Annual Report 2018





Kansarmen SL Foundation

Life through Water and Sanitation

546/8, Daluwakotuwa, Kochchikade, Sri Lanka

For the Year 2018,

we at Kansarmen S L Foundation in Sri Lanka present this Annual Report. We are pleased to look back on a year of success in which we have provided safe drinking water to 18 schools and 4 community settlement schemes reaching more than 17,000 individuals.



Our Story

It was in 2005 just after the Tsunami, a Dutch volunteer Jan van der Steen founded Stichting Kansarmen Sri Lanka in the Netherlands with the aim of helping school children in Sri Lanka to access improved safe drinking water and sanitation facilities. Realizing that the government would during the first years focus on the restoration of coastal areas and tourism, Jan van der Steen from the Stichting Kansarmen Sri Lanka and his local team had been attracted to the destiny of the remaining countryside. The difficult accessibility of the surrounding rural area has direct consequences in accessing basic facilities, with water taking the first place.

After the successful completion of over 50 water and sanitation facility supply projects for the schools, communities and homes for the disabled with the help of a highly committed local team with direct funding from The Netherlands, the presence of a local organization became an essential requirement.

Kansarmen S L Foundation was established and registered in Sri Lanka as a Company limited by Guarantee (Not for profit) in 2010 at the Registrar of Companies under the Company's Act, No.7 of 2007.

Later, in 2015, Kansarmen S L Foundation was registered as a Non Governmental Organization (NGO), at the Secretariat for Non Governmental Organizations in the Ministry of Policy Planning, Economic Affairs, Youth and Cultural Affairs, Colombo.

Today, we are pleased to have developed into a mature independent organization in Sri Lanka that provides the best solutions for water and sanitation issues in rural schools and underprivileged communities.

Vision

Our vision is a Sri Lanka where everybody has sustained water supply, with enhanced sanitation and hygiene in the face of climate change.

Mission

Kansarmen S L Foundation's mission is to transform lives by improving access to safe water, hygiene and sanitation for the communities in Sri Lanka.

Our Management



Managing Director
Chaminda Fernando Pulle



Administrative Officer
Priyantha Fernando Pulle

Field Team



Field service team is the power of the organization

Our Achievements

We invested _____

Rs.18,213,097 (103,343 €) *on community*

*to realize*_____

22 *school and community projects*

to provide more than _____

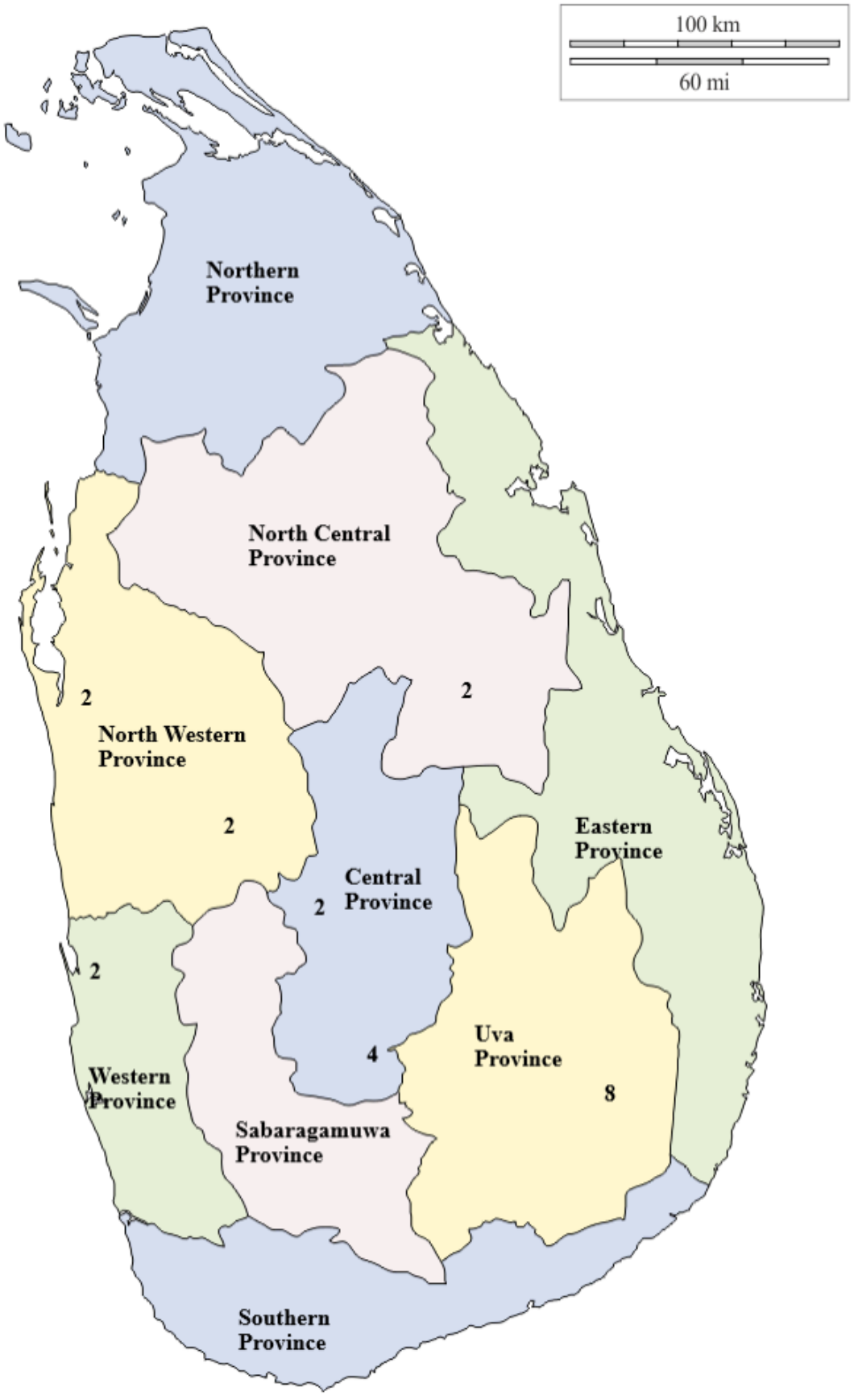
17,000 *people clean water and sanitation facilities*

