Kansarmen S L Foundation

Annual Report 2019



Highlights of our work

In 2019, Kansarmen S L Foundation (KSLF) completed **11 projects** that have provided clean water to **3,011 people** in 6 districts in Sri Lanka.



Kansarmen SL Foundation
Life through Water and Sanitation

546/8, Daluwakotuwa, Kochchikade, Sri Lanka

Board of Directors



K.P. Gnanapala (Chairman)

Rev. Father Manjula Niroshan Fernando

Rev. Sr. Mary Beatrice Fernando

Niluka Palandagama (Secretary)

Gayan Samanpura Silva (Treasurer)

Jan van der Steen

Our Management



Managing Director
Chaminda Fernando Pulle

Administrative Officer
Priyantha Fernando Pulle



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 projects

Central Province



Number of Projects	3
People served	630
Amount invested	LKR 2,411,285

There were 3 school projects completed in Kandy District in the Central Province of Sri Lanka during the year 2019.

- CP/GP/Sri Dhammarathana Vidyalaya, Dekinda, Nawalapitiya
- CP/GM/Kadiyanlena Kanishta Vidyalaya, Ketaboola, Nawalapitiya
- CP/GM/Kadiyanlena Tamil Vidyalayam, Ketaboola, Nawalapitiya



Construction of an open well – CP/GM/Sri Dhammarathana Vidyalaya, Dekinda, Nawalapitiya



"Increased demand for water from the community led the community members to disconnect the 2 kilo-meters long pipeline that was laid down for supplying water to the school from the natural stream located on an adjacent mountain. Community members would regularly disrupt the water service for obtaining water for themselves from this pipeline. It was a regular job for the school teachers to walk along the pipeline to find the disconnected place and fix up the pipeline for restoring the water service to the school. The new open well constructed in the school land and the water pumping facility installed by Kansarmen S L Foundation was an immense help for the school which led us to concentrate more on children's education. The group hand washing units installed by the Foundation work very well and washing hands before meals became a usual habit for the children".

Sports Teacher
Samantha Dilipkumara
CP/GM/Sri Dhammarathana Vidyalaya
Dekinda, Nawalapitiya



Open well & pump house –
CP/GM/Sri Dhammarathana Vidyalaya,
Dekinda, Nawalapitiya



Hand washing units – CP/GM/Sri
Dhammarathana Vidyalaya

The best water solution which serves all water users

Kadiyanlena Primary School (CP/GM/Kadiyanlena Kanishta Vidyalaya) is a very rural and resource poor primary school situated a long distance away from Nawalapitiya city area in the Central Province. It is the only school available for the children from poor families in this remote location. This primary school together with the pre-school provide education facilities to 40 children from Grades 1 to 5. "Kadiyanlena Primary School was shut down in 2012 under the government's 'School Rationalisation Programme' while it was listed as a school with few students. The intended plan was to transfer those students to other nearest schools with better facilities. However, transport cost became an extra expense for the children from poor families in this area and the prevalence of school dropout rates was increased" said Mr B.M.P.K. Abeyrathna the Principal of the school.

The school was reopened in the year 2016. The absence of running water in the school had been a severe issue for many years and was a serious health risk. Kansarmen S L Foundation (KSLF) together with school authorities, community members, and the management of the Catholic Church in the village decided which water solution would best serve the whole community.

KSLF took action in providing the best solution which had been sought for many years.

- The dilapidated spring water collection tank has been renovated and covered up with a concrete slab to protect the water in the tank from contamination.
- A pump house with a water pump has been installed to pump water to the storage tanks setup in the school.
- In order to ensure that the whole community would benefit in accessing water, 2 water storage tanks were installed on an iron stand at different levels with a holding volume of 1000 litres each for providing water to the school and pre-school separately.
- The pipeline installed from the collection tank at the spring to the downhill brings water to the Church and to the community through gravity.
- A complete pipeline network inside the school with a concrete hand-washing unit (with 1 unit having 3 taps) within the school was an added benefit to the school.

