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# Annual Report

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**2014**

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**Lideke Wery Educational Institute**

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*Non-profit making company*

## MANAGEMENT SUMMARY

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The Lideke Wery Educational Institute aims to provide top quality education for Sri Lankan youth, using modern teaching methods and resources. The LWEI wants to be an inspiring environment with a well qualified and continuously developing staff. The Institute will encourage its students to work towards mutual respect between the local community and school. Above all, the education at the Institute should be affordable for all local youth in the Induruwa area.

In the year under review, the average class occupation for the English and IT classes that the LWEI provides was 58%. This has increased compared to the 51% occupation of our classes in 2013. 94 % of our students passed their exam, which is comparable to the pass rate with 2013. The percentage of students that dropped out of our classes reduced from 15 % to 11 %.

Course fees were not increased throughout the year. In total, almost all the students received a grant from the Institute, with a total value of LKR 1,027,270. In year 2013 the occupation of the Saturday English classes was low, which caused the management to discontinue these classes in 2014. The students' evaluations of the LWEI remain very positive, which signals their appreciation of the Institute's courses, teachers and facilities.

Some highlights for the Institute in 2014 were the 10 year Tsunami commemoration and community projects that were organized by the students. Particularly the 10 year Tsunami commemoration had a large impact on the school and the local community.

In addition, the LWEI is very proud of the City & Guilds Award that it has received for the second consecutive year as one of the Best Performing English language Center in Sri Lanka.

The strategy for the upcoming year is structured around student numbers. Therefore after several discussions it was decided to pilot complete free education for next year.

Thanks to the continuous support of the Lideke Wery Foundation in the Netherlands, the Institute can continue to provide high quality education to the underprivileged youth in the Induruwa area in Sri Lanka.

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## CHAIRMAN'S STATEMENT

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The year 2014 has been a very challenging year regarding the number of students that applied for the English and ICT courses.

Despite that intensive market research has been done to find out what the reasons might be, it was not clear why there were less students attending than the years before.

Next to more competition from similar institutes that offer comparable courses to the courses at LWEI, sometimes for free, the market research outcomes showed that the fees for the courses in LWEI might be too high, in particular for the underprivileged families.

Also due to fewer students, the financial figure shows less spending for City & Guilds English exams and TVEC IT exams. The total allocated amount in budget has not been spent and the balance will be carried over to the 2015 budget.

Despite the smaller number of students during the year, the staff has been very dedicated to offer the best education possible and the results for the year were very satisfying. The passing rates were very high with many first class passes for English.

The six goals that were defined for 2014 were achieved with different successes. Although a lot of time was invested to create networks with the principals of the main schools in the area, this did not result to the number of students expected. The development of our staff to secure high quality education has been implemented based on the need of the individual. Flexible payments have been used to make access easier. Effective promotional campaign by using ambassadors to visit their school to introduce principals and students to the LWEI has, due to organizational problems, not taken place this year. The idea to find shared funding from both the Netherlands and Sri Lanka did not materialize, mainly due to the absence of project coordinators appointed from the Netherlands who were not available for the rest of the year, due to unavoidable circumstances.

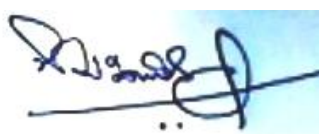
### Future outlook

Thanks to the hard work and dedication of the Board members of the **Lideke Wery Foundation in the Netherlands** the financial situation has significantly improved. By working together with an official fundraiser and the many activities organized by the members the inflow of donations provides a brighter outlook on the years to come.

After many considerations the Board of Lideke Wery Foundation in the Netherlands and the Board of Lideke Wery Educational Institute in Sri Lanka agreed to offer free education to all students in 2015 to commemorate the 10<sup>th</sup> year post tsunami of 2004. This will offer the opportunity to many more students from the area to participate in their educational developments for the betterment of their future. The expectations of the class occupations are high for 2015 and will result in full classes for the first and third batch of 2015.

### Appreciation

On behalf of the Directors, I would like to express my heartfelt gratitude to all involved in the success of this project, Mr Dinesh Abeynayake the Headmaster and his staff, and Mr Ron Wilke, our well wisher, in particular. Their dedicated effort gave the opportunity to so many underprivileged young people to improve their employability in the labor market or their necessary skills for future studies.



