



THE INSTITUTE OF **CHARTERED** ACCOUNTANTS OF SRI LANKA

**THE CHARTERED ACCOUNTANTS  
OF  
SRI LANKA**

**MEMBERS'  
BENEVOLENT SOCIETY**

**ANNUAL REPORT 2017**

# INDEX

## Notice of Meeting

1. Minutes of the Annual General Meeting held on 20<sup>th</sup> December 2016.
2. Report of the committee of Management.
3. Audited Accounts for the year ended 31st March 2017.
4. Appeal for Donation.
5. Nomination Papers.

## **HISTORICAL NOTE**

Our Society was established in December 1983, to create a fund in order to help Chartered Accountants and their families who are in need of financial and other assistance.

The Society was founded as a result of the untiring efforts of late

**Mr. D S R Tharmaratnam**

To whom we are truly thankful.

## **PAST PRESIDENTS**

**Mr. G C B Wijesinghe**

**Mr. L R Watawala**

**Mr. N A L Cabraal**

**Mr. T Someswaran**

**Mr. M A T J Fernando**

**Mr. T Q Fernando**

**Mr. A I Fernando**

**Mr. R Seevaratnam**

**Mr. L D A Jayasingha**

**Mr. L P Liyanaarachchi**

**Mr. N H D G Wimalasuriya**

**Mr. A R Rasiah**

**Mrs. Hiranthi Rathnayake**

**Mr. M B M Ifthikar**

**Mr. S Munaweera**

**Mr. P A Nandasiri**

**Mr. C. Kalupahana**

5<sup>th</sup> December 2017

To the Members of  
The Chartered Accountants of Sri Lanka  
Members' Benevolent Society

Dear Sir / Madam:

***NOTICE OF MEETING***

Notice is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Chartered Accountants of Sri Lanka – Members' Benevolent Society will be held at CA Sri Lanka at 6.00 pm. on Wednesday 27<sup>th</sup> December 2017 for the following purposes.

1. To adopt the minutes of the Annual General Meeting held on 20<sup>th</sup> December 2016
2. To receive and adopt the report of the Committee and the Audited Accounts for the year ended 31<sup>st</sup> March 2017.
3. To elect office bearers for 2017/18.
4. To appoint an Auditor.
5. To consider any other business of which due notice has been given.

**BY ORDER OF THE COMMITTEE OF MANAGEMENT**

sgd  
**Thushara Kariyawasam,**  
**SECRETARY,**  
**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

Please confirm your attendance to Mr. K Manivannan  
on Telephone number - 011- 4947969 or 011-2352000 Ext: 1030 or  
E- Mail - [benevolentsociety@casrilanka.org](mailto:benevolentsociety@casrilanka.org) on or before 24<sup>th</sup> December 2017

**CHARTERED ACCOUNTANTS OF SRI LANKA  
MEMBERS' BENEVOLENT SOCIETY**

**MINUTES OF THE 31<sup>st</sup> ANNUAL GENERAL MEETING HELD ON 20TH  
DECEMBER 2016 AT 6.00 PM AT CA SRI LANKA**

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PRESENT

Mr.C Kalupahana	-	President
Mr.D.B Gamalath	-	Vice President
Mr.W.D.L.Dushmantha	-	Vice President
Ms. R.K.A Ranaweera	-	Secretary
Mr. B.K.K Ranasinghe	-	Treasurer
Mr. T.A Kariyawasam	-	Assistant Secretary
Mr.G.Samaraseekara	-	Assistant Treasurer
Mr M.Thiyagaraja	-	Editor
Mr. D.P.N Jayasinghe	-	Internal Auditor
Mr. L.P.Liyabnarachchi	-	Past President
Mr. T.Q.Fernando	-	Past President
Mr K.S Welivita	-	Committee Member
Mr H.K A Rathnaweera	-	- do-
Ms. Kirishani Karunasena	-	- do -
Mr. H.M.Hennayake Bandara	-	-do-
Ms. Kanchana Silva	-	- do-
Mr.H.K.A.Rathnaweera	-	-do-
Mr. K.P.Baskaran	-	-do-
Mr. W.L.S.De. Soysa	-	- do -
Mr. L.J.N.Gunaratne	-	- do -
Mr L.H.S.Pieris	-	- do -
Mr.D.M.Prasad	-	- do -
Mr.L.N.Dissanayake	-	- do -
Mr.R.M.Premachnadra	-	- do -
Mr.K.Elango	-	- do -

Mr. Asoka Jayasinghe	-	- do -
Mrs Indrani Jayasinghe	-	- do -
Mr. S.P.Perera	-	- do -
Mr. A.Loganathan	-	- do -
Mr. W.W.G.Dayananda	-	- do -
Mr. P. Gajendra	-	- do -
Mr. G.D.N.Mendis	-	- do -
Mr. D.G.Wimalasooriya	-	- do -
Mr.K.G.C.Kumara	-	- do -
Mr.M.G.K.Ravindra	-	- do -
Mr Y.M.Wijeratne	-	- do -
Mr. L. Edirisooriya	-	- do -
Mr. T.Jayasinghe	-	- do -
Mr. O.A.R.P.Obeyesinghe	-	- do -
Mr. G.M.De.Abrew	-	- do -
Mr. Milroy Gonsal	-	- do -
Mr. S.K.Hathiramani.	-	-do-
Mr. Kosala Dissanayake	-	- do -
Mr. Nalin Wijekoon	-	- do -
Mr. Sujith Jayasinghe	-	-do-
Mr. A.S.D.N.A.Samarakoon	-	- do -
Mr.M.A.Wannakkuwatha	-	-do-

1. The President called the meeting to order and invited the house to rise for the National Anthem. Thereafter, the President garlanded the photo of the Founder Member of the Members Benevolent Society and requested the members to observe a silence of one minute in remembrance of all the deceased members.
2. The Minutes of the last AGM had circulated among the members and Mr. Aruna Rathnaweera proposed that the minutes were in order and Mr. Liyanaarachchi seconded.
3. Thereafter, the President, Mr. Chandrasiri Kalupahana addressed the members, and briefed on the success of the year of the Society whilst drawing attention to the followings;

- Mr. President appreciated the assistance provided by the committee in organizing events such as the Sinhala/Tamil new year celebrations, stage drama, guest lectures, members day outing and other activities of the Society.
- He further mentioned that the earnings from the Members' Fund were not used for any of the welfare activities carried out during the year and that the majority of the events were funded through the sponsorships brought in by the committee members.
- The highest number of registration of new members were recorded in the year under review and the President stressed on the need to increase membership further.
- He deliberated about the constitutional amendments which has been proposed
- The President concluded his remarks thanking the Council Members, Institute Staff and the Committee Members for their support.

#### 4. Adoption of Audited Accounts

- Thereafter, the Chair requested for the financial statements to be adopted by the members and Mr. K.S. Welivita proposed and Mr. Aruna Rathnaweera seconded.

#### 5. Appointment of Office Bearers for 2016/ 2017:

The President read out the names of members duly elected based on nominations received for different positions of the executive committee of the Society for the next term in accordance with the Constitution of the Society.

<b>Position</b>	<b>Name of Office Bearer</b>
The President	Mr. D B Gamalath
Vice President - 01	Mr. B K K Ranasinghe
Vice President - 02	Mr. W D L Dushmantha
Secretary	Ms. Thushara Kariyawasam
Assistant Secretary	Mr. M Thiyagarajah
Treasurer	Mr. Gamini Samarasekara
Assistant Treasurer	Mr. D P N Jayasinghe

Internal Auditor	Mr.K.S. Welivita
Editor	Ms. R K A Ranaweera
Committee Members 1	Mr. C Kalupahana
2	Mr. Badrajith Siriwardana
3	Mr. L Waragoda
4	Mr. N Lakmin
5	Ms. K Karunasena
6	Mr. E M K W S Ekanayake
7	Mr. A. Rathnaweera
8	Ms. A P K Silva
9	Mr. L P Liyanarachchi
10	Mr. T Q Fernando
11	Mr. Hennayake Bandara

Nomination papers were received only for 10 committee members and one position was vacant and president invited the members to fill the other vacancy. Then Mr. Gamalath proposed Mr. Hennayake Bandara as a committee member and Mr. Gamini Samarasekara seconded the same.

6. The outgoing Auditors M/s B R De Silva and Company (Chartered Accountants) having consented to be reappointed, were appointed as Auditors of the Society for the 2016/17 as well. Mr. Gamini Wimalasuriya proposed the name of the Auditor and Mr. Ashoka Jayasinghe seconded.
7. Mr. Ashoka Jayasinghe mentioned that he had not received the AGM notice by email and requested to send the notice and other important documents by post too
8. Mr. Q Fernando requested to hold the AGM in September or October in each year and he further mentioned that interest for the investment he received against the deposit was low. President, Mr. C Kalupahana explained that interest rates were comparatively low in the year 2016 and has spent reasonable amount towards the benevolent activities of the members
9. With the request of the chair, Mr Ashoka Jayasinghe proposed that the constitutional amendments were in order and Mr Hennayake Bandara seconded.



