

AUDITORS REPORT
TO THE MEMBERS OF KARUNA TRUST

We have examined the following Financial Statements of the Karuna Trust.

- a). Statement of financial activities for the year ended March 31, 2014
- b). Statement of financial position as at March 31, 2014
- c). Statement of changes in accumulated fund for the year ended March 31, 2014
- d). Cash flow statement for the year ended March 31, 2014

These financial statements are the responsibility of the board of trustees of the Organization and our responsibility is to express an opinion on these financial statements, based on our audit.

We conducted our audit in accordance with the Sri Lanka Auditing Standards, which require that we plan and perform the audit to obtain reasonable assurance about whether the said financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the said financial statements, assessing the accounting principles used and significant estimates made by the Board, evaluating the overall presentation of the financial statements, and determining whether the said financial statements are prepared and presented in accordance with the Sri Lanka Accounting Standards. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. We therefore believe that our audit provides a reasonable basis for our opinion.

In our opinion, so far as appears from our examination, and to the best of our information and according to the explanations given to us, the said financial statements and notes thereto have been prepared and presented in accordance with the Sri Lanka Accounting Standards and give a true and fair view of the Organization's state of affairs as at March 31, 2014 and its financial activities and cash flows for the year then ended.

We further report that the Organization has maintained proper books of account and the financial statements referred to above are in agreement with such books of account.



CHARTERED ACCOUNTANTS.

Colombo
October 13, 2014



B.V. FERNANDO & CO.
CHARTERED ACCOUNTANTS

B.V. FERNANDO B.Com. (Cey), F.C.A.
W.C. FERNANDO
B.A. (Hons)Econ, B.Phil. (Hons), Econ, C.I.M.A., F.C.A.
ATTORNEY-AT-LAW

KARUNA TRUST
REGISTERED NO: L-82501
67, UDA INDUSTRIAL ESTATE, KATUWANA ROAD, HOMAGAMA
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED MARCH 31, 2014

	<u>2 0 1 4</u>			<u>2 0 1 3</u>
	<u>Restricted Funds (Education and Scholarships) Rs.</u>	<u>Unrestricted Funds (Common Funds) Rs.</u>	<u>Total Rs.</u>	<u>Rs.</u>
INCOMING RESOURCES				
Funds transferred from respective fund accounts	2,324,417.80	3,184,509.72	5,508,927.52	3,805,911.21
EXPENDITURE				
Rambuka House project	-	-	-	300,000.00
ADIC Project	-	25,226.00	25,226.00	41,685.00
Library Projects	500,246.80	-	500,246.80	447,128.30
Kandy Yatihalagala Project	-	-	-	287,500.00
Galle Kachchary	-	-	-	23,017.00
Hiniduma Project	-	-	-	601,290.80
Nariyakulama Project	-	-	-	140,000.00
Thammannakulama Project	-	-	-	125,000.00
Jack Fruit Project	-	-	-	54,612.50
Rambuka School Project	-	430,000.00	430,000.00	256,889.00
Thelejjavila IT Unit	-	11,690.00	11,690.00	750,845.00
Sports Goods Project	-	-	-	105,750.00
Scholarships	269,100.00	-	269,100.00	318,990.00
Donation -				
School books, Stationery and others	-	944,551.40	944,551.40	317,500.00
Donation to war refugees	-	-	-	33,576.00
Miscellaneous Project	-	194,177.00	194,177.00	-
Kasamaduwa Irrigation Project	742,891.00	-	742,891.00	-
Kurundankulama Children Project	-	9,000.00	9,000.00	-
Kurundankulama House Project	200,180.00	-	200,180.00	-
Advertisement charges	-	15,680.00	15,680.00	-
Dellwa Pre-school Project	612,000.00	-	612,000.00	-
Cancer care Society Project	-	540,050.00	540,050.00	-
Car Insurance and Luxury Tax	-	156,339.15	156,339.15	-
Other expenses -				
Bank charges	-	6,215.00	6,215.00	2,000.00
Overdraft interest	-	-	-	127.61
Depreciation	-	851,581.17	851,581.17	-
	<u>2,324,417.80</u>	<u>3,184,509.72</u>	<u>5,508,927.52</u>	<u>3,805,911.21</u>



KARUNA TRUST
REGISTERED NO: L-82501
67, UDA INDUSTRIAL ESTATE, KATUWANA ROAD, HOMAGAMA
FINANCIAL POSITION AS AT MARCH 31, 2014