Ranjith Cabral, Ph. D. *Chairman*  
*Lideke Wery Educational Institute*

## 1. COMPANY OVERVIEW

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The Lideke Wery Educational Institute (LWEI) was founded in memory of Lideke Wery. Lideke Wery worked for Ebbinge & Company in the Netherlands. During her honeymoon in Thailand, she died in the tsunami on December 26<sup>th</sup>, 2004. This beautiful 30 year old person was very sympathetic towards people's development. In her honour, Lideke's colleagues and her husband initiated the Lideke Wery Foundation (LWF) in the Netherlands. The main objectives of LWF are:

- Keeping the memory of Lideke alive
- Supporting the development of people in the tsunami-struck area

The foundation will maintain these goals for at least 10 years. The Lideke Wery Foundation initiated the formation of an institute in Induruwa, Sri Lanka; the Lideke Wery Educational Institute. Since May 2007 this institute is located in Induruwa and since October 2007 it is registered as a non profit making company. The institute is mainly involved in providing English and ICT education at low costs.



MS. LIDEKE WERY

### OUR MISSION

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*The Lideke Wery Educational Institute aims to provide top quality education for Sri Lankan youth, using modern teaching methods and resources. The LWEI wants to be an inspiring environment with a well qualified and continuously developing staff. The Institute will encourage its students to work towards mutual respect between the local community and school. Above all, the education at the Institute should be affordable for all local youth.*



## 2. THE BOARD OF DIRECTORS

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In 2014, the Board of Directors of the Lideke Wery Educational Institute consisted of the seven persons mentioned below.



***Dr. R. Cabral***  
*Chairman*



***Mr. V.P. de Silva***  
*Director*



***Mr. L.J.M. Pieries***  
*Director*



***Ms. I.N. van 't Hoff***  
*Director*



***Ms. A. Schilderman***  
*Director*



***Mr. J.J. Bijlsma***  
*Director*



***Mr. T.D.H. Lokuge***  
*Director*

The Board of Members of the Lideke Wery Educational Institute consists of the following persons:

Mrs. A.M.C. Gunasekera, Ms. J. Schutte, Ms. A. Schilderman, Mrs. P. Srilayatha Ranaweera

In 2014, Businessmate (Pvt.) Ltd continued to be LWEI's company secretary.

## REMUNERATION TO THE DIRECTORS

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The Directors do not receive any remuneration for their work in the company.

## DIRECTORS' INTEREST WITH THE CONTRACT OF THE COMPANY

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The Directors do not have any personal interest in the company. Ms. J. Schutte, Ms. A. Schilderman and Mr. V. P. de Silva all signed the foundation contract of the company.

### 3. THE YEAR IN REVIEW

The year 2014 was an interesting and challenging year for the Lideke Wery Educational Institute in various ways. This chapter provides an overview of the many events and activities that took place.

#### JANUARY

- 1<sup>st</sup> New Year Ceremony
- 4<sup>th</sup> Certificate Ceremony Saturday IT- Class Batch II 2013
- 13<sup>th</sup> Start of batch, in which 47 unique courses were taught
- 26<sup>th</sup> First Parents' Day for Batch I



#### FEBRUARY

- 09<sup>th</sup> Newspaper article – Best performing institute
- 17<sup>th</sup> Visit of Lideke's family



#### MARCH

- 14<sup>th</sup> Community Day – Elderly Home
- 15<sup>th</sup> Certificate Ceremony Batch III 2013
- 24<sup>th</sup> Second Parents' Day for Batch I



#### APRIL

- 02<sup>nd</sup> Launching of new website
- 05<sup>th</sup> CV & Interview training
- 14<sup>th</sup> – 18<sup>th</sup> Staff Annual Leave





13<sup>th</sup> Sri Lankan New Year  
 21<sup>st</sup> New Year Ceremony  
 28<sup>th</sup> Final Exams - Foundation  
 30<sup>th</sup> Final Exams - Access & Achiever

## MAY

02<sup>nd</sup> Final Exams - Application Assistant  
 12<sup>th</sup> Start of Batch II in which 12 unique  
 courses were taught  
 24<sup>th</sup> First Parents' Day for Batch II  
 31<sup>st</sup> Follow-up meeting on the Brainstorm

## JUNE

28<sup>th</sup> Certificate Ceremony for Batch I 2014

## JULY

18<sup>th</sup> Reinstallation of the Solar  
 System



CV & INTERVIEW TRAINING BATCH I



## AUGUST

21 <sup>st</sup>	Final Exam - Application Assistant
23 <sup>rd</sup> – 28 <sup>th</sup>	Staff Annual Leave
31 <sup>st</sup>	Team building day



## SEPTEMBER

15 <sup>th</sup>	Start of Batch III, in which 56 unique courses were taught
20 <sup>th</sup>	First Parents' Day for Batch III



## NOVEMBER

01 <sup>st</sup>	Certificate Ceremony for Batch II 2014
21 <sup>st</sup>	Second Parents' Day for Batch III



## DECEMBER

05 <sup>th</sup>	Sinterklaas
19 <sup>th</sup>	Final Exams – Application Assistant
22 <sup>nd</sup>	Final Exams - Access, Achiever and Spoken courses
20 <sup>th</sup>	Saturday Class - Certificate Ceremony
20 <sup>th</sup>	Viraj's Farewell
24 <sup>th</sup>	Tsunami Commemoration & Community Project
29 <sup>th</sup> – 02 <sup>nd</sup>	Staff Annual Leave





## 4. HUMAN RESOURCES

### STAFF CHANGES IN 2014

#### TEACHERS

Praveen Maduranga has been permanently hired in mid 2014 after successfully completing his probation period.

