



SJMS BULLETIN

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Deloitte grows for fourth consecutive year, reporting US \$32.4 billion in revenue

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Increased demand for a broad range of client services saw Deloitte grow for the fourth consecutive year, with Deloitte member firm network revenues of US \$32.4 billion for the fiscal year ending 31 May 2013.

The network experienced healthy growth across all businesses and regions – in local currency – due to strong demand for Deloitte’s capabilities and services, as clients manage complexity and uncertainty while investing in growth.

The strengthening of the U.S. dollar towards the end of Deloitte’s fiscal year meant the network’s 3.5 percent growth was higher in local currency at 5.6 percent.

“Our continued growth is a true testament to Deloitte’s client-centric approach. Deloitte has made strategic investments in important markets, the right businesses and talented people. As a result, Deloitte is helping many

more clients navigate the changing business environment.” said Barry Salzberg, Global CEO of Deloitte Touche Tohmatsu Limited (DTTL). “Despite major economic

fluctuations in some regions, clients are seeking the full range of Deloitte’s services and advice as they invest in innovation and other catalysts of growth.”



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The Success Story of Melanie J Kanaka

By Kasun Mendis

Notice

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In this edition, we introduce yet another of our alumni who has excelled in her career – Melanie Kanaka, the Head of Finance and Administration at World Bank

Sri Lanka and Maldives. Melanie, a Fulbright Scholar who holds an MBA from the Emory University – USA, is a fellow Member of CIMA. She also holds a First Class Honours B.Com degree from the University of Sri Jayawardenapura, Sri Lanka.

She recalls that after leaving Bishops College her first formal job was at Tanyo Investments (Pvt) Limited.

Thereafter, in March 1988 she joined Internal Management Audit Ltd, the internal audit

arm of Someswaran, Jayewickreme, Manthri & Co (SJM) whilst pursuing CIMA and being an undergraduate at the University of Sri Jayawardenapura reading for her business Administration Degree. Melanie remembers being part of the internal audit group comprised of about seven auditors and also recalls performing internal audits, mainly at CWE St Anthony’s Industries and at Milk Industries Lanka Company (MILCO). According to Melanie,

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Success story of Sir Ian G Jennings

Chairman and Managing Director of Panarch Pvt Ltd

By Kasun Mendis



In this article, we introduce Sir Ian G Jennings, the Chairman and Managing Director of Panarch Pvt Ltd. Sir Ian G Jennings is a UK qualified architect (RIBA) and a UK qualified project manager (NAPM). He qualified in architecture at the University of Ports mouth and the University College of the University of London.

Though Sir Jennings has worked previously in many parts of Africa and the Middle East, he claims to have enjoyed working in Sri Lanka the most. He states that he is very happy to have had the opportunity to work and live in this beautiful island country and hopes to retire and spend the rest of his life here.

Sir Jennings first arrived in Sri Lanka in June 1993 to commence work on the construction of the World Trade Centre (WTC). As the project manager for WTC, he had settled himself in Sri Lanka for a period of 3 and a half years.

After his tenure in Sri Lanka he left for Hong Kong; he lived in Tung Chung, next to the new airport. Sir Jennings remarked that it was during his stay in Hong Kong that he decided to come back to SL with the idea of registering a company here. Therefore, with encouragement from his former assistant, Mr. Kumudu Munasinghe, a Sri Lankan registered architect, he fulfilled his dream by incorporating Panarch Pvt Ltd in 1998. Together they started their operations in

Jan 2000, this being the beginning of the new millennium.

Having founded the company, Sir Jennings had agreed to support it for 2 years whilst awaiting business opportunities. Fortune came their way sooner than expected as they were able to secure some good projects in the second year itself, the most importantly one being the construction of the present LB Finance head office building in Colpetty. Subsequently, they secured the project management of Cinnamon Grand refurbishment and the Monarch Apilant Tower on top of Crescat Boulevard, for John Keells.

Since then, they have been involved with prestigious clients and significant projects. Sir Jennings states that he personally feels very fortunate to have met his business partner, architect Kumudu Munasinghe, who has been incredibly supportive and is a very talented architect in his own right, having won the "Excellence in Design" award from the Sri Lanka Institute of Architects for designing a private house at Ruskin Island, overlooking the Bolgoda lake.

During the discussion, Sir Jennings acknowledged that many institutions, including the BOI and numerous other government departments, gave him their support making it possible for him to setup the company and operate in Sri Lanka. Here, he emphasized that he very much values the guidance that he had received from SJMS.

We wish Sir Ian G Jennings all the very best in his future endeavours.

Computer Evolution

By Kumar Manthri



Kumar is an information system audit and assurance professional, who is currently the secretary to the ISACA Sri Lanka Chapter and working as an information systems auditor at SJMS Associates.