throughout _____

7 *districts in Sri Lanka*



Project Locations



During the year 2018, the Foundation carried out water and sanitation projects in 5 Provinces in Sri Lanka, covering 7 districts. A total of 17,000 school children and community members, including people with disability benefited from 22 projects.

Province	District	Number of school/community projects
North Western	Kurunegala	2
	Puttalam	2
Central	Kandy	2
	Nuwara Eliya	4
Western	Gampaha	2
Uva	Moneragala	8
North Central	Polonnaruwa	2

Most of the projects carried out were in very difficult areas in terms of extreme water shortage, difficult terrains, far-off roads and isolated, etc.



Our Work

Kurunegala

	6833 people
	LKR 1,284,988

Name of the school/community: **Dambadeniya Central College**	Divisional Secretary's Division: *Narammala*
	Grama Niladhari Division: *Dambadeniya*
Name of the school/community: **Saranath Maha Vidyalaya**	Divisional Secretary's Division: *Kuliyapitiya*
	Grama Niladhari Division: *Kuliyapitiya*

Dambadeniya Central College

Before







During the implementation







After







Puttalam

	671 people
	LKR 1,545,339

Name of the school/community: **Vijaya Vidayalaya**	Divisional Secretary's Division: *Anamaduwa*
	Grama Niladhari Division: *Mudalakkuliya*
Name of the school/community: **Serukele Community**	Divisional Secretary's Division: *Pallama*
	Grama Niladhari Division: *Serukele*

Deep well realized the journey towards sustainable access to water

Kansarmen S L Foundation (KSLF) met Sister Placida, who was on a Catholic Church mission to improve the quality of life of those with human suffering. She brought the KSLF team to a community settlement made for low-income families.





It was a small community in Serukele in Pallama DS Division of Puttalam District. By number it was a small community with 95 residential community members including children. The families in this community were sympathised on the fate of segregation by the community due to many social reasons and also they were homeless. They have been resettled by a Catholic Church mission donating a house with a small land for each family. However, literally they have had no basic requirements. Lack of water was a profound problem. These families used to get their water for money from a water bouser. KSLF understood that social stability of this community would not be achieved without addressing the water issue. Therefore, it became an attractive project for KSLF considering the high social return on their investment.

KSLF started a water feasibility check in the area and realized that collecting of water from upper strata is hard in the area and a dug well would not be the best suited solution.

Construction of a deep well was put forward as a final solution. The effort was successful and Serukele community is now the owner of a deep well, a stock tank with capacity of 5000 litres, an electric water pumping system and one central tap post. The community manages the water collection point and general maintenance of the facility. The electricity bill is shared among the families. The community also contributed their time whenever needed for the implementation of this project.



Sufficient water from deep tube well





Kandy

	1841 people
	LKR 2,623,662

Name of the school/community: **Nillamba Maha Vidyalaya**	Divisional Secretary's Division: *Doluwa*
	Grama Niladhari Division: *Nillamba*
Name of the school/community: **Youth community Center Ampitiya**	Divisional Secretary's Division: *Kandy*
	Grama Niladhari Division: *Ampitiya*

Inspiring effort to help the children





Nillambe Maha Vidyalaya (Nillambe High School) is located in a very remote area in Doluwa Divisional Secretariat Division of Kandy District. The school provides education facilities from grades 1 to 13 for about 850 children from poor families in the area. The school did not have running water. The school had faced a severe drinking water problem for several years. Daily the children carried water in buckets to the school located in the mountain from a road pipe located at the bottom of the hill, which was a tedious task. Taking into consideration the request made by the school Principal and the urgent water need of the school, the Kansarmen S L Foundation committed to find a solution for ending their water issue.




In order to supply water to the school the Foundation used an abandoned well located at a distance of 67 meters below the school land as a water source and reconstructed it and got it up to a usable condition. The well is now covered with a concrete slab to reduce the chances of contamination. A pump house with a high-power pump has been installed to lift water to the school situated on the hill. The Foundation has also installed a water storage tank on a concrete base which has a holding volume of 5000 litres and a pipeline network with three concrete hand-washing units (1 unit has 3 taps) within the school.