A new toilet was also built for the school as the poor condition of the existing toilet was a concern of the school authorities.




Renovation of spring water collection tank –
Kadiyanlena Kanishta Vidyalaya, Ketaboola, Nawalapitiya



KSLF field team member – making an iron stand to mount
2 water tanks at different levels, Ketaboola, Nawalapitiya




Abandoned and new toilet at Kadiyanlena Kanishta Vidyalaya, Ketaboola, Nawalapitiya

Obtaining water at an affordable cost was the main challenge

"Being a very remote rural school, Kadiyanlena Tamil School (CP/GM/Kadiyanlena Tamil Vidyalayam) had faced difficulties in arranging a water supply system within the school. A community water supply line running along the road below 200m from the school land did not have enough pressure to deliver water to the school. Non-availability of resources, including funding, required for the installation of infrastructure facilities was the main challenge.

Construction of a low concrete water tower with 5000 litres stock tank close to the road pipeline to store water before pumping to the school was the solution given by Kansarmen S L Foundation. A pump house with a water pump were also constructed at the same place, to pump water to another 1000 litres tank installed on a low concrete tower at a highest place in the school land. A pipeline system installed around the school premises including the existing toilet buildings, 4 tap points and 3 hand washing units (with one unit having 3 taps) and 2 new latrines were wonderful gifts to the school".

Principal
R. Selvaraj
CP/GM/Kadiyanlena Tamil Vidyalayam
Ketaboola, Nawalapitiya





New water supply infrastructure – CP/GM/Kadiyanlena Tamil Vidyalayam
Ketaboola, Nawalapitiya



Laying pipelines by KSLF team – CP/GM/Kadiyanlena Tamil Vidyalayam, Ketaboola, Nawalapitiya

Central Province



Number of Projects	1
People served	381
Amount invested	LKR 2,316,068

One school project was completed in Nuwara Eliya District in the Central Province during the year 2019.

CP/NE/Sri Dharmapala Secondary School, Mungwatte



Water source identification visit by KSLF – CP/NE/Sri Dharmapala Secondary School, Mungwatte




Parents of the school children support the project work – CP/NE/Sri Dharmapala Sri Dharmapala Secondary School, Mungwatte




Construction work at the site – CP/NE/Sri Dharmapala Secondary School, Mungwatte



Stock tanks mounted on low concrete stand – CP/NE/Sri Dharmapala Secondary School, Mungwatte

North Western Province



Number of Projects	2
People served	377
Amount invested	LKR 4,724,882

There were two projects, one school project and one community project, completed during the year 2019 in Kurunegala District in the North Western Province of Sri Lanka.

- Pallamahena Community in Thalgodapitiya, Ibbagamuwa
- NWP/KUL/Wadugedara Primary School, Wewagama, Kuliyapitiya



Community members organized to sort water problem – Thalgodapitiya, Ibbagamuwa



Running water at the doorsteps of *'Pallama Hena'* villagers

Access to drinking water was an issue for the families living in the village *'Pallama Hena'*, located in Ibbagamuwa Divisional Secretariat Division of Kurunegala district in the North Western Province of Sri Lanka. Fifty seven families were struggling to access water during their whole life due to lack of a piped borne water supply scheme to the village. The common well built by the villagers on the low-lying land surrounded by hills at a corner of the village was the only water source for them. Every day, women and children in the village walked to this well to carry many litres of water to uphill the area in which they live. This was a major setback for children's education, and economic activities and household activities of families in general. Pallama Hena Water Project provided water connections with water meters to the entire village which included 57 houses.

