colombo. She has successfully completed the international diploma in compliance of the International Compliance Association, UK. She is a committee member of the training council at the International Chamber of Commerce in Sri Lanka and was Chairperson of the HR Sub Committee of the Insurance Association if Sri Lanka for the years 2011/2012. Chathuri counts over 21 years of leadership experience in the fields of corporate law, litigation, compliance, company secretarial

practice, customer service and business operations and was previously the Director Human Resources of the company.

Mrs. Indira Malwatte

Ms. Indira Malwatte holding a Combined Degree in Economics and Geography from the University of Peradeniya Sri Lanka is the first woman Chairperson of the EDB. She has 40 years of experience in serving the Government both internationally and locally as a Top Export Promotion Officer facilitating exports and hands on experience as a COO serving in the private sector and exporting a highly perishable product and entering new and demanding markets where the Company had the honour of being the first Agricultural entity in Sri Lanka to be Global GAP Certified. She has an in-depth knowledge on multi-sectors ranging from Industrial, Agricultural and Services in Supply Chain Management and International Marketing. Ms. Indira Malwatte has served as the focal point on a number of World Bank, ITC, GIZ, CBI and JETRO export development projects. She has also served a number of Government and Private Sector Boards and undertaken a number of product development and export related consultancies. She also serves as a Member of the Advisory Board to the Ministry of Primary Industries.

Mrs. Nipunika Wijayaratne

Nipunika currently holds the post of Deputy General Manager (Transaction Banking & Financial Institutions) at People's Bank. She counts 29 years of experience in Trade Services and Financial Institutions. She has experience working at a multinational company before joining the Bank. Nipunika holds an Honours Degree in Agriculture from University of Peradeniya and a Masters Degree in Business Administration (Finance) from University of Colombo. She is an Associate of the Institute of Bankers Sri Lanka and a life member of the Trade Finance Association. She has also served as a committee member of the Banking Committee of ICCSL for several years.

ICC SRI LANKA SECRETARIAT TEAM



From Left:

M M M Asmi (Operations Team), **Kalani Bandaranayake** (Training and Development Team), **Soma Wijesinghe** (HR and Operations), **Harsha Priyantha** (Finance), **Nihara Nanayakkara** (Head of Secretariat), **Poornika Wijeratne** (Carnet and Finance Team), **V. Chandra** (Operations Team)



CHIEF OPERATING OFFICER'S REVIEW

It is with immense pleasure that I take this opportunity to welcome you all to the 53rd Annual General Meeting of ICC Sri Lanka in its 64th year of existence in Sri Lanka, having established operations in 1955. We join our parent body, ICC based in Paris, in celebrating its centenary year in 2019. This is a proud moment for us all. We at ICC Sri Lanka will align our local chamber with ICC's declaration on the next century of global business and the five pioneering campaigns identified. These campaigns aim to unlock the unique power of ICC's global network to achieve real change at scale—from protecting the planet, to ensuring decent work and economic opportunity for all.

Under the Chairmanship of Mr. Dinesh Weerakkody, we endeavored to serve our members better during the last year. ICCSL provides the platform for our members to connect with over 45 million members in over 130 countries having interests spanning every sector of private enterprise.

Chamber Excellence and Financial Stability

ICCSL recorded a revenue of Rs. 18.5 Mn for the 12 months ending 31st March 2018, an increase of 8% YOY mainly driven by the increase in income from membership revenue and income from Carnet. However, finance income increased by 8% to Rs. 18.5 Mn, benefiting from higher interest margins earned during the year. Other income amounted to Rs.2.5Mn benefited from profits from professional seminars conducted by ICCSL. Operational expenses for FY2018/19 have increased to Rs. 18.6Mn vs. Rs. 17.6Mn for the corresponding period, an increase of 6%. Profit Before Tax for 12 months ending March 2019 is at Rs. 20.9Mn vs. Rs. 21Mn in 2017/18, a marginal decline. Total Comprehensive Income decreased by 6% to Rs. 18.1Mn for 2018/19 vs. Rs.19.3Mn in 2017/18 owing to higher taxation during the year.

Performance of ATA Carnets remains significant to our operations

Over 300 Carnets were issued during the period under review amounting to Rs.12.7Mn, an increase of 5% YOY. The Carnets were mainly issued to cover countries such as China, Japan, UK and The European Union. The gem and jewelry sector remain the key sector driving Carnet income from members participating in foreign exhibitions.

Sustainably grow our membership base that is engaged while maximizing member experience

ICCSL Chamber continued to attract membership from both private and public quoted companies during the year under review. Membership revenue increased 46% YOY while we added 50 new member companies. To serve our members better, we have now introduced an exclusive Membership Privilege card, which entitles member companies to a range of discounts from over 50 retailers.

Build excellence in training and development professional seminars

ICCSL continued to facilitate professional workshops and seminars on trade finance, banking, foreign exchange, and trade agreements to name a few. We facilitated over 15 seminars to benefit our members and business community.

We will build ICCSL legislative influence and policy advocacy

The Chamber continues to be a watchdog and proactively identify issues to advocate on behalf of our members, while being a voice to be heard on national issues of concern to the business community and sustainable economic development.

Increasing ICCSL visibility in Sri Lanka

ICC Flagship events, both Fireside Chat 2018 featuring leading entrepreneurs in Sri Lanka and Fireside Chat 2019 featuring the Prime Minister and leading foreign envoys have been instrumental in elevating the chamber to new levels of recognition. This was also evident when ICC Sri Lanka invited CIMA to co-host the Most Admired Companies of Sri Lanka 2018 awards, recognising the top 10 companies that contribute excellent financial performance together with corporate responsibility.

Develop global business initiatives to facilitate overseas business opportunities boosted by the wider ICC global network

MOU's were signed with CMA, ACCA, PIM to further member benefits jointly and with ICC India to address regional cooperation.

We have proudly embraced our renewed purpose to enable our members and all stakeholders of the chamber to secure peace, prosperity and new business opportunities. We continue to encourage all ICCSL member companies to take active participation at our events and provide us with feedback to improve our services to you. My sincere gratitude goes out to all Committee chairs and members who continue to support our journey to provide excellence. We thank you for your continued support! In conclusion, a note of appreciation to my team at the Secretariat for their valuable services rendered during the year.



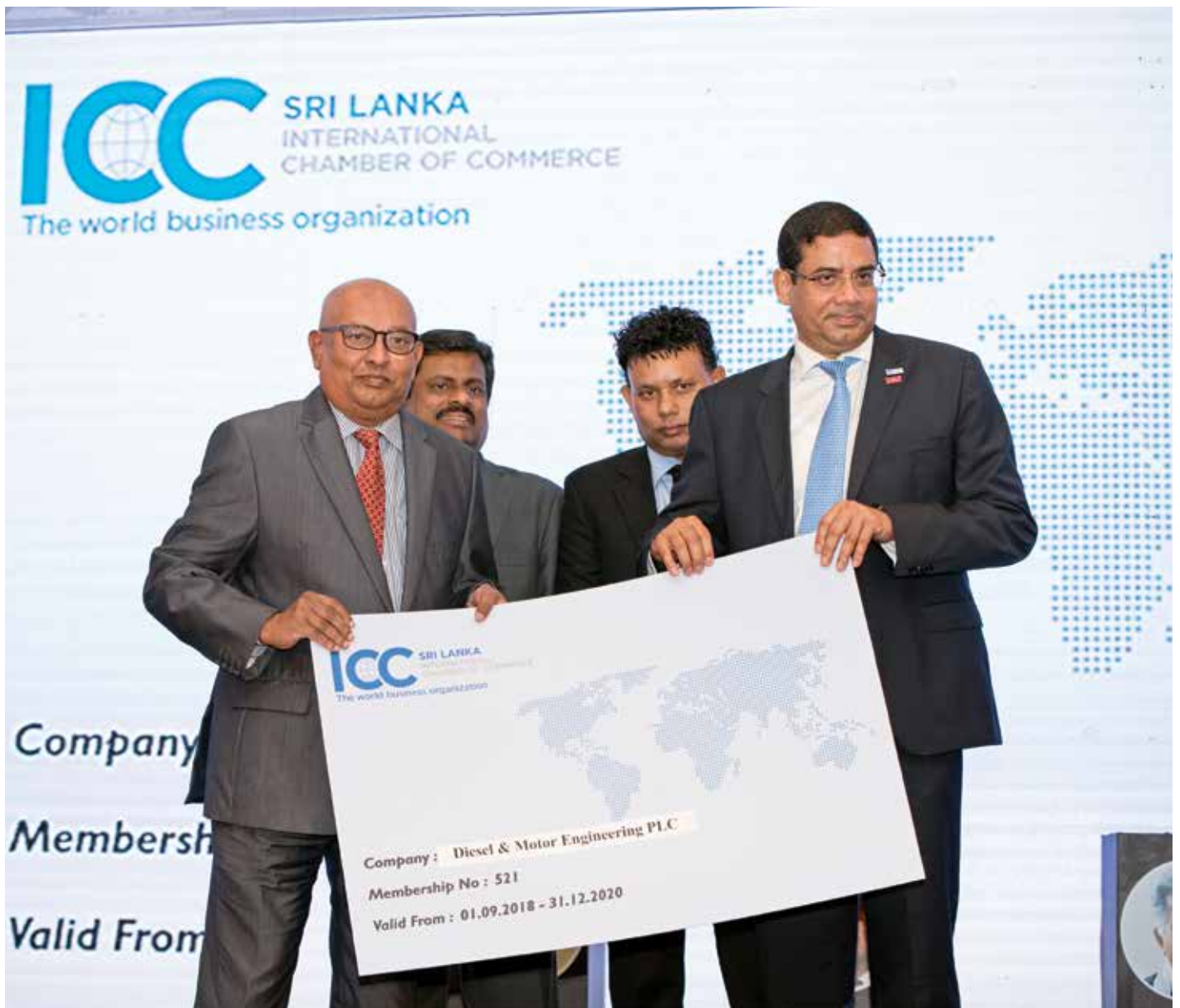
Nihara Nanayakkara
Chief Operating Officer



ICCSL was represented by Shanil Fernando, Hon. Secretary at UNESCAP meeting held in Oman in February 2019.



ICCSL hosted a joint one-day program with SLID on the Role of a Company Secretary in January 2019 at the JAIC Hilton.



ICCSL Membership Privilege Card was launched in September 2018 providing retail discounts to members.

ICCSL HIGHLIGHTS OF THE YEAR



Most Admired Companies of Sri Lanka Awards 2018

The Most Admired Companies of Sri Lanka 2018 was unveiled at the Awards Ceremony on Sunday, 9th September 2018 at Shangri-La, Colombo. The Awards were organised in partnership with CIMA Sri Lanka and Daily FT. The event was attended by Prime Minister Ranil Wickremesinghe as the Chief Guest, with CIMA President, Steven Swientozielskyj and ICC India President, Jawahar Vadivelu, as the Guests of Honor.

These awards were intended to recognize companies that are a cut above the rest, in terms of not just their financial performance but also on the value they create for their shareholders, customers, employees and the general community, thus attesting to the admiration of the nation. The companies within the top 10 are those that inspire other organizations and entrepreneurs. The “Most Admired Companies of Sri Lanka 2018” in alphabetical order are Aitken Spence PLC, Commercial Bank of Ceylon PLC, DFCC Bank PLC, Hayleys PLC, Hatton National Bank PLC, John Keells Holdings PLC, MJF Holdings Limited, Sampath Bank PLC, Sunshine Holdings PLC and 99X Technology Limited. Access Engineering PLC, Bank of Ceylon, People’s Bank, Seylan Bank PLC and Softlogic Holdings PLC, were also honorably mentioned in alphabetical order.



Another highlight of the event was the second segment that took place where the “Most Admired Leaders of Sri Lanka 2018” were awarded under three categories of; National Contribution, Business Accomplishments and Social Responsibility. Hon. Ranil Wickremesinghe, Prime Minister of Sri Lanka received award for National Contribution, Sohli Captain for Business Accomplishments and Merrill J Fernando for Social Responsibility.



ICCSL launches a new Membership Privilege Card

The ICCSL for the first time introduced a Membership Privilege Card for its members at the same ceremony. ICCSL is the only business chamber in Sri Lanka to introduce a membership privilege card to their members. The holder of the Membership Card will have access to various benefits and privileges offered by our program partner merchants/ retailers.



Fireside Chat 2018

The ICCSL Fireside Chat 2018 was held on 29th August 2018, at the Colombo Hilton featuring six bold and daring Sri Lankan entrepreneurs. This event attracted a large crowd of over 1,000 professionals. The Fireside Chat was organized by ICCSL in partnership with CIMA Sri Lanka and the Daily FT. The Sri Lankan Entrepreneurs who took the stage were Ashok Pathirage, Softlogic Group Founder Chairman and CEO, Dhammika Perera, Vallibel One Group Founder, Chairman and Managing Director, Merrill J. Fernando, MJF Group Founder and Chairman, Janak Hirdaramani, former Chairman and Director, Hirdaramani, Sumal Perera, Access Group Founder and Chairman and Harry Jayawardena, Stassen Group Chairman and Managing Director.



Fireside Chat 2019

Fireside chat 2019 was again organised by ICC Sri Lanka, together with Daily FT and CIMA on March 19 2019 at the Hilton Colombo. British High Commissioner James Dauris, the Chinese Deputy Chief of Mission, Hu Wei, European Union Delegation Deputy Head of Mission, Thorsten Bargfrede, Swiss Ambassador Hanspeter Mock, Canadian High Commissioner, David McKinnon, Netherlands Ambassador, Joanne Doornewaard, Malaysian High Commissioner, Tan Yang Thai, Bangladeshi High Commissioner, Riaz Hamidullah, Turkish Ambassador, Tunca Özçuhadar, and Indonesian Ambassador, Gusti Ngurah Ardiyasa, spoke at the event and listed some of Sri Lanka's key challenges, along with recommendations drawn from examples from their own countries around the world. The event also saw the participation of Prime Minister Ranil Wickremesinghe and business personality Dhammika Perera in the second segment.



