

**CANDLEAID LANKA**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024**





Private &amp; Confidential

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF CANDLEAID LANKA****Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of CandleAid Lanka ("the Organization"), which comprise the Statement of Financial Position as at 31<sup>st</sup> March 2024, the Receipts & Payment Account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the organization as at 31<sup>st</sup> March 2024, and of its excess payment over the receipts for the year then ended in accordance with Generally Accepted Accounting Principles.

**Basis for Opinion**

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

**Responsibilities of the Management and Those Charged with Governance for the Financial Statements**

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles, 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.

In preparing the financial statements, the management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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

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## Auditor's Responsibilities for the Audit of the Financial Statements

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

A further description of the auditor's responsibilities for the audit of the financial statements is located at Sri Lanka Accounting and Auditing website at: <http://www.slaasc.lk/auditing/auditorsresponsibility.php>. This description forms part of our auditor's report.

## Report on Other Legal and Regulatory Requirements

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

  
B. R. DE SILVA & CO.  
Chartered Accountants  
Colombo 05.

Date.....18.11.2024  
NSC/DS/YP/ms/(1)





CANDLEAID LANKARECEIPTS AND PAYMENTS ACCOUNTFOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

<u>RECEIPTS</u>	<u>Notes</u>	<u>2023/2024</u>		<u>2022/2023</u>
		Rs.	Cts.	Rs.
Donations for Education Programme	(3)	29,477,427.92		30,083,665
Donations for Health Programme	(4)	10,684,153.46		14,800,742
Donations for Food Programme	(5)	7,032,092.87		9,387,102
Donations for Community Development Programme	(6)	200,000.00		-
Donations/Funds Raised for Other Programmes	(7)	23,158,504.06		39,287,264
Donations for Administration Expenses		4,238,774.10		6,486,737
Interest Received - T Bills		11,074,095.00		-
Interest Received - Savings		17,566.85		26,810
Interest Received - Repo		4,716,066.31		3,281,316
Interest Received - FD		1,075,020.99		3,023,697
<b>Total Receipts</b>		<b>91,673,701.56</b>		<b>106,377,333</b>
 <u>PAYMENTS</u>				
Education Programme	(3)	27,017,063.47		27,120,705
Health Programme	(4)	12,992,620.08		11,385,792
Food Programme	(5)	7,008,433.55		7,512,275
Community Development Programme	(6)	75,000.00		23,000
Other Programmes	(7)	18,033,175.59		31,430,980
Administration Expenses	(8)	11,016,272.21		8,823,198
Depreciation	(9)	520,857.16		357,732
Bank Charges		58,568.00		170,096
Taxation		2,500,903.00		1,392,846
<b>Total Payments</b>		<b>79,222,893.06</b>		<b>88,216,624</b>
<b>Excess of Receipts Over Payments for the year</b>		<b>12,450,808.50</b>		<b>18,160,709</b>

The accounting policies and notes as set out in page (03) to (09) form an integral part of these financial statements.





CANDLEAID LANKASTATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

	<u>Notes</u>	<u>31.03.2024</u>	<u>31.03.2023</u>
		Rs. Cts.	Rs.
<b><u>ASSETS</u></b>			
<b><u>Non Current Assets</u></b>	(9)		
Office Equipment		418,277.92	183,705
Furniture & Fittings		36,441.98	29,074
Computer & Accessories		503,279.80	554,839
		<u>957,999.70</u>	<u>767,618</u>
<b><u>Current Assets</u></b>			
Investments	(10)	110,881,634.69	98,258,382
Cash at Bank	(11)	2,515,509.28	2,890,031
Cash in Hand		11,920.50	225
<b>TOTAL ASSETS</b>		<u><u>114,367,064.17</u></u>	<u><u>101,916,256</u></u>
<b><u>REPRESENTED BY</u></b>			
<b><u>Accumulated Fund</u></b>			
Balance Brought Forward		101,916,255.67	83,755,547
Excess of Receipts over Payments for the year		12,450,808.50	18,160,709
Balance Carried Forward		<u>114,367,064.17</u>	<u>101,916,256</u>
<b>TOTAL LIABILITIES</b>		<u><u>114,367,064.17</u></u>	<u><u>101,916,256</u></u>

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

Kfernando  
Finance Manager

15.10.2024  
Date

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Signed for and on behalf of the Board by,

	<u>Name</u>	<u>Signature</u>
DIRECTORS	1. <u>V.D.H. Jayawardena</u>	<u>V.D.H. Jayawardena</u>
	2. <u>Elmo Jayawardena</u>	<u>Elmo Jayawardena</u>

DATE OF APPROVAL  
BY THE BOARD } 16.10.2024

The accounting policies and notes as set out in page (03) to (09) form an intergral part of these financial statements.