The Grama Niladhari of 511/Thalgodapitiya, Mr T. Anura Vijithananda explained, "The investment done by KSLF to set up infrastructure including a water storage tank with capacity of 20,000 litres, a power-house, and 3800 meters long pipeline network for water distribution within the village was a great help leading to a change in the life of the villages. Mountainous terrain helped to make use of gravity for the distribution of water from the water storage tank installed on top of a hill at a central place of the village. However, a power-house equipped with a heavy capacity pump was constructed to pump water from the well located in a low lying land. Villagers are paying for their water usage and are responsible for the maintenance and operation of the facility".



Running water at the doorstep of the villagers – Thalgodapitiya, Ibbagamuwa

A new deep tube well with under-water pump installed, renovated water tower and the water tank, completed pipeline system with hand washing units and tap posts solved the water issue that had existed for a long time in Wadugedara Primary School in Kuliyapitiya in Kurunegala district in the North Western Province. Water is now accessible for all the children in Wadugedara Primary School.



The well had water only for a few months after the rains – NWP/KUL/Wadugedara Primary School, Wewagama, Kuliyapitiya



Construction of a deep tube well – NWP/KUL/Wadugedara Primary School, Wewagama, Kuliyapitiya

Western Province



Number of Projects	2
People served	870
Amount invested	LKR 2,574,772

Two school projects were completed in Gampaha District in the Western Province of Sri Lanka in the year 2019.

- WP/NG/Athgala Roman Catholic Junior School, Kochchikade
- WP/NG/Andiambalama Roman Catholic Primary School

A proper well cover or a well cap is an important component for keeping water free from contaminants. Adequate sanitation facilities are important to follow proper hygiene practices by school children. Our project work in Athgala Roman Catholic Junior School involved reconstruction of the old well and concrete water tower, installation of complete pipeline system around school premises connecting with old toilets, and construction of two hand washing units and 2 tap posts.



Before After

The well and the water tank before and after the project – WP/NG/Athgala Roman Catholic Junior School, Kochchikade



Children express their gratitude – WP/NG/Athgala Roman Catholic Junior School, Kochchikade

The well that serves Andiambalama Roman Catholic Primary School would dry up 3-4 months when the rain stops, forcing the children to bring their own bottles of water for drinking. Without water, the use of toilets was also difficult for the children. The whole school had only one hand washing unit, which was also not being used due to lack of water. It was hard for children to follow proper hygiene practices. A sixty meters deep tube well solved the water problem of Andiambalama Roman Catholic Primary School in the beginning of the year 2019. An Electric pump has been installed with other support structures to fetch water from the tube well and store in an elevated tank mounted on a concrete tower. Two multiple user washing units, 3 tap posts, and 2 latrines for the girls with toilet pits were also constructed and the pipeline system was extended in the school premises to supply and distribute water through each and every user point.



Drilling deep tube well – WP/NG/Andiambalama Roman Catholic Primary School, Negombo





New hand washing unit and toilets - WP/NG/Andiambalama Roman Catholic Primary School, Negombo

Uva Province



Number of Projects	1
People served	172
Amount invested	LKR 835,834

Only one school project was completed in Moneragala District of Uva Province during the year under review.

MO/Weherayaya Kanishta Vidyalaya, Ethiliwewa

We understood that the extension of government pipeline network has not reached marginalized people and school. Lack of capital funds is a barrier for the rural poor schools to setup necessary structures to ensure sustainable functionality of water supply and sanitation facilities. The KSLF helped Weherayaya Kanishta Vidyalaya in Moneragala District in providing means of allocating funds and human resources to setup necessary structures, which included 5000 litre tank mounted on a low concrete tower to stock water from the road pipeline, a pump house with an electrical water pump and electrical panel board, elevated tank mounted on an iron tower, 4 multiple-user hand washing units and 4 tap posts, complete pipeline network within the school premises covering existing toilets and all water outlets and the quarters of school teachers.

Supply of 1000 litre water tank connected to school water line to the pre-school and complete pipeline system was an extended project scope.