ICC Represented at ICC Paris Meeting

Chairman ICC Sri Lanka, Mr. Dinesh Weerakkody with ICC Chairman, Mr. Paul Polman, former CEO of Unilever at ICC National Committees meeting held in May 2018 in Paris.



ICC Sri Lanka Strengthens Ties

ICCSL Chairman, Dinesh Weerakkody, met with Mary Kelly, Head of the National Committees and Membership of the International Chamber of Commerce, in Paris in January 2019, to discuss opportunities for ICCSL to participate more actively in ICC global initiatives.



Sri Lanka represented at Global Appeal 2019 organized by the Nippon Foundation

ICC Sri Lanka Secretary, Shanil Fernando, together with ICC Secretary General John Denton, participated at the 14th Global Appeal 2019, which took place in Delhi on 30 January 2019 organized by the Nippon Foundation, to create awareness on issues related to leprosy and discrimination. The event was supported by the International Chamber of Commerce (ICC) with the attendance of ICC Honorary Chairman Sunil Bharti Mittal.

ICC Sri Lanka meets ICC UK

Nihara Nanayakkara, Chief Operating Officer of ICC Sri Lanka paid a courtesy call on ICC UK Secretariat in October 2018. ICC UK joined as a partner together with ICC Sri Lanka to promote the Invest Sri Lanka forum held in the UK in October 2018, to their UK membership.

ICCSL Highlights of the Year Contd.



Modern Data Security, Challenges & Counter measures by the ICCSL

The International Chamber of Commerce Sri Lanka organized a modern data security Seminar given the rising concerns over cyber security breaches and their impact on organisations as well as individuals in May 2018. The keynote speech was delivered by a cyber-security consultancy firm CICRA Holdings Group CEO, Mr Boshan Dayaratne. The seminar concluded with an expert panel represented by CERT, Cargills Bank, Microsoft and moderated by Mr. Nisthar Cassim, Editor Daily FT.



ICCSL facilitates seminar on Sri Lanka - Singapore Free trade Agreement (SLSFTA)

The ICCSL, together with CA Sri Lanka facilitated a joint seminar on the Singapore Sri Lanka Free Trade Agreement (FTA) in April 2018. Presentations were made by Mr K J Weerasinghe, Chief Negotiator – National Negotiation Team on FTA, Dr. Samarappuli, Member of the Negotiating Team, Investments and Deshal De Mel, Negotiating Team – Trade in Services, Advisor, Ministry of Finance. The presentations were then followed by a panel discussion. Other Panelists included Mr Shanil Fernando, Secretary – ICCSL/Director – Colombo Stock Exchange and Ms. Gothami Silva - Director Department of Commerce. Mr Arjuna Herath – Partner, Ernst & Young moderated the panel discussion.



Good Banking, Bank Banks and Non-Performing Loans

The main speaker at this event was former Global President of the Association of Chartered Certified Accountants (ACCA) and BDO Ireland Partner Brian McEnery, who is a specialist in corporate recovery and insolvency. The presentation was on the topic 'Good Banking, Bad Banks, and Non-Performing Loans – Ireland's Experience'. McEnery shared his experience in working as a member of the Board of Directors of Ireland's specialist non-performing loan bank National Asset Management Agency (NAMA), which is the biggest NPL Bank in the world.



Strategies for Improving Workforce Productivity

The National Human Resources Development Council of Sri Lanka (NHRDC), together with ICC Sri Lanka, CA Sri Lanka, the AHRP organised a session on strategies to foster a culture of engagement and boost employee productivity in June 2018. Minister of Science, Technology and Research, Skills Development and Vocational Training Dr. Sarath Amunugama was present at the event as the Chief Guest. Seelan Singham a Senior Partner at McKinsey, delivered the keynote address. The session concluded with a panel discussion on how to improve HR Practices in the Public Sector. The panel included Simrin Singh, Country Director, ILO, Kanagasabapathy, President, Public Sector Wing, CA Sri Lanka, S. Ranugge, Member, Public Service Commission, Wasantha Perera, Director General, SLIDA, Pradeepa Kekulawala, President, AHRP. The session was moderated by the ICC Sri Lanka and National Human Resources Council Chairman Dinesh Weerakkody.



Budget Proposals for 2019/2020 for Human Capital Development

State Minister of Finance Eran Wickramaratne spoke at a forum titled 'Budget Proposals for 2019/2020 for Human Capital Development', organised by the National Human Resources Development Council (NHRDC), CA Sri Lanka, ICC Sri Lanka and the Daily FT. Australian High Commissioner Bryce Hutchesson also gave insights on the vocational training system followed in his country and advocated that the private sector should be integrated to give direction to the effort and also contribute to funding different programs.



International Trade Finance Seminar

ICCSL hosted an international seminar on Advanced Level of Documentary Credit and Guarantee Operations through latest opinions and docdex decisions, best international practices based on ICC rules by Pavel Andrie. Pavel is a trade finance specialist with over 25 years of experience in this field. He is a former banker, independent trainer and consultant and serves as a Secretary to ICC Czech Republic commission on banking and commercial law and practice. The workshop provided and suggested possible solutions for consideration and implementation by the participants. The two-day workshop was held at Hilton Colombo Residences in November 2018.



Bringing Skilled Workers into Sri Lanka

At a constructive discussion titled 'Bringing skilled foreign workers into Sri Lanka; is it a viable option?' organised by the NHRDC with CA Sri Lanka and the ICC Sri Lanka, experts outlined the possible challenges, responsibilities of authorities to safeguard the interests of Sri Lankan citizens and realistic solutions to uplift the skilled labour component of the economy. The keynote address was done by Institute of Policy Studies (IPS) Director Research Dr. Nisha Arunathilake. The Chief Guest was International Trade State Minister Sujeewa Senasinghe.



Capturing Value from Talent

A breakfast meeting, hosted jointly by ICCSL together with the NHRDC and McKinsey & Company, was held in September 2018. The Key note presentation was done by Arne Gast, Partner, Kuala Lumpur, McKinsey & Company on Leadership- capturing value from talent.

Discussion with the Insurance Regulator

The ICCSL facilitated a discussion forum for business entities including member companies with the representatives from the Insurance Regulatory Commission of Sri Lanka in February 2019. This discussion was followed by an open session giving participants the opportunity to interact and raise questions with the regulator on issues with insurance companies and their contracts. The key note presentation was done by Mr. Ranil Angunawela, Director Legal at Insurance Regulatory Commission of Sri Lanka. He was joined by Mr. Thanuj Edwards, Ainsley Alles and Janath Ilangantileke for the panel discussion. The topics covered during the session were marine and air insurance contracts and different covers, open cover policies, exclusion clauses in contracts and issues faced by bankers, exporters and importers when enforcing an insurance contract.

ICCSL Highlights of the Year Contd.



Company Secretaries Program

The ICCSL and the Sri Lanka Institute of Directors (SLID) conducted a refresher program on 'The Role of a Company Secretary' in February 2019 at the Hilton Colombo Residences with the Association of Board/Company Secretaries of Banks in Sri Lanka. The comprehensive course explained the duties of a company secretary, was a fully up-to-date and compliant with the legal responsibilities, as well as a practical understanding of the role of Board directors. The program covered the role and responsibilities of the company secretary when incorporating a company, statutory records that must be kept, documentation with the company registrar etc.



Seminar on Making Employment Laws Conducive for Investment

The NHRDC, CA Sri Lanka, Daily FT, and the ICC Sri Lanka, organized a public seminar to address the necessary policy interventions related to labour reforms in the country. Dr. Harsha de Silva was the Chief Guest, and Deputy Minister of Skills Development and Vocational Training Karunarathna Paranawithana participated as the Guest of Honour. The report of the Task Force on Labor Immigration with recommendations was handed over to the distinguished guests at the event. The keynote address was delivered by Former EFC Director General, ILO Franklyn Amarasinghe. The event was followed by a panel discussion with experts and audience participation. NHRDC and ICCSL Chairman Dinesh Weerakkody moderated the panel discussion.



Lessons from UK to Improve Public Sector Performance

ICC Sri Lanka together with CIMA Sri Lanka and NHRDC jointly arranged a session titled "Lessons from the UK to improve public sector performance," February 2019, at the Galadari Hotel, for public sector employees, mainly Ministry Secretaries, finance and accounting related staff as well as CIMA members in the public sector. The keynote address was by Steven Swientozielskyj, CIMA Global President, an international speaker and expert on world-class improvements relating to complex service issues. Swientozielskyj was joined by V. Kanagasabapathy, President of the Association of Public Finance Accountants, and the public sector wing of CA Sri Lanka.



Launch of the Trade Info Series

The ICCSL's Trade Info Series provides member organizations an audience to liaise with the Trade Attachés/ Minister (Commerce) at the Sri Lankan High Commissions, overseas. The first session was held with Mr. Gothami Silva, UK High Commission Trade Attaché designate in October 2018. The discussion addressed assessing the current level of trade with UK (with a particular interest to Sri Lankan exports), assessing the market entry barriers (both tariff and non-tariff measures, which are existing/possible threats) being faced by Sri Lankan companies at present or likely to face in the future, identifying the areas of export interests, including attraction of investment from UK and any other relevant trade information from UK requested by the present member organizations.



Invest SL Forum

ICC Sri Lanka, together with ICC UK, joined Colombo Stock Exchange as partners in the UK and Scotland, for Invest Sri Lanka forum held in October 2019. The Chief Guest at the event included Hon. Deputy Minister of Finance Eran Wickramaratne.

5th Asia Pacific CEO Forum

ICC Sri Lanka was represented at the 5th Asia Pacific CEO forum held in Jakarta, Indonesia by Shanil Fernando, Hon. Secretary, Hemakumara Gunasekara ICCSL Executive Committee member and other member company representatives in March 2019.



MOU's were signed with ACCA, CMA, PIM and ICC India

ICCSL signed several MOU's during the year for professional collaboration. These were signed with the Institute of Certified Management Accountants of Sri Lanka (CMA), ACCA and Post Graduate Institute of Management, Sri Jayewardenepura University and ICC India.



ICCSL Meets Chinese Economic Envoy

ICCSL Chairman, Dinesh Weerakkody and Secretary, Shanil Fernando, met with Chinese Economic and Commercial Counselor, Yang Zuoyuan and Second Secretary, Ran Xiong, to discuss opportunities for Chamber members to participate in key exhibitions to promote their product range at these exhibitions and also to promote business networking opportunities on a more regular basis. ICC Chairman discussed business networking opportunities with Chinese Commercial Counselor.

ICCSL meets with the Minister of Tourism with Gem and Jewellery Members

Members of the ICCSL associated with the Sri Lanka Gem and Jewellery Association met with Minister of Tourism Development, Hon. John Amararatunga, to discuss opportunities to promote Sri Lankan gems and Jewellery at international tourism events. ICCSL Chairman Dinesh Weerakkody, Treasurer Sheanath de Zoysa, SLPB MD Sutheash Balasubramaniam, and members of the Sri Lanka Gems and Jewellery Association, led by Gem Paradise Chairman A.H.M. Imtiaz, Altaf Iqbal, Rizvan Sahabdeen, Dinuk Jayasuriya (Sena Gems) and Mohamed Rizwan Sahabdeen (Sifani Fine Jewellery) were associated with the discussions. The Minister of Tourism agreed to showcase Sri Lanka's gems and Jewellery at Sri Lanka Tourism's promotion events overseas.



ICCSL Highlights of the Year Contd.**Policy Committee****Policy Committee**

This Committee addresses national issues and engages with the Government on a national platform by being vocal on many national issues of interest to the business community and our members.

Using the Chamber platform to be a watchdog and proactively identify issues to advocate on behalf of members, be a voice to be heard on national issues by developing policies and positions on issues and pursue discussions with government officials on national issues, providing support on policy analysis and communication efforts.

Foster good Government Relations, i.e. maintain influential relations with officials at the local, state and national levels and collaborate on a regional basis with ICC chambers and other business Chambers on common issues of interest.

Policy Committee Breakfast Meeting was held in February 2019

Left to Right: Mr Vasantha Kumar (People's Bank), Mr Rolf Blaser (A Baur & Co (Pvt) Ltd, Mr Bingumal Thewarathanthri (Standard Chartered Bank), Mr Shanil Fernando (Hon Sec ICC Sri Lanka), Mr Mano Sekaram (99X Technology Ltd), Mr Ravi Abeysuriya (Candor Group of Companies), Mr Chandra Shafter (Janashakthi Insurance PLC), Mr Vipula Jayabahu (Bank of Ceylon).



ATA Carnets

ATA Carnets

The ATA Carnet, is an international customs document that permits tax-free and duty-free temporary export and import of non-perishable goods for up to one year.

Only ICCSL has the authority to issue ATA Carnet in Sri Lanka.

ATA Carnet benefits for businesses:

- Allows duty-free and tax-free temporary export of goods for up to one year.
- Accepted in 87 countries including China, Japan, EU region, UK, USA and Australia.
- ATA Carnets cover almost any good from professional equipment to goods for use at trade fairs or exhibitions, such as computers, repair tools, photographic & film equipment, industrial machinery & equipment, gems & Jewellery, racing vehicles etc.
- ATA Carnet will expedite custom processes
- ATA Carnets reduce costs of exporting by eliminating value-added tax (VAT) and customs duties.
- Carnet holders are not required to post securities with customs.
- Carnets simplify customs border crossings and cut red tape by allowing importers and exporters to use a single document. ICCSL's Certificate of Origin (COO) is accepted worldwide
- Competent trade staff, able to provide expert support to Sri Lankan exporters, are available as part of the ICC global trade network.
- We issue both manual and online Certificate of Origin (e-CO's).
- Save time and money with ICCSL e-CO's as there's no courier charges, no travel and no waiting in queues.



Passport for goods

ICCSL Highlights of the Year Contd.

Certificate of Origin

Certificate of Origin

A Certificate of Origin (CO) is an important international trade document that certifies that goods in a particular export shipment are wholly obtained, produced, manufactured or processed in a particular country. They also serve as a declaration by the exporter.