10. President elect Mr. Bannet Gamalath was invited to address the forum and he assured the members to enhance benevolent activities in 2017 and requested the fullest support of the newly elected committee and the general membership to carry out the activities of the society.
11. As the final item of the agenda, the secretary was invited to deliver the vote of thank and Mrs. Amani Ranaweera thanked all the committee members, the president and the council members of CA Sri Lanka, CEO; Mr. Aruna Alvis and the CA Sri Lanka staff for the support extended during last year, & finally she invited the members to join the fellowship and dinner.
12. As the businesses of the AGM were concluded as per Agenda, from the Chair, President Elect Mr. Bannet Gamalath declared that the AGM was officially concluded

**Secretary**

**President**

Attendance of committee members at the meetings were as follows;

**The Chartered Accountants of Sri Lanka Members' Benevolent Society  
Committee Meeting Attendance – 2016/17**

Name	03.01. 2017	07.02. 2017	09.03. 2017	04.04. 2017	21.04. 2017	02.05. 2017	06.06. 2017	04.07. 2017	08.08. 2017	12.09. 2017	10.10. 2017	07.11 .2017	No. Present	No. Absent
01 Mr.D.B.Gamalath	P	P	P	P	P	P	P	A	P	P	P	P	11	1
02 Mr.B.K.K.Ranasinghe	P	P	P	A	A	P	P	P	P	P	A	A	8	4
03 Mr. W D L Dushmantha	P	P	P	P	P	P	P	P	P	P	P	A	11	1
04 Mr.T.A.Kariyawasam	P	P	P	P	P	P	P	P	P	P	P	P	12	0
05 Mr.G.Samarasekera	P	P	P	A	P	A	P	P	P	P	P	A	9	3
06 Mr.M.Thiyagaraja	P	P	P	A	A	P	P	P	A	P	P	P	9	3
07 Mr.D.P.N.Jayasinghe	P	P	P	A	P	A	P	P	A	A	P	A	7	5
08 Mr.K.S.Welivita	P	P	P	P	A	P	P	A	A	P	P	P	9	3
09 Ms.R.K.A.Ranaweera	P	A	P	A	A	A	P	A	A	P	P	P	6	6
10 Mr.C.Kalupahana	P	A	P	P	A	P	P	A	A	P	P	A	7	5
11 Mr.L.P.Liyanaarachchi	P	P	P	A	A	A	P	P	P	A	A	P	7	5
12 Mr.T.Q.Fernando	P	P	P	A	A	P	A	P	A	P	A	A	6	6
13 Mr. L. Waragoda	A	P	P	A	A	P	P	A	P	P	P	P	8	4
14 Mr. G.N. Lakmin	P	P	A	A	A	A	A	A	A	A	A	A	2	10
15 Ms K.K.C. Karunasena.	P	P	A	P	A	A	P	P	P	A	P	P	8	4
16 Mr.W.L.B.Siriwardena	P	P	A	P	P	A	P	P	P	P	P	A	9	3
17 Mr. A. Rathnaweera	P	A	P	A	A	P	P	A	A	A	P	A	5	7
18 Ms.A.P.K.Silva	P	P	P	P	A	P	P	A	A	A	P	A	7	5
19 Mr.E.M.K.W.S.Ekanayake	P	A	A	A	A	A	P	A	P	A	A	P	4	8
20.Mr.H.M.Hennayake Bandara	p	p	A	A	p	A	A	A	A	p	A	A	4	8
<b>Total Committee Members</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>		
<b>No of Presents</b>	<b>19</b>	<b>16</b>	<b>15</b>	<b>8</b>	<b>13</b>	<b>11</b>	<b>17</b>	<b>10</b>	<b>10</b>	<b>13</b>	<b>14</b>	<b>9</b>		

<b>No of Absents</b>	<b>1</b>	<b>4</b>	<b>5</b>	<b>12</b>	<b>7</b>	<b>9</b>	<b>3</b>	<b>10</b>	<b>10</b>	<b>07</b>	<b>6</b>	<b>11</b>
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**P – Present**

**A – Excused/Absent**

## **1. Our Society Completes 34 Years**

The Society was inaugurated on 6th December 1983 and has now completed 34 years. During this period spanning over 34 years the Society has mobilized savings of Rs. 49.32 million from the members and has assisted them in their hour of need.

We gratefully remember Mr. Dayalan Tharmaratnam, our founder, who dedicated himself to the cause of welfare of our members.

## **2. Scholarship Fund**

The balance of scholarship fund as at 31<sup>st</sup> March 2017 was Rs. 67,000/=.

## **3. ICASL Donations Fund**

During the year 2016/17, the Society received a grant of Rs. 500,000 from ICASL to the Donations Fund and, payments amounting to Rs. 780,000 were made to needy members on approval of the Committee. During the period of April 2017 to November 2017 another Rs. 200,000 was paid to needy members.

Historically, the Society on average received Rs. 500,000 per annum from CA Sri Lanka and however from 2016 onwards the institute reimburse on the actual basis with a cap of Rs 500,000 per annum. The Committee has decided to pay a maximum of Rs. 200,000 per member per annum, based on the requests made by CA Members for reimbursement of medical expenses for critical illness, major surgeries etc., on case by case approval of the Committee of Management.

If it is for a non-critical illness or a minor surgery the Committee would approve the claim case by case basis.

Further if any CA Member is experiencing financial difficulties and they may appeal for financial assistance from the society and the Committee would decide on the amount to be paid to such needy CA Member after carefully considering the relevant facts.

#### 4. Membership

The growth of membership over the past 05 years is as follows;

As at	31.03. 2013	31.03. 2014	31.03. 2015	31.03. 2016	31.03. 2017
Members at the beginning	594	701	758	803	918
Members enrolled during the year	108	61	50	121	129
	<b>702</b>	<b>762</b>	<b>808</b>	<b>924</b>	<b>1047</b>
Members who passed away	(1)	(2)	(2)	(3)	(3)
Members who resigned	-	(2)	(3)	(3)	(4)
	<b>701</b>	<b>758</b>	<b>803</b>	<b>918</b>	<b>1040</b>

This is 19. % of the total Membership of the Institute. In addition to this during the period of April 2017 to November 2017, 38 new members were enrolled.

We seek your assistance to increase the membership, while the Committee is making every effort on this matter.

#### 5. Guest Lectures

The Committee continued organizing lectures on various topics during the year from January 2017 to December 2017 for the benefit of the members. The following lectures were held during the year 2017.

Topic	Speaker
Adults Urine Problem	<b>Dr Nirosan Senevirathne</b> MBBS,MS,MRCS,Consultant Urologist and Kidney Transplant Surgeon
Refractive errors,Cataract,Glaucoma,Computer vision Syndrome ,Diabetes, Eye problem in Children	<b>Dr. Seema Nandakumar</b> Consultant Ophthalmologist-Lanka Hospitals
Enhance Your Bottom Lin with implementing of ERP	<b>Mr.R.Baradhwaj</b> Manager International Business,Tally Solutions
Practical application of Good governance	<b>Chandra Jayarathne (FCA)</b> FCA,FCMA,Former Chairman of Asian Alliance and Chamber of Commerce

## **6. New Year Festival**

On 09<sup>th</sup> April 2017, the Society organized a New Year Festival Celebration for all CA Members, their families and CA Staff at the CCC Grounds, for the fifth consecutive year. Around 400 CA Members and CA staff members participated with their families. The event was a success with traditional games, such as Kabadi, Singithi Avurudu Kumaraya and Kumariya competitions and with many exciting events.

The committee members were able to collect Rs. 1,420,000 as sponsorships from various institutions by using their personal contacts. Rs. 726,159 were spent on this grand event and finally an excess of Rs. 693,841 were made and it will be used for future benevolent activities.

## **7. Medical Camp**

On 28<sup>th</sup> July 2017, the Society organized a Medical camp with the Sponsorship of Lanka Hospital. Two Doctors and two dietitians came with 20 staff to conduct this camp. The event provided an excellent opportunity for our Members and the CA Staff to get an insight into their real medical status and to take precautionary measures.

The Medical Camp was followed by an interesting Guest Lecture on “Back ache and Neck pain” which benefited many members by Neurologist Dr Nilupul Perera

## **08. Members’ Day Outing**

On 20<sup>th</sup> September 2017, the Society organized the members’ day outing at Camelot Beach hotel, Negombo. The event was a success with the attendance of many members and their families. This provided a fantastic opportunity to members enjoy a day in a nice beach hotel.

## **09.”Geetha Rathiya with Dammika Bandara”**

17<sup>th</sup> Feb 2017 was a day of complete change for members who participated at this event. The real taste of ‘PARANI RANGA’ could experience with Dammika Bandara with the meaning and the back ground of the song. Many members appreciated this event.

## **10. Society’s Third CSR Project.**

In November 2017, the Society organized another CSR Project and this was the third CSR Project conducted by the society. The above project was organized at Diyakaduwa Kanishta Vidyalaya, Mathugama. This school had been heavily affected by the recent floods and the student really needed the assistance of some one. School Bags, Books, Shoes and exercise books, white boards and many other requirements of the schools were distributed among students amounting to Rs 200,000. The cost was born by the society and the committee members personally.

## 11. Insurance cover

The Insurance scheme was started on 13<sup>th</sup> July 1996, giving Accidental or Natural Death benefits. At present, benefits available to the members are as follows:

Age	Benefits	
	Accident Death Rs	Natural Death Rs
Up to 70 years	50,000/-	50,000/-
From 70 to 75 years	20,000/-	20,000/-

The above is operative 24 hours of the day worldwide and including riots, civil commotion and terrorism.

The above Insurance cover will apply to the following category of members of the Society.

- A. Those members who have a credit balance of Rs. 25,000/= or more at any given time, and
- B. Those members who are not in arrears as at 31st March of each year, unless falling under the first mentioned category.
- C. New members are entitled for this benefit only after one after joining
- D. If the deceased Member is above 75 years the Member is not entitled to get the Insurance Benefit. For such Members Rs. 15,000 will be paid by the Society to the nominee.

## 12. Death Donation Scheme

The Society pays Rs. 200 per active members as a Death Donation to the deceased member's family, if the deceased member has been a member for over ten years. Other active members are entitled for Rs. 100 per active member. However non-active members are not entitled for death donation.

## 13. Finance

Audited accounts for the year ended 31<sup>st</sup> March 2017  
Appear in subsequent pages.

## 14. Financial Performance

Details of Income and Expenditure are given in the audited accounts attached hereto. In summary, the position is as follows:

	<b>2015/2016</b>	<b>2016/2017</b>	<b>Increase/ Decrease</b>	<b>%</b>
Total Revenue	3,377,531	5,505,403	2,127,872	63%
Administration Expenditure	503,489	854,456	350,967	70%
Member Related Expenditure	904,119	1,263,921	359,802	40%
<b>Net Surplus</b>	<b>1,763,248</b>	<b>2,993,637</b>	<b>1,230,389</b>	<b>70%</b>

Income of the society has increased by 70%. This is a significant increase compared to previous financial year. It was resulted due to high interest rates compared to previous year

### **15. Share of Profits**

Our net income after taxation, transferred to Reserve Funds was Rs. 2,382,

### **16. Investments**

Investments are as follows:

	<b>31.03.2016 Rs.</b>	<b>31.03.2017 Rs.</b>	<b>Increase/ Decrease Rs.</b>	<b>%</b>
Gross Investments	52,827,221	56,995,414	4,168,193	7.90

As at 31 March 2017, all funds collected were invested in Treasury Bills & Fixed Deposits at Bank of Ceylon, National Savings Bank, Seylan Bank and Pan Asia Bank

### **17. Donation Fund**

During the Society, didn't received any Donations

We will be thankful for the generous donations and contributions to the Society in future since these have enabled us to extend our reach and our services to many needy members.