Kansarmen S L Foundation's effort to supply water to the school was successful and now children have water in the school with a continuous supply.






Nuwara Eliya

	1434 people
	LKR 1,757,626

Name of the school/community: **Theripaha Siduhath Maha Vidyalaya**	Divisional Secretary's Division: *Walapane*
	Grama Niladhari Division: *Ambagahathenna*
Name of the school/community: **Galkadawala Vidyalaya**	Divisional Secretary's Division: *Walapane*
	Grama Niladhari Division: *Galkadawala*
Name of the school/community: **Sri Vidyapradeepa School**	Divisional Secretary's Division: *Walapane*
	Grama Niladhari Division: *Udamaadura*

Running water from mountain to school



Sri Vidyapradeepa Maha Vidyalaya is a rural school with 394 students from grade 6 to 13 and 19 teachers. The school is located in a remote hillside village – Udamadura in Walapane Divisional Secretariat Division of Nuwara Eliya District in the Central Province. Since its inception in 1916, the school has never had water within the school premises. The children were previously sent out to get water even during teaching hours. The Principal and teachers were desperately looking for a permanent solution. The Kansarmen S L Foundation felt compelled to take action to change the situation and provide a better future for these disadvantaged school children.





The Foundation discovered that there was enough pure water running from a natural source in the mountain about 350 meters away, and were able to successfully complete the installation of running water to the school. The entire facility, which is now owned by the school, includes: a storage tank mounted on a tower with a capacity of 2000 litres, a waterline to the school tank from the collection well, a pipeline network to the buildings and toilets and two concrete hand-washing units with three taps in each. A gravity-fed waterline to the storage tank leads from the covered collection well which was constructed near the natural water stream on the mountain. The school has now year-round running water for drinking, washing hands and use for the toilets. As per the community sharing policy of the Foundation, parents and children of the school also gave their support to the project by helping with material transport and digging for laying pipeline during the project implementation.





Moneragala

	3873 people
	LKR 4,976,634

Name of the school/community: **Handapanagala Maha Vidyalaya**	Divisional Secretary's Division: *Wellawaya* Grama Niladhari Division: *Handapanagala*
Name of the school/community: **Methsewa Children Home**	Divisional Secretary's Division: *Wellawaya* Grama Niladhari Division: *Handapanagala*
Name of the school/community: **Kudaoya Maha Vidyalaya**	Divisional Secretary's Division: *Wellawaya* Grama Niladhari Division: *Kudaoya*
Name of the school/community: **Wandinahelyaya Primary School**	Divisional Secretary's Division: *Wellawaya* Grama Niladhari Division: *Buduruwagala*
Name of the school/community: **Sri Gemunu Viharaya (Handapanagala temple)**	Divisional Secretary's Division: *Wellawaya* Grama Niladhari Division: *Handapanagala*
Name of the school/community: **Chandawimala Primary School**	Divisional Secretary's Division: *Wellawaya* Grama Niladhari Division: *Weherayaya*
Name of the school/community: **Thelulla Primary School**	Divisional Secretary's Division: *Wellawaya* Grama Niladhari Division: *Thelulla*
Name of the school/community: **Mahaaragama Primary School**	Divisional Secretary's Division: *Wellawaya* Grama Niladhari Division: *Mahaaragama*

KSLF's commitment is much more than water





Meth Sewa Foundation was established in 2012 as a home for mentally and physically handicapped children. At present it is the home to 54 people with mental and/or physical disabilities between the age of 2 and 54. This well-cared home is located in Handapanagala, Weherayaya in Moneragala district in the Wellawaya Divisional Secretariat Division.

The home needs 10 to 30 litres of water per person daily for washing. The existing facilities were not sufficient to fulfil this requirement and access to a reliable source of water became a challenge for the foundation's authorities.





The home authorities contacted Kansarmen S L Foundation (KSLF) for their assistance to build an extra high water tower. KSLF took on the project by firstly assessing their current water need and then engaging in the task of building two concrete towers in order to place two water storage tanks with a volume of 5,000 litres each and finally a new pipeline network. The facility has now been provided with two washing units with three taps each. This has had a profound beneficial impact on the disabled residents; by providing running water directly to the care home, their lives have improved considerably.

Polonnaruwa

	1230 people
	LKR 1,532,401

Name of the school/community: **Nishshankamallapura Primary School**	Divisional Secretary's Division: *Dimbulagala*
	Grama Niladhari Division: *Manampitiya*
Name of the school/community: **Madagama Maha Vidyalaya**	Divisional Secretary's Division: *Dimbulagala*
	Grama Niladhari Division: *Manampitiya*

No more worries for water

Access to water has always been a serious issue for the communities in Dimbulagala area in Polonnaruwa District of the North Central Province in Sri Lanka due to adverse weather conditions. The situation has become worse in a school environment and the group that suffers most is the school children in the area.

