

2016

Annual Report



**Sri Lanka Accreditation Board
for
Conformity Assessment**

Ministry of Science, Technology and Research

A member of



Vision

To be globally recognized, dynamic, and innovative accreditation body contributing to the national economy and social wellbeing.

Mission

We promote and provide accreditation services with international recognition to facilitate conformity assessments in the provision of products and services for domestic and international markets.

Quality Policy

The SLAB shall be a service organization which is committed to providing accreditation services to its clients at the highest level of integrity, effectiveness and efficiency.

While responding to the changing needs of clients, other stakeholders and the business environment, the SLAB is committed to providing accreditation services in accordance with ISO/IEC 17011, other relevant international standards and principles. The SLAB is geared to actively and effectively participate in the work of international bodies in order to enhance international recognition.

The SLAB shall provide an environment for staff members and assessors to upgrade their competencies continually to enable them to contribute in the activities of SLAB at the highest level of professionalism.

The SLAB as a practice, will continually review its operational performance and the needs and demands of the environment in the areas of conformity assessment and accreditation services and effect appropriate changes for improvement.

Values

Serving with integrity and highest ethical conduct

Learning continuously

Acting as a team to provide stakeholder needs in a reliable manner

Being independent and impartial

SLAB OFFICE PREMISES



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INTRODUCTION

The Sri Lanka Accreditation Board for Conformity Assessment (SLAB) is the Accreditation Authority for Sri Lanka established under Act No. 32 of 2005. In 2016, SLAB functioned under the Ministry of Science, Technology & Research and is governed by a Council of thirteen (13) members appointed in terms of the SLAB Act. The Director is the Chief Executive Officer (CEO) of the Board and the Secretary to the Governing Council.

SLAB as the apex body for accreditation for Sri Lanka took numerous initiatives to ensure the completeness of the National Quality Infrastructure (NQI) in the country. National Quality Policy identified SLAB as one of major institution which should be placed in par with the other national NQI institutions such as Measurement Units, Standards & Services Department (MUSSD) and Sri Lanka Standards Institution (SLSI). In the world, NQI has been strengthened in many aspects to remove quality related Non-Tariff Barriers (NTBs) arising from testing, inspection and certification activities and to facilitate international and domestic trade in the provision of goods and services. Completeness of NQI in a country leads to provide accreditation services to Conformity Assessment Bodies (CABs) such as testing and calibration laboratories, inspection bodies and certification bodies in a smooth manner by removing obstacles in quality related issues. SLAB takes measures to strengthen other pillars of NQI which are dealing with standards, measurements and regulations.

In the NQI, the regulators with a national commitment should play a key role to safeguard and maintain good trade practice in a country in terms of public health, occupational safety, environmental protection, fraud prevention, fair trading etc. As accreditation services are provided voluntarily on the demand of stakeholders, the regulatory bodies have got a national obligation to continuously monitor the compliance of regulations and take necessary follow ups against established criteria. The above mentioned good practices will be effective, if the manufacturers or service providers comply with relevant standards and conformity assessment procedures, when products and services are delivered. This third-party attestation is assured through accreditation made on relevant national and international standards.

Being an Accreditation Body which is internationally recognized through multilateral (MLA) and mutual agreement process of International Accreditation Forum (IAF) and International Laboratory Accreditation Cooperation (ILAC), SLAB has ensured the mutual acceptance of conformity assessment results of SLAB accredited conformity assessment bodies and SLAB is now providing accreditation services to conformity assessment bodies which provide their services to industry to meet local and international requirements and regulations.

The whole mechanism of accreditation assures the main principles of conformity assessment such as impartiality, competence, integrity, and credibility. These assessments are conducted by independent and competent assessors against established assessment procedures. When such conformity assessments are conducted in a transparent manner, it will be assured that conformity assessments are performed according to the internationally accepted accreditation principles and procedures. This will create ample market access and fair competition for goods and services. Finally, it delivers trust to customers and all other stakeholders.

KEY TRUST ARIAS AND KEY PERFORMANCE INDICATORS (KPI's)

In compliance with the Act, SLAB was entrusted to perform the following functions and strategies to achieve key thrust areas, KPIs and targets.

Key thrust areas (KTAs) and Key performance indicators (KPIs)

- KTA 1 – Promotion of the concept of accreditation
KPI 1 – Customer perception on SLAB accreditation maintained above 80%

- KTA 2 - Creating public awareness
KPI 2 – Customer base increased by 20%

- KTA 3 – Providing accreditation services
KPI 3 - Accreditation increased by 20

- KTA 4 – Good governance
KPI 4 – Updating SLAB quality management system 100%

- KTA 5 – International recognition
KPI 5 – Maintain international recognition for SLAB accreditation schemes

- KTA 6 – Capacity building of human resource
KPI 6 – Competence strengthened by 25%

- KTA 7 – Financial sustainability
KPI 7 - Reach 75% of self-sufficiency

FUNCTIONS AND STRATEGIES

- Carrying out accreditation of CABs in accordance with International and National Standards.
 - Testing laboratories (*ISO/IEC 17025*)
 - Calibration laboratories (*ISO/IEC 17025*)
 - Medical laboratories (*ISO 15189*)
 - Certification bodies for systems (*ISO/IEC 17021*)
 - Certification bodies for products (*ISO/IEC 17065*)
 - Certification bodies for persons (*ISO/IEC 17024*)
 - Greenhouse Gas (GHG) Validation/Verification bodies (*ISO 14065*)
 - Inspection bodies (*ISO/IEC 17020*)
 - Proficiency testing programmes (*ISO/IEC 17043*); and
 - Good laboratory practice (GLP).
- Promotion of accreditation activities in conformity with the guidelines laid down in the National Quality Policy.
- Conducting assessor training programmes, awareness programmes and seminars for the relevant stakeholders
- Acting as the national forum for co-operation and liaison in respect of conformity assessment.
- Establishing competence in accreditation practices and assessment procedures through promotion and dissemination of technical knowledge.
- Supporting and developing national systems for accreditation.
- Concluding agreements on mutual recognition with similar foreign and International bodies.
- Organizing, managing and conducting conformity and surveillance assessments for the purpose of granting, extending, reducing, suspending or withdrawing accreditation.

CHAIRMAN'S MESSAGE



The Sri Lanka Accreditation Board for Conformity Assessment (SLAB) was established by Act No. 32 of 2005. SLAB is the national accreditation authority set up in the National Quality Infrastructure (NQI) to regularize and harmonize relevant activities required to assure quality of Sri Lankan products and services. SLAB maintained all accreditation programmes it had initiated while introducing new programmes in the year 2016 and all programmes helped the economy immensely to facilitate trade, by reducing non-tariff technical barriers for our exports.

As an institution functioning under the Ministry of Science, Technology and Research, SLAB continued to play a prominent role in supporting the Government's effort in the economic development and assurance of consumer protection. I am pleased to report that many targets set out for the above objectives were achieved during the year.

SLAB completed 11 years of operations in 2016. The base for conformity assessments was strengthened in the country and I am confident that SLAB can now move forward, by out breaking any challenges that may impede its visionary journey.

As accreditation is implemented voluntarily, it is still necessary to promote this concept amongst the stakeholders to draw organizations for accreditation. Many awareness programmes and seminars were conducted under different disciplines for this purpose and a considerable progress could be seen in the year as the applications received for accreditation has increased. The applications can be further increased, if regulators continuingly influence the organizations for obtaining accreditation.

As per the Cabinet Decision No 16/0071/716/003 of 2016-01-20, use of accreditation is mandatory for taking technical decisions. However, as recommended by the Cabinet of Ministers it is required to carry out detail analysis on existing regulations to identify the areas where we need conformity assessment procedures and also to identify new regulations required to facilitate the procedures for taking technical decisions. In addition, there is a common issue in the existing regulation due to lack of clear identification of implanting authorities as well as implementing mechanism.

“The proposals approved by the Cabinet of Ministers for making Accreditation Mandatory in Taking Technical Decisions consist three major activities;

- To use regulations and implement conformity assessment procedures such as testing, inspection and certification by regulators for controlling activities in relation to quality, environment, food safety, occupational health and safety, energy etc.
- To update regulations in which conformity assessment procedures are not mentioned and/or accreditation is not used as a means of acceptance and to include statement to reflect “not to use any facility that is not assessed and accredited”.
- To develop a conformity assessment framework which is composed of testing laboratories, inspection bodies and/or certification bodies as applicable, within and outside the regulatory bodies to facilitate accreditation.”

In order to accomplish this task, SLAB has identified eight priority areas namely Food & Agriculture, Occupational health & Safety, Construction, Social care & Security, Energy, Environment, Health, Trade & Consumer Protection). Implementation of proposals of Cabinet of Ministers is being done as per the Action Plan developed during the National Regulatory Conclave held in September 2016.

SLAB is willing to cooperate with regulatory bodies by providing necessary awareness on accreditation and conformity assessment procedures and expertise, provide training to regulatory bodies, assist to review existing regulations and analyze need for new regulations and introduction of effective implementation mechanisms.

In addition, during the year, SLAB officials met with the heads of number of regulatory authorities responsible for implementation of regulations related to public health and safety. The objective of these meetings was to emphasize the importance of making the use of accredited certificates when decisions are taken during the implementation of regulations. I strongly believe that the 'push given' from regulators is necessary to draw more conformity assessment bodies (CABs) for accreditation. In this regard we intend to carry out a vigorous promotional campaign engaged with regulators during the year 2016.

SLAB has been a signatory to the Mutual Recognition Arrangement (MRA) of the Asia Pacific Laboratory Accreditation Corporation (APLAC) and International Laboratory Accreditation Corporation (ILAC) for testing, medical testing and calibration. In 2015, SLAB was evaluated by an APLAC peer team for admitting into the APLAC MRA for inspection. In 2016, SLAB admitted to the ILAC and APLAC MRA for Inspection.

SLAB has also been a signatory of the Multilateral Recognition Arrangement (MLA) of Pacific Accreditation Corporation (PAC) and International Accreditation Forum (IAF) for accreditation of ISO 9001 (QMS), ISO 14001 (EMS), ISO 22000 (FSMS) and product certification. SLAB evaluated by the PAC for PAC MLA for Greenhouse Gas (GHG) validation and verification bodies. SLAB admitted to the PAC MLA for GHG Validation and verification bodies as the first accreditation body in the South Asia.

With the achievement in 2016, SLAB has nine (09) international recognitions. Such international and regional recognition is necessary for industries to promote their products and services in the international market and to facilitate trade on mutual grounds.

In order to maintain signatory status, SLAB quality management system is to be maintained and improved to comply with the requirements of relevant international standards and rules and guidelines of the above international/regional organizations. Routine internal audits in different accreditation schemes were conducted in 2016 to ensure compliance to the relevant standards, rules and regulations and system improvements were carried out based on the non-compliances raised at the audits.

The SLAB officials participated at the annual and mid-year meetings and conferences organized by ILAC, APLAC, IAF and PAC during the year 2016. Active participation at various meetings, seminars and annual sessions of these international organizations was necessary as per the arrangements to continue the signatory status.

SLAB operated its activities in 2016 under a lesser cadre and without two Senior Management Positions including Director/Chief Executive Officer and that affected severely on the effectiveness of work as there were many activities which staff had to be involved, internally as well as externally. Despite the fact, many programmes were successfully completed due to the capability, hard work and the loyalty of Mr. T Wickremasinghe, former Director /CEO and present SLAB staff. Above 91% of the targeted activities set out under the Balanced Score Card system were completed during the year. Arrangements were made to increase the available cadre 02 new appointments in 2016.

The commitment of SLAB's employees, including management, was the main reason to the organization's success during the last 11 years. I would like to express my sincere thanks and appreciation to all SLAB staff members. Special word of thanks should go out to my council members, whom I got the privilege to lead during the year. Their devotion and dedication to the organization is commendable and praiseworthy.

A special appreciation must always be conveyed to Hon. Susil Premajyantha, Minister of Science, Technology & Research, Mrs. R Wijiyaladchumi, Secretary to the Ministry of Science, Technology and Research and the staff of ministry who contributed heavily to the activities and the success of SLAB during the period under review.

Lastly, I would also like to extend my sincere thanks and appreciation to all the SLAB assessors, members of the Technical Advisory Committee to the Council, Accreditation Committees, Technical Advisory Committees and other experts for their continued support and valued inputs provided to SLAB.

In 2017, SLAB will focus more on implementation of proposals of Cabinet of Ministers in association with regulators and other stakeholders as we believe that their active involvement will be very beneficial to enhance the customer base and accreditation programmes and regulatory enforcement mechanism in the Country. We believe that will create a mandatory environment across regulators to going for accreditation and strengthen the regulatory framework which will increase the efforts of the Government in the economic development and assurance of public health and safety and strengthen National Quality Infrastructure of the Country. In addition, SLAB will expedite the recruitment process of Senior Management Positions and capacity development of SLAB staff and external experts empaneled by the SLAB.

Namal Rajapaksha

Chairman

EXECUTIVE SUMMARY BY DIRECTOR/CEO



SLAB completed eleven (11) years of operations in October 2016. Although at the initial phase, SLAB experienced a slow progress, later it recorded a steady growth. SLAB has now started accreditation schemes in all trade driven conformity assessment areas such as testing laboratories, medical laboratories, calibration laboratories, certification bodies for systems, products & persons, inspection bodies, greenhouse gas (GHG) validation and verification bodies and good laboratory practice (GLP). In addition SLAB is ready to offer new accreditation schemes for proficiency testing (PT) programmes. SLAB has admitted to nine (09) international recognitions which facilitate the international trade.

Sri Lanka is experiencing significant and broad based economic growth across different sectors and regions, which result in reduced poverty levels and inclusive prosperity. National growth has been driven through an expansion of domestic demand, enabled by public and private sector consumption, in contrast to an expansion of external trade. Simultaneously, Sri Lanka's economic and fiscal policies created a complex trade and business environment. This economic environment constrained competitiveness of Sri Lankan exports, required high levels of government debt to finance growth and discouraged investment in innovation. With Sri Lanka having the greatest debt to export ratio in South Asia, from 141% in 2000 to 265% in 2016 a surge in exports is considered critical for strong and sustainable economic development.

Sri Lanka has many strengths to boost its external trade performance. Mature export performers such as apparel, tea, rubber, spices and coconut products are well positioned in the world market. Exports of services such as ICT, skilled labour, tourism and transport services have grown significantly in the last decade. These sectors have proven their ability to diversify their export market destinations. Sri Lankan brands are increasingly associated with high quality and ethical manufacturing practices. Nevertheless, despite Sri Lanka's unique location and the creation of a major port and logistics hub, which ranks as the highest performing in South Asia, the country's share of world exports has continuously declined from 0.08% in 2001 to 0.06% in 2015. Trade has also lost its prominence in the national economy with a continuous decrease of exports of goods and services to Sri Lanka's GDP, from 39% in 2000 to 14% in 2016.

Sri Lanka aims to increase the trade competitiveness of Small and Medium Size Enterprises (SMEs) in regional and European Union (EU) markets and developed exports by 20 Billion US dollars. At present, Sri Lanka exports raw materials as direct exports without value addition. Government integrates the policies and regulatory reforms of the World Trade Organization (WTO) allowing SMEs to make the most of the potential opportunities resulting from the EU's Generalized Scheme of Preferences (GSP) Plus. It will also enable greater regional integration within the South Asian Association for Regional Cooperation (SAARC).

These procedures will also address compliance with standards and conformity assessment procedures and efficiencies in cross border procedures, which are key constraints to market access, especially for Small and Medium enterprises (SMEs). Specific attention will be given to enhancing value chains in the spice, food and IT Business Process Outsourcing sectors.

At SLAB, accreditation is offered on voluntary basis. However, in a country, accreditation should be made mandatory for selected areas to experience the real effectiveness and impact of the above programmes. This approach can be attained through the regulations by regulators, addressing accreditation as means of determining the authenticity of informed results in a quality certificate. For this purpose, industrial sectors should establish conformity assessment procedures aiming at achieving specific standards for products, processes and systems and attain easy market access and comparability.

That will ensure competition on equal terms and can be applied to trade in the provision of goods and services within the economy and outside.

In a mandatory system, the goods and services should conform to the relevant technical regulations in which efficient and credible conformity assessment procedures must be laid down against stipulated requirements. When there is more demand for quality of products and services, more compliance to technical regulations and/or standards is needed. As above, the government authorities as regulatory bodies can implement

regulations to approve products and services in terms of quality, health, safety, environmental protection, fraud prevention, and market fairness etc.

Hon. Prime Minister of Sri Lanka Economic Statement made in parliament on 27th of October 2016 highlighted that the “Government recognizes the importance of strengthening export development and diversification, opening up to foreign direct investment and underscores the need to build locally value-added products”. In this context, a new National Trade Policy (NTP) has been formulated to stimulate growth and job creation, by improving the ability of firms to export and compete in foreign markets. The policy aspires to create a more liberal, concise, transparent and predictable trade regime, promoting trade-led growth driven by export-oriented foreign direct investment. The NTP specifies the need to implement an “export strategy consisting of policy tools, specific projects, sector-specific time-bound targets, expected results and a monitoring mechanism.

Sri Lanka has opened up its economy, entering into and currently negotiating various multilateral, regional and bilateral free trade agreements to support Sri Lankan companies to access global and regional markets. As Sri Lanka has liberalized its economy, developing a national trade strategy for export competitiveness, including policy and regulatory framework which comply with the trade provisions foreseen in free trade agreements, has become a complex process. While the Sri Lankan economy has opened-up, exporting SMEs have also faced difficulties and have lacked information to understand the complex multilateral, regional and domestic trading environments. They are therefore not able to fully benefit from the opportunities and comply with market requirements.

In 2016, SLAB earned PAC MLA international recognition for Green House Gas (GHG) Validation /Verification bodies and ILAC & APLAC MRA for Inspection bodies. SLAB was maintaining IAF & PAC MLA for QMS, EMS, FSMS and product certification. SLAB has been maintaining ILAC & APLAC MRA for testing, medical testing and calibration. SLAB is now in a position to provide accredited conformity assessment services for SMEs and industry at affordable cost.