### OVERVIEW OF THE STAFF AS OF DECEMBER 31<sup>ST</sup>



THE STAFF OF THE LWEI AS OF DECEMBER 31<sup>ST</sup> 2014. FROM LEFT TO RIGHT:  
AKUSHLA, DINESH, CHATHURIKA, HASANTHI, SUBADRA AND PRAVEEN

Name	Function
<b>Akushla de Silva</b>	Administrator
<b>Dinesh Abeynayake</b>	Headmaster
<b>W.D. Chathurika</b>	English Teacher
<b>Hasanthi Jayawardane</b>	English Teacher
<b>Subadra Wijehewa</b>	Caretaker
<b>Praveen Maduranga</b>	ICT Teacher

TABLE 1 - OVERVIEW OF THE STAFF AND THEIR FUNCTIONS AS OF DECEMBER 31<sup>ST</sup>

## PROJECT COORDINATORS

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Every batch, a new Project Coordinator from the Netherlands visits the Lideke Wery Educational Institute to support the management of the Institute's day to day activities and to teach the Achiever Spoken class. The coordinator is a student attending a Dutch university or a recent graduate who works for the Institute on a charitable basis. In addition to their support for the daily management and their teaching, the coordinators work on one or more specific project(s) or assignment(s) for the Institute. In 2014, the following coordinators visited the Institute.



Sander van der Wielen  
January 2014 – April 2014



Nicole Schouwenaar  
April 2014 – August 2014



Florianne van der Woude  
August 2014 – December  
2014



## 5. PERFORMANCE

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The performance of the Lideke Wery Educational Institute is measured by the class occupation per batch, the drop-out rate per batch and the exam pass rates per batch. In addition, this chapter provides information about the course fees and awarded grants, the occupation of the Saturday Classes and the students' evaluations of the Institute. External recognition for the Institute's performance in 2014 was given by City & Guilds for the second consecutive year. The Lideke Wery Educational Institute received a City and Guilds Award as one of the Best Performing Centres in Sri Lanka.

### CLASS OCCUPATION PER BATCH

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Per batch, we have set a maximum capacity to ensure sufficient individual attention for our students. For that reason we reduced our capacity for English classes from Batch II onwards to 12 students instead of 14 students. The maximum capacity for Access – Spoken and Achiever – Spoken classes was set at 10 students. Our maximum capacity for IT students is 14 students per batch.

Total capacity was calculated based on the following assumptions.

- ❖ Every English teacher can take a maximum of three classes of 1 hour and 45 minutes per day;
- ❖ Every IT teacher can take one class of 3.5 hours per day;
- ❖ The Project Coordinator teaches the Achiever – Spoken class;
- ❖ Every English class in Batch I, II & III has a maximum of 12 students;
- ❖ Every English Spoken class in all Batches has a maximum of 10 students;
- ❖ Every IT class has a maximum of 14 students.

Total capacity for 2014 changed due to following situations.

- ❖ Chathurika & Akushla went on maternity leave from the month of February;
- ❖ As a result of low number of students and request from two mothers, (Chathurika & Akushla) we have decided to offer half working day for Chathurika, Akushla & Hasanthi for Batch II;
- ❖ Praveen who worked over capacity in Batch I, was released  $\frac{1}{2}$  day for his other duties in Batch II;
- ❖ Two Project Coordinators left before finishing their internships without replacements. Due to personal reasons.

This means that our total capacity for English classes was 46, 24 and 72 respectively for Batch I, II and III. For IT, our capacity was 14 students in all three batches. In total, this implies that we had a capacity of 60, 38 and 86 respectively for Batch I, II and III.

When looking at the class occupation for the English courses (see Figure 1) it can be noted that the absolute number of courses provided in Batch I and Batch III is comparable, while Batch II has a significantly lower occupation. This was a historical problem that we still searching for solutions. The overall pattern of class occupation, i.e. a low number of students in Batch II, is similar to the class occupation patterns of previous years.

Regarding the class occupation for IT students (see Figure 2), it can be noted that especially during Batch I there was a high occupation rate with 143 % of our class capacity for IT fulfilled. Unfortunately, class occupation for IT in Batch II was significantly lower than in other batches with an occupation of 29 %.

