

CANDLEAID LANKA

FOR THE YEAR ENDED 31ST MARCH, 2020

Private & 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, which comprise the Balance Sheet as at 31st March 2020, and Receipts and Payments 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 Company as at 31st March 2020, and of its financial performance and its cash flows 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 Company 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 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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, as far as appears from our examination, proper accounting records have been kept by the Company.

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

Date... *22.09.2020*

DS/NM/sj/00142/(1)



CANDLEAID LANKARECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2020

| <u>RECEIPTS</u> | <u>Notes</u> | <u>2019/2020</u> | | <u>2018/2019</u> |
|--|--------------|----------------------|-------------|-------------------|
| | | <u>Rs.</u> | <u>Cts.</u> | <u>Rs.</u> |
| Education Programme | (3) | 18,361,697.02 | | 17,716,276 |
| Health Programme | (4) | 7,056,615.75 | | 7,731,522 |
| Food Programme | (5) | 3,683,471.07 | | 3,841,874 |
| English & Personality Enhancement Programme | (6) | - | | 1,287,574 |
| Swim for Safety Programme | (7) | - | | 473,430 |
| Community Development Programme | (8) | 1,101,888.04 | | 15,039 |
| General Projects | (9) | 3,642,498.17 | | 8,424,492 |
| Recoveries for Administration Expenses | | 2,518,073.18 | | 3,013,179 |
| Interest Received - Repo | | 946,308.99 | | 1,090,053 |
| Interest Received - FD | | 9,039,248.29 | | 2,018,750 |
| Total Receipts | | 46,349,800.51 | | 45,612,189 |
| <u>PAYMENTS</u> | | | | |
| Education Programme | (3) | 17,205,071.60 | | 15,168,258 |
| Health Programme | (4) | 7,756,338.09 | | 7,484,670 |
| Food Programme | (5) | 4,134,996.00 | | 3,798,138 |
| English & Personality Enhancement Programme | (6) | 333,532.50 | | 550,203 |
| Swim for Safety Programme | (7) | - | | - |
| Community Development Programme | (8) | 1,122,105.00 | | 24,475 |
| General Projects | (9) | 5,406,922.65 | | 3,713,202 |
| Administration Expenses | (10) | 7,273,474.78 | | 7,083,135 |
| Depreciation | (11) | 200,847.56 | | 201,001 |
| Bank Charges | | 236,018.50 | | 185,547 |
| Taxation | | 428,406.00 | | 339,793 |
| Total Payments | | 44,097,712.68 | | 38,548,422 |
| Excess of Receipts Over Payments for the year | | 2,252,087.83 | | 7,063,767 |



CANDLEAID LANKABALANCE SHEETAS AT 31ST MARCH 2020

| | <u>Notes</u> | <u>31.03.2020</u> | <u>31.03.2019</u> |
|---|--------------|-----------------------------|--------------------------|
| | | <u>Rs. Cts.</u> | <u>Rs.</u> |
| <u>ASSETS</u> | | | |
| <u>Non - Current Assets</u> | | | |
| Office Equipment | | 18,900.05 | 4,170 |
| Furniture & Fittings | | 60,003.83 | 78,217 |
| Computer & Accessories | | 101,096.48 | 77,745 |
| Generator | | 119,739.58 | 177,215 |
| Total Non - Current Assets | (11) | <u>299,739.94</u> | <u>337,347</u> |
| <u>Current Assets</u> | | | |
| Investments | (12) | 63,809,998.31 | 64,700,000 |
| Cash at Bank | (13) | 3,498,721.12 | 341,793 |
| Cash in Hand | | 27,779.50 | 5,011 |
| Total Assets | | <u><u>67,636,238.87</u></u> | <u><u>65,384,151</u></u> |
| <u>REPRESENTED BY</u> | | | |
| <u>Accumulated Fund</u> | | | |
| Balance Brought Forward | | 65,384,151.04 | 58,320,384 |
| Excess of Receipts over Payments for the year | | 2,252,087.83 | 7,063,767 |
| Balance Carried Forward | | <u>67,636,238.87</u> | <u>65,384,151</u> |
| Total Liabilities | | <u><u>67,636,238.87</u></u> | <u><u>65,384,151</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

16.09.2020
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>Elmo Jayawardena</u> | <u>[Signature]</u> |
| | 2. <u>V. D. H. Jayawardena</u> | <u>[Signature]</u> |

DATE OF APPROVAL }
BY THE BOARD } 16.09.2020



CANDLEAID LANKANOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2020**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, Korawalwella, 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 (3) to (10) 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.

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