As an internationally recognized accreditation body, the main challenge with SLAB was to maintain updated accreditation criteria and procedures acceptable to the international principles. In this regard, reviewing, understanding, and continuous monitoring of international accreditation needs and updating national guidelines were necessary.

Competence development of staff & assessors and fulfil the obligations of MLA and MRA are challenging task when the size and scope of conformity assessments get broadened. In the year 2016 too, SLAB managed to maintain a competent and credible resource base and participate meetings of ILAC/IAF and APLAC/PAC where the decisions are taken in relation to MLA and MRA status of member bodies despite physical limitations and financial constraints.

Knowledge Management is a key area where SLAB should focus to ensure provision of reliable, impartial continuous accreditation services in the country. Capacity building of internal and external human resources is very important to ensure retention and development of explicit knowledge.

In the field of conformity assessment and accreditation, tacit knowledge developed with experience of working in the SLAB become a valuable assets of SLAB and it helps to increase competitive advantage of human resources working with SLAB. Staff turnover due to lack of motivation schemes such as incentives, extra ordinary promotional pathways based on performance and opportunities for higher studies is significant factor which requires to address in future to maintain SLAB’s international recognition.

In the year 2016 too, there was low response from regulators and SLAB had to work hard with existing and potential clients to bring accreditation schemes forward to meet the needs of the country. SLAB received 39 applications for accreditation and which was a considerable progress this year. However, there could be a rapid growth if the regulatory support is received as necessary. In such an environment, more emphasis should be exercised on strengthening the national quality infrastructure (NQI) in the country while improving the accreditation schemes. An accreditation process in a country will be progressive only if conformity assessment procedures which meet the current trade practices are implemented in a complete NQI.

The accreditation scheme for testing and calibration laboratories continued to be the main activity area in 2016. This scheme penetrated into many scope sectors such as chemical products, pesticides, forensic testing, food and agriculture, textile products, electrical products, soil and fertilizers etc. In the year 2016, more efforts were taken to build and provide metrological and quality assurance support as necessary for smooth functioning of testing laboratories in the country. Lack of internationally recognized metrological traceability system for physical measurements and chemicals is the main constrain faced by the SLAB as accrediting organization and conformity assessment bodies as well.

Accreditation of medical laboratories was another area of concern since 2010. SLAB worked in close co-operation with the Ministry of Health in developing medical laboratory services in the country. The support given by the Ministry of Health in the medical laboratory accreditation scheme was necessary as they are the regulatory authority for patient care and public health. Ministry of Health continued to working on upgrading laboratories in government hospitals. Competence development of staff of medical laboratories on conformity assessment was another major activity undertaken by SLAB in the year 2016.

Introduction of National Quality Assurance Programme for government and private sector medical laboratories is required to ensure reliability of medical test reports. Registration of scheme of private medical laboratories could also be based on criteria defined for the national quality assurance programme. For this purpose, scheme development is a significant process which require consensus and participation of all stakeholders. In 2017, SLAB will initiate dialogue with Ministry of Health, Private Health Regulatory Council, professional institutions, associations as well as private and government sector laboratories and initiate the criteria development process which could lead to launch this scheme at the end of 2018.

The certification of systems is the key area, as far as exports and imports are concerned, in which third party assurance for quality of products and services is sought in a systematic manner at all stages of preparation, production, delivery and clearance. Although there was a slight tendency for local accreditation, buyers at the receiving end were yet to be more concerned on internationally accepted quality certificates. Another weakness is that local manufacturers still prefer to foreign certification affiliated to foreign accreditation bodies. The locally operated certification bodies were still compelled to face heavy competition from foreign based certification bodies despite large sums of foreign expenses. Since SLAB has earned international recognition in par with those reputed foreign accreditation bodies, in equal terms, the reliance on national accreditation, apart from the above, will be a cost effective measure.

As result of awareness created among regulatory bodies after the approval of proposals by the Cabinet of Ministers in 2016, Coconut Development Authority, Vehicle Emission Testing Scheme of Department of Mortar Traffic and National Organic Control Unit of Export Development Board have taken initiatives to make SLAB accreditation is mandatory for taking technical decisions under the provisions available in their regulations and monitoring activities.

Product certification is another area which can be taken forward under many product and service categories. Due to in adequate demand from the industry, SLSI withdrawn the tea product certification scheme. SLAB was able to grant accreditation for a product certification body in Netherland with critical locations in Sri Lanka, Vietnam and Korea. Product certification scheme requires to extend towards new product certification schemes such as SLS mark, Ceylon cinnamon, health tourism, ayurveda products, agricultural products, organic products etc. Lack of regulations for controlling product certification schemes created important issue for SLAB to maintain international recognition of accreditation scheme of SLAB for product certification bodies.

The accreditation scheme for inspection bodies continued to be slow moving, despite a wide coverage of applications for inspection in the industry. This low priority was due to the low response from regulatory authorities. Nevertheless, the ability of effective implementation of technical regulations through accreditation was highlighted as key strategy for ensuring public safety and consumer protection. In this respect, SLAB worked closely with regulatory authorities. Inspection of vehicle emission, NDT and amusement rides were the only accreditation schemes which kept on the moving.

As a measure of addressing climatic controls, SLAB offered a new accreditation scheme for greenhouse gas (GHG) validation and verification bodies to be in line with ISO 14065. This will result in energy saving and provide solutions for controlling climatic changes to a certain extent. Across the world, accreditation bodies are

taking measures to accredit GHG validation and verification bodies as per the national programmes and targets. Considering the importance of controlling climatic changes, SLAB admitted to the PAC for MLA status as the first accreditation body in South Asia.

Developing energy management systems is a new tool of management introduced through ISO 50001. ISO 50001 will help industries to save energy and to reduce burden on the national economy as this approach reduces national fuel consumption remarkably. SLAB received one (01) application under this programme and it is being processed.

SLAB conducted a number of training programmes and workshops on the subjects related to quality and accreditation. These programmes were aimed at SLAB assessors, staff of laboratories and other target groups. Competence development was essential for creating the basis for carrying out conformity assessments. In addition, awareness and promotional programmes on accreditation for specific target groups were also conducted.

In 2016, SLAB recorded a significant improvement in the delivery of accreditation services while increasing its clientele. At the end of 2016, SLAB registered above 150 clients and out of them 01 was foreign based. The resource base was continuing to improve in number, on technical fields as well as in service delivery.

SLAB earned a recorded income of LKR 31.39 Mn and income/recurrent expenditure is 74.01% in 2016. The financial base was further strengthening while curtailing the moneys recovered from the General Treasury. SLAB is aimed at reaching financial sustainability by the year 2020.

The SLAB Corporate plan was revised and the vision, mission, key results areas were rearranged to be aligned with the current needs of SLAB and accreditation. In 2016, SLAB expects to be more focused on customer promotion and regulator engagement. Institutional capabilities with regard to staff competence and financial sustainability will be increased to ensure impartiality and consistency of operations.

In achieving the above milestones, the assistance given by the Chairman and members of the Governing Council, former Director/CEO, SLAB staff, assessors, committee members and other stakeholders was praiseworthy and commendable. Without the support from them, SLAB cannot record such a progress which is being admired nationally and internationally. I take this opportunity to thank all of them for their continuing support and the trust delivered to enhance the credibility of SLAB.

L H D Bandusoma

Director/CEO (Cover up duties)

The Governing Council

The powers and functions of the Board are vested in the Governing Council that consists of thirteen (13) members appointed by the Hon. Minister under the provision of SLAB Act No 32 of 2005. The Governing Council meets every month.

The constitution of the Governing Council as at 31st Dec. 2016 was as follows.



Mr. Namal Rajapaksha – Chairman,
Member representing the Ministry of Science, Technology & Research



Mr. P M Dharmathilake – Member
Director, Research & Development, Ministry of Science, Technology & Research



Mr. M A S H Perera - Member
Director Treasury Operation, Representing the General Treasury



Mrs. T M B Menike - Member
Additional Secretary, Ministry of Industry & Commerce, Member representing the Ministry of Internal Trade



Mr. Asitha K Seneviratne - Member
Additional Secretary, Ministry of Industry & Commerce, Member representing the Ministry of Industrial Development



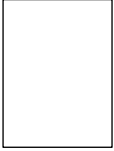
Mr. K P Kumara - Member
Director, Measurement Units, Standards & Services Department



Mr. N M P P Kaushalya K Nawaratne – Member
Representing the Ministry of Science, Technology & Research



Ms. T M A W Tennakoon - Member
Representing the Ministry of Science, Technology & Research



Mr. W S H Mangala – Member
Representing the Ministry of Agriculture



Mr. P.H. Ruwan De Silva – Member
Representing the Chamber of Commerce



Mrs. K M W Priyadarshani – Member
Representing the Ministry of Health, Nutrition & Indigenous Medicine



Mr. G Dharmawadena – Member
Representing the Sri Lanka Standard Institution

Member had not been appointed from National Academy of Science.

Audit Committee

The audit committee comprises of 3 non-executive members from the governing council and representative of Auditor General, Director/ CEO Secretary to the committee, Deputy Director (Fin. And Admin.) Internal Auditor of SLAB are act as invitees and convener. The treasury representative of the governing council is the chairman of the committee.

The main role of the committee is to assist the Governing Council in meeting its responsibilities for maintain an effective system internal control and for meeting its external financial reporting obligations. SLAB has an independent internal audit function which reports to the audit committee. The committee is also responsible for monitoring the effectiveness of the external Audit functions and for making recommendations to the council.

The committee had four meetings during the year and review all the reports submitted by the Internal Auditor of SLAB and Auditor General and minutes of all audit committee meetings are tabled at meetings of the Governing Council.



Mr. MASH Perera

Chairman/ Council

Member Representing General
Treasury



Mrs. TMB Menike

Member/
Council Member

Representing Ministry of Industry -
and Commerce



Mr. PM Dharmathilake

Member/
Council Member

Representing Ministry of Science,
Technology and Research



Mr. LHD Bandusoma

Invitee

Director/ CEO (Duty Cover up) SLAB



Mr. DG Pushpakumara

Invitee

Deputy Director (Fin. & Admin.) SLAB



Mr. W. Ananda

Invitee

Representing Auditor General

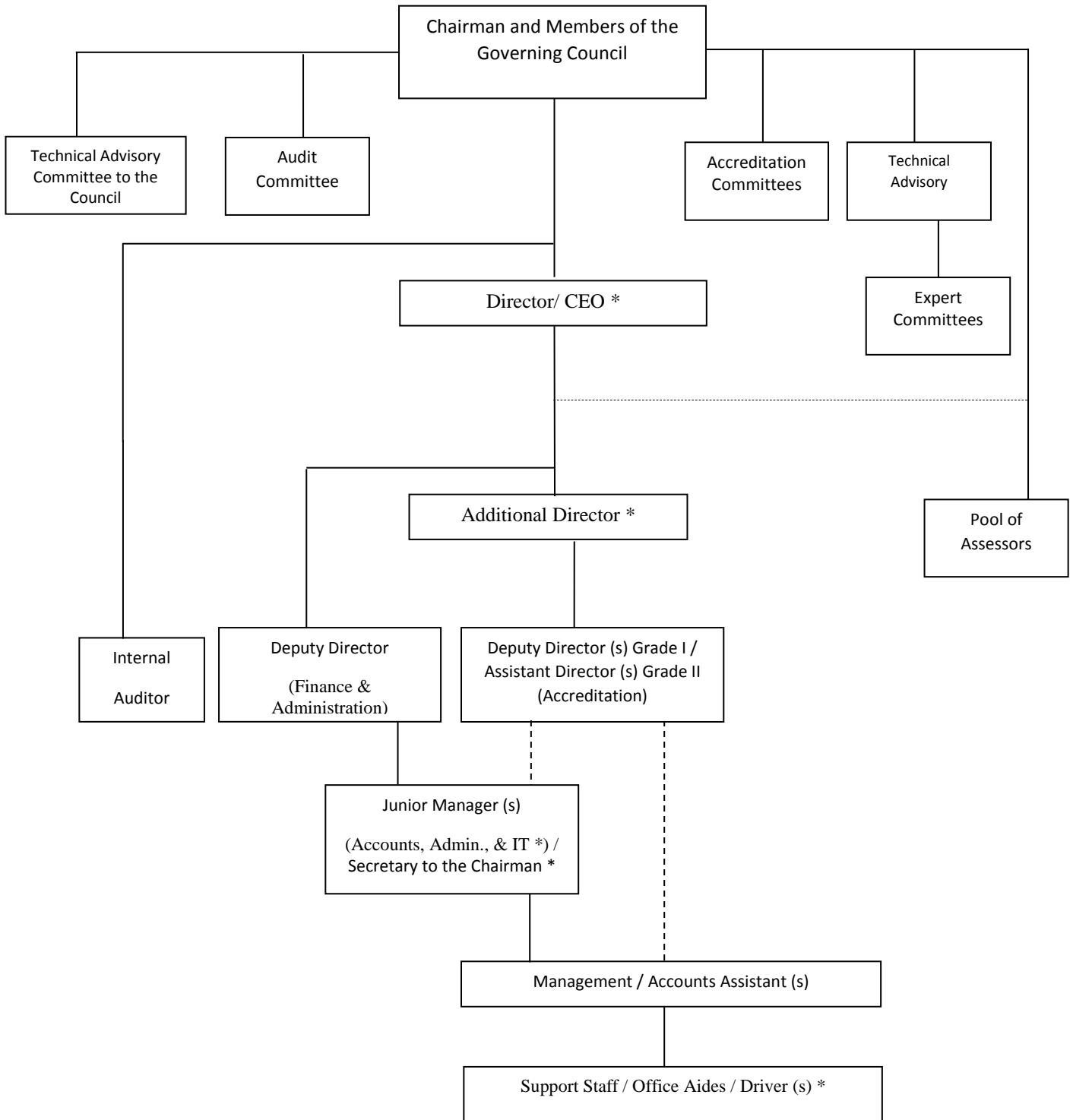


Mrs. T. Wanigasundara

Convener

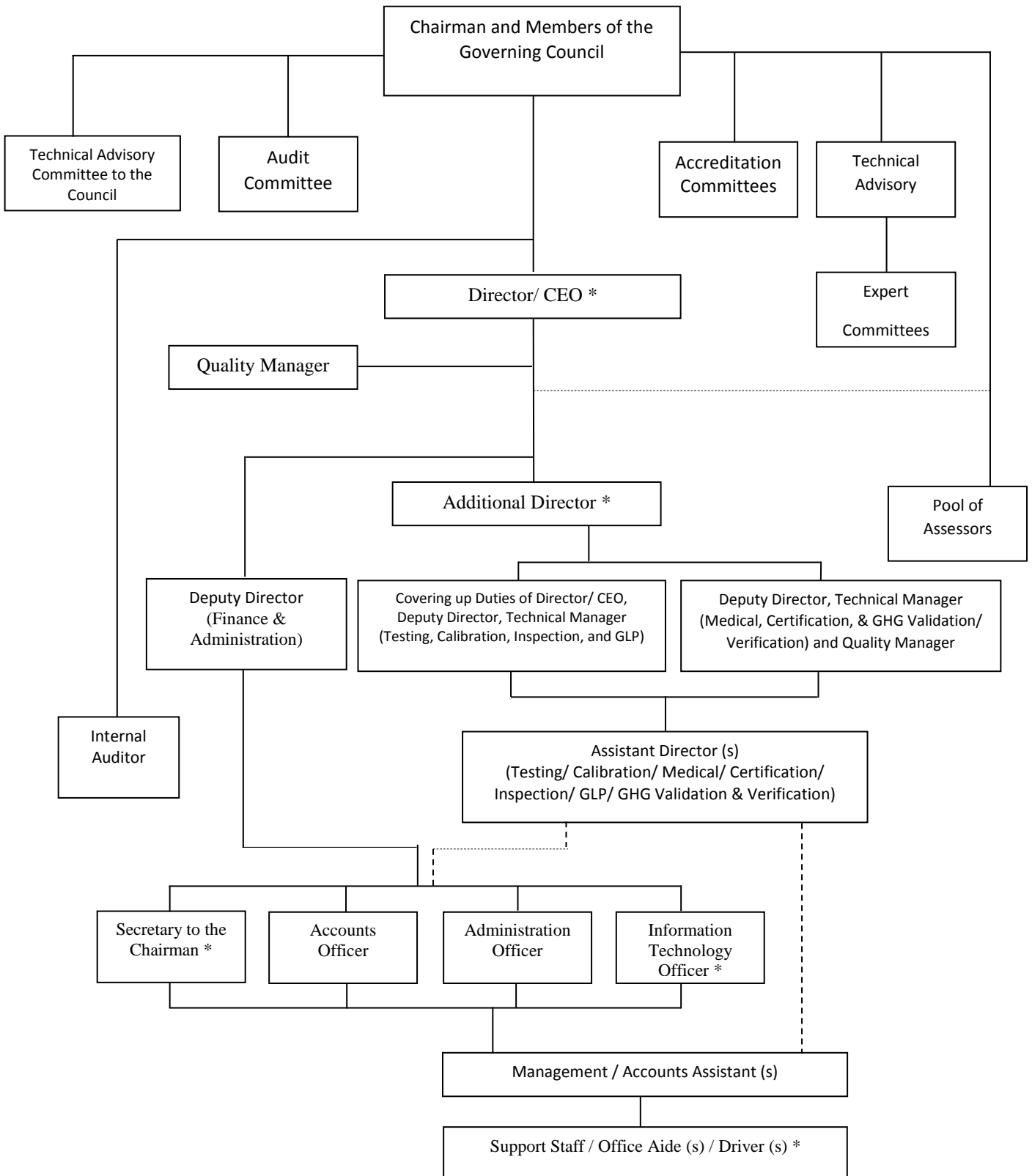
Internal Auditor - SLAB

Organizational Structure of SLAB



* Vacant Positions

Operational Structure of SLAB in 2016



* Vacant Positions

MANAGEMENT OF OPERATIONS

The management functions of SLAB are vested with the post of Director/CEO and responsible for carrying out all executive functions of the Board with the support of Technical, Finance and Administrative staff as shown in the Organizational Structure.

Technical Committees

To guide and advise the Governing Council and management in the performance of functions and duties of the board, the Governing Council has appointed the following Technical Committees having expertise in relevant fields.