Donations are encouraged and requested from the members and the Donation Appeal form is attached to this annual report.

### **18. Arrears of Member Subscriptions**

The Society accounts for the members' subscriptions on cash basis. Hence the subscriptions due are not shown in the accounts.

We therefore urge the members who are in arrears to settle their dues at their earliest convenience and also to make their subscriptions preferably on an annual basis.



## **19. Our Thanks**

We wish to place on record the assistance we continue to receive from the Institute. We are in this position today due to the support received from the Institute.

We thank the President and the Council of the Institute, CEO/Secretary and the Administrative and other staff of the Institute, for their assistance in numerous ways.

We take this opportunity to thank our honorary auditors M/S. B R de Silva & Company as well.

Finally, we thank the members of the Society for placing confidence in us and investing their funds in the Society for mutual benefit.

sgd

**Mr. Thushara Kariyawasam**

SECRETARY

FOR & ON BEHALF OF THE COMMITTEE OF MANAGEMENT

Colombo

**05<sup>th</sup> December 2017**

**The Chartered Accountants of Sri Lanka  
Members' Benevolent Society**

## **APPEAL FOR DONATION OF FUNDS**

In order to help the members who are in distress, irrespective of their credit balances with us we need to collect funds. For this task, we seek your generous Donations/contributions to increase this fund.

Committee of Management

## **GIFT AID DECLARATION**

From .....C/A Membership No.....

1. I wish to make a single donation to The Chartered Accountants Members' Benevolent Society of Rs ..... for which a cheque is enclosed.
2. I wish to make a Donation to the Chartered Accountants Members' Benevolent Society of Rs..... on monthly basis and other donation of Rs .....

Please draw a cheque in favor of "CA Sri Lanka Members' Benevolent Society" and crossed A/C payee only.

Please return completed form with your contribution to;

Mr. K. Manivannan,  
Administrative Manager,  
The Chartered Accountants of Sri Lanka Members' Benevolent Society,  
No 30 A, Malalasekara Mawatha, Colombo 07.

Signature..... Date .....

*“Your contribution will go towards helping the needy members of the Institute of Chartered Accountants of Sri Lanka and their families financially or otherwise”*

**THE CHARTERED ACCOUNTANTS OF SRI LANKA  
MEMBERS' BENEVOLENT SOCIETY**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**





Private &amp; Confidential

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE CHARTERED ACCOUNTANTS OF SRI LANKA  
MEMBERS' BENEVOLENT SOCIETY**

**1. Report on the Financial Statements**

We have audited the accompanying financial statements of The Chartered Accountants of Sri Lanka Members' Benevolent Society, which comprise the Statement of Financial Position as at 31<sup>st</sup> March, 2017 and the Statement of Comprehensive Income and Cash Flow Statements for the year then ended, and a summary of significant Accounting Policies and other explanatory notes.

**2. Management's Responsibility for the Financial Statements**

The Committee of Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Sri Lanka Statement of Recommended Practice for not for Profit Organizations issued by the Institute of Chartered Accountants of Sri Lanka (SLSORP). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

**3. Scope of Audit and Basis of Opinion**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

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.





4. Opinion

In our opinion, so far as it appears from our examination, the Society has maintained proper accounting records for the year ended 31<sup>st</sup> March 2017 and the financial statements give a true and fair view of the Society's state of affairs as at 31<sup>st</sup> March 2017 and its surplus of income over expenditure Cash Flow for the year then ended, in accordance with Sri Lanka Statement of Recommended Practice for not for Profit Organizations issued by the Institute of Chartered Accountants of Sri Lanka (SLSORP).

  
B. R. DE SILVA & CO.

Chartered Accountants

Colombo 05.

Date :

LCP/NM/sj





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<i>Notes</i>	<u>2017</u>		<u>2016</u>
		Rs.	Cts.	Rs.
Revenue	(3)	5,500,403.13		3,357,531
Other Operating Income	(4)	5,000.00		20,000
		<u>5,505,403.13</u>		<u>3,377,531</u>
<i>Less:</i> Administration Expenses	(5)	(854,455.57)		(503,488)
Members' Benevolent Expenses	(6)	<u>(1,263,920.67)</u>		<u>(904,309)</u>
<b>Surplus on Operating Activities</b>		<b>3,387,026.89</b>		<b>1,969,734</b>
<i>Less:</i> Finance Costs	(7)	<u>(2,900.00)</u>		<u>(3,910)</u>
<b>Surplus before Taxation</b>		<b>3,384,126.89</b>		<b>1,965,824</b>
<i>Less:</i> Taxation		<u>(390,490.00)</u>		<u>(202,576)</u>
<b>Net Surplus for the year</b>		<b>2,993,636.89</b>		<b>1,763,248</b>
<i>Less:</i> Apportionment of Interest Income for Reserve Fund		(261,488.41)		(152,992)
<i>Less:</i> Apportionment of Interest Income for Donation Fund		(85,310.59)		(51,714)
Distribution of shares of earnings to Members	(8)	(2,382,152.36)		(1,402,688)
<b>Retained Surplus for the year</b>		<b><u>264,685.53</u></b>		<b><u>155,854</u></b>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST MARCH,**

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
		Rs.      Cts.	Rs.
<b><u>ASSETS</u></b>			
<b><u>Non-Current Assets</u></b>			
Property, Plant & Equipment	(9)	14,900.00	22,540
Financial Assets	(10)	56,995,414.30	52,827,221
		<u>57,010,314.30</u>	<u>52,849,761</u>
<b><u>ICASL Donation Project- Investments</u></b>			
Treasury Bills		1,154,541.56	1,054,726
Fixed Deposits		285,401.46	267,535
Current Account Balance - BOC Torrington		149,267.68	29,268
WHT Receivables		10,079.00	10,079
		<u>1,599,289.70</u>	<u>1,361,608</u>
<b><u>Current Assets</u></b>			
Inventories	(11)	22,230.00	62,445
Income Tax Receivables/(Payable)	(12)	39,558.68	38,970
Receivables	(13)	450,000.00	249,862
Cash & Cash Equivalents	(14)	93,951.26	62,545
		<u>605,739.94</u>	<u>413,822</u>
<b>Total Assets</b>		<u><u>59,215,343.94</u></u>	<u><u>54,625,191</u></u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>Capital and Reserves</u></b>			
Members' Accounts	(15)	49,328,380.51	45,320,715
Reserves	(16)	6,549,585.38	5,938,101
		<u>55,877,965.89</u>	<u>51,258,816</u>
<b><u>Funds</u></b>			
D. S. R. Tharmaratnam Scholarship Fund	(17)	67,000.00	67,000
Member's Welfare Fund	(18)	1,203,102.23	1,506,334
ICASL Donation Project	(E)	1,600,842.94	1,361,607
		<u>2,870,945.17</u>	<u>2,934,941</u>
<b><u>Current Liabilities</u></b>			
Payables	(19)	466,432.88	431,434
		<u>466,432.88</u>	<u>431,434</u>
<b>Total Equity &amp; Liabilities</b>		<u><u>59,215,343.94</u></u>	<u><u>54,625,191</u></u>

We certify that the above Balance Sheet, to the best of our belief, contains a true account of the Funds, Liabilities and Assets of the Society.

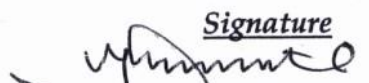
Name


PRESIDENT (1) J. B. Gamalath

TREASURER (2) G. Samarasekera

Date: 30/10/2017

Signature









**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<u>2017</u> Rs.	<u>2016</u> Rs.
<b><u>Cash Flows from Operating Activities</u></b>		
Surplus before Taxation	3,384,127	1,965,824
<b><u>Adjustments for</u></b>		
Depreciation	7,640	9,080
	<u>3,391,767</u>	<u>1,974,904</u>
<b><u>Surplus/Deficit before Working Capital Changes</u></b>		
(Increase)/Decrease in Inventories	40,215	(32,795)
(Increase)/Decrease in Receivables	(320,140)	(182,167)
Increase/(Decrease) in Payables	35,000	64,999
	<u>3,146,842</u>	<u>1,824,941</u>
WHT Tax Paid	(390,490)	(125,149)
Income Tax Paid	(587)	-
Net Cash Flows from/ (Used in) Operating Activities	<u>2,755,765</u>	<u>1,699,792</u>
<b><u>Cash Flows from Investing Activities</u></b>		
Investments in Treasury Bills	(99,816)	(63,911)
Investments in Fixed Deposits	<u>(4,186,060)</u>	<u>(2,839,007)</u>
Net Cash Flow from/ (Used in) Investing Activities	<u>(4,285,876)</u>	<u>(2,902,918)</u>
<b><u>Cash flows From Financing Activities</u></b>		
Increase/(Decrease) in Donation Fund	239,236	(297,039)
Increase/(Decrease) in Amounts in Members' Fund	1,625,513	1,453,062
Increase/(Decrease) in Amounts in Members' Welfare Fund	<u>(303,232)</u>	<u>59,761</u>
Net Cash Flow from/ (Used in) Financing Activities	<u>1,561,517</u>	<u>1,215,784</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	31,406	12,658
Cash and Cash Equivalents at the Beginning of the year	<u>62,545</u>	<u>49,887</u>
Cash and Cash Equivalents at the End of the year	<u><u>93,951</u></u>	<u><u>62,545</u></u>
<b><u>Analysis of Cash and Cash Equivalents</u></b>		
Cash at Bank	28,600	45,550
Cash in Hand	<u>65,351</u>	<u>16,995</u>
	<u><u>93,951</u></u>	<u><u>62,545</u></u>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA  
MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**1. CORPORATE INFORMATION**

**1.1 General**

The registered office of The Chartered Accountants of Sri Lanka Members' Benevolent Society is located at No.30A, Malalasekara Mawata, Colombo 07.