Virtually every country in the world considers the origin of imported goods when determining the duty that will be applied or, in some cases, whether the goods may be legally imported at all.

Non-Preferential COs, which certify that the goods' country of origin does not qualify for any preferential treatment. These are the main type of COs that chambers issue and are also known as "ordinary COs."

Preferential COs, which certify that goods are subject to reduced tariffs or exemptions when they are exported to countries extending these privileges.

There are two types of COs that chambers can issue:

COs may be needed to comply with Letters of Credit, foreign Customs requirements or a buyer's request. While Chambers are the key agents of delivery of these international trade documents, other bodies, such as ministries or customs authorities may also have this privilege in certain countries.

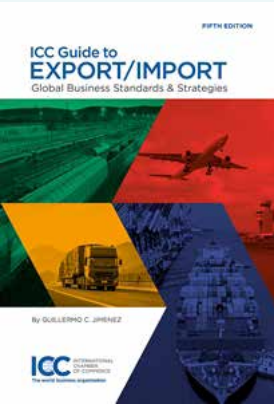
ICC Sri Lanka is the only Sri Lankan Chamber offering online CO's at very cost effective rates to customers. The service enables many exporters flexibility to obtain electronic CO's at their convenience 24/7.

ICC Publications

ICC Publications

ICC Publications is the publishing arm of the International Chamber of Commerce. It provide precious resources for international business; invaluable for bankers, lawyers, arbitrators and anyone involved in cross-border trade.

The list of products covers three broad categories-ICC standards and rules, practical guidelines, and reference works. The rules and accompanying guidelines, which form the core of the publishing program, are updated regularly to take account of technical developments and the evolution of commercial and banking practices. ICC’s best known publications, Uniform Customs and Practice for Documentary Credits (UCP) and the Incoterms® rules, have been translated into more than 30 languages.





Fireside Chat 2019, High Commissioner James Dauris receiving his plaque of appreciation from Hon. Prime Minister Ranil Wickremesinghe while Mr. Dhammika Perera looks on.



Fireside Chat 2019 featuring foreign envoys held in March 2019 at the Colombo Hilton.

ICC SRI LANKA MEMBER COMPANY NEWS

As a Business chamber we acknowledge the achievements of our member Companies and their contribution.



1. Nestlé awarded 'Sri Lanka's No.1 Most Valuable Food and Beverage Brand in 2018' by Brand Finance

Nestlé was once again ranked Sri Lanka's Most Valuable Food and Beverage Brand in 2018 by Brand Finance, in its annual report of Sri Lanka's most valuable and strongest brands. This marks the sixth consecutive year in which the company has been ranked amongst Sri Lanka's Top 10 'Most Valuable Brands'. Moving up from 2017, with an increase in its brand value, Nestlé secured an overall rank of Number 7 out of 100 corporate brands from varying industries. Nestlé, the world's largest food and Beverage Company, has been a part of Sri Lanka for 112 years. It is also one of the top five most valuable companies on the Colombo Stock Exchange in terms of market capitalization.



2. Cargills Bank excels with 3 awards - Lankapay Technovations Awards 2018

Cargills Bank won three awards at the recently concluded Lankapay Technovation Awards 2018. The bank secured merit awards for "Best application for Retail Payments – Acquirer Bank", "Bank of the Year for Financial Inclusivity – Category C", and "Best Common ATM Acquirer of the Year – Category C". Cargills Bank was also one of three nominees for the "Most Innovative Bank of the Year"



3. Sunshine Holdings joins elite rank of Business Today's Top 30

Diversified Sri Lankan conglomerate Sunshine Holdings PLC (CSE: SUN) was honoured at the 'Business Today Top 30' award ceremony, hosted by renowned business magazine 'Business Today'. Based on published information of companies listed on the Colombo Stock Exchange, the awards recognized the top 30 performers of Sri Lanka's private sector, for the financial year 2017/2018. Corporate luminaries were selected on outstanding performance for the period ending December 31, 2017 and March 31, 2018, assisted by KPMG Sri Lanka.



4. Commercial Bank and its MD honoured with prestigious accolades in Singapore

The Commercial Bank of Ceylon has started 2019 on a winning note, with the Bank being named one of "Asia's Greatest Brands" and its Managing Director Mr S. Renganathan being honoured as one of "Asia's Greatest Leaders" by the Asian Business & Social Forum (ABSF). The prestigious double accolades were presented to the Bank at the 3rd edition of 'Asia's Greatest Brands & Leaders' at Marina Bay Sands, Singapore, as part of the 'Pride of Asia' awards series of Asia One magazine and URS Consulting.



5. 99X Technology sweeps up double golds at NBEA 2018

Top honours were awarded to software product engineering specialist 99X Technology, as it won gold both in the ICT Services Sector category as well as in the Overall Medium category at the National Business Excellence Awards (NBEA) 2018, organized by the National Chamber of Commerce Sri Lanka. “This marks the first time we’ve won two Golds, which I believe shows 99X Technology’s dedication towards not just maintaining but constantly improving its business value, operational processes and overall performance among its peers,” noted 99X Technology Co-Founder and CEO Mano Sekaram.



6. Dilmah Conservation presents traditional healing with a new identity

Dilmah Conservation rings into the festive season of Christmas with a promise of good health and well-being with the launch of the traditional Sri Lankan first aid box and the publication ‘Hela Veda Ath Potha’ (Handbook on Traditional Home Remedies) held at the Arcade Independence Square Dilmah t- Lounge on 6 December 2018. The initiative which realises the Founder, Merrill J. Fernando’s resolve to carve a niche and unique identity for Sri Lanka’s unique medicinal heritage, lends the expression ‘No Compromise on Tradition,’ a special significance as Dilmah continues its 30-year milestone in the industry. The ‘Hela Veda Ath Potha’ (Handbook on Traditional Home Remedies) along with the accompanying traditional Sri Lankan first aid box is a continuation of Dilmah Conservation’s commitment to revive Sri Lanka’s rich cultural and traditional heritage.



7. DIMO recognized by Great Place to Work for Six Years in a row

It is with pleasure we announce that DIMO was recognized as one of the Top 25 Best Companies to Work for in Sri Lanka for 2018. This prestigious award was presented to DIMO at the Great Place to Work Awards held, 11th July at the Hilton Hotel, Colombo and it is the 06th consecutive year that DIMO made it to the Best Companies to Work for list in Sri Lanka. In addition, DIMO walked away with the Gold Award for Best PLC to Work for in Sri Lanka and Best in Extra Large Sized Enterprise Category for 2018. The special award for ‘Excellence in People Initiatives – Performance Management’ was also received by DIMO.



8. Hayleys PLC wins Gold for Overall Excellence at the 54th Annual Financial Reporting Awards

Hayleys PLC, Sri Lanka’s largest and most diversified conglomerate, emerged triumphant by winning the coveted ‘Cyril Gardiner Memorial Trophy’ Gold Award for Overall Excellence in Annual Financial Reporting at the grand finale of the 54th Annual Report Awards. Organised by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka), the 54th Annual Report Awards was held at the Shangri-La Hotel, Colombo under the patronage of Dr. Indrajit Coomaraswamy, the Governor of Central Bank. Hayleys PLC also won gold under the ‘Management Commentary Award’. Under the sector awards, Hayleys PLC shared the ‘Lal Jayasundara Memorial Trophy’ gold award for ‘Diversified Holdings (Groups above 10 Subsidiaries)’ with John Keells Holdings. As a group, Hayleys Group bagged a total of 12 awards.



Dinesh Weerakkody, Chairman ICC Sri Lanka with John Denton, Secretary General of ICC at Paris Centenary celebrations.



Paul Polman, ICC Chairman and former Unilever CEO speaking at Centenary celebrations in Paris.



ICC Sri Lanka recognized at the NC Initiative of the Year Award 2018-19 by ICC for Membership Privilege Card program.

MANAGEMENT DISCUSSION AND ANALYSIS

Global economy

After reaching a 4% growth in 2017, global growth in 2018 remained strong, at 3.8% within the first half of the year, but dropped to 3.2% in the second half, according to the International Monetary Fund's World Economic Outlook. The slowdown in growth momentum is attributed to the wider repercussions of trade tensions and tariff hikes between the United States and China, the decline in business confidence, a tightening of financial conditions, and higher policy uncertainty across many economies.

The Chinese economy reflected this trend with growth decline from 6.8% in the first half of 2018, to 6.0% in the second half of the year in the wake of domestic regulatory tightening and diminishing export orders due to US tariff actions. The resulting weakening in import demand appeared to have impacts on trading partner exports in Asia and Europe. Among other emerging market economies, economic growth fell back due to weaker global financial market sentiments and country-specific factors.

Advanced economies also faced some challenges with the euro area slowing more than expected due to weakening consumer and business sentiment, delays from the new fuel emission standards for diesel-powered vehicles in Germany, policy uncertainty in Italy, and street protests in France. Growing concerns about a no-deal Brexit may have also impacted investment spending within the euro area. Euro area exports softened considerably, in part because of weak intra-euro-area trade, which exacerbated poor sentiment across the currency area. In Japan, largely due to natural disasters in the third quarter, growth declined. However, the United States remained robust amid a tight labor market and strong consumption

growth, but investment appeared to soften in the second half of the year.

Global growth is forecast at 3.2% in 2019, picking up to 3.5% in 2020. GDP releases so far this year, together with generally softening inflation, point to weaker-than-anticipated global activity. Investment and demand for consumer durables have been subdued across advanced and emerging market economies as firms and households continue to hold back on long-range spending. Accordingly, global trade, which is intensive in machinery and consumer durables, remains sluggish. The projected growth pickup in 2020 is precarious, presuming stabilization in currently stressed emerging market and developing economies and progress toward resolving trade policy differences.

Sri Lankan economic performance

The economic growth in Sri Lanka declined to 3.2% in 2018, in real terms, compared to 3.4 % in 2017. Favourable weather conditions that prevailed in the major cultivation areas enabled a strong recovery in agricultural activities throughout the year, resulting in a bumper paddy harvest during the year. The value added of Agriculture activities grew by 4.8 % in 2018 against 0.4 % contraction recorded in 2017.

The value added of services activities expanded during 2018, registering a growth of 4.7 % , in comparison to 3.6 % growth recorded in 2017. This growth in Services activities was primarily driven by the robust growth in financial services. Further, the improvement in other personal services and the continuous expansion observed in wholesale and retail trade activities contributed to the growth in Services activities. Moreover, the growth in transportation activities, real estate,

insurance, accommodation, professional services, education, telecommunication, human health and IT programming activities supported the growth performance in services activities.

The general price level as measured by the National Consumer Price Index (NCPI, 2013=100) and Colombo Consumer Price Index (CCPI, 2013=100),¹ exhibited mixed movements during 2018 and largely followed the movement of prices of the items in the food category. Owing to supply side improvements supported by favourable weather conditions that prevailed during most parts of 2018, prices of items in the food category mostly remained at low levels during the year. The prices of items in the non-food category, which moved on an increasing trend during the year, except for December 2018, contributed partially towards the upward movement of the general price level.

The headline inflation, as measured by year-on-year change in the NCPI, exhibited an overall declining trend with mixed movements during 2018. As such, the NCPI based year-on-year headline inflation remained below 4.0 % during 2018, except for January, which recorded 5.4%. In October 2018, the headline inflation declined to 0.1%, recording the lowest value since January 2016.

Following a busy year packed with many events and activities aimed at promoting trade awareness and business skills of Sri Lankan businesses, the ICCSL has recorded a steady growth in revenue from Rs 17.21 million in the financial year 2017-18, to Rs 18.53 million as at the end of the financial year 2018-19.

FINANCIAL REVIEW

Revenue driven by Carnet income

Revenue of ATA Carnets increased during the year owing to more awareness and opportunities in the market for customers to avail of this facility. Our main source of revenue remains income from ATA Carnets, which accounted for 60% of the share of revenue in 2019 vs. 54% in 2018. Membership fees accounted for 19% of revenue for 2019 vs. 12% in the preceding year. Income from professional training activities also increased during the year to 7% vs. 4% during the preceding year.

Carnet income increased by 5% YOY to Rs. 12.7Mn vs. Rs.12.1Mn in the preceding year. Carnets are mainly issued to temporary export goods and this facility can be availed when taking goods to China, Japan, UK and The European Union. The Gem and Jewellery sector remain the key sector driving Carnet income from members participating in foreign exhibitions. To increase the awareness of ATA Carnet, ICCSL

initiated many awareness programs with the patronage of the Export Development Board (EDB) and the Ministry of Tourism during the last year. In addition, ICCSL member companies are now able to participate in overseas promotions/ exhibitions undertaken by the Ministry of Tourism. Carnet income has seen a significant drop during the last 5 years from Rs. 19.01 million in 2013 to Rs 12.71 million in 2019. However, we are positive that the growth during this year will continue with more opportunities for customers to participate in foreign exhibitions and with more state patronage to encourage SME's to look for overseas buyers.

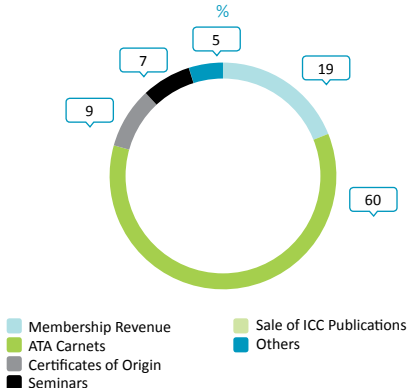
Growth in Membership

Revenue from membership activities also increased during the year from 12% to 19% amounting to Rs. 4Mn. The membership revenue has increased from Rs 2.02 million in 2013 to Rs 3.98 million in 2019, while total number of members grew to 276 member organisations. Membership revenue

increased by 46% YOY and many activities were undertaken to improve member engagement with the Chamber. The Chamber has a dedicated membership officer to handle member related queries. This has resulted in more collaboration across our member base with more insight into who are members are and why they join and what they value from ICCSL.