The setup of water collection tanks before the project – MO/Weherayaya Kanishta Vidyalaya, Ethiliwewa



The setup of water collection tanks before the project – MO/Weherayaya Kanishta Vidyalaya, Ethiliwewa







KSLF staff making support structures – MO/Weherayaya Kanishta Vidyalaya, Ethiliwewa





Iron stand and hand washing units – MO/Weherayaya Kanishta Vidyalaya, Ethiliwewa

North Central Province



Number of Projects	2
People served	581
Amount invested	LKR 1,376,618

Two school projects were completed in Polonnaruwa District in the North Central Province during the year 2019.

- NCP/PO/DB/Maduruoya Maha Vidyalaya, Diwuldamana
- NCP/PO/DB/Nidanwala Primary School, Damminna



Children wash their hands in water buckets (before the project) - NCP/P/DB/Maduruoya Maha Vidyalaya, Diwuldamana





Running water at the school (after the project) - NCP/P/DB/Maduruoya Maha Vidyalaya, Diwuldamana

"Water scarcity has been a severe problem to our school children and teachers. As a solution for the issue Kansarmen S L Foundation provided a suitable water supply system that is user friendly and easy to maintain. Water is now being pumped to the existing stock tank with 7000 litres capacity from the source ZD canal which is situated 270 meters away from the school, using an electric water pump. Another water pump is being used to pump water from the stock tank to 2000 litre distribution tank mounted on a 15 feet high iron tower. It was a great comfort for the children to have 3 wash basins having 3 taps in each, 7 tap posts connected to newly laid pipeline network covering each and every building in the school.

On behalf of the school children, parents, teachers and staff members, I thank the KSLF staff from the bottom of my heart for the contribution made to address this water issue. We wish you and your institution to have the courage for engaging more in such great tasks".

Principal
Major P.G.S. Senevirathna – NCC
NCP/P/DB/AG/Maduruoya M.V., Diwuldamana

Nidanwala Primary School in Polonnaruwa District was supported by Kansarmen S L Foundation by renovating the abandoned well and deepening it to 28 feet , supplying of pump house, electric water pump, electrical panel board with cables, renovating of an existing old concrete water tower with handrail and ladder, supplying 1000 litre water tank, laying complete pipeline system within the school premises and to the school teachers' quarters, constructing of 3 urinal buildings with complete facilities, renovating of 3 latrines, constructing 2 hand washing units and 3 tap posts.

The project supported the community members living around the school area by making available one tap post at the road for them to collect much needed water.



Renovation of open well – PO/DB/Nidanwala Primary School, Damminna



Renovated water tower with handrail – PO/DB/ Nidanwala Primary School, Damminna



Hand washing units – PO/DB/Nidanwala Primary School, Damminna

Our Supporters

Kansarmen S L Foundation extends its deepest gratitude to their supporters, who helped to instil hope in school children and disadvantaged community members in Sri Lanka. The commitment of our donors – individuals, foundations, corporations, and non-governmental organizations enables us to respond to the needs of the communities in obtaining access to water and sanitation facilities.

This Annual Report allows us to recognize the generosity of our supporters who helped during the year 2019.

Visits by supporters



A ceremony was held on 26 February 2019 at Andiambalama Roman Catholic Primary School in Negombo, Sri Lanka to handover officially the water and sanitation facility completed by Kansarmen S L Foundation.

Our supporters – The Netherlands Ambassador to Sri Lanka Ms. Joanne Doornewaard, Ms. Fleur Scholten from the Wings of Support Foundation in the Netherlands, Mr. Jan van der Steen from Stichting Kansarmen Sri Lanka in the Netherlands were present at the event.



Networking & Partnership building

Partnership with World Vision Lanka

The signing of a Memorandum of Understanding (MOU) took place at the World Vision Headquarters in Colombo, on the 2nd October 2019. The two parties: World Vision Lanka (WVL) and Kansarmen S L Foundation, committed to the joint implementation of water and sanitation projects to enhance sustainable access to safe drinking water by less-served communities and to promote good hygiene practices in Sri Lanka.

