

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

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2016**

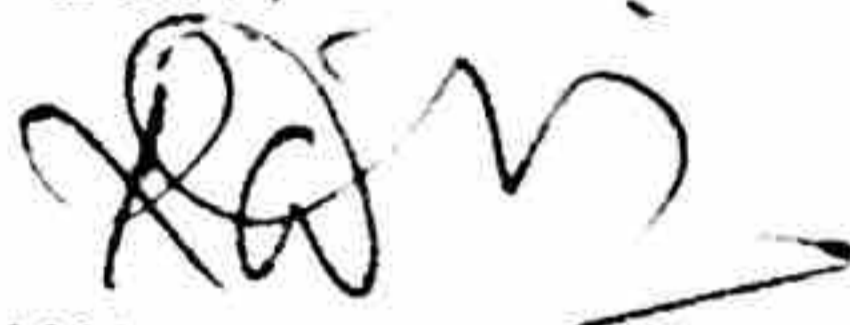
**COLOURS OF COURAGE TRUST (GUARANTEE) LIMITED**  
**THE STATEMENT OF FINANCIAL POSITION**

*As at 31 March,*

|   | Note | 2016<br>Rs.       | 2015<br>Rs.       |
|---|------|-------------------|-------------------|
| <b>Assets</b>                               |      |                   |                   |
| <b>Current assets</b>                       |      |                   |                   |
| Income tax receivable                       | 2    | 10,203            | 83,146            |
| Advance to National Health Development Fund |      | 1,250,440         | 1,250,440         |
| Cash and cash equivalents                   | 3    | 60,283,154        | 55,641,919        |
| <b>Total assets</b>                         |      | <u>61,543,797</u> | <u>56,975,505</u> |
| <b>Funds</b>                                |      |                   |                   |
| Accumulated fund                            |      | 10,203            | 56,975,505        |
| Maharagama project fund                     |      | 11,844,498        | -                 |
| Jaffna project fund                         |      | 46,815,590        | -                 |
| Galle project fund                          |      | 2,873,506         | -                 |
| <b>Total funds</b>                          |      | <u>61,543,797</u> | <u>56,975,505</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.

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



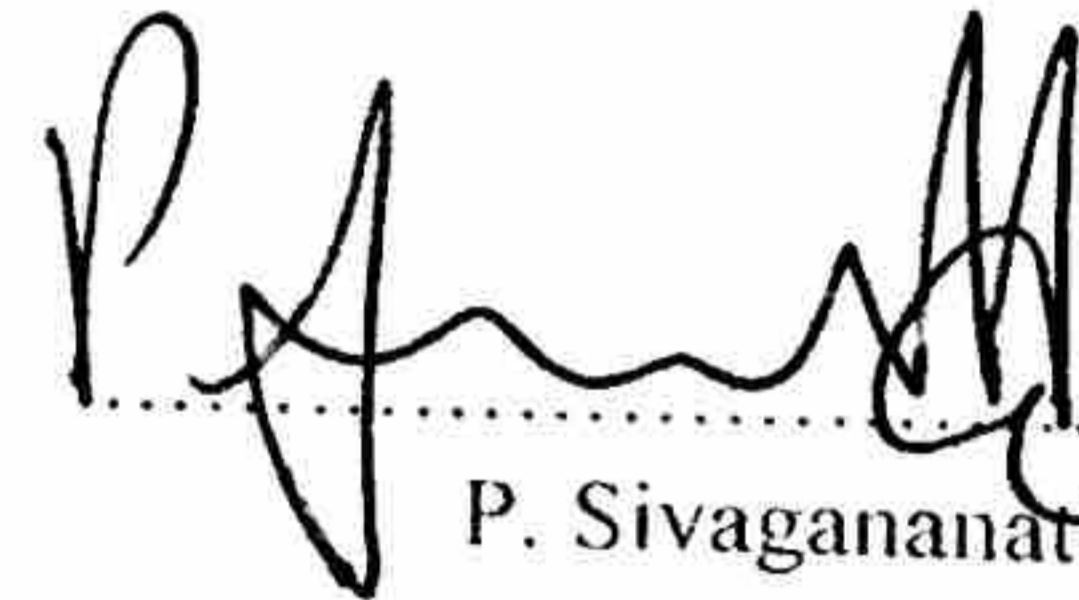
.....  
 Ms. Rasika Srilal  
 (Accountant)