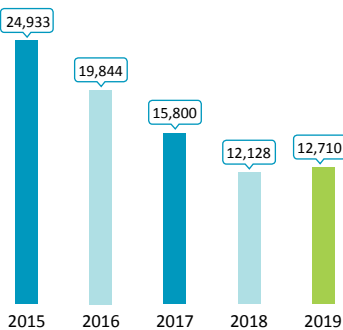
We improved our communication strategy to members with greater segmentation and knowledge, resulting in more targeted communication on what is important to members. This has resulted in greater retention of members during the year. The Chamber has been able to attract a larger number of Public Quoted companies to our portfolio (over 20%), reflecting the value-seen by these companies for ICCSL membership.

Total Operating Income 2019



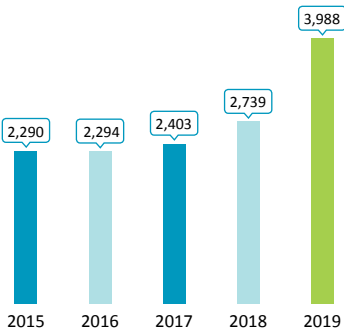
ATA Carnets

Rs. Mn



Membership Revenue

Rs. Mn



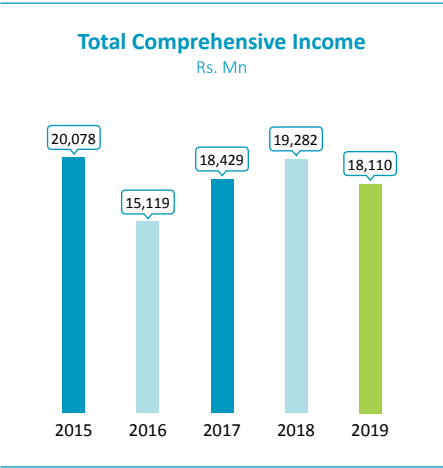
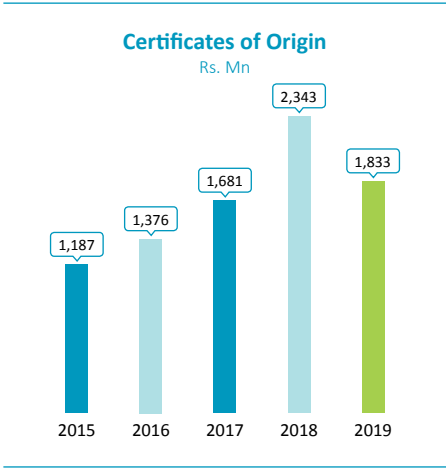
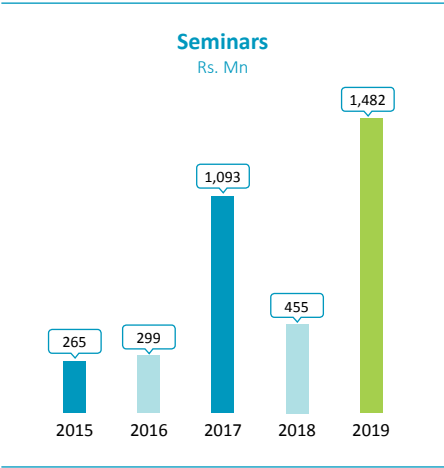
Financial Review Contd.



Training income

Income generated from professional seminars which was Rs 396,865 in 2013 grew to Rs 1.48 million in 2019. The training calendar was full for ICCSL during the year as we looked to promote more income from this segment. More than 15 seminars were held during the year. The seminars covered international trade, free trade agreements, cyber security, insurance, education to name a few. ICCSL tied up with many other professional institutions to jointly promote mutually beneficial workshops for members which have proven to be successful drawing on one another's synergies.

Income from Certificates of Origin has increased from Rs 550,457 in 2013 to Rs 1.83 million in 2019.



Administration expenses increased during the year from Rs 17.66 million to Rs 18.72 million which resulted in profit before tax declining from Rs 21.01 million in the previous financial year to Rs 20.89 million as at end March 2019. The total tax payment by the ICCSL also increased from Rs 1.73 million to Rs 2.78 million in the current financial year.

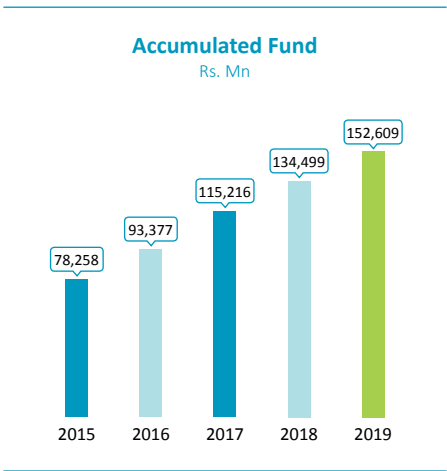
Consequently ICCSL recorded a total comprehensive income of Rs 18.11 million for the financial year 2018-19, compared to Rs 19.28 million reported for the previous financial year.

Balance Sheet

The total assets of the ICCSL increased from Rs 161.82 million in the previous financial year to Rs 183.10 as at the end of the 2018-19 financial year. This growth was due primarily to expansion in short term financial assets from Rs 128.18 million in 2017-18 to Rs 163.65 million in the current financial year and the growth in trade and other receivables from Rs 4.10 million to Rs 4.73 million. The accumulated fund of the ICCSL expanded from Rs 135.01 million to Rs 152.61 million by the end of the financial year under review.

Chamber HR Management

The ICCSL Secretariat team comprises 8 members with 6 staff members in the management team. As a business chamber that is proud of its achievements during the year, the results would not have been possible but for a dedicated and efficient team. We look to enhance the lives of all our employees and recognize loyalty, and performance during the year. The staff



members are encouraged and sent on personal development programs of their choice.

In terms of gender equality, within the Chamber over 60% are women while at the Executive Board level 26% are women.

Summary and Outlook

Although economic conditions have been tough for many business organizations with subdued earnings growth, ICCSL is happy with our performance during 2019. We will continue to grow profitably while we continue to enable growth through more engagements with members and wider stakeholder community. We will continue to make positive transformations towards modernizing and improving operational capabilities. We will focus more on being more member focused while adapting to the changing needs of our members, customers and our business.

CORPORATE GOVERNANCE

ICC GLOBAL NETWORK and GOVERNANCE

ICC is the world's most networked business organization. Our direct reach to over 6 million businesses in more than 130 countries is just one part of our unique global footprint. ICC's world chambers network comprises a further 40 million companies - giving us a total employment footprint of more than 1 billion people. ICC's unparalleled reach means we are uniquely placed to understand the daily challenges faced by businesses throughout the world - from micro-enterprises in Asia to American multinationals. ICC delivers solutions that combine a global perspective and local expertise with one core purpose: to enable business as an engine of inclusive growth.

Our global headquarters in Paris is complemented by our network of local offices and chambers - providing a seamless service to members and stakeholders wherever you are in the world.

National committees, groups, and direct members form the global network that makes ICC unique among business organizations.

ICC members shape the organization's policies and, through their national committees, alert their governments to international business concerns. Companies, banks, law firms, chambers of commerce, individuals, associations, and other organizations located in a country where ICC has a national committee or group must join ICC through the national committee or group, and automatically become a member of ICC at both the international and national level. In countries where a national committee has yet to be formed, companies, banks, law

firms, chambers of commerce, individuals, associations, and other organizations can join ICC by becoming a direct member.

With members in more than 130 countries, ICC is the only business organization that is so broadly representative of every facet of business.

ICC brings together companies of all sizes and sectors. Our membership includes many of the world's biggest, most influential companies as well as a multitude of smaller businesses. Through membership of ICC, companies shape rules and policies that stimulate international trade and investment. These companies in turn count on ICC influence to get business views across to governments and intergovernmental organizations, whose decisions affect corporate finances and operations worldwide.

Governance - ICC Sri Lanka

ICC Sri Lanka is governed by the policies and framework of our parent, ICC. Good governance is essential to creating business associations that are independent and mission-driven, can grow a broad membership base, can be responsible financial stewards, provide membership services, and effectively represent their member interests in the public policy process. ICC Sri Lanka integrates not only the good governance principles advocated by ICC but also the World Chambers Federations (WCF). ICC Sri Lanka as a membership-based organization and good governance lies at the very heart of building a dynamic, sustainable, independent, representative and effective business organization that is not only responsible to

our parent organization but also to members, customers, partners, employees, suppliers and all other stakeholders. ICC Sri Lanka addresses governance as key factors in creating business associations that can fulfill their role of strengthening their members and representing private sector interests in the public policy process at all levels of government.

ICC Sri Lanka is a not-for-profit membership based legal entity incorporated under the Companies Act of 2007. The Governance framework for the Chamber follows these main principles listed below.

1. Creating an independent, mission- and member-driven association

ICCSL's governance framework creates an independent, effective, mission-driven business association that represent their members' interests, create value, and fulfill their broader role in society.

- ICCSL espouses democratic principles in its governance as it relates to the selection of board members, their activities, and treatment of members. The focus is placed on creating transparent processes for leadership selection and decision-making. Recognizing that different membership tiers may have different rights and obligations, ICC nonetheless treats all members fairly, is transparent in its decisions and activities, and espouses equal access to information.
- ICCSL's governance framework ensures that the Chamber represents the broad interests of its membership and can be held accountable by its members.

- The Chamber is independent from external influence in governance or key management functions.
- Decision-makers of the Chamber is free from undue influence of individual members in carrying out their responsibilities.
- Decision-makers are impartial in their actions, exercise duty of care, avoid conflict of interest and act in the best interest of the association.
- The structure of the board is such that it properly represents its membership.
- The Chamber governance framework ensures that board members and staff are responsible and held accountable for their actions and decisions. A proper management system to ensure a productive relationship between board and staff is put into place.
- Programs and activities of the Chamber is consistent with its mission.

Members as owners of ICCSL

ICCSL recognizes that members are the foundation of its existence and enables them to act as informed and active owners, ensuring that governance is carried out in a transparent and accountable manner, with the necessary degree of professionalism and effectiveness.

- ICCSL member rights include the right to obtain relevant and material information on the association in a timely and regular basis, participate and vote in general meetings and become part of the decision-making process.
- Basic member responsibilities include being active in the organization, paying dues in full and in a timely manner, remaining loyal to the organization and not undermining it and observing the bylaws.

- Member rights and responsibilities are clearly defined in the bylaws and are accessible to all members.
- Members are engaged in composing the board and removing members of the board according to clear and transparent rules and procedures.
- Members have the right to participate in and to be sufficiently informed on, decisions concerning fundamental changes in association structure such as: amendments to bylaws, articles of incorporation, or similar governing documents of the association.
- Members have the opportunity to participate effectively and vote in general meetings and are informed of the rules, including voting procedures, that govern general meetings and empowers all members to exercise their ownership rights.
- The Chamber ensures fair and equitable treatment of all members.

2. The role, structure, and responsibilities of the Executive Committee

The association governance framework should create a board that ensures strategic direction, develops policy and monitors implementation; ensures compliance with organizational and national laws, regulations and relevant ethical standards; ensures proper management by professional staff; and ensures accountability and openness.

- There is clear separation of governance and management within the Chamber. The Chamber fulfills its functions with the goal of achieving a proper balance between the volunteer-driven Executive Committee and staff-driven management.

- There are clearly defined responsibilities of the board and the executive staff that ensure that the division of labor and responsibilities are properly implemented.
- The size of the board is consistent with the structure of the Chamber and membership.
- Board members should act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Chamber and its members while complying with all relevant laws and regulations.
- ICCSL promotes complementary skills and backgrounds among board members to ensure a board that can fulfill its responsibilities.
- There are consistent guidelines on term limits for board members, which is fairly and consistently enforced.
- The Executive Committee ensures that all entities operating within the organization subscribe to its principles and do not become autonomous.
- The Executive Committee are accountable to the members of the association they represent.
- There is established criteria for evaluating and measuring the performance of board members and key executives.
- Board members subscribe to high ethical standards in the association as well as in their own businesses and adopt and subscribe to an ethics code and a code of conduct.
- In order to fulfill their responsibilities, board members should have access to accurate, relevant, and timely information. Board members should also receive relevant training at appropriate intervals of their tenure and general orientation upon assuming the position.

Corporate Governance Contd.

- The association has put into place whistle-blowing procedures to ensure that violations are properly reported and addressed without harassment.
- The Executive Committee fulfills the following key functions:
 - a. Ensuring compliance with the bylaws of the association.
 - b. Reviewing, approving, and monitoring the implementation of Chamber strategy, major plans of action, risk policy, annual budgets, and business plans; setting performance objectives for key executives and the organization overall; monitoring implementation and association performance; and overseeing major financial expenditures and partnerships.
 - c. Monitoring the effectiveness of the association's governance practices and making changes as needed.
 - d. Selecting, compensating, monitoring, and, when necessary, replacing key executives and overseeing succession planning.
 - e. Ensuring a formal and transparent board nomination and election process and developing clearly defined board member qualifications.
 - f. Establishing and empowering key board committees such as the Audit Committee, Executive Committee, Membership Committee, Nominations Committee and Policy Advocacy Committee
 - g. Monitoring and managing potential conflicts of interest between management and board members and avoiding self-dealing.
 - h. Ensuring the integrity of the association's accounting and

financial reporting systems, including the independent audit, and that appropriate systems of control are in place — in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.

- i. Overseeing the process of disclosure and communications while building the organization's public image. The board is responsible for clearly defining who shall be the spokesperson for the association and under what conditions and with what authority this person might represent the organization in a public environment.

3. Disclosure and transparency

ICCSL ensures that timely and accurate disclosure is made on all material matters regarding the association, including financial situation, performance, membership, and governance.

Disclosure to members of the association as its owners, is essential.

- a. Members of the board and key executives should be required to disclose to the board whether they, directly, indirectly, or on behalf of third parties, have a material interest in any transaction or matter directly affecting the association.
- b. Information should be prepared and disclosed in accordance with high quality standards of accounting and financial and nonfinancial disclosure.
- c. An annual audit should be conducted by an independent, competent, and qualified auditor in order to provide an external and objective assurance to the

board and members that the financial statements fairly represent the financial position and performance of the association in all material respects.