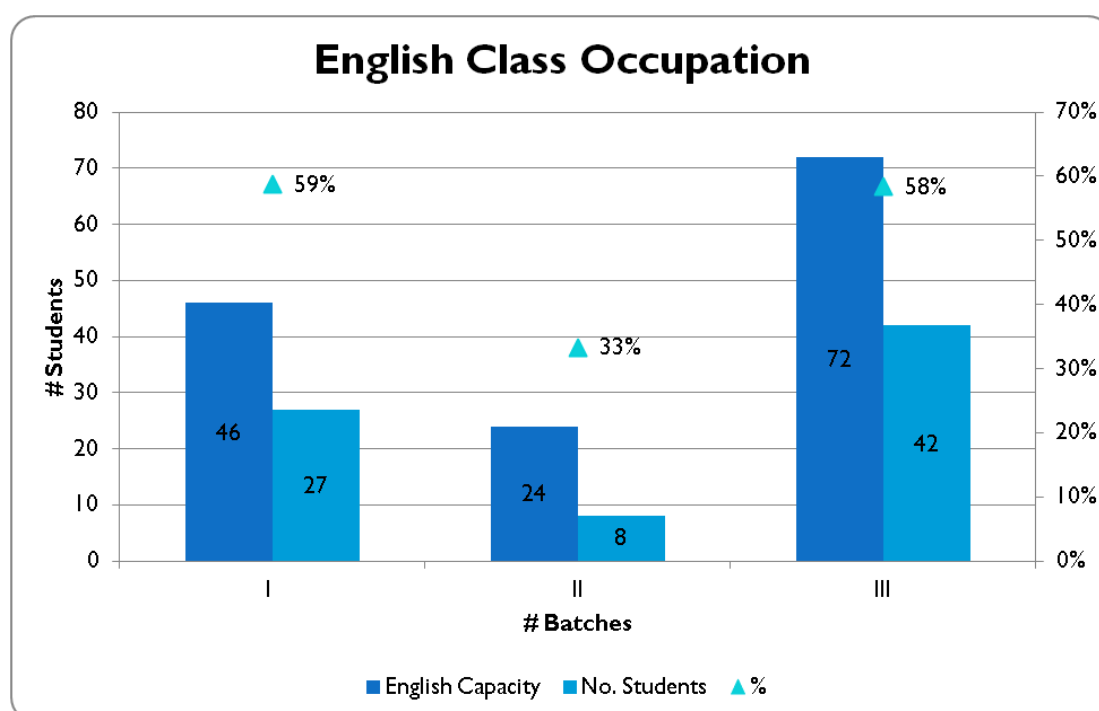


FIGURE 1 - ENGLISH CLASS OCCUPATION PER BATCH

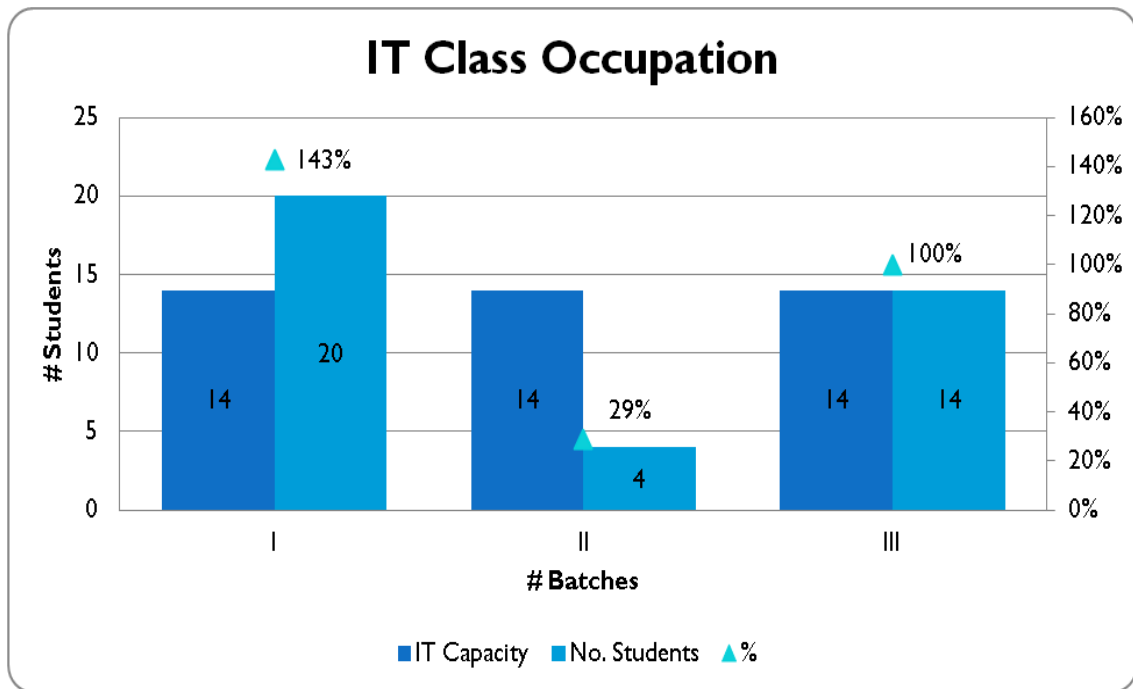


FIGURE 2 - IT CLASS OCCUPATION PER BATCH

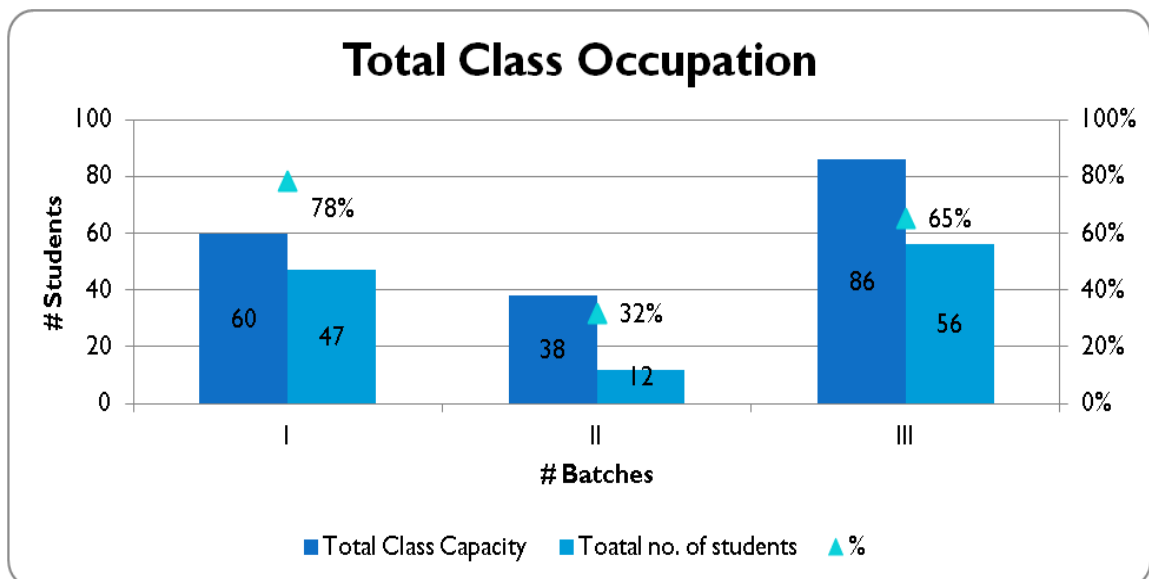


FIGURE 3 - TOTAL CLASS OCCUPATION PER BATCH

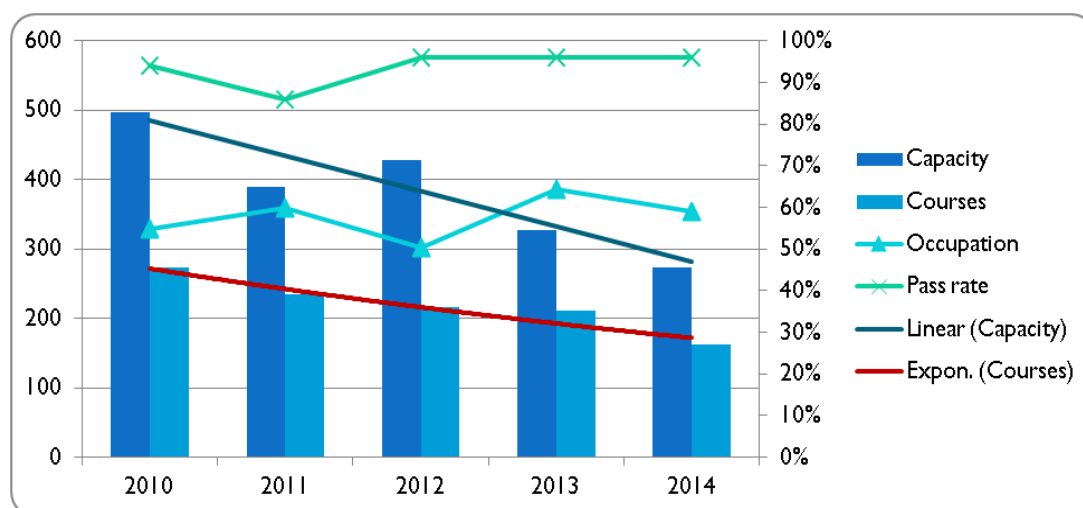


FIGURE 4 - CAPACITY, COURSES AND OCCUPATION 2010 - 2014

Combining the class occupation figures for the English and IT courses yields an average class occupation of 78 % in Batch I, 32 % in Batch II and 65 % in Batch III (see Figure 3). In total, the Lideke Wery Educational Institute provided 115 courses in 2014, which is less than in the previous year. Nevertheless, this implies an average class occupation of 58 %. The strategic decisions mentioned above reduced our capacity, which is the primary cause for the inferior occupation rate in 2014.