Technical Advisory Committee to the Council

The Technical Advisory Committee to the Council advises the Governing Council on policy matters related to the development and operation of accreditation schemes of SLAB in different scope sectors.

Accreditation Committees:

The following Accreditation Committees have been appointed to provide advices on matters related to management and operations of relevant accreditation schemes and approve decisions taken in conformity assessments.

1. Accreditation Committee on Testing and Calibration Laboratories
2. Accreditation Committee on Medical Laboratories
3. Accreditation Committee on Certification Bodies and GHG Validation/ Verification Bodies
4. Accreditation Committee on Inspection Bodies

Technical Advisory Committees:

The following Technical Advisory Committees are responsible for providing advisory services in matters as determined by respective functions.

1. Technical Advisory Committee on Chemical Testing
2. Technical Advisory Committee on Biological Testing
3. Technical Advisory Committee on Mechanical Testing & Calibration
4. Technical Advisory Committee on Medical Testing
5. Technical Advisory Committee on Good Laboratory Practice
6. Technical Advisory Committee on Food Safety Certification & Inspection
7. Technical Advisory Committee on Vehicle Emission Inspection
8. Technical Advisory Committee on Management Systems Certification
9. Technical Advisory Committee on Greenhouse Gas (GHG) Validation/Verification Bodies
10. Technical Advisory Committee on Product Certification

Expert Committees:

In addition, expert committees have been appointed to assist respective technical advisory committees, in the areas of Medical Reference Materials, NDT Inspection & Testing, Forensic Science Testing, Forest Certification and Energy Management System Certification.

The Constitutions of the Technical Advisory Committees and Technical Committees are given in Annex 1.

HUMAN RESOURCE

The human resource of SLAB is composed of a smaller inner staff and a larger assessor pool drawn from academia and various professional bodies. SLAB deals with assuring the competence of conformity assessment bodies. The continuing turnover of staff since the inception of SLAB severely affected the functions of SLAB in the previous years but with complements to the staff, SLAB managed to maintain its accreditation systems in par with other foreign accreditation bodies. Usually, a new officer requires at least three years for being competent in a relevant field prior to appoint for working independently.

SLAB STAFF

The staff of the Board in the year as at 31st December 2016 was as follows.

Post	Approved	Present	(Vacant)
Director/CEO	01	--	(01)
Additional Director	01	--	(01)
Deputy Director (Finance & Administration)	01	01	-
Deputy Director/ Assistant Director	11	09	(02)
Internal Auditor	01	01	--
Accounts officer	01	01	--
Administrative Office	01	01	--
IT Officer	01	--	(01)
Secretary to the Chairman (Contract Basis)	01	--	(01)
Management/Accounts Assistant	04	04	-
Driver	03	02	(01)
Office Aide	02	02	-
Total	28	21	(07)

SLAB Staff



Name of the Staff left to right front row:

Ms. W A D T C M Wanigasundara (I.A.), Ms. A H N S M Dias (M.A), Ms. T D C I Ederiweera (D.D.), Mr. L H D Bandusoma (D.D.), Mr. Namal Rajapaksha (Chairman), Mr. D G Pushpakumara (D.D.), Ms. M R Gunasekara (A.D.), Ms. H M Wickramasinghe (A.D.) Ms. K H N Chandrasiri (J.M.)

Left to right back row:

Mr. T J Madurapperuma (M.A.) Mr. H M T Chamikara (O.A.) Mr. W.S. Prabuddha (M.A.), Mr. D N Kannangara (A.D.) Ms. J D K Karuanasaga (A.D.), Ms. L A V N Yashintha (J.M.), Ms. P H S Kumarathunga (A.D.), Mr. B H K Rangana (O.A.), Mr. M H N Dharmadasa (Driver), Mr. N W W V D T W Nanayakkara (Driver)

PANEL OF ASSESSORS

In the implementation of Accreditation Schemes in different areas, SLAB uses the services of trained assessors with expertise in relevant fields. For this purpose, an external pool of trained assessors around 448 in number has been established to undertake assessments with SLAB staff. The trainee assessors are required to be trained and competent before assigning them for the relevant conformity assessment. Depending on the needs of accreditation services, in the year 2016, one (01) assessor training programme were conducted to enlarge the SLAB assessor pool.

The details of SLAB assessor pool as at 31st Dec. 2016 are given below.

Field of Accreditation	Lead Assessor	Technical Assessor	Assessor	Trainee Assessor	Technical Experts
Testing	Internal LA-04 Internal TL- 04	33	02	43	32
Calibration	External TL -03	13		05	05
Medical Testing – ML	Internal LA- 03 External LA -02	26	03	57	03
Certification –Systems – ISO 9001(QMS)	Internal LA- 03 External TL-01	07	02	14	10
Certification –Systems – ISO 14001(EMS)	Internal LA-03 External LA-01	05	02	14	
Certification –Systems – ISO 22000 (FSMS)	Internal LA-03 External LA -01	04	02	08	
Certification –Systems – OHSAS 18001	Internal LA-03 External LA -01	04	02	09	
Certification – Systems- EnMS ISO 50001	Internal LA-03 External LA -01	00	02	01	
Certification – Product	Internal LA-02 External LA -01	05	02	08	
Certification – Person	Internal LA-02 External LA -01	00	00	05	
Inspection	00	02	32	04	
GHG Verification	External LA-01	01	01	26	02
GLP	01	01	-	27	
Total	44	101	50	201	52

NEW ASSESSOR TRAINING PROGRAMMES

Conformity assessments are conducted with empaneled trained and qualified external Technical Assessors and Technical Experts. SLAB has defined minimum competence requirements for personnel involved in the assessment Conformity Assessment Bodies (CABs) and documented as an Internal Accreditation Procedure in compliance with the requirements of ISO/IEC 17011 and International Accreditation Apex Bodies such as ILAC, IAF, APLAC and PAC.

An essential feature of all accreditation schemes is that Conformity Assessment Bodies (CAB) seeking accreditation from SLAB are assessed on-site for compliance with specified accreditation criteria.

Internationally, such assessments are carried out either by assessors directly employed by the Accreditation Body (AB) or, more commonly, by part-time assessors appointed by the AB to act on its behalf. In either case, the assessor plays a vital role in determining the credibility of the scheme. It is common practice for ABs to make use of different types of assessors such as lead assessor and technical assessor. In this case, each type of assessor should have different duties within the assessment team. Each type of assessor should hold appropriate technical and professional qualifications and should have recent experience in the activities they are going to assess. As per the International requirements, Assessor training course should be five days and shall cover 40 hrs. SLAB programmes have been designed similar to international requirements and additional training on-site assessments and conducting examinations and witness evaluation have been added to produce competent and qualified assessors.

SLAB conducts assessor training courses for its all accreditation schemes with the internal resource persons having capabilities and qualifications equivalent to international requirements. The Assessor Training courses provided by the SLAB are evaluated during the Peer Evaluations conducted by the regional accreditation apex bodies such as APLAC and PAC. In addition, the competence of SLAB trained assessors are confirmed through witness assessment done during peer evaluations and as results SLAB has admitted to international recognitions. Through this process, effectiveness of training courses provided by the SLAB could be evaluated.

SLAB staff members are participating international training programmes on new accreditation requirements and revisions to existing requirements and disseminate knowledge and experience gained to local assessors and SLAB staff.

In 2016, SLAB conducted a five day Assessor Training Course for Testing & Calibration Laboratories. 23 participants from government institutions and private sector institutions were participated.

ACCREDITATION ACTIVITIES

Management and Operation of SLAB Accreditation Activities as per ISO/IEC 17011

Main task of SLAB is to implement accreditation schemes based on the procedures and guidelines developed according to ISO/IEC 17011: 2004 and international accreditation principles. The main accreditation schemes operated by SLAB were as follows.

- 1) Accreditation Scheme for Testing Laboratories based on ISO/IEC 17025
- 2) Accreditation Scheme for Calibration Laboratories based on ISO/IEC 17025
- 3) Accreditation Scheme for Medical Laboratories based on ISO 15189
- 4) Accreditation Scheme for Certification Bodies of Systems based on ISO/IEC 17021
- 5) Accreditation Scheme for Certification Bodies of products based on ISO/IEC 17065
- 6) Accreditation Scheme for Certification Bodies of persons based on ISO/IEC 17024
- 7) Accreditation Scheme for Inspection Bodies based on ISO/IEC 17020
- 8) Accreditation Scheme for GHG Validation/ Verification bodies based on ISO 14065
- 9) Accreditation Scheme for Good Laboratory Practices (GLP) based on OECD requirements

SLAB managed to maintain and improve its management system on the above accreditation schemes in the 2016 too. SLAB was successful to retain APLAC/ILAC MRA for testing including ISO 15189 and calibration. SLAB was admitted to the PAC/IAF MLA for QMS, EMS, FSMS and product certification. SLAB was admitted to APLAC/ILAC for inspection and PAC MLA for GHG Validation/Verification bodies in 2016.

Accreditation of Testing Laboratories

Laboratory Accreditation for Testing Laboratories based on ISO/IEC 17025:2005 held a bigger share of accreditation services provided by SLAB. With the need of reliable test reports to remove unnecessary technical barriers and to facilitate the local and foreign trade, a reasonable increase in accredited testing laboratories was seen in 2016

Eight (08) new accreditations and eleven (11) scope extensions and fourteen (14) renewal of accreditation were granted in the year making a total of sixty five (65) accreditations for different fields of testing namely chemical, microbiology, mechanical, electrical and other specific fields such as radiation. Seven (07) new applications and five (05) applications for scope extensions were received. Thirty five (35) surveillance assessments and thirteen (13) re-assessments were carried out on planned schedule during the year. The accreditations were offered under the fields of food and agricultural products, soil, cement and concrete, textiles, fertilizers, veterinary testing etc. Accreditation of Government Analyst Department for forensic testing is one of the major milestone of SLAB accreditation history

Accreditation of Calibration Laboratories.

The number of accredited calibration laboratories as per ISO/IEC 17025:2005 was continuing to be very low. A strong metrological infrastructure was required in the country to disseminate reliable measurements and standards and to facilitate testing Laboratories to produce reliable results. In the year 2016, industry targeted promotions were done to enroll more calibration laboratories into the accreditation scheme.

The total number of accredited calibration laboratories was six (6) in number. One (01) new application and two (02) applications for scope extensions and one (01) application for renewal of accreditation were received. One (01) renewal and one (01) surveillance assessments were carried out during the year. Industrial Metrology Laboratory of Industrial Technology Institute (ITI) transferred its accreditation status from Sweden Accreditation Services (SWEDAC) as the SLAB accreditation is internationally recognized through ILAC MRA. Due to this decision, ITI saves around LKR 4 Mn per year. The areas covered under calibration were mass, temperature, length, time frequency, volume and pressure.

Accreditation of Medical Laboratories

The Accreditation Scheme for Medical Laboratories based on ISO 15189:2012 was implemented with all processes and assessment procedures compliant with internationally accepted procedures and standards. In the year 2016 too, a recorded interest was not shown by Governmental medical laboratories for developing quality management systems in laboratories.

The Technical Advisory Committee on medical testing and the expert committee on Medical Reference Materials developed the criteria for medical laboratory accreditation.

Accreditation has been granted to seventeen (17) Medical Laboratories based on ISO 15189: 2012 by the end of year 2016. One (01) new application and one (01) application for scope extension were received in the year 2016 and ten (10) renewals were granted. One (01) Initial assessment, fourteen (14) surveillance assessments and two (02) reassessments were conducted.

Accreditation of Certification Bodies

Accreditation scheme for Certification Bodies is another strategic area for which SLAB has shown high concern due to the fact that accredited certificates in system and product certification directly facilitate local and foreign trade. In the year 2016 too, accreditation schemes were operated based on ISO/IEC 17021 for system certification bodies, on ISO/IEC 17065 for product certification bodies and on ISO/IEC 17024 for person certification bodies.

As far as system certification bodies, two (02) applications for re-assessment were received. The areas covered were certification of QMS, EMS, FSMS, OHSAS and EnMS. One (01) surveillance assessment, one (01) re-assessment and one (01) initial assessments were conducted. By the end of year 2016 accreditation has been granted as QMS -03, EMS-03, FSMS-03 and OHSAS-01.

In the area of product certification, one (01) new application was received. One (01) surveillance assessment, one (01) visit to a critical location in S. Korea and one (01) initial assessment were conducted. By the end of year 2016 accreditation has been granted to one (01) product certification body.

In the area of person certification, one (01) surveillance assessment was conducted and by the end of year 2016 accreditation has been granted to one (01) person certification body.

Accreditation of Inspection Bodies

Accredited Inspection Bodies are expected to provide inspection and conformity assessment services to various authorities in the implementation of regulations. One (01) accreditation was granted for one of the Vehicle Emission Testing Company (CleanCo Lanka Limited). SLAB involved in the process of development of Request for Proposal for selecting new contractors which consider accreditation status of service providers. As results, it is expected that the number of applications will be received in 2017 from Vehicle Emission Testing Centers for accreditation.

Accreditation of GHG Validation and Verification Bodies

Accredited GHG Validation/Verification Bodies are expected to provide verification services to GHG attestations. Two (02) initial assessments were conducted and by the end of 2016 accreditation has been granted to two (02) GHG Validation/Verification Bodies.

Accreditation of Good Laboratory Practice

The accreditation scheme was developed on Good Laboratory Practice (GLP) for R&D and University laboratories for them to earn recognition for their research and methodology development work. One (01) application was received from Sri Lanka Institute of Nano Technology (SLINTEC) is was processed up to the pre assessment stage.

Coordinating Proficiency Testing Programmes

One of the important aspects of accreditation schemes related to testing including medical testing and calibration is to assure quality of test results through external participation in Proficiency Testing (PT) or Inter-laboratory comparison programmes. SLAB recognized PT programmes conducted by Industrial Technology Institute (ITI) and Sri Lanka Association of Testing Laboratories (SLATL). Both organizations continued to offer PT services in the areas of water microbiology, chemical analysis of tea and histamine in fish. In addition, the PT programmes conducted by APLAC member bodies were coordinated among testing laboratories as places were available. Total programmes coordinated were four (04).

Inter-laboratory comparison programmes in the areas of calibration was conducted by the applicant and accredited calibration laboratories as per the SLAB policy on participation in PT activities.

TRAINING PROGRAMMES

As per the provisions of SLAB Act, SLAB conducts training and awareness creation programmes for potential, applicant and accredited conformity assessment bodies. Training is the second income generation activity of the SLAB. Almost all training programmes are conducted by the SLAB Technical Staff and use external experts very rarely to cover specific technical areas where there is no resource person in the SLAB. In 2016, SLAB has earned Rs.3.5 Mn from training activities.

Type of programme	2016 Target	2016 Actual
Training Programmes for Conformity Assessment Bodies	15	13
Awareness programmes on accreditation	06	12
Outreach programmes	04	02

Training programmes conducted for Conformity assessment bodies covered all accreditation schemes. As per the impartiality requirements, SLAB is not allowed to conduct training programmes on development of management systems for particular organization. Therefore, SLAB has identified a resource gap between SLAB and potential applicants to develop their documentation for accreditation. It is expected that this will be overcome increasing the SLAB's general training programmes and Assessor Training Programmes. However, in 2016, SLAB was located in Colombo 03 at a building rented out with limited training facilities which created difficulties to complete training programmes as scheduled.

As result of SLAB training and awareness programmes, demand of SLAB accreditation services has been increased and it is reflected from the number of applications received and inquiries from private and public sector institutions.

In addition, allocation of staff for training programmes is also done considering the capabilities of SLAB staff. Retention of technical staff is challenging task as there is no incentive schemes to appraise the commitment of staff during training programmes.

In order to overcome above issues, it is expected to recruit vacancies, increase carder positions, provide more local and foreign training opportunities and introduce incentive scheme in 2017.

PERFORMANCE HIGHLIGHTS 2016

In the year 2016, SLAB completed 11 years of operations. SLAB continued to provide its services to testing & calibration laboratories, medical laboratories, certification bodies and inspection bodies based on the relevant international standards. These accreditation schemes were managed and operated in compliance with international principles and ISO/IEC 17011 applicable to accreditation bodies.

Development of SLAB Management System

SLAB continued to review policies, procedures and guidelines in this year too. ISO 15189: 2012 for medical laboratories was fully implemented by 1st March 2016. Policy on Transition to ISO/IEC 17021-1: 2015, ISO 9001: 2015 and ISO 14001: 2015 were published in January 2016. Specific criteria for Quality Management Systems, Environment Management Systems and GHG Validation & Verification Bodies were developed. 16 meetings of technical advisory and expert committees were held during the year. SLAB quality management systems was updated as per the updates of APLAC, PAC, ILAC and IAF. 05 internal audits were conducted on the quality management system. Delegates to ILAC and IAF voted on the ballots and comments were provided when necessary on the revised/new documents.

Also liaised with foreign certification scheme owners such as Textile Exchange Programme and FSSC 22000 for the implementation of their requirements in SLAB's quality management system.

ACCREDITATION SERVICES

Testing Laboratories

Eight (08) new accreditations and eleven (11) scope extensions and fourteen (14) renewal of accreditation were granted in the year making a total of sixty five (65) accreditations for different fields of testing namely chemical, microbiology, mechanical, electrical and other specific fields such as radiation. Seven (07) new applications and five (05) applications for scope extensions were received. Thirty five (35) surveillance assessments and thirteen (13) re-assessments were carried out on planned schedule during the year.

Calibration Laboratories

The total number of accredited calibration laboratories was six (6) in number. One (01) new application and two (02) applications for scope extensions and one (01) application for renewal of accreditation were received. One (01) renewal and one (01) surveillance assessments were carried out during the year. Industrial Metrology Laboratory of Industrial Technology Institute (ITI) transferred its accreditation status from Sweden Accreditation Services (Swedac) as the SLAB accreditation is internationally recognized through ILAC MRA. Due to this decision, ITI saves around LKR 4 Mn per year. The areas covered under calibration were mass, temperature, length, time frequency, volume and pressure.

Medical Laboratories:

One (01) new application and one (01) application for scope extension were received. One (01) Initial assessment, fourteen (14) surveillance assessments and two (02) reassessments were conducted. Ten (10) renewals were granted and five (05) accreditation committee meetings were held.