The National Director Dr. Dhanan Senathirajah and the Director, Evidence, Effectiveness and Impact, Mr Jayantha Gunasekara, signed the MOU on behalf of World Vision Lanka. The Managing Director of Kansarmen S L Foundation, Mr Chaminda Fernandopulle, signed the MOU on behalf of Kansarmen S L Foundation.

International Water Congress



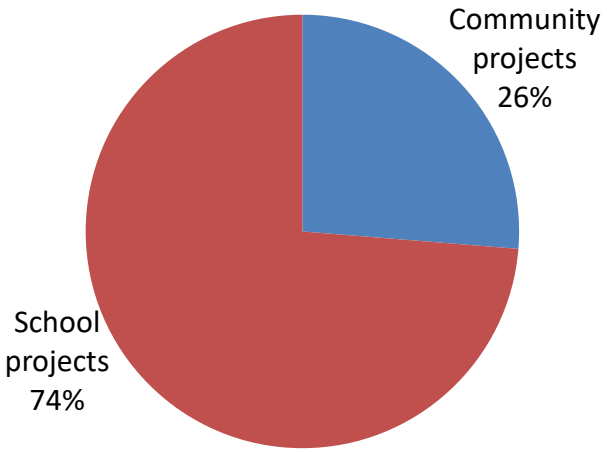
Kansarmen S L Foundation participated in the International Water Congress organized by International Water Association (IWA) of Netherlands. The Congress was held from 1 - 5 December 2019 in Colombo, Sri Lanka. Together with its Dutch partner, KSLF showcased their past projects in the Dutch pavilion aiming to give more visibility for the organizations in the water sector.

Financials

Fund distribution

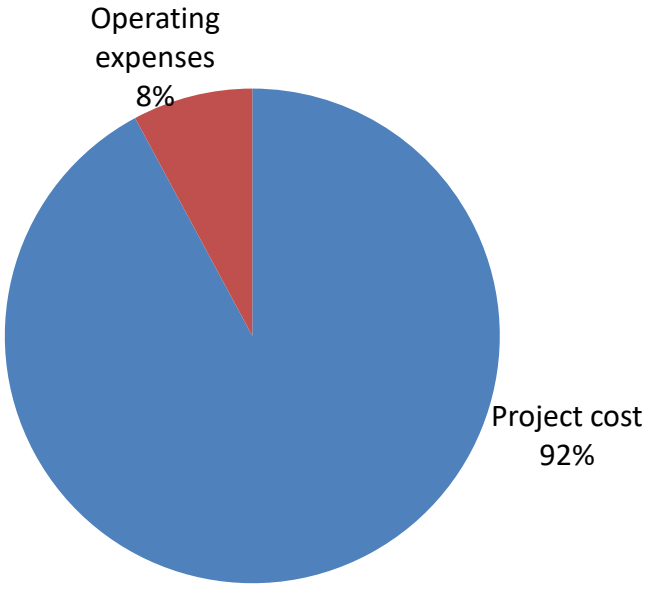
Our total expenditure allocation percentage was higher for the school projects in the year 2019.