**CANDLEAID LANKA****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024****1. CORPORATE INFORMATION****1.1 GENERAL**

CandleAid Lanka is a company Limited by Guarantee incorporated under section 8 of the Companies Act No. 07 of 2007. The registered office of the Company is situated at No. 45, Cornelious Place, Korallawella, Moratuwa and the principal place of business is situated at No. 21/4, Dharmarathne Avenue, Rawathawatta, Moratuwa. "Aflac International" has changed its name to "CandleAid Lanka" in accordance with the provision of Section 8 of the "Companies Act No. 7 of 2007.

CandleAid Lanka is a Government Approved Charity under Section 31 (7) of the Inland Revenue Act No. 38 of 2000.

It is also registered as a Non Governmental Organization under Voluntary Social Service Organizations (Registration & Supervision) Act No. 31 of 1980 as amended by Act No. 08 of 1998.

**1.2 Principal Activities and Nature of Operations**

CandleAid Lanka is a "Non Profit" charitable institution which is reaching out and financially assisting the less fortunate communities in Sri Lanka in the areas of Education, Health, Food, Shelter and Community Development.

1.3 The notes to the Financial Statements on pages (03) to (09) form an integral part of the Financial Statements.

**1.4 No of Employees**

The staff consists of ten (10) permanent employees and two (02) consultants.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****2.1 General Policies****2.1.1 Basis of Preparation**

The Statement of Financial Position, Statement of Receipts and Payments, together with accounting policies and notes ("Financial Statements") of the Company as at 31<sup>st</sup> March 2024 and for the year then ended comply with all material aspects of the applicable Generally Accepted Accounting Principles.

These financial statements presented in Sri Lankan Rupees have been prepared on a historical cost basis.

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

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CANDLEAID LANKANOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024**2.1.2 Foreign Currency Transactions**

All foreign exchange transactions are converted into Sri Lankan Rupees, which is the reporting currency at the rates of exchange prevailing at the time the transactions were effected.

**2.1.3 Cash and Cash Equivalents**

Cash and cash equivalents are defined as cash in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

**2.1.4 Property, Plant & Equipment****(a) Cost**

Property, Plant & Equipment is recorded at cost less accumulated depreciation.

**Impairment of Property, Plant & Equipment**

The carrying values of Property, Plant and Equipment, are reviewed for impairment annually or when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indications exist, and where the carrying values exceed the estimated recoverable amounts. Impairment losses are recognized in the income statements unless it reverses a previous revaluation surplus for the same asset.

**(b) Depreciation**

The provision for depreciation is calculated by using a straight line basis on the cost or valuation of all Property, Plant and Equipment, in order to write-off such amounts over the following estimated useful lives. The principle annual rates used are:

Generator	@ 25%
Furniture and Fittings	@ 12.5%
Motor Vehicle	@ 25%
Computer Equipment	@ 33.33%

**2.2 Receipt and Payment Statements****Grants**

- (a) All receipts including donations and all payments have been accounted for on a cash basis as per past practice.

**Interest**

- (a) Interest Income is recognized on a cash basis.





CANDLEAID LANKANOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

	<u>2023/2024</u>	<u>2022/2023</u>
	Rs. Cts.	Rs.
<b>(3) <u>DONATIONS FOR EDUCATION PROGRAMME</u></b>		
<i><u>Receipts</u></i>		
Donations for Students' Sponsorship	26,876,463.58	27,785,815
Donations for Libraries	180,138.00	252,850
Donations for Book Project	1,280,868.40	1,186,106
Other Donations for Education	1,139,957.94	858,894
	<u>29,477,427.92</u>	<u>30,083,665</u>
<i><u>Payments</u></i>		
Sponsored Students	24,987,173.66	23,035,006
Libraries	359,782.68	2,289,831
Book Project	1,118,167.50	1,206,590
Other Educational Disbursements	551,939.63	589,278
	<u>27,017,063.47</u>	<u>27,120,705</u>
<b>(4) <u>DONATIONS FOR HEALTH PROGRAMME</u></b>		
<i><u>Receipts</u></i>		
Donations for Cancer Sponsorship	9,782,918.21	10,808,569
Other Donations for Health	506,820.02	2,280,984
Donations for KDAP	394,415.23	1,711,189
	<u>10,684,153.46</u>	<u>14,800,742</u>
<i><u>Payments</u></i>		
Sponsored Cancer Patients	10,497,000.00	9,933,000
Other Health Disbursements	1,143,620.08	364,942
Payments for KDAP	1,352,000.00	1,087,850
	<u>12,992,620.08</u>	<u>11,385,792</u>
<b>(5) <u>DONATIONS FOR FOOD PROGRAMME</u></b>		
<i><u>Receipts</u></i>		
Donations for Family Sponsorship	6,837,651.17	9,050,577
Other Donations for Food	194,441.70	336,525
	<u>7,032,092.87</u>	<u>9,387,102</u>
<i><u>Payments</u></i>		
Sponsored Families	6,836,000.00	7,281,000
Other Food Disbursements	172,433.55	231,275
	<u>7,008,433.55</u>	<u>7,512,275</u>