Certification Bodes:

System Certification: Two (02) applications for re-assessments were received. One (01) surveillance assessment, one (01) re-assessment and one (01) initial assessments were conducted. 03 accreditation committee meetings were held. In addition, SLAB liaised with foreign accreditation bodies (UKAS- UK, ESYD- Greece) to conduct joint assessments/witness assessments on behalf of them.

Product certification: one (01) new application was received. One (01) surveillance assessment, one (01) visit to a critical location in S. Korea and one (01) initial assessment were conducted.

Person certification: one (01) surveillance assessment was conducted.

GHG Validation and Verification Bodies:

Two (02) initial assessments were conducted. Two (02) accreditation committee meetings were held and two (02) accreditations were granted.

SLAB'S INVOLVEMENT IN NATIONAL ACTIVITIES

PARTICIPATION IN NEGOTIATIONS RELATED TO TRADE PROMOTION AND EXPORT DEVELOPMENT

Sri Lanka is embarking on an ambitious set of economic changes where innovation and entrepreneurship will become of the key drivers of export competitiveness and high value job creation. The focus of Sri Lankan policy makers is to rebalance its economic growth model to being more outward oriented, private sector-led, knowledge –intensive, and one that successfully develops and sells higher value goods and services in domestic and especially in global markets. As part of these remarkable initiatives, Sri Lanka is negotiating with other neighboring countries to promote exports of Sri Lanka.

The Trade negotiations cover different aspects such as good and services, Intellectual properties , investments and Sanitary and Phytosanitary / Technical Barriers to Trade (SPS/TBT). SPS/TBT is very important area where the Non-Tariff Barriers (NTB) are coming to the ground creating numerous trade barriers for Sri Lankan exporters. Negotiation and come to beneficial agreement for both parties as win –win situation very important for Sri Lanka to achieve set economic targets.

Director/CEO (Covering up duties) is nominated as member of SPS/TBT subcommittee and negotiating team member by the Ministry of Development Strategies and International Trade (MODSIT). SLAB's involvement in trade negotiations is very important and needed to fulfil the National objectives.

NATIONAL MIRROR COMMITTEES

Sri Lanka Standard Institution (SLSI) as a member of International Organization for Standardization (ISO) has formed different National Mirror Committees to review International Standards on National interest and provide technical inputs and take part in the process of voluntary standards development process. National Mirror Committees consist experts from different Government and Private Sector Institutions.

Two Deputy Directors of SLAB have been appointed as members of National Mirror Committees on Environmental Management System (EMS) Certification and Conformity Assessment. SLAB representation in these national committees is very important to take part in the standard development process of accreditation related standards and lean and share experience and dissemination of information on new developments.

SPECEIAL EVENTS AND ACHIVEMENTS

National Regulatory Conclave

SLAB successfully conducted National Regulatory Conclave on 2016-09-01 under the patronage of Hon. Minister of Science Technology & Research and with the participation of 280 participants from different regulators, conformity assessment bodies and other stakeholders of Accreditation and Regulatory Framework of Sri Lanka. The main objective of the National Regulatory Conclave was to initiate activities of implementation of proposals of Cabinet of Ministers for “Making Accreditation Mandatory in taking Technical Decisions” and create a platform for all stakeholders to identify their role in the National Regulatory Framework and strengthen National Quality Infrasturute (NQI) of the Country.



Proposals approved by the Cabinet of Ministers as follows;

- a) To use regulations and implement conformity assessment procedures such as testing, inspection and certification by regulators for controlling activities in relation to quality, environment, food safety, occupational health and safety, energy etc.
- b) To update regulations in which conformity assessment procedures are not mentioned and/or accreditation is not used as a means of acceptance and to include statement to reflect “not to use any facility that is not assessed and accredited”.
- c) To develop a conformity assessment framework which is composed of testing laboratories, inspection bodies and/or certification bodies as applicable, within and outside the regulatory bodies to facilitate accreditation.

SLAB has now taken initiatives to offer a number of internationally recognized accreditation schemes which will ultimately assure reliance on quality and compliance in the users when products and services are offered in the domestic and international markets and facilitate the process of taking Technical Decisions by regulators in the country.

The theme of the World Accreditation Day 2016; “Accreditation: A global tool to support Public Policy” is timely and significant to Sri Lanka. The regulatory authorities and affiliated testing, certification and inspection bodies are at present not fully geared to comply with their own regulations or to take initiatives to update them to address the current issues that could affect smooth exchange of products and services in the market.

Standards, accreditation and conformity assessment are market-based tools that can be used by Government policy makers to deliver better regulation, environmental protection, public safety, fraud prevention, fair markets and public trust. These tools are not as widely known and understood, or used, as they should be. However, there are many instances around the world where the public sector has embraced accredited conformity assessment as a means of delivering public policy objectives and taking Technical Decisions.

The decision taken by the Cabinet of Ministers to Make Accreditation Mandatory in taking Technical Decisions is significant milestone for the country as accreditation of Conformity Assessment Bodies facilitate the economic development activities of the government. As accreditation delivers competence of accredited organizations and assures their ability and reliability in the provision of products and services in the market, the industry and the government can have greater confidence on the products and services delivered by accredited organizations and their clients ultimately and facilitate to reach regional and international market requirements.

The Hon Minister highlighted the importance of organizing this National Event and he said that;



“I believe from a national point of view, that it is high time for all the concerned regulators in the country to revisit and upgrade their technical regulations, including national metrology systems to use accreditation as means for technical decisions. In the above context, the National Regulatory Conclave organized by SLAB would create a better forum for the participants to discuss practical issues in the provision of goods and services and to take measures to further strengthen the national quality infrastructure in Sri Lanka.”

Participants of National Regulatory Conclave were divided into different priority areas and formed working groups namely quality, environment, food safety, occupational health and safety, construction, crime & security and energy. Working groups reviewed proposals of Cabinet of Ministers and existing regulations under each priority areas and proposed future activities to be carried out in order to implement proposals approved by the Cabinet of Ministers.

As result of the initiatives taken by the SLAB, regulatory bodies in the country are now in the process of reviewing their regulations and identification of necessary changes and introduction of new regulations. Coconut Development Authority (CDA) , Construction Industry Development Authority (CIDA), Department of Import & Export Control, Export Development Board (EDB) are the main institutions which have already taken measures to implement proposals of Cabinet of Ministers to monitor regulatory activities under the their purview.

Participation in International Events

SLAB maintained Full Member Status of the Asia Pacific Laboratory Accreditation Co-operation (APLAC) and International Laboratory Accreditation Corporation (ILAC). The MRA signatory status by ILAC for testing including ISO 15189 and calibration was continued.

In addition SLAB obtained full member status of Pacific Accreditation Cooperation (PAC) and International Accreditation Forum (IAF). MLA signatory status of PAC for QMS, EMS, FSMS and product certification was granted in 2014 and continued.

In the year 2016, SLAB participated in APLAC-PAC joint annual meetings, ILAC-IAF Joint Annual Meetings and ILAC-IAF Mid-term meetings as full member of ILAC/IAF and APLAC/PAC in order to fulfill the obligations of signed MRAs.

In addition, SLAB participated in SEGA meeting held in Dhaka, Bangladesh in the month of October 2016

Participation in APLAC peer evaluations

Ms. Chanditha Ediriweera attended APLAC peer evaluation in CALA, Canada in September covering the Biological testing field.

International Recognitions achieved in 2016

SLAB Admitted to PAC MLA for Accreditation of GHG Validation & Verification Bodies as the first South Asian Country entered into PAC MLA.

SLAB admitted to ILAC MRA and APLAC MRA for Accreditation of Inspection Bodies

SLAB maintained Full Member Status of the Asia Pacific Laboratory Accreditation Co-operation (APLAC) and International Laboratory Accreditation Corporation (ILAC). The MRA signatory status by ILAC for testing including ISO 15189 and calibration was continued.

In addition SLAB obtained full member status of Pacific Accreditation Cooperation (PAC) and International Accreditation Forum (IAF). MLA signatory status of PAC for QMS, EMS and product certification was granted in 2014.

In the year 2015, APLAC-PAC joint annual meetings and SEGA meetings were hosted by SLAB in Colombo. A SAARC programme on laboratory accreditation trainers' training, financially assisted by PTB Germany, was conducted by SLAB in Colombo. SLAB holds the SEGA chairmanship for the next operational year.

Capacity Building and Training Programmes

Being an ILAC MRA Partner and IAF MLA Partner, SLAB is required to demonstrate the competence of internal staff to carry out Accreditation activities and support functions in relation to accreditation process. The technical staff of SLAB is trained as per relevant international standards and accreditation principles before authorizing them initially to carry out their duties and re- authorization after retraining on changes of international standards. Supporting staff is also trained on administration rules, financial rules and relevant accreditation procedures as well.

SLAB Technical Staff participated in Foreign Training Programmes organized by Asia Pacific Laboratory Accreditation Cooperation (APLAC) and Pacific Accreditation Cooperation (PAC) with the financial assistance of funding agencies such as PTB Germany. Therefore, expenditure for foreign training were limited to providing incidentals and other minor expenses as the main training expenses such as accommodation and air tickets are provided by the sponsors.

After completion of foreign training, all technical staff are required to conduct training sessions for internal staff and external assessor pool in order to disseminate the knowledge gained through foreign training and function as resource person of SLAB general training programme which is the second main income of the SLAB.

The list of local and foreign training programmes are given in the below table. In 2017, it is expected to provide more training opportunities for supporting and technical staff and organize training on team building and positive attitudes in order to motivate SLAB staff to achieve set objectives of the Board.

**Staff Training Undergone – 2016
(Local and Foreign)**

Titles of training programmes	Duration	For whom (Technical staff/non- technical staff	Number participated
APLAC Training on ISO 15189:2012 in Bangkok	2016.01.08-09	Technical staff	01
Training on ISO 14001:2004 by Swedish Standards Institution – SESA Programme	2016.01.18-19	Technical staff	01
Awareness Seminar on Life Cycle Assessment and Environmental Risk by SLSI	28.03.2016	Technical staff	02
ISO/IEC 17021:2015, ISO9001:2015 & ISO14001:2015 in Hanoi, Vietnam	2016.04.20-22	Technical staff	02
Training on Theories and Application of Shop & Office Act	2016.05.17	All staff	22
Training on Assets Management	2016.05.30-31	Non – technical staff	01
Internal Staff Training on Accreditation Process and role of admin staff in Accreditation Process by SLAB	2016.06.10	Non – technical staff	07
Internal staff training on introduction to ISO 17011;2004 and SLAB Procedures for Doc & Record Control as per ISO 17011 for Admin & Fin Staff by SLAB	2016.07.11	Non – technical staff	08
Seminar on SL Accounting Standards – Part I by CA	2016.07.23/29/30	Non – technical staff	02
Internal staff Training on Basics of Accreditation Schemes for Medical/ Certification & GHG for Admin & Fin staff by SLAB	2016.07.21	Non – technical staff	08
Internal staff Training on calculation of fees and man days for Admin & Fin staff by SLAB	2016.08.05 2016.08.10	Non – technical staff	06
Seminar on Construction of National Standardization Capacity along The B & R	2016.08.11-23	Technical staff	01
Seminar on SL Public Accounting Standards – Part II by CA	2016.08.11/12/18 /19/26/27	Non – technical staff	03
Training on Salary management & Conversion	2016.08.25	Non – technical	01

by PRAG		staff	
Training on Public Procurement Management By CA	2016.09.02-03	Non – technical staff	01
Seminar on Certification & Accreditation Cooperation for the Countries along “One Belt and One Road”	2016.09.09-27	Technical staff	02
Training on ISO 17020:1998 Accreditation of Inspection Bodies by SLAB	2016.09.20-21	Technical staff	02
PAC Training on ISO 17065 in Washington	2016.10.06-07	Technical staff	01
Assessor Training on ISO 17025 by SLAB	2016.10.17-21	Technical staff	02
Training on ISO 17065:2012 in Cambodia	2016.10.18-21	Technical staff	02
Training on Annual Stock Verification & Disposal of Unserviceable Items	2016.12.19	Non – technical staff	01

FINANCIAL HIGHLIGHTS 2016

The annual allocation for recurrent expenditure was LKR 56.0 million. The Treasury contribution for recurrent expenditure was LKR 15.7 million. The actual recurrent expenditure was LKR 49.4 million. The shortfall in recurrent expenditure was set off from the income generated.

During the year under review, SLAB generated LKR 31.74 million from its activities mainly from accreditation services and training programmes. The income over recurrent expenditure was 64.22%.

The annual allocation for capital expenditure was LKR 2.0 million granted by the treasury and supplementary allocation is approved 3.2 Million for purchasing capital assets and LKR 2.00 million was received during the year.

SLAB has recorded an excess of income over expenditure of LKR 4.63 million from its operations during the year under review.

Expenditure analysis

Year	Recurrent Expenditure (Rs.Mn)				Capital Expenditure (Rs.Mn)		
	Budgeted Expenditure	Actual Expenditure	Treasury Grants	Earnings	Budgeted Expenditure	Actual Expenditure	Treasury Grants
2007	14.70	11.50	8.23	2.83	1.50	1.40	1.50
2008	17.29	13.98	10.56	3.27	2.74	0.41	0.50
2009	19.60	15.01	11.47	3.32	2.33	0.44	0.66
2010	21.81	15.51	8.91	5.30	3.57	0.63	0.50
2011	23.30	21.33	13.28	8.12	3.08	0.63	0.80
2012	28.18	29.29	15.50	12.9	1.82	1.75	1.37
2013	33.00	36.61	14.80	18.08	2.00	1.51	1.50
2014	38.00	42.85	16.09	27.58	2.00	1.71	1.73
2015	64.50	63.14	12.20	55.24	3.00	1.64	1.25
2016	56.00	49.43	15.70	31.74	5.2	4.67	2.00

SRI LANKA ACCREDITATION BOARD FOR CONFORMITY ASSESSMENTS

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2016

	<u>Notes</u>	<u>Actual</u> <u>2016</u>	<u>Actual</u> <u>2015</u>
<u>ASSETS</u>			
<u>Current Assets</u>			
Cash & Cash Equivalents	19	9,224,523.75	9,222,751.98
Receivables	11	3,252,006.12	3,734,922.49
Stationery Stock		113,019.00	98,547.14
Pre payments	17	503,466.63	359,182.56
VAT control		45,000.00	
Distress Loan	16	633,500.00	448,150.00
Refundable Deposit & Advance	10	4,320,216.00	1,231,200.00
		<hr/> 18,091,731.50	<hr/> 15,094,754.17
<u>Non-Current Assets</u>			
Property Plant & Equipment	27	11,639,176.04	12,691,177.13
Distress Loan	16	512,450.00	679,250.00
<u>Intangible Assets</u>			
Intellectual Property	18	1,062,863.21	1,125,008.09
Investment for Gratuity		<hr/> 2,279,197.91	<hr/> 2,134,959.03
		<hr/> 15,493,687.16	<hr/> 16,630,394.25
		<hr/>	<hr/>
TOTAL ASSETS		<hr/> 33,585,418.66	<hr/> 31,725,148.42
<u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Creditors	24	246,752.45	97,814.94
Accrued & Other payables	14	3,611,778.02	2,565,897.14
Provision for Annual Lave		192,082.17	
Gratuity provision-Director		<hr/> -	<hr/> 433,936.00
		<hr/> 4,050,612.64	<hr/> 3,097,648.08

Non-Current Liabilities

Provision For Gratuity	25	2,767,825.35	2,767,825.35
TOTAL LIABILITIES		6,818,437.99	5,865,473.43
NET ASSETS		26,766,980.67	25,859,674.99
<u>Net Assets / Equity</u>			
Accumulated Fund	12	19,035,455.39	14,410,223.50
Differed Income-Government Grants	13	5,916,925.28	9,634,851.49
- Other Grants	20	1,814,600.00	1,814,600.00
NET ASSETS / EQUITY		26,766,980.67	25,859,674.99

The Accounting policies on pages 42 to 44 and Notes 45 to 53 form an integral part of these Financial Statements. The Council Members are responsible for the preparation and presentation of these Financial Statements. These Financial Statements are approved by the Council and signed on their behalf.