	<u>Note</u>	<u>MARCH 31,</u>	
		<u>2014</u>	<u>2013</u>
		<u>Rs.</u>	<u>Rs.</u>
<u>ASSETS</u>			
<u>NON CURRENT ASSETS</u>			
Motor vehicle and equipment		7,673,717.58	8,500,000.00
<u>CURRENT ASSETS</u>			
Cash at banks		61,082,445.83	52,591,342.26
Cash in hand		4,909.28	4,680.53
TOTAL CURRENT ASSETS		<u>61,087,355.11</u>	<u>52,596,022.79</u>
TOTAL ASSETS		<u>68,761,072.69</u>	<u>61,096,022.79</u>

F I N A N C E D B Y:

<u>ACCUMULATED FUND</u>			
Restricted Funds		49,664,466.79	42,901,094.15
Unrestricted Funds (Common Funds)		16,913,060.35	16,244,420.09
TOTAL ACCUMULATED FUND		<u>66,577,527.14</u>	<u>59,145,514.24</u>
<u>CURRENT LIABILITIES</u>			
Accounts payable - Abans (Pvt) Ltd		-	1,400.00
Temporary loan - Mr. M.W. Karunaratne		2,007,709.43	1,772,709.43
Provision for taxation		175,836.12	176,399.12
TOTAL CURRENT LIABILITIES		<u>2,183,545.55</u>	<u>1,950,508.55</u>
TOTAL ACCUMULATED FUND AND LIABILITIES		<u>68,761,072.69</u>	<u>61,096,022.79</u>


 TRUSTEE


 TRUSTEE



Colombo.
 October 13, 2014

KARUNA TRUST

REGISTERED NO: L-82501

67, UDA INDUSTRIAL ESTATE, KATUWANA ROAD, HOMAGAMA

STATEMENT OF CHANGES IN ACCUMULATED FUND FOR THE YEAR ENDED MARCH 31, 2014

	<u>Note</u>	<u>2 0 1 4</u>		<u>2 0 1 3</u>
		<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
		<u>Restricted Funds (Education and Scholarships)</u>	<u>Unrestricted Funds (Common Funds)</u>	<u>Total</u>
Balance - beginning of the year		42,901,094.15	16,244,420.09	59,145,514.24
Add: Funds received during the year	03:01	2,093,535.25	3,853,149.98	5,946,685.23
Interest received on deposits	03:02	6,994,604.19	-	6,994,604.19
		<u>51,989,233.59</u>	<u>20,097,570.07</u>	<u>72,086,803.66</u>
Funds transferred to financial activities		2,324,417.80	2,331,928.55	4,656,346.35
Income tax		349.00	-	349.00
		<u>2,324,766.80</u>	<u>2,331,928.55</u>	<u>4,656,695.35</u>
Balance - end of the year		<u>49,664,466.79</u>	<u>17,765,641.52</u>	<u>67,430,108.31</u>
				<u>59,145,514.24</u>



KARUNA TRUST
REGISTERED NO: L-82501
67, UDA INDUSTRIAL ESTATE, KATUWANA ROAD, HOMAGAMA
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	<u>2014</u>	<u>2013</u>
	<u>Rs.</u>	<u>Rs.</u>
Project activities:		
Funds received	5,946,685.23	9,462,990.32
Cash paid for project activities -		
Project expenses	(4,658,746.35)	(3,804,511.21)
Income tax paid	(912.00)	(12,436.00)
Net cash flow from project activities	<u><u>1,287,026.88</u></u>	<u><u>5,646,043.11</u></u>
Investing activities:		
Cash was used to		
Purchased of office equipment	25,298.75	-
Net cash provided by investing activities	<u><u>(25,298.75)</u></u>	-
Financing activities:		
Cash was provided by		
Interest received	6,994,604.19	3,327,092.50
Recovery of temporary loan	235,000.00	1,244,871.17
Net cash provided by financing activities	<u><u>7,229,604.19</u></u>	<u><u>4,571,963.67</u></u>
Net increase in cash and cash equivalents	<u><u>8,491,332.32</u></u>	<u><u>10,218,006.78</u></u>
Cash and cash equivalents as at April 01,	52,596,022.79	42,378,016.01
Cash and cash equivalents as at March 31,	<u><u>61,087,355.11</u></u>	<u><u>52,596,022.79</u></u>
 <u>NOTE - A - CASH AND CASH EQUIVALENTS AS AT MARCH 31,</u>		
Cash at bank	61,082,445.83	52,591,342.26
Cash in hand	4,909.28	4,680.53
	<u><u>61,087,355.11</u></u>	<u><u>52,596,022.79</u></u>