CANDLEAID LANKANOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

	<u>2023/2024</u>	<u>2022/2023</u>
	Rs. Cts.	Rs.
<b>(6) <u>DONATIONS FOR COMMUNITY DEVELOPMENT PROGRAMME</u></b>		
<u>Receipts</u>		
Donations for Self Empowerment of Women	200,000.00	
	<u>200,000.00</u>	<u>-</u>
<u>Payments</u>		
Payments for Self Empowerment of Women	75,000.00	23,000
Payments for Disaster Relief		
	<u>75,000.00</u>	<u>23,000</u>
<b>(7) <u>DONATIONS/FUNDS RAISED FOR OTHER PROGRAMMES</u></b>		
<u>Receipts</u>		
Donations for Sigiri Trust Fund	7,154,000.00	6,000,000
Donations for Mother and Child Project	2,248,870.54	3,749,366
Donations for Elders We Care Project	1,672,531.95	-
Donations for Project Love Jaffna	3,032,400.00	1,690,100
Donations for Special Food Fund	-	4,980,000
Donations for Dry Rations Project	3,285,593.73	14,604,771
Donations for Other General Projects	5,765,107.84	8,263,027
	<u>23,158,504.06</u>	<u>39,287,264</u>
<u>Payments</u>		
Payments for Sigiri Trust Fund	6,740,683.36	6,858,203
Payments for Mother and Child Project	2,540,000.00	2,685,000
Payments for Elders We Care Project	225,000.00	-
Payments for Project Love Jaffna	3,032,400.00	1,690,100
Payments for Special Food Fund	-	4,980,000
Payments for Dry Rations Project	3,886,950.00	13,496,762
Other General Projects	1,608,142.23	1,720,915
	<u>18,033,175.59</u>	<u>31,430,980</u>





CANDLEAID LANKANOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

	<u>2023/2024</u>	<u>2022/2023</u>
	Rs. Cts.	Rs.
<b>(8) <u>ADMINISTRATION EXPENSES</u></b>		
Staff Costs	3,963,593.00	3,921,857
Staff Special Allowance	1,320,000.00	1,000,000
E.P.F.	492,065.00	445,129
E.T.F.	123,017.00	111,285
Casual Wages	121,040.00	103,820
Ex-Gratia Payments to Staff	528,500.00	417,790
Staff Consultants' Fees	1,442,196.11	792,500
Internship Payments	40,000.00	68,000
STF Related Expenses	120,000.00	-
Communication Costs	179,946.67	217,523
Postages	21,650.00	27,743
Stationery	178,206.25	206,773
Electricity	129,188.00	46,234
Water	18,626.08	12,480
Office Equipment Maintenance	521,006.00	201,587
Office Maintenance	675,065.00	276,741
Vehicle Maintenance	73,732.86	126,874
Software Maintenance	57,000.00	57,000
Travelling	10,260.00	41,816
Fuel	66,000.00	140,740
Secretarial Fees	45,345.07	16,691
Staff Welfare	391,656.00	206,961
Security Expenses	115,500.00	28,500
Rates	6,780.00	6,780
Audit Fees	107,918.76	84,250
Web-hosting & Maintenance Fee	75,643.64	54,220
Leave Payments	117,475.40	140,652
Insurance	16,431.37	13,419
Professional Charges	33,900.00	29,500
Other Administration Expenses	24,530.00	26,333
	<u>11,016,272.21</u>	<u>8,823,198</u>