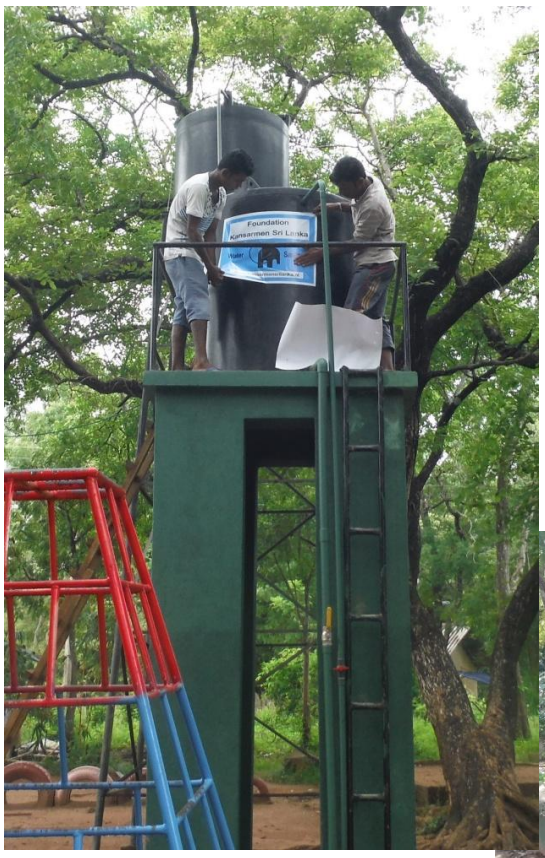
Nishshankamallapura Primary School is located off Manampitiya town in Dimbulagala Divisional Secretariat Division in Polonnaruwa District. This Primary School provides education facilities to 209 children among whom 87 are girls from grades 1 to 5. The well that fed the school in the past has now dried up due to the prolonged heavy drought. The only source of water for the school was a community pipeline. However, this supply was also not reliable. The school received water only for 2 hours per day, then the main tap got closed for the day. The children were facing severe water shortages and were unable to follow necessary hygiene practices without having sufficient water. The Principal and the teachers were in a helpless situation due to the inability to provide water for usual necessities of the children during school time.







In order to solve the problem, the Foundation launched a project aiming to improve the water security of children and teachers in Nishshankamallapura Primary School. To realize this task, the foundation built a sump (an underground water storage tank) with a capacity of 2000 litres to store sufficient water for the entire school time. Additionally, a pump house to pump water to the overhead tank and pipe network to distribute water within the school compound were also installed.







Projects in progress

LKR 4,459,466

The project activities were in progress in 3 schools by the end of the year 2018. So far the Foundation has invested a total of LKR 4,459,466 on these 3 school projects.

- **Gampaha District**
  - **Andiambalama Roman C. Primary School**
    - Divisional Secretary's Division: *Katana*
    - Grama Niladhari Division: *Andiambalama*
  - **Athgala Roman Catholic School**
    - Divisional Secretary's Division: *Katana*
    - Grama Niladhari Division: *Athgala*
- **Nuwara Eliya District**
  - **Sri Dharmapala Vidyalaya**
    - Divisional Secretary's Division: *Walapane*
    - Grama Niladhari Division: *Mungwatte*



The work is in progress in Sri Dharmapala Vidyalaya, in Nuwara Eliya District

2018 Highlights

MARCH

Children in the Netherlands walked for children in Sri Lanka

Nearly 400 primary school students from 10 schools in Nijmegen and the surrounding area in the Netherlands walked 6 km with backpack filled with 6 litres of water for Rotary Club to raise funds for children in Sri Lanka.

Funds raised by the students were donated to our parent organization in the Netherlands.







SEPTEMBER

Planning for the future

One of our institutional donors Wilde Ganzen in the Netherlands visited the office at Daluwakotuwa, Sri Lanka and met the key team to exchange ideas for future collaboration and possible support.



SEPTEMBER

Mission in the North

KSLF team was on a mission visit in war affected Mullaitivu and Kilinochchi Districts to assess water needs in the area.





Dutch Board members in the year-end assessment

The Board members of Stichting Kansarmen Sri Lanka in the Netherlands, Mr. Jan van der Steen and Ms. Anny van Orsouw met the Sri Lankan team for its annual review.

They also made a visit to the projects they supported in Sri Lanka.







Our Supporters

We would not exist without the generosity of our supporters. All our projects are made successful because of our supporters' generosity, commitment and passion. Our thanks and appreciations go to all volunteers, donors, sponsors, and well-wishers in the Netherlands for making our effort successful.

The Foundation depends on funds from private donations, money from income generating campaigns, sponsors and institutional donors. Mindful of their social responsibility and role, some companies finance our projects. Wild Geese Foundation is prepared to supplement funding, after reviewing the projects and the funds are generated in the Netherlands.

Our parent organization, Stichting Kansarmen Sri Lanka in the Netherlands carries out campaigns to generate funds and collects all donations and funds.

The De Insteek handwork group raised money

A theme for the month "handicrafts" was organized from the Village table held in Den Durpsherd in Berlicum, where everyone is welcome to sit down while enjoying a cup of coffee or tea for a light chat.