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

For and on behalf of the Board of Directors:



.....  
 Mr. R. Theagarajah  
 (Director)



.....  
 P. Sivagananathan  
 (Director)

28 November 2016  
 Colombo

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

*For the year ended 31 March,*

|   | Note | 2016<br><u>Rs.</u>       | 2015<br><u>Rs.</u>       |
|---|------|--------------------------|--------------------------|
| <b>Income</b>                                 |      |                          |                          |
| Income from Maharagama project                | 4.1  | 557,772                  | 489,346                  |
| Income from Jaffna project                    | 5.1  | 7,306,011                | 11,860,063               |
| Income from Galle project                     | 6.1  | 4,530,835                | -                        |
|   |      | <u>12,394,618</u>        | <u>12,349,409</u>        |
| <b>Expenses</b>                               |      |                          |                          |
| Expenditure for Maharagama project            | 4.2  | 153,984                  | 1,341,928                |
| Expenditure for Jaffna project                | 5.2  | 5,765,656                | 21,479,190               |
| Expenditure for Galle project                 | 6.2  | 1,657,329                | -                        |
| <b>Total expenses</b>                         |      | <u>7,576,969</u>         | <u>22,821,118</u>        |
| <b>Surplus /(deficit) before tax expense</b>  |      | 4,817,649                | (10,471,709)             |
| Income tax expense                            | 7    | (249,357)                | (182,031)                |
| <b>Surplus /(deficit) for tax expense</b>     |      | <u>4,568,292</u>         | <u>(10,653,740)</u>      |
| Accumulated fund at the beginning of the year |      | 56,975,505               | 67,629,245               |
| Accumulated fund at the end of the year       |      | <u><u>61,543,797</u></u> | <u><u>56,975,505</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  
NOTES TO THE FINANCIAL STATEMENTS

As at 31 March,

|   | 2016              | 2015              |
|---|-------------------|-------------------|
|   | <u>Rs.</u>        | <u>Rs.</u>        |
| <b>2 Income tax receivable</b>          |                   |                   |
| Balance as at the beginning of the year | 83,146            | 83,146            |
| Income tax written-off                  | (32,076)          | -                 |
| Provision for the year                  | 176,414           | 182,031           |
| Income tax recoverable during the year  | (40,867)          | -                 |
| Notional tax recoverable                | (176,414)         | (182,031)         |
| Balance at the end of the year          | <u>10,203</u>     | <u>83,146</u>     |
| <b>3 Cash and cash equivalents</b>      |                   |                   |
| <b>Cash in hand</b>                     |                   |                   |
| - Maharagama                            | 4,730             | 4,730             |
| - Jaffna (Trail)                        | 9,302             | 9,302             |
|   | <u>14,032</u>     | <u>14,032</u>     |
| <b>Cash at bank</b>                     |                   |                   |
| - Maharagama                            | 3,491,654         | 3,625,638         |
| - Jaffna (Trail)                        | 12,325,625        | 44,138,131        |
|   | <u>15,817,279</u> | <u>47,763,769</u> |
| <b>Repo deposits</b>                    |                   |                   |
| - Maharagama                            | 8,348,114         | 7,864,118         |
| - Jaffna (Trail)                        | 36,103,729        | -                 |
|   | <u>44,451,843</u> | <u>7,864,118</u>  |
|   | <u>60,283,154</u> | <u>55,641,919</u> |

The company has banked the Jaffna project collections and the Galle project collections in the Jaffna project account. The company is in the process of separating the Jaffna project collections and Galle project collections into separate bank accounts.