- d. External auditors should be accountable to members and owe a duty to associations to exercise due professional care in the conduct of the audit.

4. Relationship with stakeholders

The association governance framework ensures that relationships with key stakeholders are properly disclosed and are initiated in the best interests of all members of the association.

- a. Any and all of the relationships with stakeholders, whether established through law or mutual agreements of cooperation, must be made known to the full board of directors, including terms and conditions of the agreement, communication channels, and timelines, where appropriate.
- b. Where formal agreements with stakeholders do not exist, an association governance framework should establish a classification of key stakeholders and proper channels of communication with them, making it available to the board and key executive staff.
- c. The board should designate proper oversight and liaison to the chief staff executive for these relationships, or engage a standing, or special committee, to handle it.
- d. Any relations with government officials, especially in the context of advocacy, should be open and transparent. An association governance framework should ensure that an organization remains non-partisan in its interaction with government and its agencies.

e. In working with national or international donor organizations, associations should ensure that any of the programs they implement are in the interest of their members.

The Chamber Secretariat

The Chief Operating Officer

The Chief Operating Officer (COO) of the Chamber acts as the Head of the Secretariat and is responsible for the efficient functioning of the Chamber and the implementation of all decisions of the Executive Committee and in so doing, acts under the general control of the Chairman and the board.

Secretariat Team

The Secretariat Team is small but efficient. The team members cover the following functions; finance, HR and operations, membership, training and development, PR and communications, and chamber product services - Carnet and Country of Origin. The organizational structure of the team is shown below.

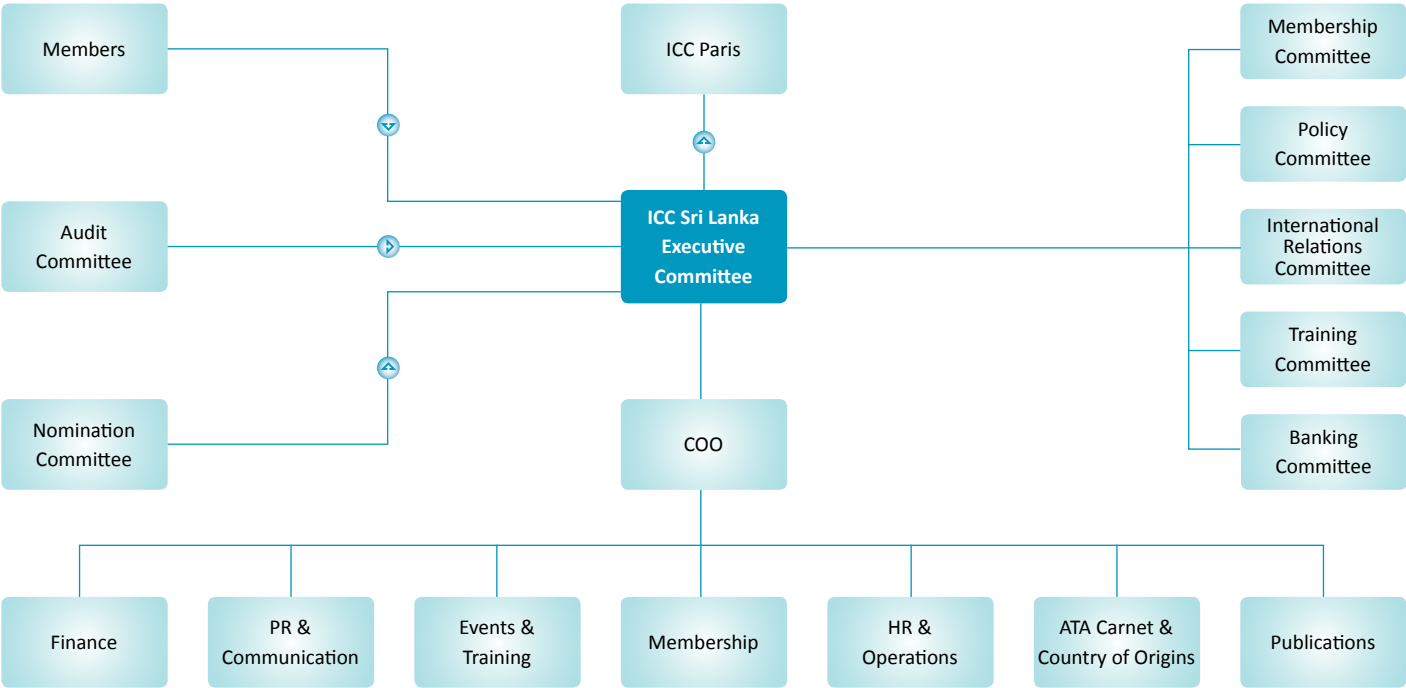
Chamber Strategy

Under the Chairman’s vision to be the leading business chamber in Sri Lanka, a new strategic direction was formulated at the beginning of the year. The committees were re-structured and each committee was given a strategic direction in line with the overall

mission to achieve profitability and growth, while contributing to the upliftment of all members and the business community as a whole.

The strategic objectives for the year are:
Strategic Objective #1: Sustainably grow our membership base that is engaged, while maximizing member experience - (Driven by the EXCO/Membership Committee)
Strategic Objective #2: Build excellence in training and development - (Driven by the EXCO/Training Committee)
Strategic Objective #3: We will build ICCSL legislative influence and policy advocacy (Driven by the EXCO/ Policy Advocacy Committee)

The Organizational Chart of ICCSL



Corporate Governance Contd.

Strategic Objective #4: We will build ICCSL visibility in Sri Lanka (Driven by the Chairman/ EXCO)

Strategic Objective #5: Develop global business initiatives to facilitate overseas business opportunities (Driven by the EXCO/ International Relations Committee)

Strategic Objective #6: Chamber excellence and financial stability - (Driven by the Chairman and the EXCO)

The strategic objectives provide not only for the committees to function efficiently but also provides to devise specific roles for each staff member within the Secretariat. The staff duties are assigned at the beginning of the financial year and objectives are measured at the end of the year in line with the overall strategies of the Chamber. Performance measurements for all staff members are done and monitored during the year, including personal development.

Engaging with Stakeholders of the Chamber ICC Sri Lanka considers all stakeholder relationships as important to the efficient running of the chamber and the effective execution of our mission.

The Chamber stakeholders include;

- Members
- ICC international network
- Employees
- Customers
- MOU partners
- Sponsors
- Government institutions

The Chamber actively engages with all stakeholders through committees, events, programs, newsletters and the annual general meeting to name a few. The

Committee structure of ICCSL enables the efficient engagement of all stakeholders in the local and international platform.

Code of Ethics for Business

The ICCSL Executive Committee and the Chamber Secretariat follows the ICC guidelines for code of business conduct and ethics. The guidelines are published by ICC World Chambers Federation and Center for International Private Enterprise (CIPE), revised and published in June 2019 under the title 'Principles on Combating Corruption for Business Associations and Chamber of Commerce'.

- Anti-corruption principles
- Key elements of the compliance program initiated by the Chamber

- Policies, procedures, and practices to support compliance under finance and accounting, conflicts of interest, charitable contributions and sponsorships, patronage, gifts and hospitality, facilitation payments, human resources, membership and arbitration etc...
- Interactions with Chamber stakeholders in accordance with these principles



REPORT OF THE EXECUTIVE COMMITTEE ON AFFAIRS OF THE INSTITUTE

It is with great pleasure the Executive Committee presents to the Members, the Annual Report of the International Chamber of Commerce Sri Lanka for the year ended 31st March 2019.

This report includes information required by Companies Act No. 7 of 2007 and other necessary information required by the Listing Rules of the Colombo Stock Exchange (CSE).

Financial Statements

The Financial Statements for the year ended 31st March 2019 are set out in the Annual Report, pages 70 - 86.

Auditor's Report

The Auditors of the Company Messrs. Ernst & Young Chartered Accountants have carried out an audit on the Financial Statements prepared for the year ended 31st March 2019 which are set out in this Annual Report.

Accounting Policies

The Accounting policies adopted in the preparation of the Financial Statements are given in this Annual Report under Notes to the Financial Statements. The Executive Committee consider that, in preparing these Financial Statements, Sri Lanka accounting standards have been used which are applied consistently and supported by reasonable and prudent judgement and that all applicable accounting standards have been followed. The Financial Statements are prepared on a Going Concern basis.

Principal Activities of the Chamber

ICC Sri Lanka works to promote international trade, responsible business conduct and a global approach to regulation through a unique mix of advocacy and standard setting activities for all members and stakeholders of the Chamber.

Changes to the Nature of Business

There were no significant changes to the principal activities for the year ended 31st March 2019 as set out in this Annual Report.

Executive Committee's Responsibility for the Financial Statements

The Executive Committee is responsible for the preparation and fair presentation of these financial statements in accordance with the Sri Lanka Accounting Standard for small and medium size enterprises ("SLFRS for SMEs"). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Executive Committee is satisfied that the Financial Statements give a true and fair view of the state of affairs of the institute as well as the surplus for the year then ended.

Corporate Governance

A description of the Chambers Corporate Governance practices is set out in this Annual Report.

The Role of the Executive Committee

ICC Sri Lanka is administered by an Executive Committee consisting of a Chairman, 5 Vice-Chairmen, a Secretary, a Treasurer a Deputy Honorary Secretary and at least 10 other members elected by ICC Sri Lanka at the Annual General Meeting. The members of the Executive Committee and the other officers are appointed for a period of one year but shall be eligible for re-election. In the event of a vacancy occurring in the Executive Committee between one Annual General Meeting and another, the said vacancy will be filled by the Executive Committee.

Report of the Executive Committee on Affairs of the Institute Contd.

The names and attendance of the Executive Committee for FY2018/19 is listed below;

		Position	Number of meetings attended	Number of Meetings Eligible to Attended
01	Mr. Dinesh Weerakkody	Chairman	6	06
02	Mr. Shanil Fernando	Secretary	5	06
03	Mr. Sheanath De Soysa	Treasurer	6	06
04	Mr. Keerthi Gunawardena	Past Chairman	6	06
05	Capt. Nalin Peiris	Vice Chairman	4	06
06	Mr. S. Renganathan	Vice Chairman	2	06
07	Mr. Rohith Udagama	Vice Chairman	6	06
08	Mr. U.L.H. Gunasekera	Vice Chairman	6	06
09	Mr. Johnny Fernando	Vice Chairman	4	06
10	Mr. Tissa Jayaweera	Committee Member	5	06
11	Mr. Rohan Masakorala	Committee Member	3	06
12	Mrs. Manohari Abeysekera	Committee Member	4	06
13	Mr. Dinesh Saparamadu	Committee Member	4	06
14	Mr. P.M. Abeysekera	Committee Member	6	06
15	Mr. Janath Ilangantileke	Committee Member	4	06
16	Mrs. Manisha Rajanayake	Committee Member	3	03
17	Mrs. Chaturi Munaweera	Committee Member	2	03
18	Mrs. Shobani Prathapasinghe	Committee Member	5	06

Committees of ICC Sri Lanka

ICC Sri Lanka engages with members through a committee structure. The following Committees have been established and functioned during the year meeting regularly at the ICCSL Secretariat.

Audit Committee

Mrs. Manisha Rajanayake - Chairperson
Mrs. Chaturi Munaweera
Mr. Johnny Fernando

Nomination Committee

Mr. Dinesh Weerakkody, Chairman ICCSL
Mr. Shanil Fernando, Hony Secretary
Capt. Nalin Peiris, Vice Chairman

Policy Advocacy Committee

Mr. Chandra Schaffter - Chair
Mr. Shanil Fernando, Hony Secretary
Mr. Sheanath De Zoysa, Hony Treasurer
Member Company representatives

Banking Committee

Mr. Janath Ilangantileke - Convener
Representation from all local, private and foreign banks in Sri Lanka

Training and Development Committee

Mrs. Chaturi Munaweera - Committee Chair
Mr. Johnny Fernando
Mr. S Renganathan
Mrs. Manohari Abeysekera
Member Company Invitees

International Relations Committee

Mr. Shanil Fernando - Committee Chair
Mr. Keerthi Gunawardena
Mr. Dinesh Saparamadu
Mr. Rohith Udagama
Mr. Tissa Jayaweera
Mr. Hemakumara Gunasekera
Member Company Invitees

Membership Committee

Capt Nalin Peiris - Committee Chair
Mr P M Abeysekera
Mrs Manisha Rajanayake
Mr Janath Ilangathilake
Mr Hemakumara Gunasekera
Member company invitees

Executive Committee Members' Fees and Emoluments

All Executive Committee Members serve the board on a honorary capacity.

Property, Plant and Equipment

The details of the property plant & equipment of the Chambers additions during the year and the depreciation charges for the year are shown in Notes to the Financial Statements. The Executive Committee considers the cost of the property, plant & equipment as at 31st March 2019.

Statutory Payments

The Executive Committee, to the best of its knowledge and belief are satisfied that all statutory payments in relation to the Government are up-to-date.

Post Balance Sheet Events

There were no material events occurring after the reporting date which require to be disclosed in the Financial Statements.

Compliance

We certify that ICCSL complies with the prudent requirements, regulations, laws and internal controls and are taking measures to rectify any non-compliances.

Auditors

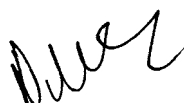
The financial statements for the period under review have been audited by Messrs. Ernst & Young Chartered Accountants. A Sum of Rs. 115,296/- has been paid as the Audit and Consultancy fee.

A resolution re-appointing Messrs Ernst & Young Chartered Accountant as the Auditors of the Institute and authorizing the Executive Members to determine their remuneration will be proposed at the Annual General Meeting

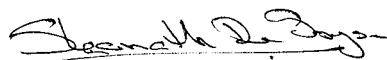
Annual General Meeting

The Annual General Meeting will be held at the Main Auditorium, Ministry of Tourism and Christian Affairs on 27th September 2019.