The De Insteek handwork group was organized for this purpose, then sold the knit and crochet they made for the sake of fun and donated to our parent organization in the Netherlands.







Walking for Water

Our parent organization in the Netherlands organizes school projects with sponsored courses on water issues in the developing countries.

After the guest lesson about water situation in Sri Lanka, the school children in the Netherlands walk across the borders every year with a backpack filled with bottles of water as a symbol of their solidarity with peers in the third world, to raise funds for water projects in Sri Lanka.

The 'Walking for Water' event in this year is sponsored by the Rotary club.





Wilde Ganzen adds 50% to the total fund raised

Wilde Ganzen is again an important partner for us. They offer support in the form of advice and training, in addition to the financial supplement of 50% on Dutch partner's fundraising.

Welcome donations from Dutch tourists

The Foundation received several welcome donations from Dutch tourists who organized a private driver via the Foundation and visited water and sanitation projects that were completed.





Appreciations

The children and community members expressed their gratitude in many ways. The Foundation also received a number of appreciation letters from school Principals.





Corporate Information

NAME
Kansarmen S L Foundation

LEGAL FORM
Registered in Sri Lanka as a Company limited by Guarantee in 2010
Registered as a Non Governmental Organization (NGO) in 2015

DATE OF INCORPORATION
5 January 2005

REGISTRATION NUMBER
Company registration Number: GA 2497
NGO registration Number: L-153305

REGISTRED OFFICE
546/8, Daluwakotuwa, Kochchikade, Sri Lanka

PRINCIPLE ACTIVITIES
Provision of water, sanitation and hygiene facilities

BOARD OF DIRECTORS
Mr. K.P. Gnanapala (Chairman)
Rev. Fr. Manjula Niroshan (Treasurer)
Rev. Sr. Mary Beatrice Fernando
Mrs. Niluka Palandagama (Secretary)
Mr. Jan van der Steen

COMPANY SECRETARIES
R.K.L.S. Corporate Services (Pvt) Ltd
No. 623/25A
Rajagiriya Gardens
Rajagiriya

AUDITORS
B.H.R.Perera & Co
No. 2A/3, Ave Maria Road, Negombo, Sri Lanka

BANKERS
Union Bank

KANSARMEN S L FOUNDATION
NO: 546/8, DALUWAKOTUWA,
KOCHCHIKADE

FINANCIAL STATEMENTS

31 DECEMBER 2018

B.H.R.PERERA & CO

(Auditors & Tax Consultants)

NO: 2A/3, Ave Maria Road, Negombo Tel: 031-3718709, 071 - 221229 E: Mail- bhr.perera@ymail.com

Branch: NO: 10, Shoe Road, Kotahena, Colombo - 13 Tel: 011 - 3135663, 071 - 4868140 E: Mail- bala.apex@ymail.com

KANSARMEN S L FOUNDATION

Financial statement

31st December 2018

Contents

	Page
Report of the Auditors	*01*
Statement of Comprehensive Income	*02*
Statement of Financial Position	*03*
Cash flow statement	*04*
Notes of the financial statement	*05 - 11*
Computation of income tax payable	*12*

REPORT OF THE AUDITORS

KANSARMEN S L FOUNDATION – 31ST DECEMBER 2018

1. We have audited the Statement of Financial Position of as at 31st December 2018 ***Kansarmen S L Foundation*** and the related Statements of Comprehensive Income for the year then ended together with the accounting policies and notes as set out on pages 05 to 11.

Respective Responsibilities of Directors and Auditors

2. The directors are responsible for preparing and presenting these financial statements in accordance with the Sri Lanka Accounting Standards. Our responsibility is to express an opinion on these financial statements, based on our audit.

Basis of Opinion

3. 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 Directors 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.

Opinion

4. In our opinion, so far appears from our examination, the foundation maintained proper records for the year ended 31st December 2018, and to the best of our information and according to the explanations given to us, the said Statement of Financial Position and related Statements of Comprehensive Income and notes thereto, which are in agreement with the said books and have been prepared and presented in accordance with the Sri Lanka Accounting Standards, provides the information give a true and fair view of the Foundation's state of affairs as at 31st December 2018 and its surplus for the year then ended.

B.H.R. PERERA & CO. AUDITORS Reg. No. W/2830 No. 2A/3, Ave Maria Road, Negombo. 031-3718709 TAX CONSULTANTS

16/08/2019

.....