For the year ended 31 March,

|  | 2016           | 2015             |
|--|----------------|------------------|
|  | <u>Rs.</u>     | <u>Rs.</u>       |
| <b>4 Surplus / (deficit) from Maharagama project</b> |                |                  |
| <b>4.1 Income</b>                                    |                |                  |
| Direct donations                                     | 20,000         | -                |
| Interest income of Repo deposits                     | 537,772        | 489,346          |
| <b>Total income</b>                                  | <u>557,772</u> | <u>489,346</u>   |
| <b>4.2 Expenditure</b>                               |                |                  |
| Legal and administration expenses                    | 78,934         | 36,420           |
| Bank and finance charges                             | 1,500          | -                |
| IT expenses  | 73,550         | -                |
| Project expenses                                     | -              | 1,305,508        |
| <b>Total expenditure</b>                             | <u>153,984</u> | <u>1,341,928</u> |
| <b>Surplus/(deficit) from Maharagama project</b>     | <u>403,788</u> | <u>(852,582)</u> |

**COLOURS OF COURAGE TRUST (GUARANTEE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

*For the year ended 31 March,*

|  | 2016<br><u>Rs.</u>        | 2015<br><u>Rs.</u>        |
|--|---------------------------|---------------------------|
| <b>5 Surplus/(deficit) from Jaffna project</b>                           |                           |                           |
| <b>5.1 Income</b>  |                           |                           |
| Donation from American and Effird Lanka                                  | 5,467,970                 | 9,024,846                 |
| Direct donations   | 611,676                   | 1,193,256                 |
| Interest income from Repo deposits                                       | 1,226,365                 | 1,330,961                 |
| Event related sponsorships   | -                         | 311,000                   |
| <b>Total Income</b>  | <u>7,306,011</u>          | <u>11,860,063</u>         |
| <b>5.2 Expenditure</b>   |                           |                           |
| Administration   | -                         | 84,915                    |
| Bank and finance charges   | 247                       | 46,055                    |
| Project expenses   | 5,765,409                 | 21,348,220                |
| <b>Total Expenses</b>  | <u>5,765,656</u>          | <u>21,479,190</u>         |
| <b>Surplus/(deficit) from Jaffna project</b>                             | <u>1,540,355</u>          | <u>(9,619,127)</u>        |
| <i>For the year ended 31 March,</i>                                      |                           |                           |
|  | <u>2016</u><br><u>Rs.</u> | <u>2015</u><br><u>Rs.</u> |
| <b>6 Surplus from Galle project</b>                                      |                           |                           |
| <b>6.1 Income</b>  |                           |                           |
| Direct donations   | 1,030,835                 | -                         |
| Event related sponsorships   | 3,500,000                 | -                         |
| <b>Total income</b>  | <u>4,530,835</u>          | <u>-</u>                  |
| <b>6.2 Expenditure</b>   |                           |                           |
| Event related expenses   | 1,657,329                 | -                         |
| <b>Total expenses</b>  | <u>1,657,329</u>          | <u>-</u>                  |
| <b>Surplus from Galle project</b>  | <u>2,873,506</u>          | <u>-</u>                  |
| <b>7 Income tax expense</b>  |                           |                           |
| Current tax expense  | 249,357                   | 182,031                   |
|  | <u>249,357</u>            | <u>182,031</u>            |
| <b>7.1 Current tax expense</b>   |                           |                           |
| Total receipt for the year (Donation/Grants/contribution/money received) | 10,630,481                | 10,529,102                |
| Deemed profits - 3 % of the total receipt                                | 318,914                   | 315,873                   |
| Tax at 28%   | 89,296                    | 88,444                    |
| Tax remission on qualified expenses                                      | (48,429)                  | (200,795)                 |
| <b>Tax payable</b>   | <u>40,867</u>             | <u>(112,351)</u>          |
| (-) Brought forward income tax recoverable                               | (40,867)                  | -                         |
| <b>Net tax payable</b>   | <u>-</u>                  | <u>(112,351)</u>          |
| <b>Liability as a charitable institution on other source of income</b>   |                           |                           |
| Interest income from Repo deposits                                       | 1,764,137                 | 1,820,307                 |
| Tax at 10%   | 176,414                   | 182,031                   |
| <b>Total tax expense for the year</b>                                    | <u>176,414</u>            | <u>182,031</u>            |
| Notional tax credit  | (176,414)                 | (182,031)                 |
| <b>Balance tax payable</b>   | <u>-</u>                  | <u>-</u>                  |

Colours of Courage Trust (Guarantee) Limited is liable to income tax at the rate of 28% on receipts and 10% on interest income.