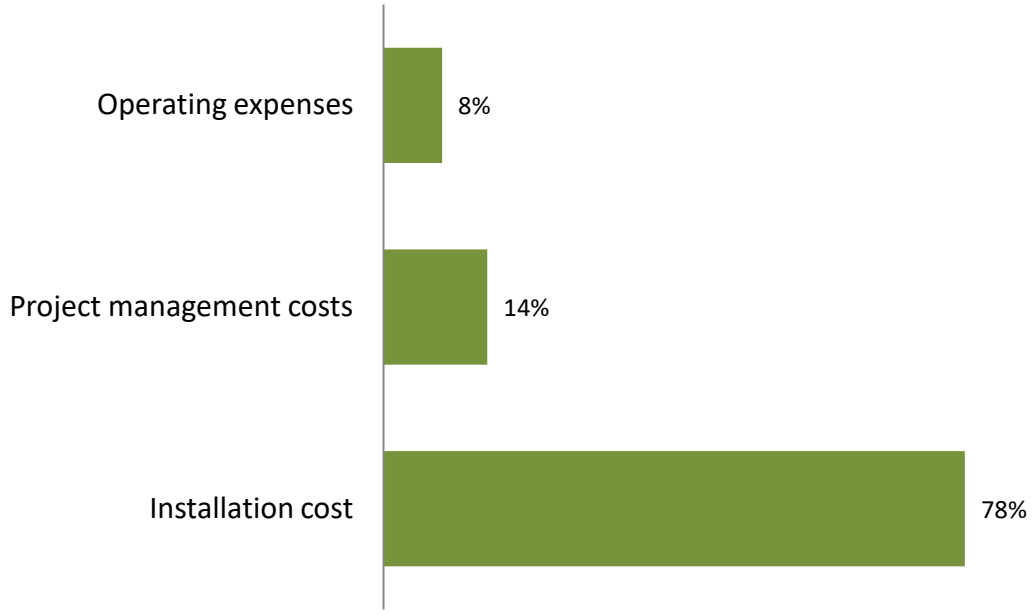
Figure 1 - Annual spending percentage on projects



In 2019 we invested 92% of the donations we received to provide clean water to the people in need. We have relied on 8% of the donations to fund our operating expenses. The breakdown of the operational expenses includes salaries and professional fees, costs of telephone, office equipment & supplies.

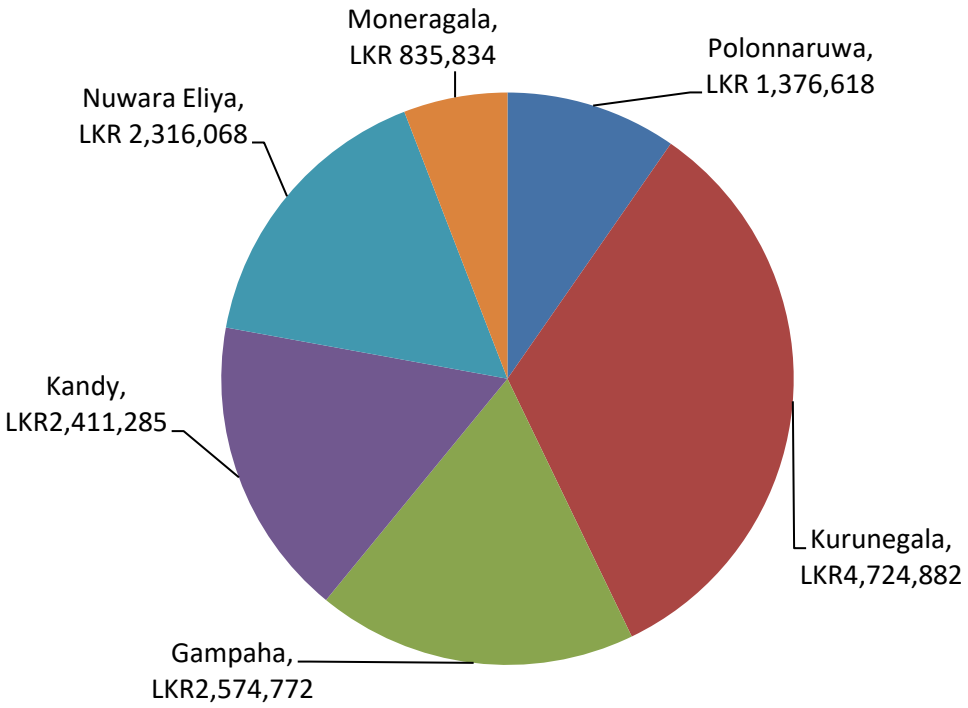
Figure 2 - Allocation of expenditure





We focused our work on the most rural and hard-to-reach areas where the need for clean water is greatest.