Figure 4 shows that the decreasing trend in the number of courses provided over the past years is continued in 2014. Our capacity, and to a smaller extent the number of courses, is influenced directly by the strategic decisions taken by the management of the Lideke Wery Educational Institute and also the unforeseen events that occurred during the year. An overview of these decisions and events for the period 2011 – 2014 is provided in Table 2 below.

Year	Strategic decisions + Unforeseen events
2011	Maximum number of students for English from 18 to 14
	New teachers take a maximum of 2 classes in their first batch
	Change IT course from 4 x 12 students to 2 x 14 students (from Batch III)
2012	Maximum number of students for English from 14 to 16
	IT course in the Medialab of 9 students (Batch III only)
2013	Maximum number of students for English from 16 to 12 (Batch II and Batch III)
	Maximum number of students for Spoken class from 16 to 10
	Start Access Spoken classes
	Stopped Graphic Design course
	Continue only with one ICT teacher
2014	English classes limited to one teacher. (Batch I)
	Three staff members worked ½ day during Batch II
	One ICT teacher (maximum of 14 students per batch)
	Early leaving of two Project Coordinators

TABLE 2 - STRATEGIC DECISIONS THAT CAUSE CAPACITY CHANGES

## DROP-OUT RATES

The Figures 5, 6 and 7 provide an illustration of the drop-out rates for the English courses, for the IT classes and for the Institute. A student is considered a drop-out when he/she has started the class but has not done the exam. This means that students who pay the registration fee but do not show up for the classes are not included in these numbers. Only when students drop out after payments have been made for their final exams the LWEI faces a significant financial disadvantage. However, the main issue with drop-outs is that their registration for the course(s) may deny the chance to participate in a course to a more dedicated student. Of course they also waste an opportunity for themselves to develop themselves further.

In relative terms, the number of drop-outs is highest in Batch II, but this percentage is significantly influenced by the low number of students in Batch II. In 2014, the overall drop-out rate was 11 %, compared to a drop-out rate of 15 % in 2013, which signals a small improvement.