.....
M.A.S.H Perera
Council Member
Representing General Treasury

.....
T.M.B Manike
Council Member
Representing Ministry of Industry and
Commerce

.....
L.H.D Bandusoma
Director/CEO (Cover-up)
Sri Lanka Accreditation Board for
Conformity Assessment

.....
D.G Pushpakumara
Deputy Director (Finance/Admin)
Sri Lanka Accreditation Board for
Conformity Assessment

SRI LANKA ACCREDITATION BOARD FOR CONFORMITY ASSESSMENTS
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2016

	<u>Notes</u>	<u>Actual</u> <u>2016</u> Rs.	<u>During Year</u>	<u>Restated</u> <u>Actual</u> <u>2015</u> Rs.	<u>Budget</u>
Income	1	54,054,676.13	(13,382,952.08)	67,437,628.21	56,000,000.00
		54,054,676.13	(13,382,952.08)	67,437,628.21	56,000,000.00
<u>Administration & Establishment Expenses</u>					
Personal Emoluments	2	15,856,103.24	1,172,840.57	14,683,262.67	21,197,400.00
Contractual Services	6	18,206,491.01	(16,994,339.27)	35,200,830.28	22,175,600.00
Supplies	4	809,523.64	4,966.13	804,557.51	989,100.00
Subscription & Member fees	7	1,301,233.38	89,546.92	1,211,686.46	1,356,400.00
Travelling Expenses	3	4,626,568.02	2,332,422.57	2,294,145.45	5,250,000.00
Maintenance Expenditure	5	2,341,919.39	70,079.17	2,271,840.22	3,417,000.00
Others	8	6,270,905.56	(390,829.70)	6,661,735.26	594,500.00
Financial Cost & Others	9	16,700.00		16,010.00	20,000.00
Contingent liability provision		-		-	1,000,000.00
Total Expenditure		49,429,444.24	(13,714,623.61)	63,144,067.85	56,000,000.00
Excess of Income Over Expenditure		4,625,231.89	331,671.53	4,293,560.36	-

SRI LANKA ACCREDITATION BOARD FOR CONFORMITY ASSESSMENTS
STATEMENT OF CHANGES IN NET ASSETS / EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2016

	<u>DIFFERED INCOME</u>	OTHER GRANTS	ACCUMULATED FUND	TOTAL
Balance as at 1st January 2015	<u>14,696,404.11</u>	1,814,600.00	10,116,663.14	26,627,667.25
Prior Year Adjustment	-		-	-
Restated Balance as at 1st January 2015	14,696,404.11	1,814,600.00	10,116,663.14	26,627,667.25
Grant Received and Utilized for Capital Assets	1,250,000.00		-	1,250,000.00
Depreciation Expenses for the Year	5,800,099.52)		-	(5,800,099.52)
Gratuity Provision	(343,560.00)		-	(343,560.00)
Amortization of Proficiency Testing Programme	(134,893.10)			(134,893.10)
Amortization of Accounting package of SLAB	(33,000.00)			(33,000.00)
Surplus / (Deficit) for the year			4,293,560.36	4,293,560.36
Balance as at 31st December 2015	<u>9,634,851.49</u>	1,814,600.00	<u>14,410,223.50</u>	<u>25,859,674.99</u>
Balance as at 1st January 2016	9,634,851.49	1,814,600.00	14,410,223.50	25,859,674.99
Adjustment-Receivable Adjustment				-
Fixed Assets Adjustment			-	-
Pre payment Adjustment				-
Grant Received and Utilized for Capital Assets	2,000,000.00		-	2,000,000.00
Depreciation Expenses for the Year	(5,240,469.66)		-	(5,240,469.66)
Amortization of SLAB IT programme	(343,560.00)		-	(343,560.00)
Amortization Of Proficiency Testing Programmes	(100,896.55)			(100,896.55)
Amortization of Accounting Package of SLAB	(33,000.00)			(33,000.00)
Surplus / (Deficit) for the year			4,625,231.89	4,625,231.89
Balance as at 31st December 2016	<u>5,916,925.28</u>	1,814,600.00	<u>19,035,455.39</u>	<u>26,766,980.67</u>

SRI LANKA ACCREDITATION BOARD FOR CONFORMITY ASSESSMENTS
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2016

Descriptions	2016 Rs.	2015 Rs.
Expenditure Over Income for the year	4,625,231.89	4,293,560.36
<u>Adjustments for :</u>		
Capital Grant Amortization	(6,054,247.26)	(6,311,552.62)
Depreciations on Fixed Assets	5,240,469.66	5,800,099.52
Gratuity Provision	-	1,010,652.19
loss from Disposal of Fixed Assets	22,304.27	-
Amortization of SLAB IT programme	343,560.00	343,560.00
Income from Disposal Items	5,250.00	-
Annual Leave Provision	192,082.17	-
Interest from Investment of Gratuity	144,238.88	-
Amortization of Proficiency Testing	100,896.55	134,893.10
Amortization of Accounting Package	33,000.00	33,000.00
Operating Surplus before Working Capital changes	4,652,786.16	5,304,212.55
<u>Working Capital Changes</u>		
Decrease /(Increase) in Prepayments	(144,284.07)	(60,037.99)
Decrease /(Increase) in Receivables	482,916.37	2,757,019.06
Increase/(Decrease) in Gratuity provision	(433,936.00)	
Increase/(Decrease) in Refundable Deposit	(3,089,016.00)	57,500.00
Increase/(Decrease) in Creditors	148,937.51	73,192.77
Increase/(Decrease) in Annual Leave Provision	192,082.17	
Increase/(Decrease) in Accrued Expenses	366,320.50	(190,944.47)
Increase/(Decrease) in VAT Control	(45,000.00)	
Increase/(Decrease) in Stock & other Item	(14,471.86)	(37,559.14)
Increase/(Decrease) in Other payable	679,560.38	250,230.41
Net Cash Flows from Operating Activities	2,795,895.16	8,153,613.19
<u>Cash flows from Investing Activities</u>		
Acquisition of Fixed Assets	(4,216,022.84)	(1,573,123.24)
Development Work - Proficiency Testing	(454,580.76)	(66,900.00)
Recoveries from PT programme	39,269.09	-
Grant Distress Loan During the Year	(950,000.00)	(1,143,000.00)
Distress loan recoveries during the year	931,450.00	519,800.00
Investment for Gratuity	-	(873,779.03)
Interest from Investment of Gratuity	(144,238.88)	-
Net cash used in Investing Activities	(4,794,123.39)	(3,137,002.27)
<u>Cash flows from Financing Activities</u>		
Government Grant Received	2,000,000.00	1,250,000.00
Net cash used in Financing Activities	2,000,000.00	1,250,000.00
Net Increase/Decrease in Cash and Cash Equivalents	1,771.77	6,266,610.92
Cash and Cash Equivalents at the beginning of the year	9,222,751.98	2,956,141.06
Cash and Cash Equivalents at the end of the year	9,224,523.75	9,222,751.98

Sri Lanka Accreditation Board for Conformity Assessment

Notes to the Financial Statements

1.1 Significant Accounting Policies.

General

Sri Lanka Accreditation Board for Conformity Assessment (SLAB) is the National Accreditation Authority for Sri Lanka under the Sri Lanka Accreditation Board for Conformity Assessment Act No.32 of 2005.

1.2 Basis of Preparation and Accounting Policies.

Financial Statements have been prepared in compliance with Sri Lanka Public Sector Accounting Standard as per the Department of Public Enterprise Circular No 3/2013.

1.2.1 Sri Lanka Public Sector Accounting Standards (SLPSAS 1)

Financial Statements for the year ended 31st December 2016 are carrying with Sri Lanka Public Sector Accounting Standards.

1.3. Assets and Basis of their Valuation

Assets classified as current assets on the balance sheet date are bank balances and those which are expected to be realized in cash during the normal operating cycle or within one year from the balance sheet date whichever is shorter. Assets other than current assets are those which the Board intends to hold beyond one year period from the Balance Sheet date are Non-Current Assets.

Proficiency testing programme expenses shown under the development activity is amortized 50% of its carried forward balance beginning of the year.

1.3.1 Property Plant & Equipment

Property plant & equipment are stated at cost method. Depreciation has been provided on straight line method at the following rates per annum in order to write off cost of such assets over their estimated useful lives.

Asset	Rate
Motor Vehicle	20%
Furniture	20%
Office Equipment, Air conditioners, units, Telephone & Fax Machine	20%
Computer, Printer, Multimedia Projector & PhotoCopier	25%
Building & Structure	33.33%

Depreciation of an asset commences when the asset is available for use and ceases in the month of disposal.

1.3.2 Intangible Assets

Hosting of SLAB Website and Software for SLAB IT System has been received as grant from Swedish government, under Quality Infrastructure Development Project in Sri Lanka. This project has been completed at the end of year 2010. This capital cost has been recognized as Non-Current Assets and it has been decided to Amortized within 5 years commence from 2013 onwards as some modifications were made.

1.4 Inventories

Only the inventory item of consumable stores have been valued at the lower of cost or net realizable value.

1.5 Receivables

Receivables are stated at the amount estimated to be realized.

1.6. Liabilities & Provisions

1.6.1 Current liabilities

Current liabilities are those which fall due for payments on demand or within one year from the balance sheet date. All known liabilities have been accounted for in preparing the Financial Statements.

1.7 Income and Expenditure

1.7.1 Revenue Recognition

Income from training program and Accreditation schemes are accounted on accrual basis. However the Annual Accreditation fee is charge for three years period after granting Accreditation and re assessment to be done before 03 years. Annual fee for the 1st year is charge when granting Accreditation Certificate and fully consider as income for the year of granting and continue the same practice for 2nd and 3rd renewal.

Grants have been recognized in the income statement on receipt basis.

1.7.2 Treasury Grants

Grant received from General Treasury has been recognized as income in the period in which the related cost are recognized. Capital grants utilized to acquire assets are recognized as deferred Income.

Treasury grant allocated for the year Recurrent is Rs. 17.0Mn and the Capital grant is Rs.2.0 Mn. However a supplementary allocation is approved Rs.3.2 Mn for purchasing capital assets at the end of December 2016.

1.7.3 Expenditure recognition

All the expenditure incurred in the running of the Board and maintaining the Property, Plant and Equipment in a state of efficiency has been charged to the income statement.

1.8 Taxation

No provision has been made for income Tax.

1.9 Events after the balance sheet date

The Intangible Assets is shown above under the Note No .1.3.2 has been decided to amortize up to end of 2017. However it is identified to implement a new IT system during the year 2017 with the financial support is provided by the ICTA as the present IT system could not be continued due to some shortcomings of the system. A Refundable deposit for building rental of Rs. 1.2 Mn has been kept with Thompson Associated Limited is settled after the balance sheet date.

1.10 Comparative figures

Where necessary comparative figures have been reclassified in conform to the current year's presentation.

1.11 Cash flow statement

Cash flow statement has been prepared using indirect method.

Government grants received which are related to purchase of Property Plant and Equipment are classified as investing cash flows.

1.12 Foreign Exchange Earning

Income earn from foreign Accreditation service during the year is USD 3,665.32 have be earned from Product Certification during the year. The rupee value of the income was LKR. 515,920.91.

1.13 Accounting for Foreign Exchange Earning

Separate FEEA maintain for foreign transaction. A Proforma Invoice is send for collecting earning to the FEEA in Dollar or Euro form. Those deposits are collecting FEEA A/C and transferred to the Current Account according to the cash flow requirement. Gain or loss on foreign exchange transactions are deducted at the time of withdrawals from FEEA A/C to Current A/C.

1.13 Disposable Items

The Board of Survey roughly identified the following assets which are included Property Plant and Equipment (Note No 27) to be disposed as these items could not be used. The Board further verify these assets and will submit the report. Then necessary action will be taken to dispose the items.

Item	Value (Rs.)
Telephone System	42,664.00
Other Office Equipment	5,750.00
Office Furniture	99,121.01
Desktop Computer	162,642.50
Building & Structure	16,830.00
Printers	<u>25,000.00</u>
Total	<u>335,177.51</u>

In addition to the above mentioned items, there are some Computers, photocopy machine, Furniture ect are shown under the Rs. 1.00 value total cost of the above value is about Rs. 3.0 Mn. However if those items will be disposed. It may not to collect even Rs. 50,000.00. Further usable period could not be estimated. Those items are used until it is in usable condition and dispose annually. Therefore estimate error for depreciation rate has not been adjusted as it is not effect to the net Assets of the Board.

1.14 Gratuity provision

Gratuity provision is made as per the formula introduced by the Chartered Accountants of Sri Lanka and investing Fixed Deposit in a public bank or treasury bills according to the expecting retirement requirement and funds available for investment. Due to effect of major changing of interest rate within two years, the calculation trough the formula is not given the accurate amount to make the provision. Therefore, either adjustment have not been made for the current year provision or over provision. Employees who are entitled for receiving gratuity are fully covered by the investment.

1.15 Related party transaction

There is no related party transaction with council members or key managerial level personnel.

**SRI LANKA ACCREDITATION BOARD FOR CONFORMITY ASSESSMENT
NOTES TO THE ACCOUNTS**

	Actual 2016	Restated Actual 2015	Budget 2016
1) <u>Income</u>			
Treasury Grant Received (Note No- 15)	21,418,530.21	18,519,383.62	17,000,000.00
<u>Accreditation Income</u>			
Income from Accreditation - Testing	16,324,372.35	12,773,169.35	15,000,000.00
Income from Accreditation - Calibration Labs	981,000.00	1,771,000.00	1,500,000.00
Income from Accreditation - Medical Labs	5,657,504.00	5,625,568.32	7,500,000.00
Income from Accreditation of Certification Bodies (Systems)	2,860,236.00	2,692,111.06	5,000,000.00
Income from Accreditation of Personnel Certification	226,000.00	240,360.37	250,000.00
Income from Accreditation Product Certification	775,920.91	180,556.38	1,000,000.00
Income from Accreditation- GHG	927,000.00	238,000.00	750,000.00
Income from Accreditation-GLP	50,000.00	-	
Income from Accreditation of Inspection Bodies	436,000.00	2,797,010.39	1,000,000.00
<u>Training Programmes Income</u>			
Income from Training Programmes -Assessor	800,000.00	80,000.00	1,500,000.00
Income from Training Programmes -other Recoveries	2,705,774.60	2,210,175.70	3,500,000.00
			2,000,000.00
<u>Other Income</u>			
Distress Loan Interest	54,385.48	37,346.06	-
Sundry Income	183,034.53	289,100.26	-
Income from World Accreditation Day (Sponsor & Seminar)	300,000.00	463,891.94	
Income from SLAB Events (10th Anniversary, SEGA)- Sponsorship	-	452,575.00	
Exchange Gain/Losses	169,714.46	407,764.99	
Income from APLAC Annual Conference	-	18,572,182.79	-
Employee loan interest benefit adjustment	185,203.59	87,431.98	-
Total Income	54,054,676.13	67,437,628.21	56,000,000.00
2) <u>Personal Emoluments</u>			
Salaries & wages	11,466,334.87	10,012,774.98	14,653,700.00
E.P.F.	1,719,950.32	1,501,916.24	2,198,100.00
E.T.F.	343,990.15	300,383.33	439,600.00
Chairman's Allowances	900,000.00	675,000.00	900,000.00
Overtime & Holiday Payments	299,272.24	315,998.19	480,000.00
Gratuity Expenses	-	1,010,652.19	425,000.00
Leave Encashment	655,903.14	729,176.72	1,273,000.00
Annual incentive for progress	-	-	375,000.00

Staff Training and Development	120,863.00	44,437.12	275,500.00
Staff Welfare	157,707.35	92,923.90	177,500.00
Annual Leave Expenses	192,082.17		
	15,856,103.24	14,683,262.67	21,197,400.00

3) Traveling Expenses

Domestic-Travelling & Subsistence	195,848.40	94,660.90	250,000.00
Foreign (Note 22)	4,430,719.62	2,199,484.55	5,000,000.00
	4,626,568.02	2,294,145.45	5,250,000.00

4) Supplies

Stationery and office requisites	500,643.64	381,902.51	563,200.00
Fuel and transport Allowance	308,880.00	422,655.00	425,900.00
	809,523.64	804,557.51	989,100.00

5) Maintenance Expenditure

Maintenance -Vehicles	766,883.12	678,752.54	1,105,000.00
Maintenance -Plant. Machinery & Equipment	1,356,618.34	1,459,821.84	1,742,000.00
Maintenance -Buildings & Structures	19,375.00	71,023.84	200,000.00
Maintenance -Administration	199,042.93	62,242.00	370,000.00
	2,341,919.39	2,271,840.22	3,417,000.00

6) Contractual Services

Transport -Fuel for the office Van	205,199.93	218,527.36	300,000.00
Telecommunication	684,735.85	420,331.48	767,500.00
Postal Charges	367,865.00	284,557.00	473,100.00
Other Accreditation Expenses	162,018.90	124,079.20	326,400.00
APLAC PAC Annual conference	-	14,514,261.89	-
SLAB Events (10th Anniversary, SEGA, Cooperate Plan)	-	1,553,162.84	-
World Accreditation Expenses	1,154,888.42	1,299,181.81	1,200,000.00
Electricity	635,781.10	568,978.35	712,700.00
Water	75,467.13	41,525.22	92,100.00
Rent and Local Taxes	3,672,000.00	3,672,000.00	3,696,000.00
Council and Audit Committee Meeting	719,536.70	517,390.00	742,000.00
Security Expenses	409,752.47	393,349.82	555,900.00
Janitorial Service	291,086.93	271,831.32	330,000.00
APLAC Evaluation	-	1,499,235.77	-
PAC Evaluation	2,200,083.68	-	2,500,000.00
Technical Advisory Committee Expenses	624,770.78	532,703.60	675,100.00
Professional Chargers	133,920.00	-	-
Audit Fee	125,000.00	100,000.00	225,000.00
Advertising & News Papers	873,800.00	1,960,474.12	1,100,000.00

National School Programme	-	5,000.00	-
Printing Activities	219,085.80	107,770.00	309,600.00
<u>Training Programme Expenses</u>			
Training Programme Expenditure-Assessor Training	247,196.30	182,770.51	395,030.00
Training Programme Expenditure-Other Training	985,945.50	928,820.00	1,245,040.00
<u>Assessment Expenses</u>			
Assessment Expenses-Testing	2,628,725.30	2,764,966.40	3,070,000.00
Assessment Expenses-Calibration	194,658.42	181,309.90	208,000.00
Assessment Expenses-Medical	829,135.60	1,047,194.49	1,004,700.00
Assessment Expenses-Certification	479,746.60	1,331,837.51	1,227,000.00
Assessment Expenses-Inspection Bodies	73,308.60	652,563.29	670,430.00
Assessment Expenses-GHG	123,378.00	27,008.40	250,000.00
Assessment Expenses-Body of Persons	29,404.00		50,000.00
Assessment Expenses-Product Certification	60,000.00		50,000.00
	18,206,491.01	35,200,830.28	22,175,600.00

7) Subscription & Member Fees

International Laboratory Accreditation Corporation	265,050.92	243,989.55	268,400.00
Asia Pacific Laboratory Accreditation Corporation	489,311.62	424,940.49	497,400.00
Pacific Accreditation Corporation	322,615.08	331,459.89	364,600.00
International Accreditation Forum	224,255.76	211,296.53	226,000.00
	1,301,233.38	1,211,686.46	1,356,400.00

8) Others

Insurance-Fire & Burglary	108,260.81	-	114,500.00
Depreciations	5,240,469.66	5,800,099.52	-
Stamp Duty	7,350.00	18,350.00	-
Exhibition Expenses	47,356.56	-	200,000.00
Trainee's A/C (NAITA)	168,750.00	531,975.00	280,000.00
Disposal of Assets - Note 27	22,304.27		
Over/Under Provision	13,754.12	-287,574.34	-
Staff loan benefits adjustment	185,203.59	87,431.98	-
Amortization of SLAB IT Programmes	343,560.00	343,560.00	-
Amortization Of Proficiency Testing Programmes	100,896.55	134,893.10	-
Amortization of Accounting Package of SLAB	33,000.00	33,000.00	
	6,270,905.56	6,661,735.26	594,500.00

9) Financial cost & others

Bank Charges	16,700.00	16,010.00	20,000.00
Exchange Losses A/C	-	-	-
	16,700.00	16,010.00	20,000.00