**1.2 Principal Activities and Nature of Operations**

During the year, the principal activities of the Society were to grant relief and other pecuniary benefits to the members in need.

**1.3** The notes to the Financial Statements on Pages (04) to (14), form an integral part of the Financial Statements.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of Preparation**

**2.1.1 Statement of Compliance**

The Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash Flows together with the Accounting Policies and Notes to the financial statements as at 31<sup>st</sup> March 2017 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 (SL SoRP).

**2.1.2 Basis of Measurement**

The financial statements have been prepared using the historical cost convention.

**2.1.3 Functional and Presentation Currency**

The financial statements are presented in Sri Lanka Rupees (Rs.), which is the organization's functional and presentation currency.

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**THE CHARTERED ACCOUNTANTS OF SRI LANKA  
MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**2.1.4 Changes in Accounting Policies and Disclosures**

The Accounting policies have been consistently applied, unless otherwise stated, and are consistent with those used in previous years.

**2.1.5 Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent assets and liabilities, at the reporting date. However, uncertainty about these assumptions and estimates can result in an outcome that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

**2.2 Foreign-currency Transactions**

Transactions in currencies other than Sri Lanka Rupees are converted into Sri Lanka Rupees at rates which approximate the actual rates at the transaction date at the reporting date.

**2.2.1 Property, Plant & Equipment**

**(a) Cost**

Property, Plant & Equipment are recorded at cost less accumulated depreciation.

**(b) Depreciation**

The provision for depreciation is calculated by using the straight line basis on the cost or valuation of all property, plant and equipment in order to write off such amounts over the following estimated useful lives. The principle annual rates used are;

Telephone Equipment	10%
Computers & Printers	10%

Full provision is made in the year of purchase and none in the year of sale.

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**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

2.2.2 Cash and Cash Equivalents

Members' Benevolent Society considers cash in hand, amounts due from banks and short-term deposits with an original maturity of three months or less to be "Cash and cash equivalents". Bank borrowings that are repayable on demand and form an integral part of the Members' Benevolent Society's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash flows.

2.2.3 Financial Instruments

Members' Benevolent Society classifies financial assets in to the following categories; financial assets at fair value through profit and loss, held to maturity financial assets, loans and receivables, and available for sale financial assets.

**Held to maturity Financial Assets**

If the Society has a positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held to maturity. They are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method, less any impairment losses.

**Loans and Receivables**

Members' Benevolent Society initially recognizes loans and receivables on the date that they are originated. All other financial assets are recognized initially on the trade date, which is the date that the Society becomes a party to the contractual provisions of the instrument. Loans and receivables are stated at their cost net of an allowance on outstanding amounts to cover the risk on non-payment.

2.2.4 Employee Benefits

(a) Defined Benefit Plan - Gratuity

Provision has not been made in these accounts for retirement gratuities payable under the payment of Gratuities Act No.12 of 1983, since the Society is not liable for such payments.

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**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

(b) Defined Contribution Plans - Employees' Provident Fund & Employees' Trust Fund

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in accordance with the respective Statutes and Regulations.

2.2.5 Accounting for the receipt and utilization of Funds/Reserves

Reserves are classified as either restricted or unrestricted reserves.

(a) Unrestricted Reserves/Funds

Unrestricted funds are those that are available for use by Members' Benevolent Society at the discretion of the Executive Committee, in furtherance of the general objectives of Members' Benevolent Society and which are not designated for any specific purpose.

(b) Designated Reserves/ Funds

Unrestricted funds designated by the Executive Committee to a specific purpose are identified as designated funds. The activities for which these funds may be used are identified in the financial statements.

(c) Restricted Reserves/Funds

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 Capital & Reserves in the Statement of Financial Position until such time as they are required.

Funds collected through a fund raising activity for any specific or defined purpose are also included under this category.

Where approved grant expenditure exceeds the income received and there is certainty that the balance will be received such amount is recognized through Debtors in the Statement of Financial Position.

(d) Investment Income and other gains realized from funds available under each of the above categories are allocated to the appropriate funds, unless the relevant agreement or minute provides otherwise.

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**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

2.2.6 Income Recognition

(a) Contributions/ Income Sources

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 complied with and the relevant expenditure that it is expected to compensate has been incurred and charged to the Statements of Comprehensive Income. Unutilized funds are carried forward as such in the Statement of Financial Position.

Gifts and donations received in kind are recognized at valuation at the time that they are distributed to beneficiaries, or if received for resale with proceeds being used for the purpose of Members' Benevolent Society at the point of such sale. Items not sold or distributed are inventorised but not recognized in the financial statements.

All other income is recognized when Members' Benevolent Society is legally entitled to the use of such funds and the amount can be quantified. This would include income receivable through fund raising activities and donations.

(b) Revenue

Interest earned is recognized on a cash basis.

Net gains and losses on the disposal of property, plant and equipment and other noncurrent assets, including investments, are recognized in the Statement of Comprehensive Income after deducting from the proceeds on disposal, the carrying value of the item disposed of and any related selling expenses. In the case of any revalued asset, any balance remaining in the Revaluation Reserve account is transferred to the Statement of Comprehensive Income.

Other income is recognized on an accrual basis

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**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

2.2.7 Expenditure Recognition

Expenses in carrying out the projects and other activities of Members' Benevolent Society are recognized in the Statement of Comprehensive Income during the period in which they are incurred. Other expenses incurred in administering and running Members' Benevolent Society and maintaining the equipment to perform at expected levels are accounted for on an accrual basis and charged to the Statement of Comprehensive Income.

Members' Benevolent Society has adopted the "Function of expense" method to present fairly the elements of Members' Benevolent Society's activities in its Statement of Comprehensive Income.

2.2.8 Taxation

Current Taxes

Income tax is provided on 10% of Investment income.

2.2.9 Borrowing Costs

Borrowing costs are treated as an expense in the period in which it is incurred.

2.2.10 Financial Income and Expenditure

Net financial income comprises interest payable on borrowings, if any interest receivable on funds invested, securities income and gains and losses on hedging instruments.





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
		Rs. Cts.	Rs.
<b>(3) <u>INCOME- SUMMARY</u></b>			
Members' Enrolment Fees		9,500.00	9,700
Interest on Fixed Deposits		5,482,184.64	3,343,397
Interest on Time Deposits		8,718.49	-
Interest on Call Deposits		-	4,434
Surplus from New Year Festival	(G)	130,891.18	85,873
Transferred to Members' Welfare Fund		<u>(130,891.18)</u>	<u>(85,873)</u>
		<u><b>5,500,403.13</b></u>	<u><b>3,357,531</b></u>
<b>(4) <u>OTHER OPERATING INCOME</u></b>			
Lecture Programme Sponsorship Income		-	20,000
Dinner Tickets		5,000.00	-
		<u><b>5,000.00</b></u>	<u><b>20,000</b></u>
<b>(5) <u>ADMINISTRATION EXPENSES</u></b>			
Staff Remuneration		300,000.00	308,000
Staff Fees		217,727.00	-
Employees' Provident Fund		36,000.00	36,000
Employees' Trust Fund		9,000.00	9,000
Telephone Bills		12,518.57	20,037
Travelling Expenses		14,010.00	6,566
Printing and Stationery		73,650.00	17,405
AGM Expenses	(A)	122,820.00	67,400
Quiz Competition Expenses		5,000.00	-
Consultation Fee- Const: Amendment		7,500.00	-
Registration Fee- Cricket Tournament		8,000.00	-
Postages		40.00	-
Office Cleaning and Maintenance		4,440.00	5,000
Computer Maintenance		11,110.00	-
Staff Bonus		25,000.00	25,000
Depreciation		7,640.00	9,080
		<u><b>854,455.57</b></u>	<u><b>503,488</b></u>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<u>Notes</u>	<u>2017</u>		<u>2016</u>
		Rs.	Cts.	Rs.
<b>(6) <u>MEMBERS' BENEVOLENT RELATED EXPENSES</u></b>				
Insurance Premium		98,362.87		100,682
Members' Welfare		-		7,000
Membership Promotion		50,215.00		63,205
Lecture Programme	(B)	409,120.80		169,537
Members' Family Day Out Expenses	(C)	502,590.00		442,285
Community Service Project Expenses	(D)	195,932.00		101,880
Death Claim for Over 75 Years		-		15,000
Funeral Expenses		7,700.00		4,720
		<u>1,263,920.67</u>		<u>904,309</u>
 <b>(7) <u>FINANCE COSTS</u></b>				
Bank Charges		2,900.00		3,910
		<u>2,900.00</u>		<u>3,910</u>
 <b>(8) <u>DISTRIBUTION OF SHARES &amp; EARNINGS TO MEMBERS</u></b>				
90% of Profit transferred to Members' Account		2,382,152.36		1,402,688
		<u>2,382,152.36</u>		<u>1,402,688</u>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT 31ST MARCH, 2017**

**(9) PROPERTY, PLANT & EQUIPMENT**

<u>Cost</u>	<u>Note</u>	<u>As at</u> <u>01.04.2016</u>		<u>Additions</u>		<u>Disposals</u>		<u>As at</u> <u>31.03.2017</u>	
		Rs.	Cts.	Rs.	Cts.	Rs.	Cts.	Rs.	Cts.
Computer		60,900.00				-		60,900.00	
Telephone Equipment		14,400.30		-		-		14,400.30	
Printer		15,500.00		-		-		15,500.00	
		<u>90,800.30</u>		<u>-</u>		<u>-</u>		<u>90,800.30</u>	

	<u>As at</u> <u>01.04.2016</u>		<u>Depreciation</u> <u>during</u> <u>the year</u>		<u>Disposals</u>		<u>As at</u> <u>31.03.2017</u>	
	Rs.	Cts.	Rs.	Cts.	Rs.	Cts.	Rs.	Cts.
Computer	44,560.00		6,090.00		-		50,650.00	
Telephone Equipment	14,400.30		-		-		14,400.30	
Printer	9,300.00		1,550.00		-		10,850.00	
	<u>68,260.30</u>		<u>7,640.00</u>		<u>-</u>		<u>75,900.30</u>	