In the dawn of 1880s a gentleman, by the name of Mr Herman Hollerith created a device to revolutionize the United States of America's census process. The device was the punch-card tabulator. The idea was simple but brilliant. By punching a series of holes in a paper, vital information relating to the population of the country could be captured by people needing to do so. For example a hole in a particular area of the paper could indicate that a family had two children.

Seeing the advantage of such a process, the census bureau put Hollerith's machine to good use in the 1890s census. This new phenomena improved the tallying procedure, making it much more quicker for the Bureau to tabulate the captured census data, than it took in the 1880; even though the country's population had grown. Having proved its value in speeding up calculations and reduction of cost of the census (savings almost ten times greater than the Bureau had expected), the punch-card tabulator

attracted the attention of the owners of big businesses such as railroads, insurance agencies, banks, and mass-market manufacturers and retailers.

Seeing the commercial viability and potential of this invention, Hollerith, established the Tabulating Machine Company. The main aim was to sell tabulators to businesses. With the growth of need of such services, Hollerith's firm merged with the Computer-Tabulating-Recording Company, to supply even larger business machines. Thirteen years later when a talented young manager, Mr Thomas J. Watson taking over the reins of this company, the company's name was changed to the more impressive sounding "International Business Machines Corporation" (IBM). This saw the dawn of the information technology industry.

Retrospectively it would seem inevitability that people, at that time, would have thought that these computers would be the backbone of modern businesses. However, strangely, the reverse was true. People at that time had much scepticism about these machines usefulness. So much so that Howard Aiken, a distinguished Harvard mathematician and a member of the US government's National Research Council and the creator of the Harvard Mark I Computer, had commented to Edward

Cannon, of the U.S. National Bureau of standards, in 1948 that the idea that there would be a big market for computers is "foolishness"¹. Furthermore he had been documented as stating that "there never would be enough work for more than two of these computers"².

However as technology evolved, with the advent of the tiny transistors where the big bulky vacuum tubes were replaced, the birth of what we now know as the desktop computers arrived. It is ironic to note that, as with the former views, the dominant computer companies of the day from IBM to Digital, paid little attention to these quirky new machines. For the PC were seen too weak for any use. It took the brilliance of college dropouts such as Bill Gates, Steve Jobs, Steve Wosniak, etc. to see potential of personal computers in business. In 1975, Gates together with his high-school friend Paul Allen founded a little company named Micro-Soft, to write software for the newly invented PC. Gates envisaged that these machines would not only find a place inside business but that, because of its versatility and low cost, it would supplant the bulky mainframe as the centre of corporate computing.³

Nevertheless it can be seen that such advances still did not allow the computer to meet its full potential. **Contd pg:- 4**

Contd from pg 1. The Success Story of Melanie J Kanaka

one of the main advantages she experienced as an internal auditor at SJM was the opportunity made available for her to work closely with the Partners and learn from their experiences.

She left SJM to join the DFCC Bank as one of their very first batch of Management Trainees in 1989 and thereafter, went overseas to the US on the prestigious Fulbright Scholarship to pursue a Master's degree in International Finance and Corporate Strategy at the Goizuetta Business School of Emory University in Atlanta, Georgia.

Whilst reading for her master's she also underwent an internship at the Bellsouth Corporation, USA and also took up appointment following her graduation. Upon returning to Sri Lanka, she joined the Hayleys Group of Companies to manage their internal treasury unit and thereafter, moved on to MAS Holdings to take on exciting projects of SAP systems implementation. She was initially attached to Slimline, the apparel giant based in Pannala and was subsequently involved in numerous SAP ERP implementations for the entire MAS Holdings Group both at their apparel plants islandwide including their overseas plants in the Maldives. In 2003, she moved to the World Bank, her present employer to handle resource Management in the South Asia Region. Melanie is also a good sportsperson; being a watersports enthusiast in particular, she enjoys water skiing and has displayed immense talent in swimming.

She is a former Sri Lanka National Swimmer and has represented the country in the 100m and

200m. Dolphin Butterfly swimming events. Melanie acknowledges that another special event in her life was her participation as an official at the centennial Olympic Games held in 1996 in Atlanta in the USA.

Looking back, she reflects that she has now reached a stage in life where she is eager to give back as much as possible to the profession. As a result, she is highly involved with CIMA activities, and after having been with the Council for nine years she is currently a Board Member of CIMA Sri Lanka. Melanie has also been offered appointments at CIMA Global and is currently serving on the CIMA Global Life Long Learning Committee and the Technical Committee (Policy Committees). Previously she was one of the two international members serving on the CIMA Global Membership Board and at present, she is also a Global Membership Assessor. She has recently been elected to the CIMA Global Council which is the governing body of the Institute, which is a prestigious position she will hold for a period of 3 years commencing June 2013.

Whilst advising the younger generation on the importance of being honest and persistent, she emphasized the fact that some activities pose a greater challenge and cannot be resolved easily nor with speed: the important thing however is to handle the challenge with integrity and confidence – and not evade it. Additionally it is equally important to keep abreast of the new developments in one's area of expertise and profession.

