

PRIVATE AND CONFIDENTIAL

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FINANCIAL STATEMENTS

OF

KARUNA TRUST

FOR THE YEAR ENDED

MARCH 31, 2017

B.V. FERNANDO & CO.
CHARTERED ACCOUNTANTS

THIS DOCUMENT CONTAINS 10 PAGES

AUGUST 18, 2017



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, 2017
- b). Statement of financial position as at March 31, 2017
- c). Statement of changes in accumulated fund for the year ended March 31, 2017
- d). Cash flow statement for the year ended March 31, 2017

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, 2017 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
August 18, 2017



Karuna Trust

Registered No: L-82501

67, UDA Industrial Estate, Katuwana Road, Homagama

Statement of financial activities

	2 0 1 7			2 0 1 6
	Restricted Funds (Education and Scholarships)	Unrestricted Funds (Common Funds)	Total	
	Rs.	Rs.	Rs.	Rs.
Incoming resources				
Funds transferred from respective fund accounts	7,051,067.41	1,073,568.64	8,124,636.05	7,977,968.13
Expenditure				
Projects -				
Library	213,375.24	-	213,375.24	900,661.25
Rambuka School	405,290.00	-	405,290.00	487,500.00
Scholarships	-	-	-	617,138.80
Donation	11,068.20	-	11,068.20	-
School books, stationery and others	-	-	-	1,350,191.17
Miscellaneous	145,114.00	-	145,114.00	131,100.00
Kelasiyabalawa Dhamma School	26,007.00	-	26,007.00	200,000.00
Galle School Children's	60,000.00	-	60,000.00	67,082.00
Thelejjavila Dahampasal	-	-	-	300,000.00
Vision 2020 Project	3,589,529.26	-	3,589,529.26	1,834,217.68
School Leavers Training	150,000.00	-	150,000.00	299,324.00
Agarauda Tube Well Project	-	20,000.00	20,000.00	-
Vauniya South Irrigation Tank	-	366,510.00	366,510.00	-
Flood Relief Project	-	434,228.39	434,228.39	-
Piliyandala Hospital Project	-	252,830.25	252,830.25	-
Kotiyagala Library Building Project	250,000.00	-	250,000.00	-
Disposal expenses	9,194.84	-	9,194.84	-
Others -				
Bank charges	2,980.00	-	2,980.00	3,580.00
Insurance and luxury tax	83,456.74	-	83,456.74	80,556.33
Maintenance of vehicles	324,583.57	-	324,583.57	434,328.57
Fuel - KN 9725	356,903.00	-	356,903.00	365,435.00
Stationery and postage charges	1,510.00	-	1,510.00	3,210.00
Telephone	5,435.07	-	5,435.07	5,154.16
Advertisement	11,099.00	-	11,099.00	14,285.70
Depreciation	855,493.49	-	855,493.49	884,203.47
Semi Luxury tax	15,000.00	-	15,000.00	-
Accounts clerk fees	21,000.00	-	21,000.00	-
Computer maintenance	6,500.00	-	6,500.00	-
Scholarships	507,528.00	-	507,528.00	-
	<u>7,051,067.41</u>	<u>1,073,568.64</u>	<u>8,124,636.05</u>	<u>7,977,968.13</u>



Karuna Trust

Registered No: L-82501

67, UDA Industrial Estate, Katuwana Road, Homagama

Statement of financial position

	As at March 31,	
	2017	2016
	Rs.	Rs.
Assets		
Non current assets		
Property and equipment	<u>5,111,126.74</u>	<u>5,971,245.77</u>
Current assets		
Temporary loan - Pan Hydro (Pvt) Ltd.	46,000,000.00	50,000,000.00
Interest receivable - Pan Hydro (Pvt) Ltd.	625,095.00	276,259.60
Cash at banks	42,888,688.95	30,495,303.91
Cash in hand	<u>4,301.18</u>	<u>1,066.58</u>
Total current assets	<u>89,518,085.13</u>	<u>80,772,630.09</u>
Total assets	<u>94,629,211.87</u>	<u>86,743,875.86</u>
Accumulated fund		
Restricted Funds	74,553,923.24	66,402,104.19
Unrestricted Funds (Common Funds)	<u>17,163,248.43</u>	<u>17,420,549.47</u>
Total accumulated fund	<u>91,717,171.67</u>	<u>83,822,653.66</u>
Current liabilities		
Temporary loan - Mr. M.W. Karunaratne	2,198,222.20	2,191,222.20
Income tax payable	<u>713,818.00</u>	<u>730,000.00</u>
Total current liabilities	<u>2,912,040.20</u>	<u>2,921,222.20</u>
Total accumulated fund and liabilities	<u>94,629,211.87</u>	<u>86,743,875.86</u>


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Trustee


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Trustee

Colombo.

August 18, 2017



Statement of changes in accumulated fund for the year ended March 31, 2017

	2 0 1 7			2 0 1 6
	Restricted Funds (Education and Scholarships)	Unrestricted Funds (Common Funds)	Total	
	Rs.	Rs.	Rs.	Rs.
Balance - beginning of the year - Reported	66,402,104.19	17,420,549.47	83,822,653.66	73,096,354.99
Add: Funds received during the year	9,666,615.80	816,267.60	10,482,883.40	15,360,913.81
Interest received on deposits and loan	6,300,088.66	-	6,300,088.66	4,210,525.64
	<u>82,368,808.65</u>	<u>18,236,817.07</u>	<u>100,605,625.72</u>	<u>92,667,794.44</u>
Funds transferred to financial activities	7,051,067.41	1,073,568.64	8,124,636.05	7,977,968.13
Income tax	763,818.00	-	763,818.00	867,172.65
	<u>7,814,885.41</u>	<u>1,073,568.64</u>	<u>8,888,454.05</u>	<u>8,845,140.78</u>
Balance - end of the year	<u>74,553,923.24</u>	<u>17,163,248.43</u>	<u>91,717,171.67</u>	<u>83,822,653.66</u>



Karuna Trust

Cash flow statement

	2017	2016
	Rs.	Rs.
Project activities:		
Funds received	10,482,883.40	15,360,913.81
Cash paid for project activities -		
Project expenses	(5,912,884.14)	(6,207,214.90)
Other expenses	(1,335,995.38)	(906,549.76)
Government for taxes	(780,000.00)	(505,777.03)
Net cash flow from project activities	<u>2,454,003.88</u>	<u>7,741,372.12</u>
Investing activities:		
Cash was used to		
Purchased of office equipment	(15,637.50)	-
Net cash used to investing activities	<u>(15,637.50)</u>	<u>-</u>
Financing activities:		
Cash was provided by		
Interest received	5,951,253.26	3,847,092.66
Temporary loan	4,007,000.00	16,500.00
Net cash provided by financing activities	<u>9,958,253.26</u>	<u>3,863,592.66</u>
Net increase in cash and cash equivalents	<u>12,396,619.64</u>	<u>11,604,964.78</u>
Cash and cash equivalents as at April 01,	30,496,370.49	18,891,405.71
Cash and cash equivalents as at March 31,	<u><u>42,892,990.13</u></u>	<u><u>30,496,370.49</u></u>
 Note - A - Cash and cash equivalents as at March 31,		
Cash at bank	42,888,688.95	30,495,303.91
Cash in hand	4,301.18	1,066.58
	<u><u>42,892,990.13</u></u>	<u><u>30,496,370.49</u></u>