B.H.R.Perera & Co
(Auditors & Tax Consultants)

NO: 2A/3, Ave Maria Road, Negombo. Tel: 031-3718709, 071-2212291 E: Mail - bhr.perera@ymail.com
Branch: NO: 10, Shoe Road, Kothahena, Colombo – 13 Tel: 0113135663 E: Mail – bala.apex@ymail.com

Kansarmen S L Foundation

Statement of Comprehensive Income

(All amounts are in Sri Lanka Rupees)

	Notes	Year ended 31 December 2018	2017
Operating income	1	20,565,544	34,466,111
Direct project cost	2	(9,384,062)	(9,582,203)
Project Monitoring & Supervision cost	3	(3,976,327)	(2,283,198)
Gross surplus / (Deficit)		**7,205,155**	**22,600,710**
Other income	4	1,005,496	574,777
Administrative expenses	5	(1,589,762)	(2,450,137)
Distribution cost	6	(174,950)	(553,153)
Operating surplus / (Deficit)		**6,445,939**	**20,172,197**
Finance cost	7	(7,269)	(5,415)
Other Expenses		---	---
Net surplus / (Deficit) before taxation		**6,438,670**	**20,166,782**
Income tax		(172,750)	(289,515)
Net surplus / (Deficit) after taxation		**6,265,920**	**19,877,267**
Allocation of total Comprehensive income for year			
Allocation to Unrestricted fund		**6,265,920**	**19,877,267**

Kansarmen S L Foundation

Statement of Financial Position

(All amounts are shown in Sri Lanka Rupees)

	Notes	Year ended 31 December 2018	2017
Non - Current Assets			
Property, Plant & Equipment	8	7,143,539	8,169,684
Fixed deposit		32,565,544	26,000,000
Current Assets			
Advances & Prepayments	9	364,319	554,919
Projects WIP	10	3,167,568	1,956,811
Cash & Cash equivalents	11	1,277,716	1,796,390
Total Assets		**44,518,686**	**38,477,804**
Equity and Liabilities			
Unrestricted funds	12	44,314,958	38,049,038
Current Liabilities			
Trade & Other payable	13	203,728	428,766
Total Equity and Liabilities		**44,518,686**	**38,477,804**

I certify that the financial statements comply with the requirements of the Companies Act No. 07 of 2007

.....

Finahce &
Administrative officer

These Financial statements has been prepared in accordance with the source documents maintained by the Directors of **Kansarmen S L Foundation** on .....

.....

Managing Director

.....

Treasurer

.....

Chairman

B. H. R. PERERA & CO. AUDITORS Reg. No. W/2830 TAX CONSULTANTS

Kansarmen S L Foundation

Cash Flow Statement - 31st December 2018

(All amounts are in Sri Lanka Rupees)

Cash Flows From Operating activities	
Net surplus / (Deficit) before taxation	***6,438,670***
Adjustments for - Depreciation	1,662,105
Operating Profit / (Loss) before Working Capital Changes	***8,100,775***
(Increase)/ Decrease in Advances & Prepayments	190,600
(Increase)/ Decrease in Projects WIP	(1,210,757)
Increase / (Decrease) in Trade & Other payables	(225,038)
Cash Generated from Operations	***6,855,580***
Income tax paid	(172,750)
Net Cash From Operating activities	***6,682,830***
Cash Flows From Investing activities	
(Increase)/ Decrease in Fixed deposit	(6,565,544)
Non - current assets purchase :	
Equipment's	(635,960)
Net Cash Used in Investing activities	***(518,674)***
Net Cash Used in Financing activities	***(518,674)***
Net Increase/ (Decrease) in Cash & Cash equivalents	***(518,674)***
Cash & Cash Equivalents at the beginning of the year	***1,796,390***
Cash & Cash Equivalents at the end of the year	***1,277,716***
Analysis of Cash & Cash equivalents :	
Balances with saving A/C	89,601
Balances with current A/C	1,013,412
Cash & cash equivalents	174,703
	1,277,716

AUDITORS Reg. No. W 2030 TAX CONSULTANTS

	2018	2017
Operating income		
1		
Received funds : Stitching Kansarmen Sri Lanka	15,540,903	22,018,351
: Wild Geese	5,024,641	9,415,811
: Fonterra	---	3,031,949
	20,565,544	***34,466,111***
Direct projects cost		
2		
Dambadeniya Central College	842,151	---
Nishshankamallapura Primary School	351,654	---
Madagama Maha Vidyalaya	697,100	---
Handapanagala Maha Vidyalaya	651,262	---
Methsewa Children Home	486,858	---
Kudaoya Maha Vidyalaya	838,371	---
Nillamba Maha Vidyalaya	927,506	---
Saranath Maha Vidyalaya	37,277	---
Serukele - Community	774,365	---
Theripaha Siduhath M.V	576,251	---
Youth Community Center Ampitiya	868,093	---
Vijaya Vidyalaya	283,244	---
Galkadawala Vidyalaya	272,745	---
Sri Vidyapradeepa School	353,899	---
Wandinahelyaya Primary School	301,486	---
Sri Gemunu Viharaya - Handapangala	382,875	---
Chandawimala Primary School	303,686	---
Thelulla Junior School	274,685	---
Maha aragama Primary School	160,554	---
	9,384,062	***---***
Project Monitoring & Supervision Cost		
3		
Project Visiting expenses	233,283	---
Water quality testing fees	13,110	6,555
Project vehicle insurance	358,861	71,603
Project vehicle maintenance	335,743	---
Project vehicle running expenses	332,839	605,531
Project vehicles depreciation	1,200,000	1,200,000
License & Permits	10,365	14,895
C/F	***2,484,201***	***1,898,584***