10) Refundable Deposit and Advance

Festival Advance	-	-	-
Advance payment	-	50,000.00	-
Refundable Deposit-Building Rent	1200000	4,320,216.00	1,181,200.00
- Mobitel	17000		
-Mount spring	4200		
-Post master (Courier)	10000		
- Rent for new Building	3089016		
		<u>4,320,216.00</u>	<u>1,231,200.00</u>
			-

11) Receivables**Trade Receivables**

Receivables from Testing	1,559,822.45	2,450,000.00	-
Receivables from Calibration labs	177,193.88	590,000.00	-
Receivables from medical labs	684,132.65	206,000.00	-
Receivables from Certification bodies	147,857.14	63,000.00	-
Receivable from Inspection Bodies	178,367.35		
Receivable from Body of Persons	173,877.55	80,000.00	
Receivable from Product Certification	315,755.10	128,000.00	
Receivables from others	-	217,922.49	-
Receivables from PT Programme	15,000.00		
		<u>3,252,006.12</u>	<u>3,734,922.49</u>
			-

12) Accumulated Fund

Balance at the Beginning of the Year	14,410,223.50	10,116,663.14	
Excess of Expenditure Over Income	4,625,231.89	4,293,560.36	-
Balance at the end of the Year	<u>19,035,455.39</u>	<u>14,410,223.50</u>	-

13) Differed Income-Government Grants

Balance at the Beginning of the Year	9,634,851.49	14,696,404.11	-
Grant Received and Utilized for Capital Assets	2,000,000.00	1,250,000.00	-
Depreciation Expenses for the Year	-5,240,469.66	-5,800,099.52	-
Amortization of SLAB IT Programmes	-343,560.00	-343,560.00	
Amortization Of Proficiency Testing Programmes	-100,896.55	-134,893.10	
Amortization of SLAB Accounting Package	-33,000.00	-33,000.00	
Balance at the end of the Year	<u>5,916,925.28</u>	<u>9,634,851.49</u>	-

14) Accrued Expenses & Other Payables

Staff Welfare	3,136.50	581.4	-
Assessment Expenses	278,140.82	227,166.00	-
Subsistence	350	7,694.00	
Transport	1,000.00	4,300.00	-
Security service	35,957.79	33,382.79	-

Travelling-Domestic	20,754.80	-	-
Water	11,481.62	1,871.17	-
Electricity	43,129.60	39,199.40	-
Telecommunication expenses	69,022.04	43,276.20	-
Building Rent	306,000.00		
Over Time Payable	33,796.13	26,326.98	-
Maintenance of Plant, Machinery & Equipment	63,715.72	40,142.92	-
Maintenance of Administration	136,703.80	-	
Maintenance of SLAB vehicle	8,356.00	-	
Technical Advisory Committee Meeting	17,024.98	-	
Printing Activities	2,400.00	-	
Maintenance expenses - Janitorial service		22,483.86	-
Audit Fee	222,500.00	272,700.00	-
Leave Encashment	655,903.14	686,810.72	-
Postal Charges	65,485.00	49,555.00	-
Laptop Computer	219,800.00	-	
Other Accreditation Expenses	27,000.00	11,551.00	
SLAB Events (10th Anniversary, SEGA, Cooperate Plan)	-	463,800.00	
stationery	23,750.00	-	
APLAC Assessment	-	14,900.00	
Other Training Programmee	-	1,500.00	
Advertising & promotion	78,550.00	2,420.00	
Council Expenses	-	1,550.00	
Staff Training	-	6,426.00	
Other Payables	2,323,957.94	1,957,637.44	
E P F Control A/C	253,656.73	221,105.10	-
E T F Control A/C	30,438.81	26,532.62	-
PAYEE Payable	500	5,201.84	-
Stamp Duty	4,900.00	4,325.00	-
VAT Payable	859,539.40	232,453.47	-
NBT Payable	138,235.14	117,741.67	-
Staff Welfare fund	550	900	-
	1,287,820.08	608,259.70	-
Total	3,611,778.02	2,565,897.14	
15) Government Grants			
Government Grant Received during the Year	15,700,604.00	12,207,831.00	-
Depreciation Expenses	5,240,469.66	5,800,099.52	-
Amortization of SLAB IT System	343,560.00	343,560.00	-
Amortization Of Proficiency Testing Programmes	100,896.55	134,893.10	-

Amortization of Accounting Package	33,000.00	33,000.00	
Government Grants shown in Income Statement	21,418,530.21	18,519,383.62	-

16) Distress Loans

Balance C/F	1,127,400.00	504,200.00	-
Distress Loan Granted during the year	950,000.00	1,143,000.00	-
Less : Loan Settlement in Installments	-931,450.00	-519,800.00	-
	<u>1,145,950.00</u>	<u>1,127,400.00</u>	-
Less than One Year	633,500.00	448,150.00	
More than one Year	512,450.00	679,250.00	

17) Pre-Payments

Balance C/F	359,182.56	299,144.57	-
Adjustment to Expenses	-359,182.56	-299,144.57	-
SLAB Vehicle, Chairman & Director Vehicle Maintenance	145,721.43	149,136.48	-
Maintenance Expenditure of plants & machinery	89,905.20	72,709.06	-
Stamp for Building rent	267,840.00	-	
Visa Fee for APLAC MRA Council	-	27,600.00	
Maintenance of Building & structure	-	31,137.02	
Air Fair for APLAC MRA	-	78,600.00	
	<u>503,466.63</u>	<u>359,182.56</u>	-

18) Intellectual Property

Trade Mark		16,254.20	16,254.20	-
MRA Logo		24,040.80	24,040.80	-
Web Site of SLAB		96,800.00	96,800.00	-
SLAB Accounting package	99,000.00	66,000.00	99,000.00	-
(Less) Amortization	<u>-33,000.00</u>			
Software for SLAB IT Programme	687,120.00	343,560.00	687,120.00	-
(Less) Amortization	<u>343,560.00</u>			
<u>Development activity</u>				-
Proficiency Testing Programme	(Note -26)	516,208.21	201,793.09	-
		<u>1,062,863.21</u>	<u>1,125,008.09</u>	-

19) Cash & Cash Equivalent

Cash at bank	Recurent	4,730,889.84	1,624,296.18	-
	Capital	Nil	Nil	
Bank of Ceylon - Kollupitiya 2nd branch(A/C No 3000203)				
FEEA (Foreign exchange earning A/C)		2,674,792.24	7598455.8	-
Fixed Deposit - FEEA		1,818,841.67		
		<u>9,224,523.75</u>	<u>9,222,751.98</u>	-

20) Other Grants			
Web site of SLAB	96,800.00	96,800.00	-
Software for SLAB IT System	1,717,800.00	1,717,800.00	-
	1,814,600.00	1,814,600.00	-
21) World Accreditation Day Activities			
Total Collections			
From Sponsorships			
By holding Seminars / Training Programmes	300,000.00	463,891.94	
Less :-			
Total Expenses	1,154,888.42	1,299,181.81	
	-854,888.42	-835,289.87	-
22 Foreign Travel			
Total Expenses	4,779,583.37	2,642,590.79	
Recoveries	-348,863.75	-443,106.24	
	4,430,719.62	2,199,484.55	
23 SLAB Events (10th Anniversary, SEGA, Corporate plan)			
Total Expenses	-	1,553,162.84	
Recoveries (Sponsorship)	-	-452,575.00	
	-	1,100,587.84	
24 Creditors	231,165.93	67,779.44	
Sundry Creditors	15,586.52	30,035.50	
	246,752.45	97,814.94	
25 Provision for Gratuity	3,201,761.35		
-Current Liability	-	433,936.00	
- Non Current Liability	-	2,767,825.35	
(-) Over/Under provision	-23,803.99		
(-) Gratuity Payment	-410,132.01		
	2,767,825.35	3,201,761.35	

26 Proficiency Testing Programme

Opening Balance	201,793.09	269,786.19
Paid during the year	454,580.76	66,900.00
(-) Recoveries	-26,486.48	-
(-) Receivables from PT	-12,782.61	-
(-) Amortization of PT Programme	-100,896.55	-134,893.10
	516,208.21	201,793.09

27 Disposal of Assets

Cost of the Disposal Assets	2,000,151.36	-
(Less) Accumulated Depreciation of Disposal Assets	-1,972,597.08	-
(Less) Sales Value	-5,250.00	-
Loss from disposal	22,304.27	-

27 Property, Plant and Equipments

Item	Balance as at 01.01.2016 at Cost	Additions during the Year	Disposal	Balance as at 31.12.2016	Accumulated Depreciation as at 01.01.2016	Depreciation for the Year	Accumulated Depreciation of Disposal Assets	Accumulated Depreciation as at 31.12.2016	Written Down Value as at 31.12.2016	Written Down Value as at 31.12.2015
Motor Vehicle	23,050,000.00	-		23,050,000.00	14,050,000.00	3,876,665.67		17,926,665.67	5,123,334.33	9,000,000.00
Building & Structure	262,690.00	1,788,383.00	27,500.00	2,023,573.00	188,756.00	19,648.25	27,499.00	180,905.25	1,842,667.75	73,934.00
Office Equipments		-				-			-	-
01) Air conditioners	795,092.00	1,300,000.00	52,661.17	2,042,430.83	514,054.49	100,584.37	37,740.51	576,898.35	1,465,532.48	281,037.51
02) Multimedia Projector	345,200.00	-		345,200.00	281,739.84	22,500.00		304,239.84	40,960.16	63,460.16
03) Photocopier	308,250.00	149,000.00		457,250.00	308,248.00	-		308,248.00	149,002.00	2.00
04) Telephone System	280,632.30	11,200.00	10,992.50	280,839.80	189,142.69	43,447.09	10,582.50	222,007.28	58,832.52	91,489.61
05) Fax Machines	57,385.00	-		57,385.00	57,383.00	-		57,383.00	2.00	2.00
06) Other Office Equipment	191,083.11	40,000.00	4,267.50	226,815.61	164,230.34	10,991.60	3,851.17	171,370.77	55,444.84	26,852.77
07) Sound System	317,680.00	-		317,680.00	79,420.00	79,420.00		158,840.00	158,840.00	238,260.00
Office Furniture	2,108,394.41	135,639.84	92,768.59	2,151,265.66	1,537,666.05	223,768.03	84,769.31	1,676,664.77	474,600.89	570,728.36
Computers		-				-			-	
01) Desktop Computers	3,431,483.00	511,200.00	915,107.50	3,027,575.50	2,001,481.82	528,578.25	912,070.50	1,617,989.57	1,409,585.93	1,430,001.18
02) Laptop Computers	1,555,070.00	219,800.00	597,750.00	1,177,120.00	994,323.00	165,210.00	597,746.00	561,787.00	615,333.00	560,747.00
03) Scanner	23,500.00	-		23,500.00	23,499.00	-		23,499.00	1.00	1.00
04) Printers	889,990.00	49,000.00	266,275.00	672,715.00	609,690.55	126,458.33	266,268.00	469,880.88	202,834.12	280,299.45
05) Other Computer Related Items	155,649.85	11,800.00	32,829.10	134,620.75	135,137.76	16,074.08	32,070.10	119,141.74	15,479.01	20,512.09
General		-			-	-			-	-
WIFI	135,620.00	-		135,620.00	81,770.00	27,123.99		108,893.99	26,726.01	53,850.00
		-				-				
31st December 2016	33,907,719.67	4,216,022.84	2,000,151.36	36,123,591.15	21,216,542.54	5,240,469.65	1,972,597.09	24,484,415.11	11,639,176.04	12,691,177.13

SRI LANKA ACCREDITATION BOARD FOR CONFORMITY ASSESSMENT

Statement of Comparison of Budget and Actual Amounts

Description	Budgeted Amounts		Actual Amount on Comparable Basis	Difference- Final Budget & Actual	Difference Original Budget and Actual
	Original	Final			
Revenue					
Treasury Grant Received	7,000,000.00	17,000,000.00	15,700,604.00	(1,299,396.00)	(1,299,396.00)
Income from Accreditation - Testing	15,000,000.00	15,000,000.00	16,324,372.35	1,324,372.35	1,324,372.35
Income from Accreditation - Calibration	1,500,000.00	1,500,000.00	981,000.00	(519,000.00)	(519,000.00)
Income from Accreditation - Medical Labs	7,500,000.00	7,500,000.00	5,657,504.00	(1,842,496.00)	(1,842,496.00)
Income from Accreditation of Certification Bodies	5,000,000.00	5,000,000.00	2,860,236.00	(2,139,764.00)	(2,139,764.00)
Income from Accreditation of Personnel Certification	250,000.00	250,000.00	226,000.00	(24,000.00)	(24,000.00)
Income from Accreditation of Product Certification	1,000,000.00	1,000,000.00	775,920.91	(224,079.09)	(224,079.09)
Income from Accreditation of GHG	750,000.00	750,000.00	927,000.00	177,000.00	177,000.00
Income from Accreditation of Inspection Bodies	1,000,000.00	1,000,000.00	436,000.00	(564,000.00)	(564,000.00)
Income from GLP	-	-	50,000.00	50,000.00	50,000.00
Income from Assessor Training Programmes	1,500,000.00	1,500,000.00	800,000.00	(700,000.00)	(700,000.00)
Income From Other Training Programme	3,500,000.00	3,500,000.00	2,705,774.60	(794,225.40)	(794,225.40)
Recoveries (WAD Programme & other special events)	2,000,000.00	2,000,000.00	300,000.00	(1,700,000.00)	(1,700,000.00)
	56,000,000.00	56,000,000.00	47,744,411.86	(8,255,588.14)	(8,255,588.14)
Expenses					
Salaries & Wages	14,653,700.00	14,653,700.00	11,466,334.52	3,187,365.48	3,187,365.48
EPF	2,198,100.00	2,198,100.00	1,719,950.32	478,149.68	478,149.68
ETF	439,600.00	439,600.00	343,990.15	95,609.85	95,609.85
Overtime	480,000.00	480,000.00	299,272.24	180,727.76	180,727.76
Gratuity Expenses	-	425,000.00	-	425,000.00	-
Chairman's allowance	900,000.00	900,000.00	900,000.00	-	-
Leave Encashment	1,273,000.00	1,273,000.00	655,903.14	617,096.86	617,096.86
Performance Incentive/Bonus	375,000.00	375,000.00	-	375,000.00	375,000.00
Annual Leave Expenses			192,082.17	(192,082.17)	
Travelling (Domestic)	125,000.00	250,000.00	162,907.40	54,151.60	(67,082.17)
Travelling (Domestic)-Subsistent		-	32,941.00		

				-	(162,907.40)
Travelling (Foreign)	3,500,000.00	5,000,000.00	4,430,719.62	569,280.38	3,467,059.00
Stationery & Office Requisites	463,200.00	563,200.00	500,643.64	62,556.36	(3,967,519.62)
Fuel & transport Allowance	725,900.00	425,900.00	308,880.00	117,020.00	225,256.36
Maintenance Expenditure Machinery Equipment & Computer	1,592,000.00	1,742,000.00	1,356,618.35	385,381.65	1,283,120.00
Maintenance Expenditure Building & Structure	200,000.00	200,000.00	19,375.00	180,625.00	(1,156,618.35)
Maintenance Expenses - Janitorial Services	330,000.00	330,000.00	291,086.93	38,913.07	310,625.00
Maintenance Expenses - Administration	20,000.00	370,000.00	199,042.93	170,957.07	(271,086.93)
Maintenance of SLAB Vehicle - Insurance, License, spare parts ,repair	605,000.00	1,105,000.00	766,883.12	338,116.88	405,957.07
Transport& Hire Charges-Fuel for SLAB vehicle	300,000.00	300,000.00	205,199.93	94,800.07	(466,883.12)
Postal Charges	173,100.00	473,100.00	367,865.00	105,235.00	(32,099.93)
Telecommunication	367,500.00	767,500.00	684,735.85	82,764.15	(365.00)
Electricity	512,700.00	712,700.00	635,781.10	76,918.90	(172,035.85)
Water	42,100.00	92,100.00	75,467.13	16,632.87	(593,681.10)
Building Rent	3,684,000.00	3,684,000.00	3,672,000.00	12,000.00	3,608,532.87
Stamp Duty	12,000.00	12,000.00	7,350.00	4,650.00	(3,660,000.00)
Technical Advisory Committee Expenses	475,100.00	675,100.00	624,770.78	50,329.22	467,750.00
Assessment Expense-Testing	3,570,000.00	3,070,000.00	2,628,725.30	441,274.70	2,945,229.22
Assessment Expense-Calibration	108,000.00	208,000.00	194,658.42	13,341.58	(2,520,725.30)
Assessment Expense-Medical	1,004,700.00	1,004,700.00	829,135.60	175,564.40	810,041.58
Assessment Expense-Certification	1,727,000.00	1,227,000.00	479,746.60	747,253.40	897,864.40
Assessment Expense-Inspection Bodies	1,170,430.00	670,430.00	73,308.60	597,121.40	690,683.40
Assessment Expense-GHG	250,000.00	250,000.00	123,378.00	126,622.00	176,691.40
Assessment Expense-Personnel Certification		50,000.00	29,404.00	20,596.00	(123,378.00)
Assessment Expense-Product Certification		50,000.00	60,000.00	(10,000.00)	(29,404.00)
Assessor Training Programme Expenses	1,395,030.00	395,030.00	247,196.30	147,833.70	1,335,030.00
Other Training Programme Ex	1,945,040.00	1,245,040.00	985,945.50	259,094.50	1,697,843.70
Security Services	555,900.00	555,900.00	409,752.47	146,147.53	(430,045.50)
Advertising, Promotion & News Papers	1,000,000.00	1,100,000.00	873,800.00	226,200.00	590,247.53
Printing Activities	189,600.00	309,600.00	219,085.80	90,514.20	(684,200.00)
Council and Audit Committee meeting Expenses	1,142,000.00	742,000.00	719,536.70	22,463.30	922,914.20

