

**COLOURS OF COURAGE TRUST
(GUARANTEE) LIMITED**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2018**



KPMG
(Chartered Accountants)
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INDEPENDENT AUDITORS' REPORT

To the Members of Colours of Courage Trust (Guarantee) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Colours of Courage Trust (Guarantee) Limited ("the Company"), which comprise the statement of financial position as at 31 March 2018, and the statement of income and expenditure, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2018, and of its financial performance and its cash flows for the year then ended in accordance with SLFRS for SMEs.

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for other information. These Financial statements do not comprise other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with SLFRS for SMEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.



Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditors' responsibilities for the audit of the financial statements is located at Sri Lanka Accounting and Auditing Standards website at: <http://slaasc.com/auditing/auditorsresponsibility.php>. This description forms part of our auditors' report.

Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.


CHARTERED ACCOUNTANTS
Colombo, Sri Lanka
14 November 2018

COLOURS OF COURAGE TRUST (GUARANTEE) LIMITED
THE STATEMENT OF FINANCIAL POSITION

As at 31 March,

	Note	2018 Rs.	2017 Rs.
Assets			
Current assets			
Income tax receivable	2	-	-
Advance to National Health Development fund		-	1,250,440
Cash and cash equivalents	3	389,045,941	426,598,269
Short term investments - Karapitiya		168,758,574	-
Cash advances		139,272	-
Total assets		557,943,787	427,848,709
Funds and liabilities			
Funds			
Accumulated fund		4,524,783	-
Maharagama project fund		6,936,961	6,519,259
Jaffna project fund		50,376,032	50,602,746
Karapitiya project fund		495,337,494	367,781,126
Total funds		557,175,270	424,903,131
Liabilities			
Current liabilities			
Income tax payable	2	768,517	2,945,578
Total liabilities		768,517	2,945,578
Total funds and liabilities		557,943,787	427,848,709

The financial statements are to be read in conjunction with the related notes, which form an integral part of these financial statements of the Company.


I certify that these financial statements are prepared in compliance with the requirements of the Companies Act No. 07 of 2007.



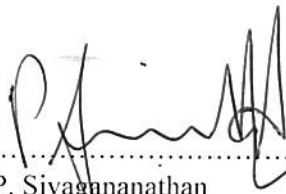
 Mrs. Rasika Sirifal
 Accountant

The Board of Directors is responsible for the preparation and presentation of these financial statements in accordance with SLFRS for SMEs .

Approved and signed for and on behalf of the Board of Directors;



 Mr. R. Theagarajah
 Director



 Mr. P. Sivagananathan
 Director

14 November 2018
 Colombo

COLOURS OF COURAGE TRUST (GUARANTEE) LIMITED
STATEMENT OF INCOME AND EXPENDITURE

For the year ended 31 March,

	Note	2018 <u>Rs.</u>	2017 <u>Rs.</u>
Income			
A & E Contribution to the Trust		8,726,512	-
Tranferred from Maharagama project fund	4.1	46,411	6,167,952
Tranferred from Jaffna project fund	5.1	4,565,451	496,733
Tranferred from Karapitiya project fund	6.1	4,524,217	5,659,175
Total income		<u>17,862,591</u>	<u>12,323,860</u>
Expenses			
Expenses incurred from Maharagama project fund	4.2	-	6,134,871
Expenses incurred from Jaffna project fund	5.2	4,166,576	93,050
Expenses incurred from Karapitiya project fund	6.2	86,188	1,592,096
Administration Expenses	7	4,201,729	-
Total expenses		<u>8,454,493</u>	<u>7,820,017</u>
Surplus before income tax expenses		9,408,098	4,503,843
Income tax expense			
Maharagama project fund	4.2	(46,411)	(33,081)
Jaffna project fund	5.2	(398,875)	(403,683)
Karapitiya project fund	6.2	(4,438,029)	(4,067,079)
Total Income tax expense	2.1	<u>(4,883,315)</u>	<u>(4,503,843)</u>
Surplus for the year		<u>4,524,783</u>	<u>-</u>

The financial statements are to be read in conjunction with the related notes, which form an integral part of these financial statements of the Company.

COLOURS OF COURAGE TRUST (GUARANTEE) LIMITED
STATEMENT OF CHANGES IN FUNDS

For the year ended 31 March ,

	Maharagama project fund	Jaffna project fund	Karapitiya project fund	Accumulated fund	Total
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
Balance as at 31 March 2016	11,844,498	46,815,590	2,873,506	10,203	61,543,797
Additions during the year	842,713	4,273,686	370,566,795	-	375,683,194
Utilization of funds during the year	(6,134,871)	(93,050)	(1,592,096)	-	(7,820,017)
Tax expense for the year	(33,081)	(403,683)	(4,067,079)	-	(4,503,843)
Transferred to Jaffna Fund	-	10,203	-	(10,203)	-
Balance as at 31 March 2017	<u>6,519,259</u>	<u>50,602,746</u>	<u>367,781,126</u>	<u>-</u>	<u>424,903,131</u>
Surplus for the year	-	-	-	4,524,783	4,524,783
Donations received during the year	-	-	95,735,454	-	95,735,454
Interest Income	464,113	4,338,737	36,345,131	-	41,147,981
Utilization of funds during the year	-	(4,166,576)	(86,188)	-	(4,252,764)
Tax expense for the year	(46,411)	(398,875)	(4,438,029)	-	(4,883,315)
Balance as at 31 March 2018	<u>6,936,961</u>	<u>50,376,032</u>	<u>495,337,494</u>	<u>4,524,783</u>	<u>557,175,270</u>

The financial statements are to be read in conjunction with the related notes, which form an integral part of these financial statements of the Company.