	<u>As at</u> <u>01.04.2016</u>		<u>As at</u> <u>31.03.2017</u>	
	Rs.	Cts.	Rs.	Cts.
Computer	16,340.00		10,250.00	
Telephone Equipment	-		-	
Printer	6,200.00		4,650.00	
	<u>22,540.00</u>		<u>14,900.00</u>	

**(10) FINANCIAL ASSETS**

	<u>Note</u>	<u>2017</u>		<u>2016</u>
		Rs.	Cts.	Rs.
Fixed Deposits	(D)	56,995,414.30		52,827,221
		<u>56,995,414.30</u>		<u>52,827,221</u>







**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT 31ST MARCH,**

	<u>2017</u>	<u>2016</u>
	Rs. Cts.	Rs.
<b>(11) <u>INVENTORIES</u></b>		
Stock-T Shirts	10,400.00	17,400
Stock-Umbrella	11,830.00	45,045
	<u>22,230.00</u>	<u>62,445</u>
<b>(12) <u>INCOME TAX RECEIVABLE/(PAYABLE)</u></b>		
Balance as at 01st April	38,969.74	116,397
Tax Liability for the year	(390,490.00)	(202,576)
	<u>(351,520.26)</u>	<u>(86,179)</u>
<i>Add:</i> Income Tax Paid	587.00	-
WHT Receivable	390,491.94	125,149
Tax Receivable/(Payable)	-	-
	<u>39,558.68</u>	<u>38,970</u>
<b>(13) <u>RECEIVABLES</u></b>		
Advance & Pre-payments-N' Year Celeb'n Expenses	-	115,000
Advance & Pre-payments - P. G. Martin	-	11,500
Advance & Pre-payments - Gymkana Club/BRC Ground for Grounds	50,000.00	25,000
Advance ICASL Funds	400,000.00	-
Advance & Pre-payments - S. L. Insurance Corporation	-	98,362
	<u>450,000.00</u>	<u>249,862</u>
<b>(14) <u>CASH &amp; CASH EQUIVALENTS</u></b>		
Cash in Hand	28,600.00	45,550
Cash at Bank- Bank of Ceylon	65,351.26	16,995
	<u>93,951.26</u>	<u>62,545</u>
<b>(15) <u>MEMBERS' ACCOUNTS</u></b>		
Balance as at 01st April	45,320,715.09	42,464,965
Subscriptions Received during the year	2,538,543.49	2,143,900
	<u>47,859,258.58</u>	<u>44,608,865</u>
<i>Less:</i> Refunds made to Members	(913,030.93)	(605,838)
Death Donations Paid	-	(85,000)
	<u>(913,030.93)</u>	<u>(690,838)</u>
	46,946,227.65	43,918,027
<i>Add:</i> Share of Profits	2,382,152.86	1,402,688
	<u>49,328,380.51</u>	<u>45,320,715</u>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT 31ST MARCH,**

	<i>Notes</i>	<u>2017</u>	<u>2016</u>
		Rs.      Cts.	Rs.
<b>(16) RESERVES</b>			
<u>Reserve Fund</u>			
Balance as at 01st April		4,477,361.67	4,168,516
Surplus for the year		264,685.53	155,854
Interest and Yield received on Deposits		261,488.41	152,992
		<u>5,003,535.61</u>	<u>4,477,361</u>
<u>Donation Fund</u>			
Balance as at 01st April		1,460,739.18	1,409,025
Interest and Yield Received on Deposits		85,310.59	51,714
		<u>1,546,049.77</u>	<u>1,460,739</u>
<b>Total Reserve</b>		<u><u>6,549,585.38</u></u>	<u><u>5,938,101</u></u>
<b>(17) DAYALAN S.R. THARMARATNAM SCHOLARSHIP FUND</b>			
Credit Balance as at 01st April		67,000.00	67,000
<u>Add: Donations Received</u>			
CIC Scholarship Fund		-	-
<b>Credit Balance as at 31st March</b>		<u><u>67,000.00</u></u>	<u><u>67,000</u></u>
<b>(18) MEMBERS' WELFARE FUND</b>			
Balance as at 01st April		1,506,334.25	1,446,573
Interest Received from Fixed Deposits		34,446.80	75,377
Surplus from New Year Festival	(G)	130,891.18	85,873
Financial Assistance given to a needy Member		-	(100,000)
Transfer to ICASL Fund		-	(1,489)
Music Programme Expenses		(187,300.00)	-
Deficit from Peduru Party Expenses	(H)	(281,270.00)	-
		<u><u>1,203,102.23</u></u>	<u><u>1,506,334</u></u>
<b>(19) PAYABLES</b>			
Mr. I. L. Ariyasena		55,900.00	55,900
Mr. M. T. L. Fernando		137,802.36	137,802
Mr. N. G. P. Panditharatne		147,730.52	147,732
Sponsorships Received in Advance		125,000.00	90,000
		<u><u>466,432.88</u></u>	<u><u>431,434</u></u>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<u>2017</u>	<u>2016</u>
	Rs. Cts.	Rs.
<b>(A) <u>AGM EXPENSES</u></b>		
Annual Report Expenses	11,500.00	9,050
Cost of Dinner and Beverages	96,320.00	58,350
Music Group	15,000.00	-
	<u>122,820.00</u>	<u>67,400</u>
<b>(B) <u>LECTURE PROGRAMME</u></b>		
Cost of Dinner and Beverages	364,220.80	138,957
Travelling Expenses	1,400.00	1,080
Gifts to Lecturers	21,000.00	15,000
Payments to Minor Staff	12,000.00	6,000
Photographs	10,500.00	8,500
	<u>409,120.80</u>	<u>169,537</u>
<b>(C) <u>MEMBERS' FAMILY DAY OUT</u></b>		
Amount Collected from Members	<u>133,250.00</u>	<u>82,600</u>
<i><u>Less: Expenses</u></i>		
Buffet Lunch, Tea, Bites, Soft Drinks - Villa Ocean Hotel	462,000.00	417,660
Cost of Beverages	125,000.00	63,600
Prizes for Game Winners	8,000.00	15,375
Bracelet Wires	3,600.00	5,400
Photographs	8,000.00	5,000
DJ Music	15,000.00	8,000
Payments for Travelling, Bites, and Staff	14,240.00	9,850
	<u>635,840.00</u>	<u>524,885</u>
<b>Deficit transferred to Member's Benevolent Expenses</b>	<u><b>(502,590.00)</b></u>	<u><b>(442,285)</b></u>
<b>(D) <u>INVESTMENTS-FIXED DEPOSITS</u></b>		
Bank of Ceylon	1,644,037.15	1,883,583
People's Bank	32,142,042.82	-
National Savings Bank	677,493.81	30,568,632
Seylan Bank	20,327,680.61	18,357,010
Pan Asia Bank	2,204,159.91	2,017,996
	<u>56,995,414.30</u>	<u>52,827,221</u>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<u>Add.</u>	<u>2017</u>		<u>2016</u>
	<u>Note</u>	Rs.	Cts.	Rs.
<b>(E) <u>ICASL DONATION PROJECT</u></b>				
<b><u>Receipts and Payments Account</u></b>				
<b><u>Receipts</u></b>				
Opening Balance		1,361,606.57		1,658,646
Donation from ICASL for Members' Welfare		500,000		-
Members' Welfare Fund		-		1,489
Amounts due from ICASL		400,000.00		
Income	(F)	119,236.37		101,472
		<u>2,380,842.94</u>		<u>1,761,607</u>
<b><u>Payments</u></b>				
Medical Benefits Paid to Needy Members		780,000.00		400,000
		<u>780,000.00</u>		<u>400,000</u>
<b>Balance C/F</b>		<u><u>1,600,842.94</u></u>		<u><u>1,361,607</u></u>
<b>(F) <u>ICASL DONATION PROJECT</u></b>				
<b><u>Income</u></b>				
Interest on FD CA Fund		19,420.33		37,561
Treasury Bill Interest		99,816.04		63,911
		<u>119,236.37</u>		<u>101,472</u>
<b>(G) <u>NEW YEAR CELEBRATION</u></b>				
Sponsorship Income		1,110,000.00		667,500
Sale of Gift Vouchers		5,000.00		4,000
		<u>1,115,000.00</u>		<u>671,500</u>
<b>Less: <u>Expenses</u></b>				
BRC Ground Booking Charges		50,000.00		50,000
BRC Ground - Usage of Electricity		12,000.00		10,500
Lunch Packets		156,000.00		132,500
Kokis, Keum, Asmi, Cakes, Laddu, Murukku and Milkrice		10,500.00		14,200
Fun Bouncer		13,500.00		12,000
Photographer and Announcer		9,000.00		8,000
Hiring of Furniture		103,450.00		95,375
DJ Music		-		20,000
Caps & T shirts		114,000.00		24,200
Bags		34,450.00		-
Gift Vouchers and Prizes etc.		256,370.82		66,570
Helping Staff, Umpires and Ground Boys, Newspaper Reporter:		33,500.00		39,500
Beverages and Ice Cream		86,670.00		75,335
Printing Sash, Stationery and Claypot etc.		58,368.00		8,000