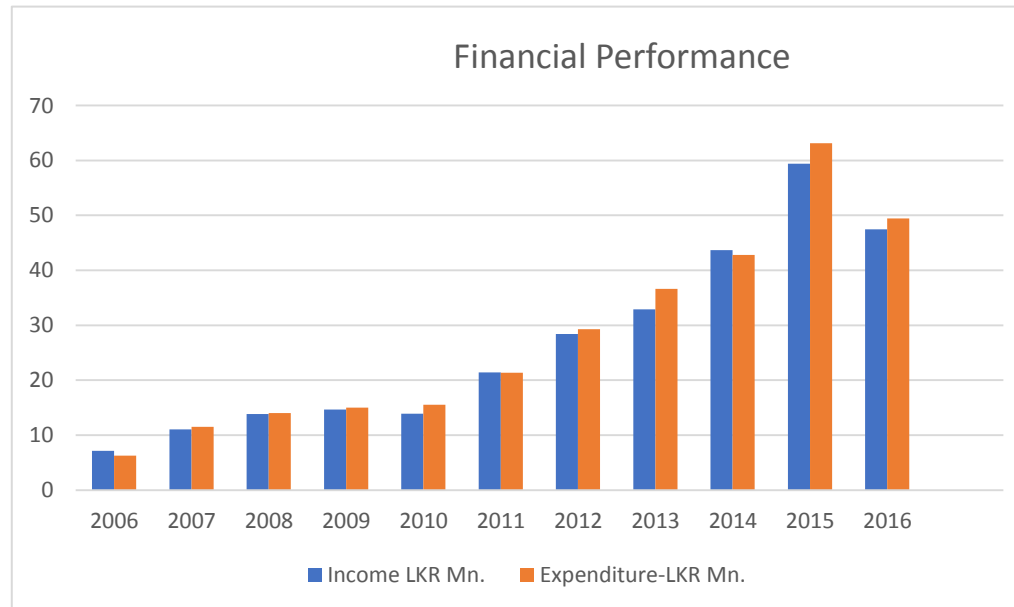
Insurance -Fire & Burglary	99,500.00	114,500.00	108,260.81	6,239.19	(620,036.70)
Staff Training & Development	275,500.00	275,500.00	120,863.00	154,637.00	167,239.19
Audit Fee	125,000.00	225,000.00	195,000.00	30,000.00	4,137.00
Exhibition Expenses	800,000.00	200,000.00	47,356.56	152,643.44	605,000.00
Professional charges & Software Dev.		-	133,920.00	(133,920.00)	(47,356.56)
Bank Charges	20,000.00	20,000.00	16,700.00	3,300.00	(113,920.00)
World Accreditation Day Expenses(after deduct sponsorship & seminar income LKR 1,097,796.00)	1,000,000.00	1,200,000.00	1,154,888.42	45,111.58	983,300.00
Trainee's Expenses (NAITA)	480,000.00	280,000.00	168,750.00	111,250.00	(674,888.42)
APLAC Evaluation Expenses	-	-	-	-	(168,750.00)
PAC Evaluation Expenses	3,000,000.00	2,500,000.00	2,200,083.68	299,916.32	3,000,000.00
Exchange Loss		-	(169,714.46)	169,714.46	(2,200,083.68)
Other Accreditation Expense-(T/CL/M/C/IB)	326,400.00	326,400.00	162,018.90	164,381.10	496,114.46
National School Laboratory Competition ex(2000000-1390249.91) recovered	-	-	-	-	(162,018.90)
APLAC PAC Annual Conference	-	-	-	-	-
SLAB Events	-	-	-	-	-
Subscriptions & Contributions Fee - ILAC	268,400.00	268,400.00	265,050.92	3,349.08	268,400.00
Subscriptions & Contributions Fee - APLAC	467,400.00	497,400.00	489,311.62	8,088.38	202,349.08
Subscriptions & Contributions Fee - PAC	364,600.00	364,600.00	322,615.08	41,984.92	(124,711.62)
Subscriptions & Contributions Fee - IAF	171,000.00	226,000.00	224,255.76	1,744.24	(151,615.08)
Staff Welfare	97,500.00	177,500.00	157,707.35	19,792.65	(126,755.76)
VAT Payment	-	-	-	-	(157,707.35)
NBT payment	-	-	-	-	-
Contingent Liability	1,000,000.00	1,000,000.00		1,000,000.00	1,000,000.00
Total Expenditure	56,000,000.00	56,000,000.00	43,390,541.25	12,609,458.75	12,609,458.75

**SRI LANKA ACCREDITATION BOARD FOR CONFORMITY ASSESSMENT
INFORMATION ABOUT SEGMENTS (Rs.Mn)**

	2007		2008		2009		2010		2011		2012		2013		2014		2015		2016		
	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	
Segment Revenue																					
Earnings	2.83		3.27		3.32		5.30		8.12		12.90		18.08		27.58		67.43		54.05		
Treasury Grant	9.73		11.06		12.13		9.41		14.08		16.87		16.30		17.82		12.21		15.70		
Total Segment Revenue	12.56		14.33		15.45		14.71		22.20		29.77		34.38		45.40		79.64		69.75		
Segment Expense																					
Recurrent Expenditure	11.50	14.70	13.98	17.29	15.01	19.60	15.51	21.81	21.33	23.30	29.29	28.18	36.61	33.00	42.85	38.00	12.20	64.50	15.70	56.00	
Capital Expenditure	1.40	1.50	0.41	2.74	0.44	2.33	0.63	3.57	0.63	3.08	1.75	1.82	1.51	2.00	1.71	2.00	1.25	3.00	2.00	5.20	
Total Segment Expense	12.90	16.20	14.39	20.03	15.45	21.93	16.14	25.38	21.96	26.38	31.04	30.00	38.12	35.00	44.56	40.00	13.45	67.50	17.70	61.20	
Surplus for the period	-0.34		-0.06		0.00		-1.43		0.24		-1.27		-3.74		0.84		66.19		52.05		
Segment Assets	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	Actual	Bu'ted	
Current Assets	1.56		2.29		3.41		3.88		3.97		5.06		6.07		11.64		15.09		18.09		
Non-Current Assets	2.60		2.4		1.79		2.14		7.35		17.18		15.17		19.75		16.63		15.49		
Total Segment Assets	4.16		4.69		5.20		6.02		11.32		22.24		21.24		31.39		31.72		33.58		
Segment Liabilities																					
Current Liabilities	0.24		0.25		0.67		1.18		1.09		1.27		2.34		2.52		3.09		4.05		
Non-Current Liabilities	1.38		1		0.73		2.72		0.55		0.69		1.21		2.19		2.76		2.76		
Total Segment Liabilities	1.62		1.25		1.40		3.90		1.64		1.95		3.55		4.71		5.85		6.81		
Segment Equity	2.54		3.41		3.80		2.12		9.68		20.29		17.69		26.68		25.87		26.77		

Financial Performance

Indicator	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Target
Financial performance – Income LKR Mn.	1.17	2.83	3.27	3.17	5	8.12	12.9	18.08	27.59	47.18	31.74	39
Government grants	6	8.23	10.56	11.47	8.91	13.28	15.51	14.8	16.11	12.21	15.7	20
Expenditure-LKR Mn.	6.29	11.52	14	15.01	15.51	21.37	29.29	36.61	42.82	63.14	49.43	60.5
Income /recurrent expenditure (%)	18.6	24.56	23.35	21.11	32.23	38	44.04	49.38	64.43	74.72	64.21	75





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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



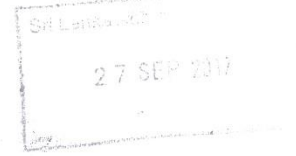
මගේ අංකය } TEC/A/SLAB/12/16/10
எனது இல. }
My No. }

ඔබේ අංකය }
உமது இல. }
Your No. }

දිනය } 28 July 2017
திகதி }
Date }

The Chairman,

Sri Lanka Accreditation Board for Conformity Assessment



Report of the Auditor General on the Financial Statements of the Sri Lanka Accreditation Board for Conformity Assessment for the year ended 31 December 2016 in terms of Section 14(2) (c) of the Finance Act. No. 38 of 1971

The audit of financial statements of the Sri Lanka Accreditation Board for Conformity Assessment for the year ended 31 December 2016 comprising the statement of financial position as at 31 December 2016 and the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 13 (1) of the Finance Act, No. 38 of 1971 and Section 29 in Part IV of the Sri Lanka Accreditation Board for Conformity Assessment Act, No. 32 of 2005. My comments and observations which I consider should be published with the Annual Report of the Board in terms of Section 14 (2) (c) of the Finance Act appear in this report. A detailed Report in terms of Section 13(7) (a) of the Finance Act was furnished to the Chairman of the Board on 24 May 2017.

1.2 Management's Responsibility for the Financial Statements

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

අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව. . . இல. 306/72, பொல்தூவு வீதி, பத்தரமுல்லை, இலங்கை. . . No. 306/72, Polduwa Road, Battaramulla, Sri Lanka
+94-11-2887028-34 +94-11-2887223 oaggov@slt.net.lk www.auditorgeneral.gov.lk



1.3 Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Auditing Standards of Supreme Audit Institutions (ISSAI 1000-1810). Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements. Sub-sections (3) and (4) of Section 13 of the Finance Act, No. 38 of 1971 give discretionary powers to the Auditor General to determine the scope and extent of the audit.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

2. Financial Statements

2.1 Opinion

In my opinion, the financial statements give a true and fair view of the financial position of Sri Lanka Accreditation Board for Conformity Assessment as at 31 December 2016 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.



2.2 Comments on Financial Statements.

2.2.1 Sri Lanka Public Sector Accounting Standards

As useful life time had not been reviewed annually in respect of non- current assets in terms of Sri Lanka Public Sector Accounting Standard 7 (92) (b), the fixed assets costing Rs.3,087,860 had been fully depreciated but are being further used. Accordingly, the estimated error arisen had not been rectified as per Sri Lanka Public Sector Accounting Standard 03.

2.2.2 Unexplained Differences

A difference of Rs.208,000 existed in the comparison of the trade balance receivable according to the financial statements with the relevant schedules.

2.3 Non-compliances with Laws, Rules, Regulations, and Management Decisions

The following non-compliances with laws, rules, regulations, and management decisions were observed.

Reference to Laws, Rules , Regulations

Non-compliance

(a) The Sri Lanka Accreditation Board for Conformity Assessment Act, No. 32 of 2005.

(i) Section 5(1)

A Governing Council comprising 13 members should have been appointed by the Minister. However, only 12 members had been appointed to the Governing Council in the year under review.

(ii) Section 5(2)

Where a member of the Council is temporarily unable to perform the duties of his office for a period exceeding three months, the Minister may appoint some other person to act in his place. However, action



had not been taken to appoint some other person in place of a member who had participated in only one of the 12 sessions of the Council held during the year under review.

- (b) Section 9.14.2 of the Public Enterprises Circular No. PED/12 of 02 June 2003 A sum of Rs.622,234 had been paid for the unavailed medical leave by the officers in the year under review and the Treasury approval had not been obtained thereon.

3. Financial Review

3.1 Financial Result

According to the financial statement presented, the operating result of the Board for the year ended 31 December 2016 had been a surplus of Rs. 4,625,232 as compared with the surplus of Rs.4,293,560 for the preceding year, thus observing an improvement of Rs.331,672 in the financial result of the year under review as compared with the preceding year. Even though the total income of the year under review had decreased by Rs.13,382,952 in the year under review, an improvement had been observed due to the total income had decreased by Rs.13,714,624.

The analysis of the financial results of the year under review and the 04 preceding years indicated that the surplus of Rs.1,115,619 in the year 2012 had deteriorated in the year 2013 up to Rs.59,933. Although it acquired a continuous growth from the year 2014 and had been Rs.4,625,232 in the year under review. After adjusting the depreciation for employee remuneration, Government taxes, and non-current assets, the contribution of the year 2012 amounting to Rs. 5,958,371, had decreased to Rs.4,929,845 by the year 2013. However, it acquired a continuous growth from the year 2014 and had been increased to Rs.29,593,390 by the year under review.



4. Operating Review

4.1 Performance

The functions of the Board in accordance with the Sri Lanka Accreditation Board for Conformity Assessment Act, No. 32 of 2005, are mentioned as to grant accreditation, in accordance with national standards based on the relevant international standards, to laboratories, certification and inspection bodies, training institutions and other persons required to carry out conformity assessments. Accreditation had been carried out under 05 fields identified by the Board for the achievement of those objectives and the following observations are made in respect of 03 fields.

(a) Accreditation of Laboratories and Calibrations Institutions

Although 184 laboratories and the calibrations Institutions to be accredited had been identified, only 72 institutions out of that had been accredited as at 31 December 2016. Out of the 72 institutions that had been obtained certificates of accreditation, 11 institutions had withdrawn from obtaining certificates of accreditation again.

(b) Accreditation of Medical Laboratories

Even though 311 medical laboratories to be accredited had been identified, only 22 Institutions had been accredited by the Board up to now. Out of the 22 Institutions that had been obtained certificates of accreditation, 05 Institutions had been withdrawn from obtaining certificates of accreditation again.

(c) Accreditation of Certification Institutions

- (i) Certificates of accreditations had been granted only for 02 certification institutions of manufacturing systems as at 31 December 2016. However, both of those two institutions had not been applied again for the renewal of accreditation.



- (ii) Certificate of accreditations had been granted only for one institution in the year 2015 relating to the institutes of certification of persons. Even though, a new accreditation should be carried out according to the Action Plan for the year 2016, no any accreditation had been carried out.
- (iii) Certificate of accreditations had been obtained only 02 institutions as at 31 December 2016 in respect of accreditation of inspection bodies whereas one institution had been withdrawn from it. Further, no any new applications had been received for accreditation.

4.2 **Staff Administration**

The following observations are made.

- (a) The Director of the Board had been retired in June 2015 and the approval of the Cabinet of Ministers had been granted in two instances for that officer to cover the duties in that post on contract basis up to 02 June 2016. Action had not been taken even as at 05 May 2017 to recruit a suitable permanent officer as the instructions of the Cabinet of Ministers.
- (b) Plans had been made from the year 2012 for the recruitment of the post of Additional Director General which had been vacant from 01 September 2011. A sum of Rs.382,790 had been spent in 03 instances only in the year under review to publish newspaper advertisements .Even though approval had been obtained for the recruitments based on the extension of the contract period year by year in terms of the Letter No.DMS/1601 of 14 October 2014 of the Department of Management Services ,necessary actions had not been taken to make recruitments even as at the end of the year under review.
- (c) Even though approval had been granted for a post of Technical Officer (Information Technology) and 02 posts of Deputy Director (Accreditations), the recruitments for that posts had not been carried out even by May 2017 and a post of Junior Manager (Secretary) and a post of driver had been existed vacant.



4.3 Unresolved Audit Paragraphs

The following observations are made.

- (a) A sum of Rs.2,525,454 had been paid to a private institution from the year 2011 to the year 2016 as service charges of the online information system introduced by the Board with a view to making the application process for accreditation more efficient. Inquiries had been made from the Information and Communication Technology Agency (ICTA) on 31 March 2016 with respect to the operation of this software and that institute had pointed out that, the same software incompatible with the current requirements. As such, the money spent for that purpose had become an uneconomic expenditure. Furthermore, an allowance of Rs.270,000 had been paid for a period of 09 months to an officer recruited on assignment basis for debugging the system.
- (b) An Office Manual in relation to the human resources management had been issued in the year 2013 with the approval of the Board of Management. It had been submitted on 18 November 2014 for the approval of the Secretary to the Treasury. However, that book had not been used even by the date of this report as the approval had not been obtained.

5. Systems and Controls

Deficiencies observed during the course of audit were brought to the notice of the Chairman from time to time. Special attention is needed in respect of the following areas of control.

Areas of Systems and Controls	Observations
-----	-----
(a) Staff Administration	Personal files of the staff had not been properly maintained and the history sheets had not been included in personal files.



(b) Operating Controls

A methodology had not been arranged relating to encouragement of obtaining certificates of accreditations and renewal of the certificates of accreditations granted.

H.M. Gamini Wijesinghe
Auditor General

Sgd./ H.M. GAMINI WIJESINGHE
Auditor General



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ஒத்தியல்பு மதிப்பீட்டிற்கான இலங்கை தராதர அங்கீகார சபை
Sri Lanka Accreditation Board for Conformity Assessment

නො. 546/4, ගාලු පාර,
කොළඹ 03, ශ්‍රී ලංකාව.

இல 546/4, காலி வீதி,
கொழும்பு 03, இலங்கை.

No. 546/4, Galle Road,
Colombo 03, Sri Lanka.

TEC/A/SLAB/12/16/10

2017.07.28

Auditor General,

Auditor General Department,

No. 306/72, Polduwa Rd,

Battaramulla.

Chairman's comments on the report of Auditor General on the Accounts of Sri Lanka Accreditation Board for Conformity Assessment for the year ended 31st December 2016 as per the statement 14 (2) (c) of the Finance Act No 38 of 1971.

2.2 Comments on Financial Statements

Non-current assets of SLAB are included furniture, equipment, computer and air conditioners etc. Most of the furniture items are made up of Melamine boards. Excepts few items, most of the others useful lifetime is over. As there are no valuable items to consider adjusting depreciation rate and lot of items identified by the board of survey to dispose, adjusting of depreciation is not meaningful effort. However, it will be considered to adjust depreciation rate considering the value of the fully depreciated asserts in future years.

2.2.2 Unexplained Differences

It is noted to rectify the erroneously entered receivable income twice.

2.3 Non Compliance with Laws, Rules, Regulations and Management decisions.

(a) (i). It was informed to the Ministry and Vacancy has been filled subsequently.

(II). Noted.

(b). This payment was made after obtaining the approval from the governing council as SLAB employee are not given any allowance or bonus.

3. Financial Review

3.1 Financial Result

Noted.

4. Operating Reviews

4.1 Performance

(a). All applications received are in processed. However some initial assessments which are planned to do in 2016 had been postponed to the year 2017 due to lack of participating the trained assessors for audit and shifting of office premises to a new building at the year end. 4 nos. of Accreditation had been renewed out of 11 nos of renewable organizations.

(b). Medical Accreditations are not compulsory at present regulatory framework. Therefore, all the medical testing laboratories are not applying for accreditation. However, accreditation may be compulsory in the future according to the cabinet decision taken last year. Therefore only 4nos of organizations have not been reviewed. Colombo Medi Lab (Pvt) Ltd has reapplied for accreditation in 2016.