B. H. S. PERERA & CO. AUDITORS Reg. No. W/2830 TAX CONSULTANTS

	2018	2017
B/F	*2,484,201*	*1,898,584*
Project identification fees	108,550	68,396
Project staff welfare	308,033	164,478
Project Salaries & Wages	939,312	---
Project staff EPF	113,362	124,371
Project Staff ETF	22,869	27,369
	3,976,327	***2,283,198***
Other income		
4		
Interest earn	***1,005,496***	***574,777***
Administrative expenses		
5		
Salaries & Wages	483,000	1,428,780
Printing & Stationery	19,160	7,680
Sign board	---	135,000
Staff welfare	46,000	37,693
Travelling	12,412	36,920
Electricity	92,576	89,200
Telephone charges	155,420	151,450
Insurance	13,967	97,541
Maintenance & Repair	22,125	25,600
Computer repair	27,160	---
Transport	4,250	---
Audit fee	15,000	45,000
Book keeping charges	152,335	48,000
Postage	4,897	2,513
Charity & Donation	55,075	12,132
Other expenses	24,280	28,712
Depreciation	462,105	303,916
	1,589,762	***2,450,137***
Distribution Cost		
6		
Advertisement	163,970	---
Vehicle maintenance	10,980	553,153
	174,950	***553,153***

B. M. R. PEREIRA & CO. AUDITORS Reg. No. W/2830 TAX CONSULTANTS

	2018	2017
Finance Cost		
7		
Interest Expenses	---	4,165
Bank charges	7,269	1,250
	7,269	**5,415**

Plant & Machinery

8	**Cost**	**Additional / (Disposal)**	**Accumulated depreciation**	**Depreciation**	**Total**
Motor vehicle	12,370,000	---	(5,984,000)	1,237,000	**6,386,000**
Equipment's	539,283	635,960	(730,796)	293,009	**444,447**
Communication equipment's	161,498	---	(181,125)	40,375	**(19,627)**
Garage	89,600	---	(89,600)	---	**---**
Computer accessories	149,600	---	(122,075)	37,400	**27,525**
Electrical panel board	12,544	---	(15,680)	3,136	**(3,136)**
Kitchen utensil	23,463	---	(16,505)	5,866	**6,958**
Air Conditioner	68,710	---	(68,710)	---	**---**
Furniture & Fittings	164,913	---	(94,166)	16,491	**70,747**
New ware house	576,561	---	(345,936)	28,828	**230,625**
Balance as at 31.12.2018	**14,156,172**	**635,960**	**(7,648,593)**	**1,662,105**	**7,143,539**

Advances & Prepayments		
9		
Advances	---	10,600
WHT	33,819	33,819
Refundable Deposit	4,500	4,500
Staff Loan	326,000	506,000
	364,319	**554,919**

R. H. R. PERERA & CO. AUDITORS Reg. No. W/2830 ACCOUNTANTS

Notes to the financial statements - 31 December	*2018*	*2017*
Project Work In Progress		
10		
Nissankamallapura Junior Sc	---	259,654
Madagama Maha Vidyalaya	---	499,741
Nilamba Maha Vidyalaya	---	393,207
Saranath Maha Vidyalaya	---	37,277
Theripaha Siduhath Maha Vidyalaya	---	373,551
Sri Daharmapala Vidayalaya	1,967,696	---
Andiambalama School	983,268	---
Kalugala Community	28,732	---
Athgala Roman Catholic School	100,932	---
Projects WIP 2013	86,940	393,381
	3,167,568	***1,956,811***
Cash and cash equivalents		
11		
Union bank Current A/C No : 010019100002978	1,013,412	1,286,877
Union bank Saving A/C	89,601	89,601
Cash in hand	174,703	419,912
	1,277,716	***1,796,390***
Unrestricted funds		
12		
Balance B/F	***38,049,038***	***18,171,771***
Surplus / (Deficit) for the period	6,265,920	19,877,267
Balance C/F	***44,314,958***	***38,049,038***
Trade and other payable		
13		
E.P.F & E.T.F	15,939	15,939
Income tax	172,750	289,515
Audit fees	15,000	15,000
Book keeping charges	---	20,000
Electricity charges	39	56
Staff salaries	---	88,256
	203,728	***428,766***

S. M. G. PEREIRA & CO. AUDITORS Reg. No. W/2830 TAX CONSULTANTS

KANSARMEN S L FOUNDATION

NOTES TO THE FINANCIAL STATEMENT – 31ST DECEMBER 2018

1. GENERAL INFORMATION

Name of Company	-	Kansarmen S L Foundation
Address of Registered Office	-	No: 546/8, Daluwakottuwa, Kochchikade.
Nature of Business activities	-	Non-governmental organization.

2. BASIS OF PREPARATION

- **Statement of Compliance**

The Financial Statements together with the Accounting policies and notes to the financial statements as at 31st December 2016 and for the year then ended comply with the Sri Lanka statement of recommended practice for Not-for-profit organizations (including non-Governmental Organizations) issued by the Institute of Chartered Accountants of Sri Lanka.

- **Basis of Measurement**

The Financial statements have been prepared on the historical cost basis, except otherwise stated in the notes.