**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<b><u>2017</u></b>	<b><u>2016</u></b>
	<b>Rs. Cts.</b>	<b>Rs.</b>
<b>(G) <u>NEW YEAR CELEBRATION (Cont...)</u></b>		
Plastic Cups and Bags, Banners etc.	31,300.00	19,447
Travelling and Transport	5,000.00	5,000
Special Allowance to Administration Manager	10,000.00	5,000
	<u>984,108.82</u>	<u>585,627</u>
<b>Surplus from New Year Celebration</b>	<b><u>130,891.18</u></b>	<b><u>85,873</u></b>
<b>(H) <u>PEDURU PARTY</u></b>		
Peduru Party Programme Income	21,500.00	-
	<u>21,500.00</u>	<u>-</u>
<b>Less: <u>Expenses</u></b>		
Payment for Artist, Beverages etc	180,270.00	-
Dinner	122,500.00	-
	<u>302,770.00</u>	<u>-</u>
<b>Deficit transferred to Members' Welfare Fund</b>	<b><u>(281,270.00)</u></b>	<b><u>-</u></b>
<b>(I) <u>ROOKADA RAJJ-DRAMA</u></b>		
Sponsorship Income	-	80,000
Sale of Tickets	-	41,500
	<u>-</u>	<u>121,500</u>
<b>Less: <u>Expenses</u></b>		
Payment for Artist	-	170,000
Printing - Tickets, Banners, Stickers	-	11,690
Photographer	-	3,500
Army Disabled Soldiers	-	31,220
Oil Lamp Items and Decorations	-	2,700
Helping Staff Payments, Travelling etc.	-	4,270
Shoes for School Children	137,917.43	-
Exercise Books & Past Paper Books	43,534.57	-
Refreshments, Lunch, Travelling	14,480.00	-
	<u>195,932.00</u>	<u>223,380</u>
<b>Deficit transferred to Community Service Project Expenses</b>	<b><u>(195,932.00)</u></b>	<b><u>(101,880)</u></b>



**THE CHARTERED ACCOUNTANTS OF SRI LANKA  
MEMBERS' BENEVOLENT SOCIETY**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**





Private &amp; Confidential

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
THE CHARTERED ACCOUNTANTS OF SRI LANKA  
MEMBERS' BENEVOLENT SOCIETY**

**1. Report on the Financial Statements**

We have audited the accompanying financial statements of The Chartered Accountants of Sri Lanka Members' Benevolent Society, which comprise the Statement of Financial Position as at 31<sup>st</sup> March, 2017 and the Statement of Comprehensive Income and Cash Flow Statements for the year then ended, and a summary of significant Accounting Policies and other explanatory notes.

**2. Management's Responsibility for the Financial Statements**

The Committee of Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Sri Lanka Statement of Recommended Practice for not for Profit Organizations issued by the Institute of Chartered Accountants of Sri Lanka (SLSORP). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

**3. Scope of Audit and Basis of Opinion**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

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.





4. Opinion

In our opinion, so far as it appears from our examination, the Society has maintained proper accounting records for the year ended 31<sup>st</sup> March 2017 and the financial statements give a true and fair view of the Society's state of affairs as at 31<sup>st</sup> March 2017 and its surplus of income over expenditure Cash Flow for the year then ended, in accordance with Sri Lanka Statement of Recommended Practice for not for Profit Organizations issued by the Institute of Chartered Accountants of Sri Lanka (SLSORP).

  
B. R. DE SILVA & CO.

Chartered Accountants

Colombo 05.

Date : 30/10/2017

LCP/NM/sj







**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<i>Notes</i>	<u>2017</u>		<u>2016</u>
		Rs.	Cts.	Rs.
Revenue	(3)	5,500,403.13		3,357,531
Other Operating Income	(4)	5,000.00		20,000
		<u>5,505,403.13</u>		<u>3,377,531</u>
<i>Less:</i> Administration Expenses	(5)	(854,455.57)		(503,488)
Members' Benevolent Expenses	(6)	<u>(1,263,920.67)</u>		<u>(904,309)</u>
<b>Surplus on Operating Activities</b>		<b>3,387,026.89</b>		<b>1,969,734</b>
<i>Less:</i> Finance Costs	(7)	<u>(2,900.00)</u>		<u>(3,910)</u>
<b>Surplus before Taxation</b>		<b>3,384,126.89</b>		<b>1,965,824</b>
<i>Less:</i> Taxation		<u>(390,490.00)</u>		<u>(202,576)</u>
<b>Net Surplus for the year</b>		<b>2,993,636.89</b>		<b>1,763,248</b>
<i>Less:</i> Apportionment of Interest Income for Reserve Fund		(261,488.41)		(152,992)
<i>Less:</i> Apportionment of Interest Income for Donation Fund		(85,310.59)		(51,714)
Distribution of shares of earnings to Members	(8)	(2,382,152.36)		(1,402,688)
<b>Retained Surplus for the year</b>		<b><u>264,685.53</u></b>		<b><u>155,854</u></b>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST MARCH,**

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
		Rs.      Cts.	Rs.
<b><u>ASSETS</u></b>			
<b><u>Non-Current Assets</u></b>			
Property, Plant & Equipment	(9)	14,900.00	22,540
Financial Assets	(10)	56,995,414.30	52,827,221
		<u>57,010,314.30</u>	<u>52,849,761</u>
<b><u>ICASL Donation Project- Investments</u></b>			
Treasury Bills		1,154,541.56	1,054,726
Fixed Deposits		285,401.46	267,535
Current Account Balance - BOC Torrington		149,267.68	29,268
WHT Receivables		10,079.00	10,079
		<u>1,599,289.70</u>	<u>1,361,608</u>
<b><u>Current Assets</u></b>			
Inventories	(11)	22,230.00	62,445
Income Tax Receivables/(Payable)	(12)	39,558.68	38,970
Receivables	(13)	450,000.00	249,862
Cash & Cash Equivalents	(14)	93,951.26	62,545
		<u>605,739.94</u>	<u>413,822</u>
<b>Total Assets</b>		<b><u>59,215,343.94</u></b>	<b><u>54,625,191</u></b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>Capital and Reserves</u></b>			
Members' Accounts	(15)	49,328,380.51	45,320,715
Reserves	(16)	6,549,585.38	5,938,101
		<u>55,877,965.89</u>	<u>51,258,816</u>
<b><u>Funds</u></b>			
D. S. R. Tharmaratnam Scholarship Fund	(17)	67,000.00	67,000
Member's Welfare Fund	(18)	1,203,102.23	1,506,334
ICASL Donation Project	(E)	1,600,842.94	1,361,607
		<u>2,870,945.17</u>	<u>2,934,941</u>
<b><u>Current Liabilities</u></b>			
Payables	(19)	466,432.88	431,434
		<u>466,432.88</u>	<u>431,434</u>
<b>Total Equity &amp; Liabilities</b>		<b><u>59,215,343.94</u></b>	<b><u>54,625,191</u></b>

We certify that the above Balance Sheet, to the best of our belief, contains a true account of the Funds, Liabilities and Assets of the Society.

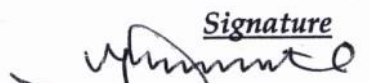
Name


PRESIDENT (1) J. B. Gamalath

TREASURER (2) G. Samarasekera

Date: 30/10/2017

Signature









**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<u>2017</u> Rs.	<u>2016</u> Rs.
<b><u>Cash Flows from Operating Activities</u></b>		
Surplus before Taxation	3,384,127	1,965,824
<b><u>Adjustments for</u></b>		
Depreciation	7,640	9,080
	<u>3,391,767</u>	<u>1,974,904</u>
<b><u>Surplus/Deficit before Working Capital Changes</u></b>		
(Increase)/Decrease in Inventories	40,215	(32,795)
(Increase)/Decrease in Receivables	(320,140)	(182,167)
Increase/(Decrease) in Payables	35,000	64,999
	<u>3,146,842</u>	<u>1,824,941</u>
WHT Tax Paid	(390,490)	(125,149)
Income Tax Paid	(587)	-
Net Cash Flows from/ (Used in) Operating Activities	<u>2,755,765</u>	<u>1,699,792</u>
<b><u>Cash Flows from Investing Activities</u></b>		
Investments in Treasury Bills	(99,816)	(63,911)
Investments in Fixed Deposits	<u>(4,186,060)</u>	<u>(2,839,007)</u>
Net Cash Flow from/ (Used in) Investing Activities	<u>(4,285,876)</u>	<u>(2,902,918)</u>
<b><u>Cash flows From Financing Activities</u></b>		
Increase/(Decrease) in Donation Fund	239,236	(297,039)
Increase/(Decrease) in Amounts in Members' Fund	1,625,513	1,453,062
Increase/(Decrease) in Amounts in Members' Welfare Fund	<u>(303,232)</u>	<u>59,761</u>
Net Cash Flow from/ (Used in) Financing Activities	<u>1,561,517</u>	<u>1,215,784</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	31,406	12,658
Cash and Cash Equivalents at the Beginning of the year	<u>62,545</u>	<u>49,887</u>
Cash and Cash Equivalents at the End of the year	<u><u>93,951</u></u>	<u><u>62,545</u></u>
<b><u>Analysis of Cash and Cash Equivalents</u></b>		
Cash at Bank	28,600	45,550
Cash in Hand	<u>65,351</u>	<u>16,995</u>
	<u><u>93,951</u></u>	<u><u>62,545</u></u>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA  
MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**1. CORPORATE INFORMATION**

**1.1 General**

The registered office of The Chartered Accountants of Sri Lanka Members' Benevolent Society is located at No.30A, Malalasekara Mawata, Colombo 07.

**1.2 Principal Activities and Nature of Operations**

During the year, the principal activities of the Society were to grant relief and other pecuniary benefits to the members in need.

**1.3** The notes to the Financial Statements on Pages (04) to (14), form an integral part of the Financial Statements.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of Preparation**

**2.1.1 Statement of Compliance**

The Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash Flows together with the Accounting Policies and Notes to the financial statements as at 31<sup>st</sup> March 2017 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 (SL SoRP).

**2.1.2 Basis of Measurement**

The financial statements have been prepared using the historical cost convention.

**2.1.3 Functional and Presentation Currency**

The financial statements are presented in Sri Lanka Rupees (Rs.), which is the organization's functional and presentation currency.

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**THE CHARTERED ACCOUNTANTS OF SRI LANKA  
MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**2.1.4 Changes in Accounting Policies and Disclosures**

The Accounting policies have been consistently applied, unless otherwise stated, and are consistent with those used in previous years.

**2.1.5 Significant Accounting Judgments, Estimates and Assumptions**

The preparation of the financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent assets and liabilities, at the reporting date. However, uncertainty about these assumptions and estimates can result in an outcome that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

**2.2 Foreign-currency Transactions**

Transactions in currencies other than Sri Lanka Rupees are converted into Sri Lanka Rupees at rates which approximate the actual rates at the transaction date at the reporting date.