SJMS Welfare and CSR Society distributes school materials to children of Muttur and Sampoor

In its endeavour to inspire the children of underprivileged families to achieve in the field of education, the Welfare and CSR Society of SJMS Associates carried out yet another distribution of school materials on 7 and 8 December 2013, in the north-east region of the country.

The beneficiaries this time were 220 children of Dehiwatte Maha Vidyalaya, Muttur Sinhala Maha Vidyalaya, Neelapola Vidyalaya, Kooniththeevu Navalar Vidyalayam, Sampoor Sri Murugan Vidyalayam, Sampoor Maha Vidyalayam, Kiravatkuli Sivasakthi Vidyalayam and

and Sinnakkulam Vidyalayam.

It is noteworthy that most of these are schools located in remote areas, the roads leading to them being not quite favourable to many.

School bags, shoes and stationery for the year 2014 were given to the children at 3 separate gatherings held at Dehiwatte Maha Vidyalaya, Dehiwatte; Cheneiyor Central College, Kattaparichchan, Muttur; and Sinnakkulam Vidyalayam, Thoppur.



Career Opportunities

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Humour Corner

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If you care enough for a result, you will most certainly attain it. - William James

Contd from pg 2. Computer Evolution

The issue being that workstation could not compete with mini and mainframes on the basis of computational power of a single machine. This was solved by in the advent of networks. In which it was noted that the collective power of PCs were greater than the sum of the parts. In 1990 a slew of —application service providers emerged, with considerable venture-capital backing, in hopes of breaking new ground by providing businesses with software programs over the Internet³.

However this good intention was met with, at that time, with a significant “barrier to entry”. The significant chasm that existed was the separation between communication speeds and computer processing speeds. That is as Gordon E Moore stated, in 1965, that over the history of computing hardware; the number of transistors on integrated circuits doubles approximately every two years⁴. While chip density doubles every eighteen months (Moore’s Law), telecommunications bandwidth doubles every 100 years¹ (Andrew Grove – Grove’s Law).

This was the case till recent past, where due to the lack of proper communication alternatives to provide cheaper better bandwidth for day-to-day users, application as services never reached its full potential. However now it is possible to see without a shadow of a doubt that Grove’s law has been progressively negated.

With the genesis and subsequent improvement of communication services, with the introduction for example 4G, it can be noted that the next stage in the evolution of computer services has come. That is to provide computer as a utility. This is true because now data can be transferred quicker at a cheaper rate. As such “the full power of computers can finally be delivered to users from afar. It doesn’t matter much whether the server computer running your program is in the data centre down the hall or in somebody else’s data centre on the other side of the country. All the machines are now connected and shared – they’re one machine.”³

Imagine the day in which a person would just plug their laptop, palm top or tablet PC’s; to a wall socket and obtain services pre-negotiated between the service provider and his/her respective business, so that to carry out his/her daily work.

At the end of the month, this business in question would then receive an invoice. This invoice would depict charges based on usage and not on a fixed flat fee. This could be compared to the modern electricity tariff. Where usage for a certain amount of units would be billed at a predefine amount. In fact with the dawn of Cloud computing we can see that this vision has moved from a probability to a definite possibility. Cloud computing, in a broad concept, is the provisioning of services over the internet. For the use of such services, at the end of the month, the users are billed for the usage of such services that depicts the exact quantum describing the amount of usage the user had consumed from their prescribed services. Therefore in Cloud computing resources (such as hardware, Applications, computing power, data storage and/or platforms) are available to users, without them actually knowing the exact location of where these services originate from. The utility computing model is all about using technology only when you need it, for as long as you need it. I think that this shift to utility computing would be inevitable, and it is progressively becoming true. As this is a convenient, flexible and economical alternative to the traditional large scale data centre maintained within the organization. This being said it would be potentially prudent to address certain questions before making a big leap into this type of computing:

1. How secure is what you cannot see – As it is a whole new paradigm shift for company’s IT security teams. In that how do I get a comfort as to how secure my data is if I do not know where exactly it is residing at?
2. How to ensure that my data I deleted are in fact deleted, and not achieved by the cloud services provider for other purposes than what it is intended for?
3. What are the service provider’s privilege users (such as data administrators) doing with my data?

In taking this step to this form of service oriented computing paradigm, we must not forget that when Edison’s first demonstrated his incandescent light bulb on December 31, 1879, in Menlo Park stating: “We will make electricity so cheap that only the rich will burn candles”⁷. Because of this audacious thought we can now say, without a shadow of a doubt, that a world without the profession of electricity as a service cannot be envisaged.

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SJMS brings Christmas cheer to children of LRH

Staff of SJMS Associates visited the Lady Ridgeway Hospital two days before Christmas, in an attempt to cheer the children warded at the hospital with Christmas carols and toys. Later in the day, carols were sung in front of the SJMS office premises. The events were organised by the SJMS Welfare and CSR Society.

