

*CANDLEAID LANKA*

*FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022*

Private & Confidential

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
CANDLEAID LANKA**

**Report on the Audit of the Financial Statements**

**1. 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 2022, and 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 2022, and of its excess payment over the receipts for the year then ended in accordance with Generally Accepted Accounting Principles.

**2. 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.

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

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

In preparing the financial statements, management is responsible for assessing the 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 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.



4. Auditor's Responsibilities for the Audit of the Financial Statements

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

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.

5. 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 appears from our examination, proper accounting records have been kept by the organization.

*B.R. De Silva*

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

Date... *21-9-2022*...

DS/ms/(1)



CANDLEAID LANKA  
RECEIPTS AND PAYMENTS ACCOUNT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022

		<u>2021/2022</u>	<u>2020/2021</u>
<u>RECEIPTS</u>	<u>Notes</u>	<u>Rs.</u>	<u>Rs.</u>
Donations for Education Programme	(3)	23,431,114	19,511,133
Donations for Health Programme	(4)	8,532,338	9,255,999
Donations for Food Programme	(5)	4,897,237	5,305,600
Donations for Community Development Programme	(6)	90,774	100,000
Donations/Funds Raised for Other Programmes	(7)	19,794,615	19,367,443
Recoveries for Administration Expenses		4,804,220	3,699,819
Interest Received - Repo		814,334	360,088
Interest Received - FD		10,197,405	1,511,924
<b>Total Receipts</b>		<b><u>72,562,037</u></b>	<b><u>59,112,006</u></b>
<u>PAYMENTS</u>			
Education Programme	(3)	20,824,468	18,000,674
Health Programme	(4)	9,167,745	7,577,315
Food Programme	(5)	5,353,760	4,594,554
Community Development Programme	(6)	125,000	67,500
Other Projects	(7)	18,053,708	17,830,507
Administration Expenses	(8)	7,093,743	7,199,575
Depreciation	(9)	274,926	155,554
Bank Charges		191,565	203,708
Taxation		1,704,255	336,178
<b>Total Payments</b>		<b><u>62,789,170</u></b>	<b><u>55,965,565</u></b>
<b>Excess of Receipts Over Payments for the year</b>		<b><u>9,772,867</u></b>	<b><u>3,146,441</u></b>

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



CANDLEAID LANKA  
STATEMENT OF FINANCIAL POSITION  
AS AT 31<sup>ST</sup> MARCH 2022

	<u>Notes</u>	<u>31.03.2022</u> Rs.	<u>31.03.2021</u> Rs.
<b><u>ASSETS</u></b>			
<b><u>Non Current Assets</u></b>			
Office Equipment		16,384	28,829
Furniture & Fittings		42,299	56,557
Computer & Accessories		415,540	213,285
Generator		4,790	62,265
	(9)	<u>479,013</u>	<u>360,936</u>
<b><u>Current Assets</u></b>			
Investments	(10)	79,376,548	69,181,998
Cash at Bank	(11)	1,866,217	2,224,047
Cash in Hand		33,769	15,699
<b>TOTAL ASSETS</b>		<u><u>81,755,547</u></u>	<u><u>71,782,680</u></u>
<b><u>REPRESENTED BY</u></b>			
<b><u>Accumulated Fund</u></b>			
Balance Brought Forward		71,782,680	68,636,239
Donation to Srma Aponso Fund		200,000	-
Excess of Receipts over Payments for the year		9,772,867	3,146,441
Balance Carried Forward		<u>81,755,547</u>	<u>71,782,680</u>
<b>TOTAL LIABILITIES</b>		<u><u>81,755,547</u></u>	<u><u>71,782,680</u></u>

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

K.fernando  
 Finance Manager

08/09/22  
 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>D. E. De Mel</u>	<u>[Signature]</u>
	2. <u>V. D. H. Jayawardena</u>	<u>[Signature]</u>

DATE OF APPROVAL BY THE BOARD } 09/09/22

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



CANDLEAID LANKANOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**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, Korlawella, Moratuwa and the principal place of business is situated at No. 21/4, Dharmarathne Avenue, Rawatawatta, 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 nine (09) permanent employees and three (03) 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 2022 and for the year then ended comply with all material aspects of the applicable Generally Accepted Accounting Principles.

These financial statements presented in Sri Lanka 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.

Contd... (04)