**2.2.1 Property, Plant & Equipment**

**(a) Cost**

Property, Plant & Equipment are recorded at cost less accumulated depreciation.

**(b) Depreciation**

The provision for depreciation is calculated by using the straight line basis on the cost or valuation of all property, plant and equipment in order to write off such amounts over the following estimated useful lives. The principle annual rates used are;

Telephone Equipment	10%
Computers & Printers	10%

Full provision is made in the year of purchase and none in the year of sale.

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**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

2.2.2 Cash and Cash Equivalents

Members' Benevolent Society considers cash in hand, amounts due from banks and short-term deposits with an original maturity of three months or less to be "Cash and cash equivalents". Bank borrowings that are repayable on demand and form an integral part of the Members' Benevolent Society's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash flows.

2.2.3 Financial Instruments

Members' Benevolent Society classifies financial assets in to the following categories; financial assets at fair value through profit and loss, held to maturity financial assets, loans and receivables, and available for sale financial assets.

**Held to maturity Financial Assets**

If the Society has a positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held to maturity. They are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method, less any impairment losses.

**Loans and Receivables**

Members' Benevolent Society initially recognizes loans and receivables on the date that they are originated. All other financial assets are recognized initially on the trade date, which is the date that the Society becomes a party to the contractual provisions of the instrument. Loans and receivables are stated at their cost net of an allowance on outstanding amounts to cover the risk on non-payment.

2.2.4 Employee Benefits

(a) Defined Benefit Plan - Gratuity

Provision has not been made in these accounts for retirement gratuities payable under the payment of Gratuities Act No.12 of 1983, since the Society is not liable for such payments.

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**THE CHARTERED ACCOUNTANTS OF SRI LANKA  
MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

(b) Defined Contribution Plans - Employees' Provident Fund & Employees' Trust Fund

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in accordance with the respective Statutes and Regulations.

2.2.5 Accounting for the receipt and utilization of Funds/Reserves

Reserves are classified as either restricted or unrestricted reserves.

(a) Unrestricted Reserves/Funds

Unrestricted funds are those that are available for use by Members' Benevolent Society at the discretion of the Executive Committee, in furtherance of the general objectives of Members' Benevolent Society and which are not designated for any specific purpose.

(b) Designated Reserves/ Funds

Unrestricted funds designated by the Executive Committee to a specific purpose are identified as designated funds. The activities for which these funds may be used are identified in the financial statements.

(c) Restricted Reserves/Funds

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 Capital & Reserves in the Statement of Financial Position until such time as they are required.

Funds collected through a fund raising activity for any specific or defined purpose are also included under this category.

Where approved grant expenditure exceeds the income received and there is certainty that the balance will be received such amount is recognized through Debtors in the Statement of Financial Position.

(d) Investment Income and other gains realized from funds available under each of the above categories are allocated to the appropriate funds, unless the relevant agreement or minute provides otherwise.

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**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

2.2.6 Income Recognition

(a) Contributions/ Income Sources

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 complied with and the relevant expenditure that it is expected to compensate has been incurred and charged to the Statements of Comprehensive Income. Unutilized funds are carried forward as such in the Statement of Financial Position.

Gifts and donations received in kind are recognized at valuation at the time that they are distributed to beneficiaries, or if received for resale with proceeds being used for the purpose of Members' Benevolent Society at the point of such sale. Items not sold or distributed are inventorised but not recognized in the financial statements.

All other income is recognized when Members' Benevolent Society is legally entitled to the use of such funds and the amount can be quantified. This would include income receivable through fund raising activities and donations.

(b) Revenue

Interest earned is recognized on a cash basis.

Net gains and losses on the disposal of property, plant and equipment and other noncurrent assets, including investments, are recognized in the Statement of Comprehensive Income after deducting from the proceeds on disposal, the carrying value of the item disposed of and any related selling expenses. In the case of any revalued asset, any balance remaining in the Revaluation Reserve account is transferred to the Statement of Comprehensive Income.

Other income is recognized on an accrual basis

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**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

2.2.7 Expenditure Recognition

Expenses in carrying out the projects and other activities of Members' Benevolent Society are recognized in the Statement of Comprehensive Income during the period in which they are incurred. Other expenses incurred in administering and running Members' Benevolent Society and maintaining the equipment to perform at expected levels are accounted for on an accrual basis and charged to the Statement of Comprehensive Income.

Members' Benevolent Society has adopted the "Function of expense" method to present fairly the elements of Members' Benevolent Society's activities in its Statement of Comprehensive Income.

2.2.8 Taxation

Current Taxes

Income tax is provided on 10% of Investment income.

2.2.9 Borrowing Costs

Borrowing costs are treated as an expense in the period in which it is incurred.

2.2.10 Financial Income and Expenditure

Net financial income comprises interest payable on borrowings, if any interest receivable on funds invested, securities income and gains and losses on hedging instruments.





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
		Rs. Cts.	Rs.
<b>(3) <u>INCOME- SUMMARY</u></b>			
Members' Enrolment Fees		9,500.00	9,700
Interest on Fixed Deposits		5,482,184.64	3,343,397
Interest on Time Deposits		8,718.49	-
Interest on Call Deposits		-	4,434
Surplus from New Year Festival	(G)	130,891.18	85,873
Transferred to Members' Welfare Fund		<u>(130,891.18)</u>	<u>(85,873)</u>
		<u><b>5,500,403.13</b></u>	<u><b>3,357,531</b></u>
<b>(4) <u>OTHER OPERATING INCOME</u></b>			
Lecture Programme Sponsorship Income		-	20,000
Dinner Tickets		5,000.00	-
		<u><b>5,000.00</b></u>	<u><b>20,000</b></u>
<b>(5) <u>ADMINISTRATION EXPENSES</u></b>			
Staff Remuneration		300,000.00	308,000
Staff Fees		217,727.00	-
Employees' Provident Fund		36,000.00	36,000
Employees' Trust Fund		9,000.00	9,000
Telephone Bills		12,518.57	20,037
Travelling Expenses		14,010.00	6,566
Printing and Stationery		73,650.00	17,405
AGM Expenses	(A)	122,820.00	67,400
Quiz Competition Expenses		5,000.00	-
Consultation Fee- Const: Amendment		7,500.00	-
Registration Fee- Cricket Tournament		8,000.00	-
Postages		40.00	-
Office Cleaning and Maintenance		4,440.00	5,000
Computer Maintenance		11,110.00	-
Staff Bonus		25,000.00	25,000
Depreciation		7,640.00	9,080
		<u><b>854,455.57</b></u>	<u><b>503,488</b></u>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<u>Notes</u>	<u>2017</u>		<u>2016</u>
		Rs.	Cts.	Rs.
<b>(6) <u>MEMBERS' BENEVOLENT RELATED EXPENSES</u></b>				
Insurance Premium		98,362.87		100,682
Members' Welfare		-		7,000
Membership Promotion		50,215.00		63,205
Lecture Programme	(B)	409,120.80		169,537
Members' Family Day Out Expenses	(C)	502,590.00		442,285
Community Service Project Expenses	(D)	195,932.00		101,880
Death Claim for Over 75 Years		-		15,000
Funeral Expenses		7,700.00		4,720
		<u>1,263,920.67</u>		<u>904,309</u>
 <b>(7) <u>FINANCE COSTS</u></b>				
Bank Charges		2,900.00		3,910
		<u>2,900.00</u>		<u>3,910</u>
 <b>(8) <u>DISTRIBUTION OF SHARES &amp; EARNINGS TO MEMBERS</u></b>				
90% of Profit transferred to Members' Account		2,382,152.36		1,402,688
		<u>2,382,152.36</u>		<u>1,402,688</u>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT 31ST MARCH, 2017**

**(9) PROPERTY, PLANT & EQUIPMENT**

<u>Cost</u>	<u>Note</u>	<u>As at</u> <u>01.04.2016</u>		<u>Additions</u>		<u>Disposals</u>		<u>As at</u> <u>31.03.2017</u>	
		Rs.	Cts.	Rs.	Cts.	Rs.	Cts.	Rs.	Cts.
Computer		60,900.00				-		60,900.00	
Telephone Equipment		14,400.30		-		-		14,400.30	
Printer		15,500.00		-		-		15,500.00	
		<u>90,800.30</u>		<u>-</u>		<u>-</u>		<u>90,800.30</u>	

	<u>As at</u> <u>01.04.2016</u>		<u>Depreciation</u> <u>during</u> <u>the year</u>		<u>Disposals</u>		<u>As at</u> <u>31.03.2017</u>	
	Rs.	Cts.	Rs.	Cts.	Rs.	Cts.	Rs.	Cts.
Computer	44,560.00		6,090.00		-		50,650.00	
Telephone Equipment	14,400.30		-		-		14,400.30	
Printer	9,300.00		1,550.00		-		10,850.00	
	<u>68,260.30</u>		<u>7,640.00</u>		<u>-</u>		<u>75,900.30</u>	

<u>W.D.V.</u>	<u>As at</u> <u>01.04.2016</u>		<u>As at</u> <u>31.03.2017</u>	
	Rs.	Cts.	Rs.	Cts.
Computer	16,340.00		10,250.00	
Telephone Equipment	-		-	
Printer	6,200.00		4,650.00	
	<u>22,540.00</u>		<u>14,900.00</u>	

**(10) FINANCIAL ASSETS**

	<u>Note</u>	<u>2017</u>		<u>2016</u>
		Rs.	Cts.	Rs.
Fixed Deposits	(D)	56,995,414.30		52,827,221
		<u>56,995,414.30</u>		<u>52,827,221</u>