By order of the Executive Committee.



Dinesh Weerakkody
Chairman



Sheanath De Zoysa
Hony Treasurer

REPORT OF THE EXECUTIVE COMMITTEE SELECTION & NOMINATION COMMITTEE

It is the responsibility of the Nominations Committee to verify and recommend all nominations received for the Executive Committee. They ensure that all member candidates are in good standing and have been proposed and seconded by members of equal good standing and are qualified to vote and hold membership as per the constitution of ICC Sri Lanka.

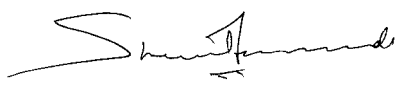
Composition of the Nomination Committee

Mr. Dinesh Weerakkody, Chairman
Mr. Shanil Fernando, Hon Secretary
Capt. Nalin Peiris, Vice Chairman

Responsibility of the Nominations Committee

- Call nominations from Members not less than 15 working days prior to the Annual General Meeting of Special General Meeting.
- To ensure that the nominations are received not less than 7 working days from the date of the notice calling for nominations.
- To scrutinize all the nominations received to ensure that the candidates and his/her proposer and seconder are members in good standing and qualified to vote and hold the Membership as per Constitution.
- To recommend candidates to the following positions:
 - Appointment to the Executive Committee
 - Appointment to fill vacancies of office bearers

On behalf of the Nomination committee



Shanil Fernando
Hony Secretary

REPORT BY THE AUDIT COMMITTEE

Committee Composition

The Audit Committee was appointed by the Board of Directors in December 2018. The committee comprises of three Executive Committee Members. The Chairman of the Audit committee is a qualified Chartered Accountant. The members of the committee during the year under review were:

- Mrs. Manisha Rajanayake (Chairman)
- Mr. Johnny Fernando
- Mrs. Chathuri Munaweera

Committee Meetings

The committee convened at least once a quarter with additional meetings held when required. At least 2 members of the committee were present at every meeting held. Mr Sheanath De Soysa Treasurer, Mrs Nihara Nanayakkara COO, Mr Harsha Priyantha Accountant & External Auditors (Representatives of E&Y) attended the meetings by invitation.

Role of the Committee

The role and responsibility of the committee is defined in the audit committee charter which has been approved by the Board of Directors. The main purpose of the committee is to assist the board in fulfilling its responsibilities by;

- Overseeing the preparation, presentation and adequacy of disclosures in the financial statements, in accordance with the Sri Lanka's Accounting Standards.
- Ensuring compliance with financial reporting requirements, information requirements of the Companies Act and other relevant financial reporting related regulations and requirements.

- Ensuring adequate systems for internal accounting and financial controls.
- Monitoring independence and performance of the Company's External auditors.
- Providing an avenue of communication among external auditors, the management and the board.

Internal Controls & Risk Management

The committee investigated the effectiveness and adequacy of the company's internal control system in areas which the committee acknowledged as significant risk areas. Below areas were identified and the committee required external audit assurance to reaffirm adequacy of internal controls and therefore requested Ernst & Young to take this on as special assignment together with the year end audit. This was approved by the Board of Directors. The recommendations/guidance received from the auditors were discussed, reviewed and instigated where applicable with Board approval.

Areas covered in the special assignment:

- Audit on Certificate of Origin income recognition and accounting.
- Audit on Carnet income recognition and accounting.
- Review of the current accounting process and controls. Suggested improvements if any.
- Guidance on segregation of duties and documentation of internal controls.

External Audit

The Committee is satisfied that there is no conflict of interest between the company and the auditor, other than the payment of audit fees. The committee is thus satisfied

that there is no cause to compromise on the independence and objectivity of the Auditor.

The committee recommends reappointing Ernst & Young as the auditors for the year ending 31st March 2020 subject to the approval at the Annual General Meeting.

Financial reporting

The committee has reviewed the internal controls and financial reporting system to ensure the reliability and integrity of the information provided. The committee is of the view that adequate controls and procedures are in place to ensure an accurate view of the company's financial position.

On behalf of the Audit Committee



Manisha Rajanayake

Chairman Audit Committee and Executive Committee member

REPORT BY THE MEMBERSHIP COMMITTEE

Mandate of the Membership Committee
ICC Sri Lanka works to promote international trade, responsible business conduct and a global approach to regulation through a unique mix of advocacy and standard setting activities—together with market leading dispute resolution services. The members include many of the world's largest companies, SMEs, business associations, law firms and consultancies, chambers of commerce, as well as individual and experts involved in international business.

Committee Structure

The committee comprises of over 15 member organizational representatives. The chairman of the Committee is Capt. Nalin Peiris.

Committee Meetings

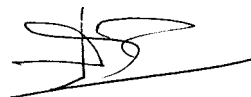
The Committee met once every quarter during the said period with the attendance of member company representatives in the Committee.

The Activities of the Membership Committee

The Membership Committee assists in improving active member engagement while increasing membership annually for ICC Sri Lanka. With the active canvassing from members of the Committee, ICC Sri Lanka added over 50 new member companies to the Chamber.

- Survey was carried out amongst members in December 2018, requesting for their feedback on Chamber activities and how to provide more engagement with members. The results were used to identify key areas for improvement on member related activities.
- Active canvassing of new member organisations for the Chamber.
- Promote member networking events.
- Publishing of the quarterly Newsletter for ICCSL. During the said period the quarterly newsletter was posted and available on soft copy to all members.
- Follow up of membership dues from overdue member companies. The Committee members actively pursued overdues for the Chamber.
- Introduction of new facilities to members such as the ICC Sri Lanka Membership Privilege Card for all member companies which availed discount privileges from over 60 partner merchants including Insurance, Restaurants, Retail, Banking and Hospitals. Each member company was awarded 5 Privilege cards to be used by their senior management team. This project was shortlisted under 'Outstanding ICC National Committee Projects' by ICC Headquarters in December 2018.
- Affiliation with other ICC National committees through ICC Sri Lanka.
- Enables connections to the other ICC Chambers around the world through membership with the ICC Sri Lanka secretariat.
- Members year-end party was held in December 2019 at Park Street Mews with the attendance of a majority of members.

On behalf of the Membership Committee



Capt. Nalin Peiris

Vice- Chairman and Chair of Membership Committee

REPORT BY THE POLICY ADVOCACY COMMITTEE

The Mandate of the Committee

This committee addresses national issues and engages with the government on a national platform by being vocal on many national issues of interest to the business community and our members.

- Using the Chamber platform to be a watchdog and proactively identify issues to advocate on behalf of members;
- Be a voice to be heard on national issues by developing policies and positions on issues and pursue discussions with government officials on national issues;
- Providing support on policy analysis and communication efforts
- Foster good Government Relations, i.e. maintain influential relations with officials at the local, state and national levels and
- Collaborate on a regional basis with ICC chambers and other business Chambers on common issues of interest.

Committee Structure

The committee comprises of over 15 member organizational representatives.

Committee Meetings

The Committee met once every quarter during the said period with the attendance of member company representatives.

The activities of the Policy Advocacy Committee during the FY2018/19 included:

- Prepare budget proposals after consulting members and presented to the Ministry of Finance.
- Present proposals to the National Economic Council (NEC) at the request of the NEC Secretariat.

- Participated at the Joint Chamber forums and actively promoting the Unity Pledge taken by the business community amongst our members.
- Represented the ICCSL when consultations were called by the Presidents Secretariat and Prime Ministers Officers.
- Active Policy Advocacy Committee members during the year include:
 - Mr. Shanil Fernando - Hon. Secretary ICC Sri Lanka
 - Mr Ravi Abeysuriya - Director - Candor Holdings
 - Mr Bingumal Thewarathanthri - CEO - Standard Chartered Bank
 - Mr. Rolf Blaser - Manager Director/ CEO - A Baur and Company (Pvt) Ltd
 - Mr. Vasantha Kumar, General Manager - Peoples bank (now retired)
 - Mr. Senerath Bandara - General Manager - Bank of Ceylon PLC (representative)
 - Mr. Mano Sekaram - CEO - 99X Technology Limited
 - Mr Rajeewa Bandaranayake CEO - Colombo Stock Exchange
 - Mr. Rasitha Gunawardena - CEO/ General Manager - People's Bank
 - Mr Christopher Joshua - Managing Director - Access Engineering PLC
 - Mr. Kishaan Kanagisvaran - Director/ CEO - Richardson Projects (Pvt) Ltd

On behalf of the Policy Advocacy Committee



Chandra Schaffter
Chairman of Policy Advocacy
Committee

REPORT BY THE TRAINING COMMITTEE

The Mandate of the Committee

The Committee is entrusted with the responsibility to plan and implement the training and development initiatives and encourage business relevant dialogues facilitated by the ICCSL. The scope will also extend in future to tailor and offer programs available with the ICC academy to the local business community.

Committee Structure

The committee comprises of over 15 member organizational representatives.

Committee meetings

The Committee met once every quarter during the said period with the attendance of member company representatives.

The activities of the Committee included:

- A member survey carried out to identify training requirements of member organisations and their employees and initiate specialized training.
- Endeavoring to build a resource pool of trainers who are best in their respective fields. This also included the use of ICC international experts.
- Actively collaborating with similar institutions to carry out training/ seminars. Worked with other professional institutions and MOU partners, such as CIMA, ACCA, SLID and CA Sri Lanka to promote collaborative workshops.
- Review of course material periodically to improve and be up to date with Trade finance training requirements of the financial sector.
- Promoting of ICC Academy online programs to members and stakeholders.

- Carrying out over 15 workshops which included 6 seminars offered free to all members. Some of the seminars/ workshops that were held during the period are:
 - Modern Date Security seminar, jointly organized with CA Sri Lanka
 - Seminar on Singapore - SL - FTA, jointly organized with CA Sri Lanka
 - 'Good Banking, Bad Banks and non- performing loans', breakfast invitation event jointly organized with BDO partners.
 - 'Strategies for Improving Workforce Productivity', jointly organized with NHRDC and CA Sri Lanka
 - 'Professionals need Soul Searching'- jointly organized with NHRDC and CA Sri Lanka
 - 'International Trade Finance Seminar', with overseas ICC expert
 - 'Bringing Skilled Workers into Sri Lanka', jointly organized with NHRDC and CA Sri Lanka
 - 'Trade-Information Series was launched giving access to members to discuss opportunities and challenges with trade attaches of the Sri Lankan High Commissions overseas.
 - 'Capturing value from Talent', jointly organized with NHRDC and CA Sri Lanka
 - Discussion with the Insurance Regulator on 'Insurance Scope and Implications on imports and exports.'
 - Company Secretaries Program, jointly organized with SLID

- 'Making Employment Laws Conducive for Investment', jointly organized with NHRDC and CA Sri Lanka.
- 'Lessons from UK to Improve Public Sector Performance', jointly organized with NHRDC and CIMA.
- Flagship events - Fireside Chat 2018 featuring six bold and daring Sri Lankan Entrepreneurs.
- Flagship event - Fireside Chat 2019 - featuring foreign envoys, Mr. Dhammika Perera and Prime Minister of Sri Lanka

On behalf of the Training Committee.



Chathuri Munaweera

Chairman Training Committee and Executive Committee member

REPORT BY THE INTERNATIONAL RELATIONS COMMITTEE

The Mandate of the Committee

Use the ICC network to facilitate business opportunities to members while promoting Sri Lanka as an investment hub. The mandate of the Committee drives the strategic objective of developing global business initiatives to facilitate overseas business opportunities.

Committee Structure and meetings

The committee comprises of over 10 member organizational representatives. The Committee met once every quarter during the said period with the attendance of member company representatives.

The Committee functions to promote:

- Participation at ICC events globally and to provide a platform for members to engage with the ICC network in 130 countries with over 45 million members worldwide.
- Introduce potential international Strategic ICC partners for members.
- Facilitate missions overseas for members.
- Develop Arbitration capabilities for ICCSL.
- Promote ICC publications locally.

It was a busy year for the Committee and few of the activities include:

- ICCSL represented by ICCSL Chairman at ICC Paris National Committee Meetings held in June 2018.
- ICCSL Chairman meeting with Ms. Mary Kelly, Director of Membership and National Committees of ICC in Dec 2018.

- ICCSL website was re-designed and launched in September 2018 giving a better member related experience and also proving more information to all stakeholders.
- MOUs signed with other professional institutions such as CMA, ACCA, PIM and ICC India.
- Facilitating gem and Jewellery sector members the opportunity to participate under the Ministry of Tourism promotions overseas.
- Joining Invest Sri Lanka forum promoted by the Colombo Stock Exchange (CSE) in October 2018 held in the UK as a strategic partner together with ICC UK.
- ICCSL leading a Sri Lanka delegation to participate at the 5th Asia Pacific CEO forum held in Jakarta, Indonesia in March 2019 organised by ICC Indonesia.
- ICCSL represented by Hon. Secretary at Global Appeal 2019 organised by the Nippon foundation and ICC India in February 2019
- ICCSL represented by the Hon. Secretary at ICC Oman meeting with UNESCAP.
- ICCSL COO paid a courtesy call on ICC UK secretariat in London in October 2018.

On behalf of the International Relations Committee.



Shanil Fernando

Hony Secretary and Committee Chair

REPORT BY THE BANKING COMMITTEE

The Mandate of the Committee

Provide a platform for the active discussion on International Trade practices in Sri Lanka.

Committee Composition

One of the oldest and most active committees within the ICCSL structure. The committee comprises of all financial institutions with International Trade operations, i.e. all the leading banks. This represents over 25 local and foreign banks.

Committee Meetings

The Committee meets monthly with the attendance of member company representatives.