Figure 3 - Investments by District



KANSARMEN
S L FOUNDATION

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2019

NO: 31 – 546/8, DALUWAKOTUWA, KOCHCHIKADE

KANSARMEN S L FOUNDATION

Financial statement

31 December 2019

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 2019

1. We have audited the Statement of Financial Position of as at 31st December 2019 ***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 2019, 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 2019 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

12/11/2020

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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
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Kansarmen S L Foundation

Statement of Comprehensive Income

(All amounts are in Sri Lanka Rupees)

	Notes	Year ended 31 December 2019	2018
Operating income	1	4,015,255	20,565,544
Direct project cost	2	(14,044,245)	(9,384,062)
Project Monitoring & Supervision cost	3	(4,146,287)	(3,976,327)
Gross surplus / (Deficit)		**(14,175,277)**	**7,205,155**
Other income	4	3,673,509	1,005,496
Administrative expenses	5	(2,304,128)	(1,589,762)
Distribution cost	6	(21,905)	(174,950)
Operating surplus / (Deficit)		**(12,827,801)**	**6,445,939**
Finance cost	7	(6,250)	(7,269)
Net surplus / (Deficit) before taxation		**(12,834,051)**	**6,438,670**
Income tax		---	(172,750)
Net surplus / (Deficit) after taxation		**(12,834,051)**	**6,265,920**
Allocation of total Comprehensive income for year			
Allocation to Unrestricted fund		**(12,834,051)**	**6,265,920**

B. H. R. PERERA & CO. AUDITORS

Kansarmen S L Foundation

Statement of Financial Position

(All amounts are shown in Sri Lanka Rupees)

	Notes	Year ended 31 December 2019	2018
Non - Current Assets			
Property, Plant & Equipment	8	5,678,632	7,143,539
Fixed deposit		13,991,622	32,565,544
Current Assets			
Material stock		68,219	---
KSLF Development Fund		1,500,000	---
Advances & Prepayments	9	873,740	364,319
Projects WIP		7,347,597	3,167,568
Cash & Cash equivalents	10	2,150,605	1,277,716
Total Assets		**31,610,415**	**44,518,686**
Equity and Liabilities			
Unrestricted funds	11	31,480,907	44,314,958
Current Liabilities			
Trade & Other payable	12	129,508	203,728
Total Equity and Liabilities		**31,610,415**	**44,518,686**

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

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Finance & Administrative officer

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

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Managing Director

.....

Treasurer

.....

Chairman

Kansarmen S L Foundation

Cash Flow Statement - 31st December 2019

(All amounts are in Sri Lanka Rupees)

Cash Flows From Operating activities	
Net surplus / (Deficit) before taxation	***(12,834,051)***
Adjustments for - Depreciation	1,728,907
Operating Profit / (Loss) before Working Capital Changes	***(11,105,144)***
(Increase)/ Decrease in Advances & Prepayments	(509,421)
(Increase)/ Decrease in Material stock	(68,219)
(Increase)/ Decrease in Projects WIP	(4,180,029)
Increase / (Decrease) in Trade & Other payables	(74,220)
Cash Generated from Operations	***(15,937,033)***
Income tax paid	---
Net Cash From Operating activities	***(15,937,033)***
Cash Flows From Investing activities	
(Increase)/ Decrease in Fixed deposit	18,573,922
KSLF Development Fund	(1,500,000)
Non - current assets purchase :	
Equipment's	(264,000)
Net Cash Used in Investing activities	***872,889***
Net Cash Used in Financing activities	***872,889***
Net Increase/ (Decrease) in Cash & Cash equivalents	***872,889***
Cash & Cash Equivalents at the beginning of the year	***1,277,716***
Cash & Cash Equivalents at the end of the year	***2,150,605***
Analysis of Cash & Cash equivalents :	
Balances with saving A/C	89,601
Balances with current A/C	1,629,280
Cash & cash equivalents	431,724
	2,150,605