**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT 31ST MARCH,**

	<u>2017</u>	<u>2016</u>
	Rs. Cts.	Rs.
<b>(11) <u>INVENTORIES</u></b>		
Stock-T Shirts	10,400.00	17,400
Stock-Umbrella	11,830.00	45,045
	<u>22,230.00</u>	<u>62,445</u>
<b>(12) <u>INCOME TAX RECEIVABLE/(PAYABLE)</u></b>		
Balance as at 01st April	38,969.74	116,397
Tax Liability for the year	(390,490.00)	(202,576)
	<u>(351,520.26)</u>	<u>(86,179)</u>
<i>Add:</i> Income Tax Paid	587.00	-
WHT Receivable	390,491.94	125,149
Tax Receivable/(Payable)	-	-
	<u>39,558.68</u>	<u>38,970</u>
<b>(13) <u>RECEIVABLES</u></b>		
Advance & Pre-payments-N' Year Celeb'n Expenses	-	115,000
Advance & Pre-payments - P. G. Martin	-	11,500
Advance & Pre-payments - Gymkana Club/BRC Ground for Grounds	50,000.00	25,000
Advance ICASL Funds	400,000.00	-
Advance & Pre-payments - S. L. Insurance Corporation	-	98,362
	<u>450,000.00</u>	<u>249,862</u>
<b>(14) <u>CASH &amp; CASH EQUIVALENTS</u></b>		
Cash in Hand	28,600.00	45,550
Cash at Bank- Bank of Ceylon	65,351.26	16,995
	<u>93,951.26</u>	<u>62,545</u>
<b>(15) <u>MEMBERS' ACCOUNTS</u></b>		
Balance as at 01st April	45,320,715.09	42,464,965
Subscriptions Received during the year	2,538,543.49	2,143,900
	<u>47,859,258.58</u>	<u>44,608,865</u>
<i>Less:</i> Refunds made to Members	(913,030.93)	(605,838)
Death Donations Paid	-	(85,000)
	<u>(913,030.93)</u>	<u>(690,838)</u>
	46,946,227.65	43,918,027
<i>Add:</i> Share of Profits	2,382,152.86	1,402,688
	<u>49,328,380.51</u>	<u>45,320,715</u>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT 31ST MARCH,**

	<u>Notes</u>	<u>2017</u>		<u>2016</u>
		Rs.	Cts.	Rs.
<b>(16) <u>RESERVES</u></b>				
<b><u>Reserve Fund</u></b>				
Balance as at 01st April		4,477,361.67		4,168,516
Surplus for the year		264,685.53		155,854
Interest and Yield received on Deposits		261,488.41		152,992
		<u>5,003,535.61</u>		<u>4,477,361</u>
<b><u>Donation Fund</u></b>				
Balance as at 01st April		1,460,739.18		1,409,025
Interest and Yield Received on Deposits		85,310.59		51,714
		<u>1,546,049.77</u>		<u>1,460,739</u>
<b>Total Reserve</b>		<u><b>6,549,585.38</b></u>		<u><b>5,938,101</b></u>
<b>(17) <u>DAYALAN S.R. THARMARATNAM SCHOLARSHIP FUND</u></b>				
Credit Balance as at 01st April		67,000.00		67,000
<b>Add: <u>Donations Received</u></b>				
CIC Scholarship Fund		-		-
<b>Credit Balance as at 31st March</b>		<u><b>67,000.00</b></u>		<u><b>67,000</b></u>
<b>(18) <u>MEMBERS' WELFARE FUND</u></b>				
Balance as at 01st April		1,506,334.25		1,446,573
Interest Received from Fixed Deposits		34,446.80		75,377
Surplus from New Year Festival	(G)	130,891.18		85,873
Financial Assistance given to a needy Member		-		(100,000)
Transfer to ICASL Fund		-		(1,489)
Music Programme Expenses		(187,300.00)		-
Deficit from Peduru Party Expenses	(H)	(281,270.00)		-
		<u><b>1,203,102.23</b></u>		<u><b>1,506,334</b></u>
<b>(19) <u>PAYABLES</u></b>				
Mr. I. L. Ariyasena		55,900.00		55,900
Mr. M. T. L. Fernando		137,802.36		137,802
Mr. N. G. P. Panditharatne		147,730.52		147,732
Sponsorships Received in Advance		125,000.00		90,000
		<u><b>466,432.88</b></u>		<u><b>431,434</b></u>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<u>2017</u>	<u>2016</u>
	Rs. Cts.	Rs.
<b>(A) <u>AGM EXPENSES</u></b>		
Annual Report Expenses	11,500.00	9,050
Cost of Dinner and Beverages	96,320.00	58,350
Music Group	15,000.00	-
	<u>122,820.00</u>	<u>67,400</u>
<b>(B) <u>LECTURE PROGRAMME</u></b>		
Cost of Dinner and Beverages	364,220.80	138,957
Travelling Expenses	1,400.00	1,080
Gifts to Lecturers	21,000.00	15,000
Payments to Minor Staff	12,000.00	6,000
Photographs	10,500.00	8,500
	<u>409,120.80</u>	<u>169,537</u>
<b>(C) <u>MEMBERS' FAMILY DAY OUT</u></b>		
Amount Collected from Members	<u>133,250.00</u>	<u>82,600</u>
<i><u>Less: Expenses</u></i>		
Buffet Lunch, Tea, Bites, Soft Drinks - Villa Ocean Hotel	462,000.00	417,660
Cost of Beverages	125,000.00	63,600
Prizes for Game Winners	8,000.00	15,375
Bracelet Wires	3,600.00	5,400
Photographs	8,000.00	5,000
DJ Music	15,000.00	8,000
Payments for Travelling, Bites, and Staff	14,240.00	9,850
	<u>635,840.00</u>	<u>524,885</u>
<b>Deficit transferred to Member's Benevolent Expenses</b>	<u><b>(502,590.00)</b></u>	<u><b>(442,285)</b></u>
<b>(D) <u>INVESTMENTS-FIXED DEPOSITS</u></b>		
Bank of Ceylon	1,644,037.15	1,883,583
People's Bank	32,142,042.82	-
National Savings Bank	677,493.81	30,568,632
Seylan Bank	20,327,680.61	18,357,010
Pan Asia Bank	2,204,159.91	2,017,996
	<u>56,995,414.30</u>	<u>52,827,221</u>





**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
**MEMBERS' BENEVOLENT SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<u>Add.</u>	<u>2017</u>		<u>2016</u>
	<u>Note</u>	Rs.	Cts.	Rs.
<b>(E) <u>ICASL DONATION PROJECT</u></b>				
<b><u>Receipts and Payments Account</u></b>				
<b><u>Receipts</u></b>				
Opening Balance		1,361,606.57		1,658,646
Donation from ICASL for Members' Welfare		500,000		-
Members' Welfare Fund		-		1,489
Amounts due from ICASL		400,000.00		
Income	(F)	119,236.37		101,472
		<u>2,380,842.94</u>		<u>1,761,607</u>
<b><u>Payments</u></b>				
Medical Benefits Paid to Needy Members		780,000.00		400,000
		<u>780,000.00</u>		<u>400,000</u>
<b>Balance C/F</b>		<u><u>1,600,842.94</u></u>		<u><u>1,361,607</u></u>
<b>(F) <u>ICASL DONATION PROJECT</u></b>				
<b><u>Income</u></b>				
Interest on FD CA Fund		19,420.33		37,561
Treasury Bill Interest		99,816.04		63,911
		<u>119,236.37</u>		<u>101,472</u>
<b>(G) <u>NEW YEAR CELEBRATION</u></b>				
Sponsorship Income		1,110,000.00		667,500
Sale of Gift Vouchers		5,000.00		4,000
		<u>1,115,000.00</u>		<u>671,500</u>
<b>Less: <u>Expenses</u></b>				
BRC Ground Booking Charges		50,000.00		50,000
BRC Ground - Usage of Electricity		12,000.00		10,500
Lunch Packets		156,000.00		132,500
Kokis, Keum, Asmi, Cakes, Laddu, Murukku and Milkrice		10,500.00		14,200
Fun Bouncer		13,500.00		12,000
Photographer and Announcer		9,000.00		8,000
Hiring of Furniture		103,450.00		95,375
DJ Music		-		20,000
Caps & T shirts		114,000.00		24,200
Bags		34,450.00		-
Gift Vouchers and Prizes etc.		256,370.82		66,570
Helping Staff, Umpires and Ground Boys, Newspaper Reporter:		33,500.00		39,500
Beverages and Ice Cream		86,670.00		75,335
Printing Sash, Stationery and Claypot etc.		58,368.00		8,000







**THE CHARTERED ACCOUNTANTS OF SRI LANKA**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH,**

	<b><u>2017</u></b>	<b><u>2016</u></b>
	Rs. Cts.	Rs.
<b>(G) <u>NEW YEAR CELEBRATION (Cont...)</u></b>		
Plastic Cups and Bags, Banners etc.	31,300.00	19,447
Travelling and Transport	5,000.00	5,000
Special Allowance to Administration Manager	10,000.00	5,000
	<u>984,108.82</u>	<u>585,627</u>
<b>Surplus from New Year Celebration</b>	<b><u>130,891.18</u></b>	<b><u>85,873</u></b>
<b>(H) <u>PEDURU PARTY</u></b>		
Peduru Party Programme Income	21,500.00	-
	<u>21,500.00</u>	<u>-</u>
<b>Less: <u>Expenses</u></b>		
Payment for Artist, Beverages etc	180,270.00	-
Dinner	122,500.00	-
	<u>302,770.00</u>	<u>-</u>
<b>Deficit transferred to Members' Welfare Fund</b>	<b><u>(281,270.00)</u></b>	<b><u>-</u></b>
<b>(I) <u>ROOKADA RAJJ-DRAMA</u></b>		
Sponsorship Income	-	80,000
Sale of Tickets	-	41,500
	<u>-</u>	<u>121,500</u>
<b>Less: <u>Expenses</u></b>		
Payment for Artist	-	170,000
Printing - Tickets, Banners, Stickers	-	11,690
Photographer	-	3,500
Army Disabled Soldiers	-	31,220
Oil Lamp Items and Decorations	-	2,700
Helping Staff Payments, Travelling etc.	-	4,270
Shoes for School Children	137,917.43	-
Exercise Books & Past Paper Books	43,534.57	-
Refreshments, Lunch, Travelling	14,480.00	-
	<u>195,932.00</u>	<u>223,380</u>
<b>Deficit transferred to Community Service Project Expenses</b>	<b><u>(195,932.00)</u></b>	<b><u>(101,880)</u></b>