The Committee functions to;

- Find solutions to any challenges faced by Trade practitioners;
- Promote meetings with relevant government institutions such as the Customs Department, Central Bank of Sri Lanka, Treasury, Import & Export Control Department, Insurance Regulator to discuss issues that banks face when dealing with day to day transactions
- To lobby for speedy solutions for trade issues and problems with various stakeholders

It was a busy year for the Committee and few of the activities include:

- A meeting held with the Insurance Regulator to discuss matters pertaining to Marine Insurance
- Meeting held with Department of Foreign Exchange of the Central Bank of Sri Lanka
- Meeting held with the Import Control Department
- Meeting with Sri Lanka Customs

On behalf of the Banking Committee.



Janath Illanganthillake
*Chairman of Banking Committee and
Executive Committee member*

ICC SRI LANKA CSR ACTIVITIES

ICCSL, CIMA and Daily FT Fireside Chat event donates Rs. 1.3 m towards treating cancer

The International Chamber of Commerce Sri Lanka, CIMA Sri Lanka Division and Daily FT donated Rs. 1.3 million from the profits from the popular Fireside Chat held last year at Hilton Colombo to upgrade the facilities at the Apeksha Hospital – Maharagama. ICC Sri Lanka Chairman Dinesh Weerakkody and ICC Sri Lanka Hon. Secretary Shanil Fernando met with Minister of Health Dr. Rajitha Senaratne to hand over the cheque.



LKR 1.3 MILLION

RISK MANAGEMENT

The ICCSL undertakes a detailed review of the risks associated with chamber annually. This is done to mitigate any risks involved in its overall risk management process. Our Risk management process, is reviewed by the Executive Committee annually to make it make it more robust and relevant.

Risk management objectives:

- With the view of achieving strategic and operational goals and objectives, the Chamber is committed towards risk management.
- The Chamber will consistently manage risks of all activities by establishing and communicating a reporting protocol.
- The Chamber will ensure that all significant risks are identified, assessed and where necessary treated and reported in a timely manner to the Executive Committee and Audit Committee.
- The Chamber will assign accountability to all staff for the management of risks within their areas of control.

The Chamber uses a risk model to define the likelihood and impact, and a risk scoring matrix is used thereafter. The risks identifies are scored/ rated against the impact and the likelihood of the risk.

- Impact is the potential severity or effect of the risk.
- Likelihood is the frequency, or probability, of the occurrence of a risk. The ratings given to impact and likelihood produce an evaluation of risk.
- Both the adequacy of existing controls and net risk are denoted by a traffic light system.
- Any risks in the red will require explicit review and approval by the Executive Committee.

3 x 3 RISK MATRIX				
Likelihood	Highly Likely	MED	HIGH	HIGH
	Possible	LOW	MED	HIGH
	Unlikely	LOW	LOW	MED
		Negligible	Moderate	Severe
Impact				

A five-step process is followed by the management of the Chamber in their risk management strategy.

1. Identifying the risks with regards to achieving strategic and operational objectives.
2. Determining the owner of the risk.
3. Determining and assessing the existing controls in place.
4. Assessing the impact and likelihood of the risk.
5. Determining further control improvements to mitigate the risk and indicate the impact to net risk, when they are fully implemented.

The type of potential risks identified and approaches taken to mitigate risks

1.	Financial Risks	The Executive Committee ensures that internal audits are conducted in a timely manner and that all data in the financial reports are accurate. The Committee addresses financial risks as one of their key duties and will avoid tarnishing the reputation of the Chamber.
2.	Business and Operational Risks	To maintain high quality of services to our members and all other stakeholders, the Chamber and the Executive Committee monitors all internal operational functions to ensure they are carried out effectively and efficiently. The Audit Committee will also review internal controls periodically.
3.	Communication Risks	The information on our members is periodically updated so that the contact details are accurate. This Chamber ensures that the right communications are sent and received by all members, thus avoiding all forms of non-communication and miscommunication. Further, the Chamber management encourages all staff members to practice an open communication policy within the Chamber, to avoid miscommunications. The Executive Committee and the senior management of the Chamber keeps all staff members well informed so that members can be kept updated with accurate information.
4.	Human Capital Risks	The Chamber identifies human capital and their productivity as one of the key areas for success. Therefore, all employees are encouraged for personal development and continuous training opportunities are provided. To minimize human capital risks, the right employees are identified for the right position, taking into consideration their educational background and commitment.
5.	Reputation Risks	The Executive Committee considers this one of the key risks, as the brand reputation of the ICC is considered a matter of paramount importance, as we are part of the wider global network. Therefore, the membership selection process is comprehensive and all members are scrutinized prior to becoming members of ICCSL.
6.	Liquidity Risks	This remains very low for the Chamber. We have a very strong deposit base and an accumulated fund held in recognized state and private banks. The deposits and interests earned, are monitored regularly and managed with full integrity by the Executive Committee.
7.	Information Risks	The Chamber is aware of the importance of providing accurate and timely information when requested by members and stakeholders. Such information requests are met within the shortest time for dissemination due to the Chamber's strong links with the relevant authorities/institutions.



Large gathering of members participated at the year end party



ICC Sri Lanka members year-end party held at Park Street Mews in December 2018



5th Asia Pacific CEO Forum held in Jakarta, Indonesia represented by Shanil Fernando, Hony Secretary and Hemakumara Gunasekera, ICC Executive Committee Member and other member company representatives

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INDEPENDENT AUDITOR'S REPORT



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TO THE SHAREHOLDERS OF INTERNATIONAL CHAMBER OF COMMERCE – SRI LANKA

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of International Chamber of Commerce – Sri Lanka, which comprise the statement of financial position as at 31 March 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2019 and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for Small and Medium-sized Entities.

Basis for opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs).

Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters

related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report Contd.



As part of an audit in accordance with SLAuSS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

12 July 2019

Colombo

Partners: W R H Fernando FCA FCMA R N de Saram ACA FCMA Ms. N A De Silva FCA Ms. Y A De Silva FCA W R H De Silva ACA ACMA W K B S P Fernando FCA FCMA
Ms. K R M Fernando FCA ACMA Ms. L K H L Fonseka FCA A P A Gunasekera FCA FCMA A Herath FCA D K Hulangamuwa FCA FCMA LLB (Lond) H M A Jayasinghe FCA FCMA
Ms. A A Ludowyke FCA FCMA Ms. G S Manatunga FCA Ms. P V K N Sajeewani FCA N M Sulaiman ACA ACMA B E Wijesuriya FCA FCMA
Principal G B Goudian ACMA A A J R Perera ACA ACMA T P M Ruberu FCMA FCCA

A member firm of Ernst & Young Global Limited

STATEMENT OF FINANCIAL POSITION

As at 31 March 2019

Note

2019
Rs.2018
Rs.
Restated**ASSETS****Non-Current Assets**

Property, Plant and Equipment	3	3,224,974	3,844,287
Other Intangible Assets	4	103,873	138,497
Deferred Tax Asset	5	140,484	99,433
		3,469,330	4,082,217

Current Assets

Inventories	6	185,180	194,106
Short Term Financial Assets	7	163,652,094	128,185,888
Trade and Other Receivables	9	4,738,920	4,102,486
Income Tax Refund Due	10	544,535	1,307,840
Cash and Cash Equivalents	11	10,507,799	23,948,142
		179,628,528	157,738,462
		183,097,858	161,820,679

EQUITY AND LIABILITIES**Capital and Reserves**

Accumulated Fund	8	152,609,198	134,498,844
Total Equity		152,609,198	134,498,844

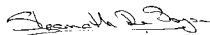
Non Current Liabilities

Provision for Employee Benefits	12	1,945,532	1,741,014
Deferred Income	13	-	20,800
		1,945,532	1,761,814

Current Liabilities

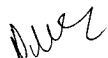
Trade & Other Payables	14	28,222,928	23,752,041
Bank Overdraft	11	320,200	1,807,980
		28,543,128	25,560,021
Total Equity and Liabilities		183,097,858	161,820,679

I certify that these Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

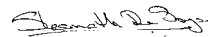


Hony Treasurer

The Council is responsible for these financial statements. Signed for and on behalf of the Council by,



Chairman



Hony Treasurer

The accounting policies and notes on pages 77 through 86 form an integral part of the Financial Statements.

12 July 2019
Colombo

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2019	Note	2019 Rs.	2018 Rs. Restated
Revenue	15	18,531,253	17,210,925
Finance and Other income	16	21,088,852	21,465,237
Administrative Expenses		(18,728,228)	(17,663,028)
Surplus/(Deficit) Before Tax		20,891,877	21,013,134
Tax Expense	18	(2,781,522)	(1,730,488)
Surplus/(Deficit) For the year		18,110,354	19,282,646
Other Comprehensive Income		-	-
Total Comprehensive Income For the Year		18,110,354	19,282,646

The accounting policies and notes on pages 77 through 86 form an integral part of the Financial Statements.

STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2019	Accumulated Fund Rs.	Total Rs.
As at 01 April 2017	115,216,198	115,216,198
Total Comprehensive Income For the Year	19,801,480	19,801,480
As at 01 April 2018	135,017,678	135,017,678
Adjustment of correction of error	(518,834)	(518,834)
As at 01 April 2018 - Restated	134,498,844	134,498,844
Total Comprehensive Income For the Year	18,110,354	18,110,354
As at 31 March 2019	152,609,198	152,609,198

The accounting policies and notes on pages 77 through 86 form an integral part of the Financial Statements.

STATEMENT OF CASH FLOWS

Year ended 31 March 2019	Notes	2019 Rs.	2018 Rs. Restated
Cash Flow From/ (Used in) Main Activities			
Surplus of Income over Expenses		20,891,877	21,013,134
Adjustments for,			
Depreciation	3	910,721	302,277
Amortisation	4	34,624	46,166
Non Cash Adjustments		188,442	(153,600)
Provision for Retiring Gratuity	12	204,518	237,314
Profit/Loss on Disposal of Property, Plant and Equipment		-	(87,739)
Interest Income		(18,576,417)	(17,155,912)
Total Adjustments		(17,238,111)	(16,811,494)
Net Changes in Working Capital			
Increase/ Decrease in Inventories		8,925	16,030
Increase/ Decrease in Trade and Other Receivable		(636,434)	(600,815)
Increase/ Decrease in Trade and Other Payable		4,470,888	(2,982,050)
Total Changes in Working Capital		3,843,379	(3,566,835)
Income Tax Paid & WHT		(2,268,509)	(2,154,264)
Payments for Retiring Gratuity		-	(302,500)
Cash Flow from Operating Activities		5,228,636	(1,821,959)
Cash Flows (Used In) / From Investing Activities			
Purchase of Property, Plant & Equipment	3.1	(291,409)	(3,738,637)
Sale of Property, Plant & Equipment		-	194,483
Investments in Short Term Financial Assets		(31,026,607)	8,099,016
Interest Received	4	14,136,818	17,155,912
Net Cash Flows (Used In) / From Investing Activities		(17,181,198)	21,710,774
Net Decrease in Cash & Cash Equivalents		(11,952,562)	19,888,815
Cash and Cash Equivalents at the beginning of the year	11	22,140,161	2,251,346
Cash and Cash Equivalents at the end of the year	11	10,187,599	22,140,161

The accounting policies and notes on pages 77 through 86 form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1 General Information

International Chamber of Commerce – Sri Lanka is a limited liability company incorporated on 29 April 1983 under the Companies Act No.17 of 1982 and re-registered under the Companies Act No 07 of 2007 and domiciled in Sri Lanka.

The registered office of the Chamber is located at Aitken Spence Tower 1, Level 08, No.305, Vauxhall Street, Colombo 02.

1.2 Principal Activities and Nature of Operations

The principal activities of the Company is to act as a trade promotion organisation.

1.3 Date of Authorization for Issue

The financial statements of the Company, for the year ended 31 March 2019, were authorized for issue in accordance with a resolution of the Board of Directors on 12 July 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Sri Lanka Accounting Standard for Small and Medium-sized Entities issued by the Institute of Chartered Accountants of Sri Lanka. These financial statements are the separate financial statements of the Company.

The functional currency of the company is Sri Lankan Rupees. The financial statements of the Company are presented in Sri Lankan Rupees.

2.1.1 Going Concern

The Council has made an assessment of the Company's ability to continue as a going concern and they do not intend either to liquidate or to cease operations.

2.1.2 Comparative information

The accounting policies have been consistently applied by the Company and, are consistent with those used in the previous year. Previous year's figures and phrases have been re-arranged wherever necessary to conform to current presentation except for the following.

The miscellaneous income recorded in the prior year as well as the withholding tax had been overstated by Rs. 518,834/- due to an erroneous entry recorded. This error was corrected, which resulted in the Total Comprehensive Income for the year 2017/18 reducing to Rs. 19,282,646/- from Rs. 19,801,480/-, and Net Assets as at 31 March 2018 reducing to Rs. 134,498,844/- from Rs. 135,017,678/-.

2.2 Translation of foreign currencies

Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to profit or loss. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

2.3 Taxation

Current Tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

The provision for income tax is based on the elements of income and expenditure as reported in the Financial Statements and computed in accordance with the provisions of the relevant tax legislations.

Deferred Taxation

Deferred income tax is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is

Notes to the Financial Statements Contd.

probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilized except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

2.4 Borrowing Costs

All borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.5 Property, Plant and Equipment

Items of property, plant and equipment are measured at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment:

Office Equipment	05 Years
Furniture & Fittings	05 Years
Air Conditioners	05 Years
Computers and Printers	05 Years
Fax Machines	05 Years
Partition & Interior Work	05 Years

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

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognized.

2.6 Inventories

Inventories are valued at the lower of cost or net realisable value, after making due allowances for obsolete and slow moving items. Net realisable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

2.7 Short Term Financial Assets

Short term financial investments comprise investments in fixed deposits are initially measured at transaction cost.

Investments in fixed deposits are subsequently measured at amortized cost using the effective interest method, less provision for impairment. Gains and losses are recognized in the income statement.

2.8 Retirement Benefit Liability

a) Defined Benefit Plan – Gratuity
Gratuity is a Defined Benefit Plan. The Company is liable to pay gratuity in terms of the relevant statute. In order to meet this liability, a provision is carried forward in the Statement of Financial Position, equivalent to an amount calculated based on a half month's salary of the last month of the financial year of all employees for each completed year of service, commencing from the first year of service. The resulting difference between brought forward provision at the beginning of a year net of any payments made, and the carried forward provision at the end of a year is dealt with in the statement of profit or loss.