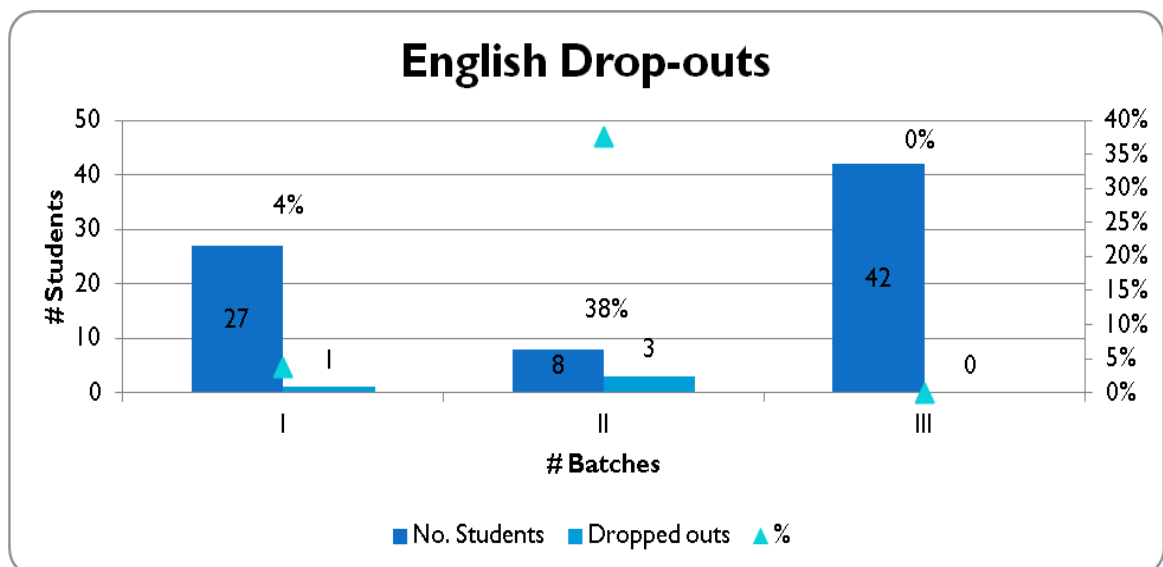


FIGURE 5 - ENGLISH DROP-OUTS PER BATCH



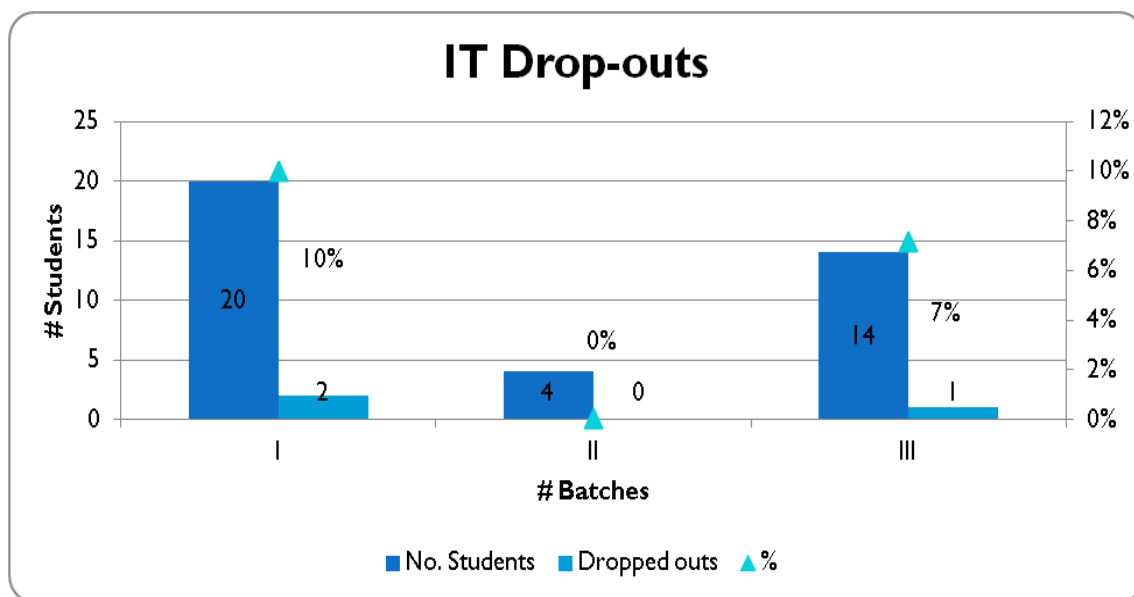


FIGURE 6 - IT DROP-OUTS PER BATCH

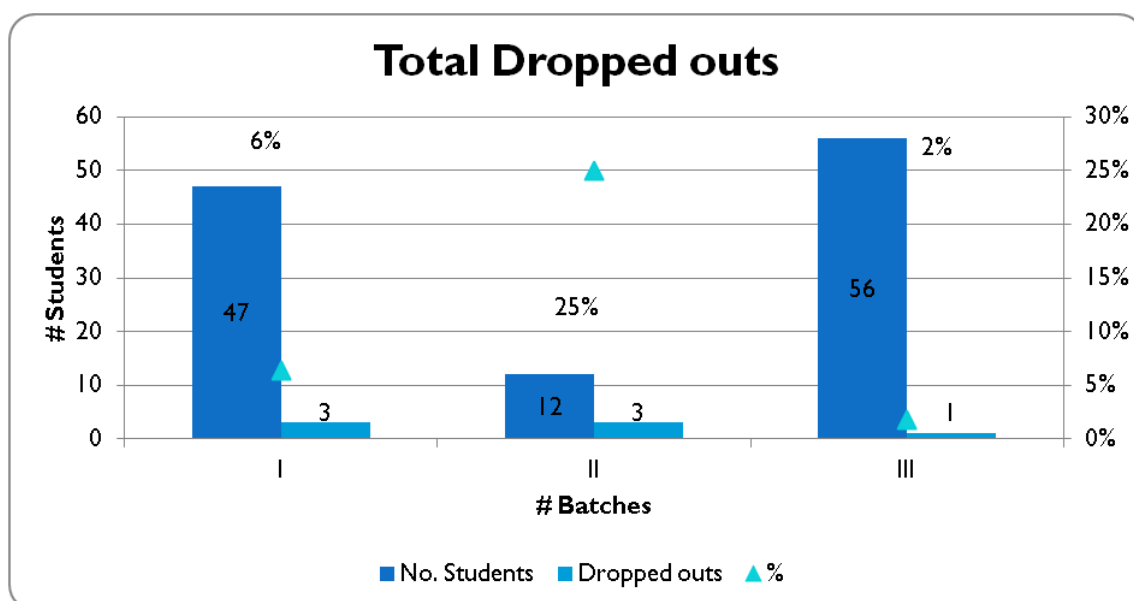


FIGURE 7 - TOTAL DROP-OUTS PER BATCH

## EXAM PASS RATES

The exam pass rate of the students at the Lideke Wery Educational Institute is calculated by dividing the number of students that passed the exam by the number of students that did the exam. In total, 115 exams were taken by the students.