- **Events After the Reporting Period**

All material events occurring after the Statement of Financial Position date have been considered and, where necessary, adjustments have been made in the Financial Statements.

- **Functional & Presentation Currency**

  The Financial Statements are presented in Sri Lanka Rupees which is the Company's functional currency.

3. Property Plant & Equipment

- **Recognition & Measurement**

Property, Plant & Equipment are tangible items that are held for servicing, or for administrative purposes and are expected to be used during more than one period.

- **Measurement**

  Items of Property, Plant and Equipment are stated at cost or valuation less accumulated depreciation and impairment loss.

- **Depreciation**

  Depreciation has been calculated on the straight line method by reference to the expected useful lives of the assets concerned using the following rates.

B. H. R. PERERA & CO. AUDITORS Reg. No. W/2830 TAX CONSULTANTS

Assets	***Depreciation Rate***
Office equipment	25%
Motor vehicle	10%
Fax Machine	25%
Building	05%
Computer accessories	25%
Air Condition	25%
Electrical accessories	25%
Kitchen utensil	25%
Furniture & Fittings	10%
New warehouse	05%

- **Donated Assets**

  Where property, plant and equipment is purchased as a part of a project through restricted funds, until the conclusion of the project or, if on conclusion of the project, the asset is not handed over to the beneficiary or returned to the original donor, the cost of the asset is included in a memorandum inventory of property plant and equipment identified as such in the financial statements. Depreciation is not provided on such assets.

- **Financial Instruments**

  Financial assets

  All financial assets are recognized initially at fair value plus directly attributable transaction costs. The company's financial assets include cash, deposits with bank & Trade & Other receivables.

  Loans & Receivables

  Loans & receivables are non-derivative financial asset with fixed or determinable payments that are not quoted in an active market.

  Such assets are recognized initially and subsequently at fair value plus any directly attributable transaction costs.

  The foundation derecognize a financial asset when the right to receive cash flows from the asset have expired or when it transfers the financial asset in a transaction in which substantially all the risks & rewards of ownership of the financial asset are transferred.

4. Liabilities & Provisions

- **Financial Liabilities**

  Interest free loans are recorded at fair value on initial recognition, which is the present value of the expected future cash flows, discounted using a market-related rate. The difference between the cost and the fair value of these loans on initial recognition is a deferred income. These loans and deferred income are subsequently recognition at amortized cost and spread over the useful life of the related assets.

- **Trade & Other Payables**

  Liabilities classified as Trade & Other Payables in the Statement of Financial Position are those which fall due for payment on demand one year from the Statement of Financial Position date.

B. H. R. PERERA & CO. AUDITORS Reg. No. W/2830 TAX CONSULTANTS

5. **Accounting for the receipt and Utilization of Funds / Reserves**

- **Unrestricted Reserves / Funds (Accumulated Fund)**

  Unrestricted funds are those that are available for use by Kansarmen Sri Lanka Foundation of Kochchikade at the discretion of the board, in furtherance of the general objectives of the Foundation and which are not designated for any specific purpose.
  Surplus funds are transferred from restricted funds to unrestricted funds in terms of the relevant Donor agreements or which the subsequent approval of the Donor.
  Contributions received from the general public are recognized in the Statement of Comprehensive Income on a cash basis.

- **Restricted Reserves / Funds (Project Fund)**

  Where grants are received for use in an identified project or activity, such funds are held in a restricted fund account and transferred to the Statement of Comprehensive Income to match with expenses incurred in respect of that identified project. Unutilized funds are held in their respective Fund accounts and included under accumulated fund in the Statement of Financial position until such time as they are required.
  The activities for which these restricted funds may and are being used are identified in the notes to the financial statements.

- **Expenditure**

  Expenses in carrying out the projects and other activities of Kansarmen Sri Lanka Foundation of Kochchikade are recognized in the Statement of Comprehensive Income during the period in which they are incurred. Other expenses incurred in administering and running the Foundation and in restoring and maintain the property plant and equipment to perform at expected levels are accounted for on an accrual basis and charged to the Statement of Comprehensive Income.

6. **Income recognition**

- **Incoming sources / Contributions**

  Income realized from restricted funds is recognized in the Statements of Comprehensive Income only when there is certainty that all of the conditions for receipt of the funds have been incurred and charged to the Statements of Financial position.

7. **Cash & Cash Equivalents**

Kansarmen Sri Lanka Foundation of Kochchikade considers cash on hand, amounts due from banks and short term deposits with an original maturity of 03 months or less to be cash & cash equivalents.

B. H. H. PERERA & CO. AUDITORS Reg. No. W 2830 TAX CONSULTANTS

Kansarmen S L Foundation

Year of assessment - 2017 / 2018

Computation of income tax payable

(Based on the audited accounts for the year ended 31 December 2018)

	Rs
Statement of income	
Donations from organization	***20,565,544***
	20,565,544
Taxable donation	***20,565,544***
Income tax payable	
On Rs 20,565,544 @ 3% = 616,966	
616,966 @ 28%	***172,750***
Balance Tax payable	***172,750***

B. H. H. PEIRIS & CO. AUDITORS Reg. No. W/2830 TAX CONSULTANTS