The gratuity liability is not externally funded.

b) Defined Contribution Plans – Employees Provident Fund & Employees' Trust Fund
Employees are eligible for employees' provident fund contributions and employees' trust fund Contributions in line with the respective statutes and regulations. The Company contributes 15% or 12% and 3% of gross emoluments of

employees to employees' provident fund and employees' trust fund respectively.

2.9 Impairment of Non - Financial Assets

At each reporting date, property, plant and equipments are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

2.10 Trade and Other Receivables

Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortized cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there

is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognized immediately in profit or loss.

2.11 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

2.12 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and sales taxes. The following specific criteria are used for the purpose of recognition of revenue.

a) Members Subscriptions

Members subscription is recognized on an accrual basis.

b) Sale of Books/ Publications

Sale of books/ publications is recognized when the Chamber has transferred to the buyer the significant risk and rewards of ownership, generally when the customer has taken undisputed delivery of the books/ publications. Revenue from sale of books/ publications with no significant service obligation is recognized on delivery.

c) Interest Income

Interest income is recognized using the effective interest method.

2.13 Expenditure Recognition

Expenses are recognised in the income statement on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant & equipment in a state of efficiency has been charged to income statement in arriving at the profit for the year.

For the purpose of presentation of Statement of Comprehensive Income the directors are of the opinion that function of expenses method present fairly the elements of the Company's performance, and hence such presentation method is adopted.

Notes to the Financial Statements Contd.**3. PROPERTY, PLANT AND EQUIPMENT**

Year ended 31 March 2019	Balance As at 01.04.2018 Rs.	Additions Rs.	Disposals Rs.	Balance As at 31.03.2019 Rs.
3.1 Cost				
Office Equipment	183,814	-	-	183,814
Furniture & Fittings	1,918,800	76,500	-	1,995,300
Air Conditioners	374,733	-	-	374,733
Computers and Printers	687,576	214,909	-	902,485
Fax Machines	14,488	-	-	14,488
Partition & Interior Work	1,492,977	-	-	1,492,977
Total Gross Carrying Amount	4,672,388	291,409	-	4,963,797

Year ended 31 March 2019	Balance As at 01.04.2018 Rs.	Charge for the year Rs.	Disposals Rs.	Balance As at 31.03.2019 Rs.
3.2 Accumulated Depreciation				
At Cost				
Office Equipment	63,138	35,429	-	98,566
Furniture & Fittings	112,534	379,203	-	491,737
Air Conditioners	177,616	74,947	-	252,563
Computers and Printers	410,560	122,548	-	533,108
Fax Machines	14,488	-	-	14,488
Partition & Interior Work	49,766	298,595	-	348,362
Total Depreciation	828,102	910,721	-	1,738,823

Year ended 31 March 2019	2019 Rs.	2018 Rs.
3.3 Net Book Values		
At Cost		
Office Equipment	85,248	120,676
Furniture & Fittings	1,503,563	1,806,266
Air Conditioners	122,171	197,117
Computers and Printers	369,377	277,016
Fax Machines	-	-
Partition & Interior Work	1,144,615	1,443,211
Total carrying amount of Property, Plant and Equipment	3,224,974	3,844,286

3.4 During the financial year, the Chamber has acquired Rs. 291,409/- Property, Plant & Equipment (2018 - Rs. 3,738,636/-).

4. OTHER INTANGIBLE ASSETS

Year ended 31 March 2019	2019 Rs.	2018 Rs.
4.1 Gross carrying Amount		
Opening Balance as at 01 st April	387,410	387,410
Additions	-	-
Carrying amount as at 31 st March	387,410	387,410
4.2 Amortization & Impairment		
Opening Balance as at 01 st April	248,913	202,747
Amortization	34,624	46,166
Carrying amount as at 31 st March	283,537	248,913
Net Book Value	103,873	138,497

5. DEFERRED TAX ASSET

Year ended 31 March 2019	2019 Rs.	2018 Rs.
Balance as at beginning of the year	99,433	145,837
Credit/(Release)	41,050	(46,404)
Balance as at end of the year	140,484	99,433
The closing deferred tax (asset)/liability includes the following		
Deferred Tax Liability - Accelerated depreciation for tax purpose	131,891	74,668
Deferred Tax Asset - Employee Benefit Liability	(272,374)	(174,101)
	(140,484)	(99,433)

6. INVENTORIES

Year ended 31 March 2019	2019 Rs.	2018 Rs.
Publications	185,180	194,106
	185,180	194,106

Notes to the Financial Statements Contd.**7. SHORT TERM FINANCIAL ASSETS**

Year ended 31 March 2019	2019 Rs.	2018 Rs.
Merchant Bank of Sri Lanka & Finance PLC	11,652,260	29,430,058
Hatton National Bank PLC	44,325,941	7,402,368
Peoples' Leasing and Finance PLC	-	23,132,598
Pan Asia Banking Corporation PLC	-	5,827,141
Peoples Bank	85,770,249	51,943,476
Commercial Bank of Ceylon PLC	21,903,644	10,450,247
	163,652,094	128,185,888

8. ACCUMULATED FUND

Year ended 31 March 2019	2019 Rs.	2018 Rs.
As of 1st April	135,017,678	115,216,198
Adjustment of correction of error	(518,834)	-
Total Comprehensive Income For the Year	18,110,354	19,801,480
As of 31st March	152,609,198	135,017,677

9. TRADE AND OTHER RECEIVABLES

Year ended 31 March 2019	2019 Rs.	2018 Rs.
9.1 Financial Assets		
Trade receivables (Note 9.3)	2,411,102	1,742,212
Deposits	500,000	500,000
Other Receivables	455,969	622,085
	3,367,071	2,864,296
9.2 Non Financial Assets		
Prepayments	1,183,569	680,199
Other Receivables	188,281	557,991
	1,371,849	1,238,190
	4,738,920	4,102,486
9.3 Trade receivables		
Trade receivables	2,904,129	1,927,209
Provision for doubtful Debts	(493,027)	(184,997)
	2,411,102	1,742,212

10. INCOME TAX REFUND DUE

Year ended 31 March 2019

	2019 Rs.	2018 Rs. Restated
Balance as at 1st April	1,307,840	837,661
Provision for the year	(2,822,573)	(1,684,084)
Write-off of unclaimable Income Tax Refund	(209,242)	-
	(1,723,975)	(846,424)
Payments made during the year	1,066,784	10,582
Withholding tax	1,201,725	2,143,682
Balance as at 31st March	544,535	1,307,840
10.1 Represented By		
YA 2017/18	544,535	989,012
YA 2016/17	-	53,836
YA 2015/16	-	264,992
	544,534	1,307,841

11. CASH AND CASH EQUIVALENTS IN CASH FLOW STATEMENT

Year ended 31 March 2019

	2019 Rs.	2018 Rs.
11.1 Favourable Cash and Cash Equivalent Balances		
Cash and Bank Balances	4,288,141	960,225
Short Term Investments	6,219,658	22,987,917
	10,507,799	23,948,142
11.2 Unfavourable Cash and Cash Equivalent Balances		
Bank Overdrafts	(320,200)	(1,807,980)
Total Cash and Cash Equivalents For the Purpose of Cash Flow Statement	10,187,599	22,140,161

12. DEFINED BENEFIT LIABILITY

Year ended 31 March 2019

	2019 Rs.	2018 Rs.
As at 1 April	1,741,014	1,806,200
Charge for the year	204,518	237,314
Payments made during the year	-	(302,500)
As at 31 March	1,945,532	1,741,014

Notes to the Financial Statements Contd.**13. DEFERRED INCOME**

Year ended 31 March 2019	2019 Rs.	2018 Rs.
As at 1 April	20,800	174,400
Charged to the Statement of Comprehensive income	(20,800)	(32,407)
Disposed / Transferred	-	(121,193)
As at 31 March	-	20,800

14. TRADE AND OTHER PAYABLES

Year ended 31 March 2019	2019 Rs.	2018 Rs.
14.1 Financial Assets		
Deposits	23,838,454	22,881,723
Accrued Expenses	4,053,488	718,364
Fireside Chat 2019 Account	220,391	-
	28,112,333	23,600,087
14.2 Non Financial Assets		
Accrued Expenses	110,595	6,061
Advances an other Payables	-	145,893
	110,595	151,954
Trade and Other Payables	28,222,928	23,752,041

15. REVENUE

Year ended 31 March 2019	2019 Rs.	2018 Rs.
Membership Enrollment Fees	571,200	185,130
Membership Subscription	3,417,033	2,553,971
Carnet Income	12,710,095	12,128,422
Certificate of Origin Issuing Charges	1,832,925	2,343,402
	18,531,253	17,210,925

16. FINANCE AND OTHER INCOME

Year ended 31 March 2019

	2019 Rs.	2018 Rs. Restated
16.1 Finance Income		
Interest Income on Fixed Deposits	18,100,863	16,717,718
Interest Income on Money Market	475,554	438,194
	18,576,417	17,155,912
16.2 Other Income		
Profit on Sale of Publications	7,064	60,754
Donation for AGM	-	675,000
Profit from Seminars	1,482,241	455,145
Miscellaneous Income	32,180	67,098
Written back of ATA Carnet Workshop Expense Payable	-	(2,750)
Donation for Year end Party	847,000	406,000
Differed income - Unwinding	20,800	32,407
Disposal Gain	-	87,739
Write Back of Payable	-	2,527,931
Workshop for Members	33,149	-
Web Advertisement Income	90,000	-
	2,512,435	4,309,324
Total Finance and Other Income	21,088,852	21,465,237

17. SURPLUS/(DEFICIT) BEFORE TAXATION

Year ended 31 March 2019

	2019 Rs.	2018 Rs.
Included in Administrative Expenses		
Auditors Remuneration - Audit fees	100,000	141,050
- Non Audit Fees	50,000	-
Depreciation	910,721	302,277
Amortization	34,624	46,166
Staff Costs - Salaries Allowances Overtime and other cost	7,515,405	7,382,493
- Defined Contribution Plan Cost - EPF & ETF	818,640	714,026
- Defined Benefit Plan Cost - Gratuity	204,518	237,314

Notes to the Financial Statements Contd.**18. INCOME TAX EXPENSE**

Year ended 31 March 2019	2019 Rs.	2018 Rs.
Current Year Tax Expense	2,822,573	1,684,084
Deferred Tax Expense	(41,050)	46,404
	2,781,522	1,730,488

18.1 A reconciliation between tax expense and the product of accounting profit multiplied by the statutory tax rate is as follows :

Year ended 31 March 2019	2019 Rs.	2018 Rs.
Accounting Profit before Income Tax	20,891,877	21,531,968
Disallowed Items	1,551,634	4,003,824
Allowed Items	(19,558,695)	(18,248,230)
Total Business Income	2,884,816	7,287,562
Total Investment Income	18,576,417	16,840,844
Less: Qualifying Payments	(1,300,000)	-
Total Taxable Income	20,161,233	16,840,844
Income Tax @ 14% (2018 - 10%)	2,822,573	1,684,084
Current Income Tax Charge	2,822,573	1,684,084

As per the previous year policy, under Section 101(2) of the Inland Revenue Act No. 10 of 2006 either Investment Income or Business Income whichever is higher is Taxable.

For the current year the total income is taxable at the rate of 14%.

FIVE YEAR SUMMARY

	2015	2016	2017	2018	2019
Membership Revenue	2,290,527	2,293,663	2,403,038	2,739,101	3,988,233
ATA Carnets	24,933,074	19,843,888	15,800,528	12,128,422	12,710,095
	27,223,601	22,137,551	18,203,566	14,867,523	16,698,328
Certificates of Origin	1,186,667	1,375,507	1,681,296	2,343,402	1,832,925
Seminars	264,590	298,723	1,092,724	455,145	1,482,241
Sale of ICC publications	79,369	49,384	182,923	60,754	7,064
Education; FCIB	-	370,500	-	-	-
Others	211,089	643,745	1,150,095	4,627,328	1,023,130
Total Operating Income	28,965,316	24,875,410	22,310,604	22,354,152	21,043,688
Administrative Expenses	16,521,047	18,268,540	15,542,200	17,663,028	18,728,228
Other Expenses	26,784	57,893	-	-	-
Net Interest Income	9,020,962	9,656,275	12,907,441	17,155,912	18,576,417
Profit Before Tax	21,438,448	16,205,251	19,675,845	21,531,968	20,891,877
Tax	1,360,558	1,086,114	1,247,135	1,730,488	2,781,522
Total Comprehensive Income	20,077,890	15,119,137	18,428,710	19,282,645	18,110,355
Accumulated Fund	78,258,074	93,377,211	115,216,198	134,498,844	152,609,198

NOTICE OF MEETING

Notice is hereby given that the 53rd Annual General Meeting of the International Chamber of Commerce Sri Lanka will be held on 27th September 2019 at the Ministry of Tourism Development & Christian Religious Affairs Ministry Auditorium (07th Floor) from 3.00 p.m. to 5.00 p.m.

AGENDA

01. To read notice convening the Meeting.
02. Confirmation of minutes of the previous Annual General Meeting held on 28th September 2018.
03. To receive and adopt the Directors Statement and the Statement of Accounts for the financial year ended 31st March 2019 with the Report of the Auditors thereon.
04. 2018/19 Chamber Performance update by COO ICC Sri Lanka.
05. Election of Office Bearers
 - (i) Chairman
 - (ii) Hony. Secretary
 - (iii) Hony. Treasurer
 - (iv) Vice Chairman (5)
 - (v) Hony. Deputy Secretary
 - (vi) Executive Committee Members (at least 10 members)
06. To re-appoint Auditors and to authorize the Directors to determine their remuneration.
07. To consider any other business of which due notice has been given.

By order of Executive Committee



COMSEC MANAGEMENT SERVICES (PTE) LTD

Company Secretary

Colombo

02nd September 2019