CANDLEAID LANKANOTES TO THE FINANCIAL STATEMENTSAS AT 31<sup>ST</sup> MARCH 2024(9) FIXED ASSETS

<u>Description</u>	<u>COST</u>		<u>Rates %</u>	<u>DEPRECIATION</u>	
	<u>Cost as at 31.03.2023</u>	<u>Additions/ (Disposals)</u>		<u>W.D.V.as at 31.03.2023</u>	<u>W.D.V.as at 31.03.2024</u>
	<u>Rs. Cts.</u>	<u>Rs. Cts.</u>		<u>Rs. Cts.</u>	<u>Rs. Cts.</u>
<u>Furniture</u>					
Computer Table	98,621.25	-	12.50%	-	-
Writing Table	40,695.00	-	12.50%	-	-
Typist Chairs	73,765.75	-	12.50%	7,668.98	4,897.97
Office Chairs	19,145.00	-	12.50%	1,701.08	1,074.38
Cupboards	129,467.50	-	12.50%	15,230.44	3,831.25
Fittings	19,000.00	20,000.00	12.50%	4,473.20	2,828.12
	380,694.50	20,000.00		29,073.70	12,631.72
<u>Computer &amp; Accessories</u>					
Laptop	569,496.98	329,990.00	33.33%	340,565.54	188,283.78
Computer Installation & Software	3,028,444.25	-	33.33%	214,273.04	193,265.00
	3,597,941.23	329,990.00		554,838.58	381,548.78
<u>Office Equipment</u>					
Telephone System	181,897.30	-	33.33%	-	-
UPS	148,218.00	-	33.33%	41,112.92	19,731.36
Printers	317,887.50	-	33.33%	4,476.34	4,476.34
Projector	65,000.00	-	33.33%	-	-
Fax	52,805.00	-	33.33%	-	-
Refrigerator	41,087.00	-	33.33%	-	-
Photo Copier	85,000.00	-	33.33%	-	-
CCTV System	108,140.00	304,750.00	33.33%	-	-
Other Office Equipment	187,957.10	56,500.00	33.33%	102,132.82	42,322.16
	1,187,991.90	361,250.00		35,982.50	36,043.05
				183,704.58	24,103.75
					418,277.92
<u>Motor Vehicle</u>					
Motor Vehicle	1,425,000.00	-	25%	-	-
Bicycle	7,000.00	-	25%	-	-
	1,432,000.00	-		-	-
<u>Generator</u>					
Generator	229,900.00	-	25%	-	-
	229,900.00	-		-	-
Total Assets	6,828,527.63	711,240.00		767,616.86	520,857.16
					957,999.70





CANDLEAID LANKANOTES TO THE FINANCIAL STATEMENTSAS AT 31ST MARCH 2024

	<u>31.03.2024</u>	<u>31.03.2023</u>
	Rs. Cts.	Rs.
(10) <u>INVESTMENTS</u>		
Repo - NTB	50,900,000.00	37,857,000
Fixed Deposits - DFCC	10,981,634.69	-
Repo - DFCC	-	4,848,482
Fixed Deposits - NTB	5,500,000.00	3,000,000
Fixed Deposits - NDB	3,500,000.00	2,000,000
Fixed Deposits - PB	15,000,000.00	-
Treasury Bills	25,000,000.00	50,552,900
	<u>110,881,634.69</u>	<u>98,258,382</u>

(11) CASH AT BANK

	<u>Currency</u>		
<u>Hatton National Bank</u>			
A/C No: 022010223682	LKR	248,676.22	297,196
<u>Nations Trust Bank</u>			
A/C No: 014100008377	LKR	1,440,417.49	920,213
<u>People's Bank</u>			
A/C No: 091100180030370	LKR	456,210.49	1,440,494
<u>DFCC Bank</u>			
A/C No: 700115002958	LKR	53,752.63	23,846
<u>NDB Bank</u>			
A/C No: 106003471856	LKR	316,452.45	208,282
		<u>2,515,509.28</u>	<u>2,890,031</u>

(12) TAXATION

CandleAid Lanka is liable to a tax on 3% of its primary source of receipts which are donation the applicable corporate tax rate of 30%.

The tax charge of Rs. 3,044,754/- for the year ended 31.3.2024 is computed as follows:

Total Donations -Rs. 74,790,954/-

Tax on Interest Income - Rs. 2,371,635

Total Tax Liability of Rs. 3,044,754

This payment will be made during the financial year 2023/2024 and therefore be reflected Tax charge in the Receipts & Payment Accounts of that year.

This is for the reason that the Receipts & Payments Accounts are prepared on a cash basis

The tax charge of Rs. 2,500.903 reflected in the Receipts & Payments Accounts of F/Y 2023/2024 includes the 4<sup>th</sup> installment of the year 2022/2023 and the 03<sup>rd</sup> installment of the year 2023/2024.