B. H. R. PERERA & CO. AUDITORS

Operating income

1

Received funds : Stitching Kansarmen Sri Lanka	3,968,455
: Community contribution	46,800
	4,015,255

Direct projects cost

2

Water place investigation	180,000
Deep well construction	750,000
Labour charges	6,474,251
Material cost	9,386,979
Material Transport	563,591
Facility supply	869,453
Project WIP - 31 December 2018	3,167,568
Project WIP - 31 December 2019	(7,347,597)
	14,044,245

Project Monitoring & Supervision Cost

3

Project Visiting expenses	760,101
Project vehicle insurance	183,672
Project vehicle maintenance	486,342
Project vehicle running expenses	386,552
Project vehicles depreciation	1,237,000
Project Salaries & Wages	967,712
Project staff EPF	99,792
Project Staff ETF	25,116
	4,146,287

Other income

4

Material discount	808,973
Interest income	2,864,536
	3,673,509

H. R. PERERA & CO. AUDITORS

Administrative expenses

5

Salaries & Wages	612,000
EPF	43,200
ETF	11,068
Printing & Stationery	31,336
Training and Development	77,667
Travelling	9,601
Electricity	210,031
Telephone charges	186,650
Insurance	20,258
Maintenance & Repair	53,142
Computer repair	78,950
Transport	34,011
Professional fees	376,035
Postage	18,022
Entertainment	50,250
Depreciation	491,907
	2,304,128

Distribution Cost

6

Vehicle maintenance	21,905
	21,905

Finance Cost

7

Bank charges	6,250
	6,250

H. R. PERERA & CO. AUDITORS

Plant & Machinery

8	***Cost***	***Additional / (Disposal)***	***Accumulated depreciation***	***Depreciation***	***Total***
Motor vehicle	12,370,000	---	(7,221,000)	1,237,000	***5,149,000***
Equipment's	1,175,243	52,380	(1,079,420)	348,624	***148,203***
Communication equipment's	161,498	157,170	(232,687)	51,562	***85,981***
Garage	89,600	---	(89,600)	---	---
Computer accessories	149,600	36,000	(159,475)	37,400	***26,125***
Electrical panel board	12,544	18,450	(18,816)	3,136	***12,178***
Kitchen utensil	23,463	---	(22,371)	5,866	***1,092***
Air Conditioner	68,710	---	(68,710)	---	---
Furniture & Fittings	164,913	---	(110,657)	16,491	***54,256***
New ware house	576,561		(374,764)	28,828	***201,797***
Balance as at 31.12.2019	***14,792,132***	***264,000***	***(9,377,500)***	***1,728,907***	***5,678,632***

Advances & Prepayments

9

Advances	560,421
WHT	33,819
Refundable Deposit	4,500
Staff Loan	275,000
	873,740

Cash and cash equivalents

10

Union bank Current A/C No : 010019100002978	1,629,280
Union bank Saving A/C	89,601
Cash in hand	431,724
	2,150,605

H. R. PERERA & CO. AUDITORS

Unrestricted funds

11

Balance B/F	***44,314,958***
Surplus / (Deficit) for the period	(12,834,051)
Balance C/F	***31,480,907***

Trade and other payable

12

E.P.F	64,060
E.T.F	9,609
Accrued expenses	55,839
	129,508

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KANSARMEN S L FOUNDATION

NOTES TO THE FINANCIAL STATEMENT – 31ST DECEMBER 2019

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.

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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.

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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.

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Kansarmen S L Foundation

Year of assessment - 2019

Computation of income tax payable

(Based on the audited accounts for the year ended 31 December 2019)

	Rs
Statement of income	
Donations from organization	***4,015,255***
	4,015,255
Taxable donation	***4,015,255***
Income tax payable	
On Rs 4,015,255 @ 3% = 120,458	
120,458 @ 28%	***33,728***
Balance Tax payable	***33,728***

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