(c). Accreditation of Certification Bodies

(i). Due to the problems arisen in the organization, accreditation has not been renewed. SLSI had been changed the Tea product certification system and decision has been taken to introduce a new method of UTZ. They have applied accreditation for the new system of UTZ.

(ii). As accreditation is not compulsory in our regulatory framework, accreditation is applied only if it is highly essential.

(iii). This is a foreign organization. They have not renewed the accreditation on influence of their own country accreditation body. Cleanco Lanka Ltd which is a vehicle emission testing organization has been accredited by the SLAB.

Non Destructive Testing unit of the Atomic Energy Authority Board Applied for Accreditation and initial assessment also completed.

4.2(a). Staff Administration

An interview was held to recruit a director with interaction of the Ministry. But it was not succeeded. Then it has been decided to change the SOR and increased the maximum age limit from year 50 to 55 through cabinet paper. Since the cabinet approval and Management Service Department approval had been received. Action will be taken to recruit an additional director after recruiting the director. We started recruitment process to appoint the director.

(b).Newspaper advertisements were published to recruit an additional director but suitable application had not been received. Action will be taken to recruit an additional director after recruiting the director.

(c). The governing Council is in view of delay recruiting technical officer (Information and Technology Officer) due to lack of operating on the online system of SLAB. This

online system was reviewed by the ICTA and their in opinion, to upgrading the online system is not effective. However ICTA agreed to provide an online system to SLAB under their budget allocation. Therefore an IT officer will be recruited according to the requirement of proposed online system.

A driver was recruited on 1st March 2017. He reported duty only few days. His service was terminated as he had not reported duty without any notice. Action will be taken to recruit a driver. Vacant of driver is not effect as the director post is also vacant.

2 nos. of Assistant Directors post are vacant. Approval is sought from the Management Service Department but approved received only for one post. Interview also held to fill the vacancy and sent a request to get approval to the other post too. Recruitment will be completed if the approval is given.

4.3 Unresolved Audit Paragraph

- (a). To expedite online application process of accreditation under financial support of SWADAC aid programme was implemented in 2011. As this software is not supporting to present requirement, an assignment was given to a technical person to upgrade the programme with Rs. 30,000.00 monthly payment. He has taken 9 months to do necessary changes but it was not succeeded. Since it was failed, a request was made to ICTA to review the system. Then ICTA reviewed the online system and informed us that the system is not match with current requirements. Further they agreed to implement a new online system with the financial support and necessary steps has been taken.
- (b). This manual had been revealed by the public Enterprise department and submitted for the director general's approval. The director General has verbally informed that the approval will be sent soon.

5. System and Control.

- (a). Noted for necessary actions.
- (b). Noted for necessary actions.

Namal Rajapaksha

Chairman

Sri Lanka Accreditation Board.

SLAB ORGANIZATION LOGO



SLAB ACCREDITATION MARK



PANTONE 294C



PANTONE 136C

Annex 1

ACCREDITATION COMMITTEES

Accreditation Committee – Certification Bodies

1. Dr. Nirmali De Silva – Senior Lecturer, Dept. of Textiles & Clothing Technology, University of Moratuwa
2. Mr. Sena Peris – Former Director, National Clear Product Center
3. Mr. B.S.P. Mendis – Former Director, Sri Lanka Accreditation Board
4. Prof. Nilanthi Bandara, Senior Lecturer, University of Sri Jayawardenapura
5. Prof. S M A Nanayakkara, Senior Lecturer, University of Moratuwa
6. Dr. W M Palipana - Deputy Commissioner, Dept. of Labour
7. Mr. W Meewaddana - Former Director General, SLSI
8. Mr. N K A Rupasinghe – Deputy Director (Technical), Export Agriculture Department
9. Mr. Wajira Perera – Director, NVQ Territory and Professional Education Commission
10. Mr. T Wickremasinghe, Director/CEO, SLAB (Chairman of the Committee)
11. Ms. Chanditha Ediriweera, Deputy Director, SLAB (Secretary)

Accreditation Committee – Testing & Calibration Laboratories

1. Dr. Nirmali De Silva- Senior Lecturer, University of Moratuwa (A member of the Council)
2. Mr. E G Somapla- Former Government Analyst
3. Prof. D A Tantrigoda – Senior Professor of Physics, University of Sri Jayewardenepura
4. Prof. H D Gunawardena – Retired Professor, University of Colombo
5. Mr. H L R W Madanayake- Former Director, MUSSD
6. Dr. Indrika Abeygunawardena- Senior Lecturer, University of Kelaniya
7. Prof. Kodikara, Senior Lecturer, University of Kelaniya
8. Mr. L H D Bandusoma- Assistant Director, SLAB (Secretary)
9. Mr. Thilak Wickremasinghe – Chairman, Director /CEO,SLAB

Accreditation Committee – Medical/Clinical Laboratories

1. Dr. (Ms) Sujatha Mananwatta – Consultant Microbiologist, National STD/AIDS Control Prog.
2. Prof. (Ms) Jennifer Perera – Professor of Microbiology, University of Colombo
3. Dr. (Ms) M M Jayathilaka – Consultant Hematologist, National Cancer Hospital
4. Dr. (Ms) M N Tudawe - Consultant Hematologist, Durdans Hospital, Colombo
5. Dr. (Ms) K C K Wasalarachchi, Consultant Histopathologic, Colombo South Teaching Hospital
6. Dr. (Ms) M M Gunathilaka, Consultant Chemical Pathologist, National Hospital, Colombo
7. Dr. (Ms) Saroja Siriwardena, Retired Consultant Chemical Pathologist, National Hospital, Colombo
8. Mr. T Wickramasinghe – Chairman, Director/CEO, SLAB

Accreditation Committee – Inspection Bodies

1. Dr. A G T Sugathapala – Director, Sri Lanka Sustainable Energy Authority
2. Prof. S M A Nanayakkara – Dept. of Mech. Engineering, University of Moratuwa
3. Dr. L D J F Nanayakkara, Senior Lecturer, Department of Industrial Eng., University of Kelaniya
4. Mr. T S Amarawansa, Former Deputy Director General, Sri Lanka Standards Institution
5. Dr. G A S Premakumara, Director General, Industrial Technology Institute
6. Mr. T Wickramasinghe – Chairman, Director/CEO, SLAB
7. Mr. L H D Bandusoma – Deputy Director, SLAB (Secretary)

Policy Advisory Committee

1. Mr. Didul Kodagoda, Former Chairman, Sri Lanka Accreditation Board (Chairman)
2. Ms. Dawn Austin, Immediate Past Chairperson, EASL representing The Ceylon Chamber of Commerce
3. Mr. Dinesh de Silva, Chairman Import Section, The Ceylon Chamber of Commerce
4. Mr. Sujeeve Samaraweera, Deputy President, The National Chamber of Commerce
5. Mr. Abeyratne Muthugala, Secretary General, Ceylon National Chamber of Industries
6. Mrs. C Thilakarathne, Director Consumer Affairs, Consumer Affairs Authority
7. Representative from Institution of Engineers Sri Lanka
8. Dr. R M S K Ratnayake, Acting Deputy Director General, Central Environmental Authority
9. Mr. Sumith Ponnapperuma, Managing Director, Control Union Inspections Pvt. Ltd. representing Sri Lanka Food Processors Association
10. Mrs. Subadra Jayasinghe, Council member & Past president, Sri Lanka Association of Testing Laboratories
11. Representative from Department of Labour
12. Dr. Ananda Gunasekara, DDG (MS) II, Ministry of Health & Indigenous Medicine
13. Dr. Sumith Ananda, Director/Medical Research Institute
14. Ms. Chanditha Ediriweera, Deputy Director, SLAB (Secretary)

Technical Advisory Committee on Chemical Testing

1. Mr. E.G.Somapala (Chairman) - Former Government Analyst
2. Dr. A.M.Mubarak - Former Director – Industrial Technology Institute
3. Mr. R.M.G.B.Rajanayake - City Analyst, Colombo Municipal Council
4. Prof. R D Wijesekara - Professor in Chemistry, Department of Chemistry, University of Colombo
5. Dr. L M K Thilakarathne - Senior Lecturer, Faculty of Science, University of Sri Jayewardenepura
6. Dr. S S Skandarajah, Department of Chemistry, University of Kelaniya
7. Ms. H Kumaratunga (Secretary) – Assistant Director, Sri Lanka Accreditation Board

Technical Advisory Committee on Biological Testing

1. Prof. Chandrani Wijeratne (Chairperson) – Retired Senior Lecturer, University of Sri Jayawardhenepura
2. Prof. C P Kodikara – Department of Microbiology, University of Kelaniya
3. Dr. S I Abeygunawardhene – Department of Microbiology, University of Kelaniya
4. Dr. C M Nanayakkara – Department of Plant Science, University of Colombo
5. Dr. Kavan Cooray - Microbiologist, Medical Research Institute
6. Ms. M Wickramasinghe (Secretary) – Assistant Director, Sri Lanka Accreditation Board

Technical Advisory Committee on Mechanical Testing and Calibration

1. Prof. D A Tantrigoda (Chairman) – Chairman, NASTEC
2. Ms. P D C Janashanthi- Electronics Engineer, Arthur C Clark Centre
3. Ms. Nayana Wijesiriwardena – Head, NERD Centre
4. Mr. S N Niles –Senior Lecturer, Department of Textiles & Clothing Technology, University of Moratuwa
5. Prof. S M A Nanayakkara - Department of Civil Engineering, University of Moratuwa
6. Mr. H L R W Madanayake – Former Director, MUSSD
7. Mr. H P N J Gunasekara- Former Head, Industrial Metrology Laboratory, ITI
8. Ms. H Kumaratunga (Secretary) – Assistant Director, Sri Lanka Accreditation Board

Technical Advisory Committee on Medical/Clinical Testing

1. Prof. Lal G Chandrasena (Member/Private Health Services Regulatory Council) - Chairman
2. Dr (Ms) Kanthi Ariyaratne (Secretary, Private Health Services Regulatory Council)
3. Dr (Ms) Sriyani Nanayakkara (Consultant Histopathologist) –College of Pathologists of Sri Lanka
4. Dr (Ms) Jayanthi P Elwitigala (Consultant Microbiologist- NSACP) –Sri Lanka College of Microbiologists
5. Dr Roshan Jayasuriya (Consultant Microbiologist- NIHS, Kalutara) - Sri Lanka College of Microbiologists
6. Dr (Ms) Nishadya Ranasinghe (Consultant Haematologist, Teaching Hospital Colombo South) – Sri Lanka College of Haematologists
7. Dr (Ms) R C Meegama (Consultant Chemical Pathologist, Colombo South Teaching Hospital) –College of Pathologists of Sri Lanka
8. Ms Chanditha Ediriweera, Deputy Director, SLAB - Secretary

Technical Advisory Committee on Product Certification

1. Prof S M A Nanayakkara – Department of Civil Engineering, University of Moratuwa (Chairman)
2. Ms W N N Satharasinghe – Deputy Director General, Sri Lanka Standards Institution
3. Mr. A S Pannila – Additional Director General- Technical Services, Industrial Technology Institute
4. Mr. Samantha Kumarasena, Deputy Director, National Cleaner Production Center
5. Ms Punya Liyanage, Assistant Director, SLAB – Secretary

Technical Advisory Committee on Management Systems Certification

1. Dr. Mahesh Jayaweera, University of Moratuwa, (Chairman)
2. Dr. W M Palipana, Deputy Commissioner, Occupational and Hygiene Division, Department of Labour
3. Mr. N S Gamage, Director (Western Province), Central Environment Authority
4. Mr. Ajith Rodrigo, Director (National Resource Management Unit, Central Environment Authority
5. Mr. T G G Dharmawardena, Deputy Director General, Sri Lanka Standards Institution
6. Ms. S U Narangoda, Director (System Certification), Sri Lanka Standards Institution
7. Mr. W R K Fonseka, Principal Research Engineer, Industrial Technology Institute
8. Mr. Samantha Kumarasena, Chief Operating Officer, National Cleaner Production Centre
9. Mr. Thusitha Amarasinghe, Harcross Chemicals PLC.
10. Mr. H D P M Hettiarachchi- Manager Compliance, Colombo Dockyard PLC
11. Ms. P U Liyanage, Assistant Director, SLAB (Secretary)

Technical Advisory Committee on GHG Validation & Verification Bodies

1. Prof. R A Attalage – Professor, Department of Mechanical Engineering, University of Moratuwa
2. Mr. Samantha Kumarasena – Deputy Director, National Cleaner Production Center
3. Dr. (MS) M Y Gunasekara - Senior Lecturer, Department of Chemical Process Engineering, University of Moratuwa
4. Dr. Suren Batagoda, Managing Director, Sri Lanka Carbon Fund (Pvt.) Ltd
5. Mr. Ruwan Weerasuriya, Environmental Officer, Air Resources Management & International Relations Division, Ministry of Environment
6. Ms. Hiranthi Jansz – Assistant Director, Air Quality Monitoring Unit, Central Environmental Authority
7. Dr. R D S Jayatunga – Director, Climate Change Secretariat, Ministry of Environment
8. Mr. Thilak Gunasekara – Research Engineer, Industrial Technology Institute
9. Mr. Ravi De Silva – Environment Consultant, Aitken & Spence Ltd.
10. Dr. W M P S B Wahala, Lecturer, University of Sabaragamuwa

Technical Advisory Committee on Good Laboratory Practice (GLP)

1. Prof. H D Gunawardena, Professor Of Chemistry, University of Colombo
2. Prof. (Ms) N S Kumar, Institute of Fundamental Studies
3. Mr. S Somasiri - Former Senior Quality Assurance Manager, ITI
4. Dr. (Ms) M K B Weerasooriya, Senior Lecturer, Dept. Of chemistry, University Of Kelaniya
5. Mrs. P M G Pathiraja, Research Scientist, NERD Center
6. Dr. Nilwala Kottegododa, Research Scientist, SLINTEC
7. Dr. Malindra Juan-Badaturage, Head of Research, Dipped Products Ltd.
8. Mr. M D C Perera, Deputy Director, NBRO

Technical Advisory Committee on Vehicle Emission Inspection

1. Prof. R A Attalage, Department of Mechanical Engineering, University of Moratuwa (Chairman)
2. Mr. A W Dissanayake, Director – VET programme, Department of Motor Traffic
3. Mr. R G S a Perera, Assistant Director, MUSSD
4. Mr. J A K B Wijegunasekara, Head, Chemical & Microbiological laboratory, ITI
5. Mr. R M Kulasena, Deputy Director, Air Quality Monitoring Unit, CEA
6. Dr. D S Jayaweera, Director General, Department of Finance, Ministry of Finance
7. Mr. R V K Karavita, Assistant Director, SLSI
8. Mr. R M R D Weerasooriya, Air resource Management Center, Ministry of Environment
9. Mr. T Wickremasinghe, Director, SLAB
10. Mr. L H D Bandusoma, Deputy Director, SLAB (Secretary)

Technical Advisory Committee on Food Safety Certification and Inspection

1. Mr. B S P Mendis – Food Technology Consultant, Former Director of SLAB
2. Mr. E. G. Somapala, Former Government Analyst
3. Dr. R L De S Wijemuni - Director, Environmental and Occupational Health Unit), Ministry of Health
4. Mr. Vithanage Sahan Thejaka, Hygiene Manager, Colombo Hilton
5. Dr. (Mrs) P Talgaswatte, Former Deputy Director General, SLSI
6. Ms. Sajeevika Perera - Principal Research Scientist, ITI
7. Ms. Austin - Food Processors Association
8. Mr. Aruna Amaradasa, - Manager, Ind-Expo Certification (Pvt.) Ltd

New Accreditations granted in in 2016

Testing Laboratories

Name of Laboratory	Scope
Government Analyst's Department	Performing Chemical & Forensic Testing
Chemical & Microbiology Laboratory Water Resource Board	Performing Chemical Testing on Drinking Water
Astron Limited	Performing Chemical & Mechanical Testing on Pharmaceutical Tablet Preparations
Environmental Laboratory National Engineering Research & Development Centre.	Mechanical Testing (Noise Measurements) and Chemical Testing on Water
Spice of Life (Pvt) Ltd	Performing Chemical Testing
Microbiology Laboratory of Bureau Veritas Consumer Products Services (Pvt) Ltd	Performing Microbiological Testing
Building Materials Research & Testing Division (BMRTD), National Building Research Organization (NBRO)	Performing Mechanical Testing
<i>Soil and Plant Nutrition laboratory, Coconut Research Institute</i>	Performing Chemical Testing
<i>Regional Center for Lighting, Ceylon Electricity Board</i>	<i>Performing electrical and photometric testing on self-balasted compact fluorescent lamps</i>
<i>Textile laboratory, SGS Lanka (Pvt.) Ltd.</i>	<i>Performing chemical and mechanical testing on textiles and related products</i>
Softline Analytical Laboratory, Intertek Lanka (Pvt) Ltd	Performing chemical testing on textile and related products

Calibration Laboratories

Name of Calibration Laboratory	Scope
<i>Industrial metrology laboratory Industrial Technology Institute Note: This is transfer of accreditation from Swedish Accreditation Board to Sri Lanka Accreditation Board</i>	<i>Performing calibration on mass, length, electricity, volume, temperature</i>

Medical Laboratories

Name of Medical Laboratory	Scope
Medichecks Colombo (Pvt) Ltd.	Performing Medical Testing on Clinical Biochemistry

Inspection Bodies

Name of Inspection Body	Scope
Vehicle Emission Testing Centre, Moratuwa CleanCo Lanka Limited.	Inspection of Vehicles for Emissions

Certification Bodies – None**GHG Validation/Verification Bodies**

Name of GHG Validation/Verification Body	Scope
Sri Lanka Carbon Fund	Performing organizational level GHG verification activities on Food Manufacturing and Processing, Manufacturing of Textile and Wearing apparel, Transportation and Building services/Facilities Management as per ISO 14064-1
Sustainable Future Group (Pvt) Ltd,	Performing Organizational level GHG verifications on Manufacturing (general, food & food processing, textile & wearing apparel, paper & paper products and chemical & rubber products) Facility based services and transportation as per ISO 14064-1 and Performing Project level GHG validations and verifications on Afforestation and Reforestation as per ISO 14064-2