Figure 8 shows that exam pass rates of 89 %, 88 % and 98 % can be observed for English students in Batch I, II and III, respectively. During the first two batches of 2014 all IT students passed (see Figure 9), which resulted in an exam pass rate of 100 %. During the third Batch, 86 % of the IT students passed. In 2014, an average of 94 % of the students passed their exams (see Figure 10), which is similar to the previous year.

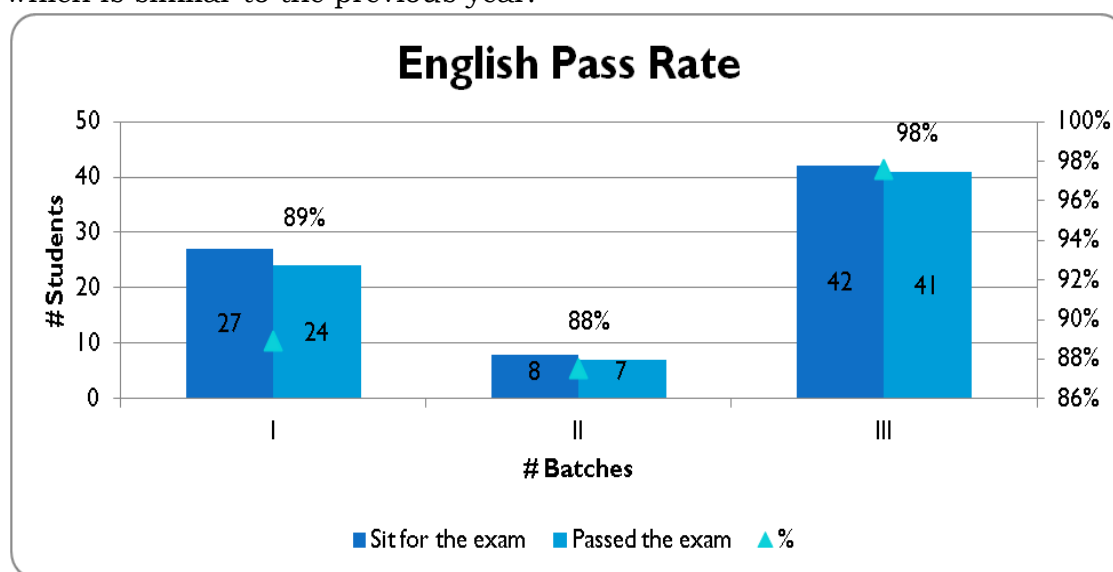


FIGURE 8 - PASS RATES ENGLISH EXAMS PER BATCH

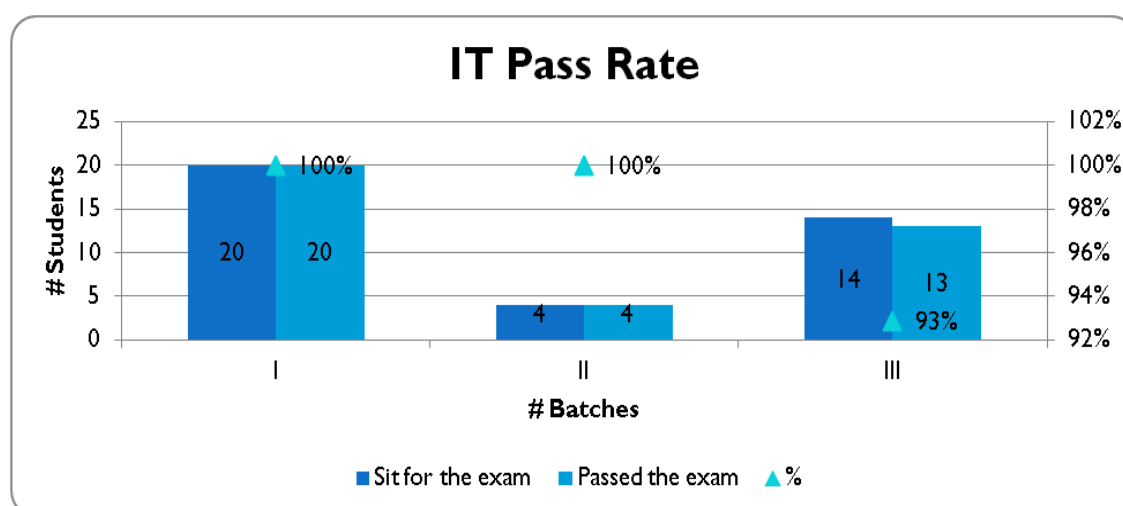


FIGURE 9 - PASS RATES IT EXAMS PER BATCH

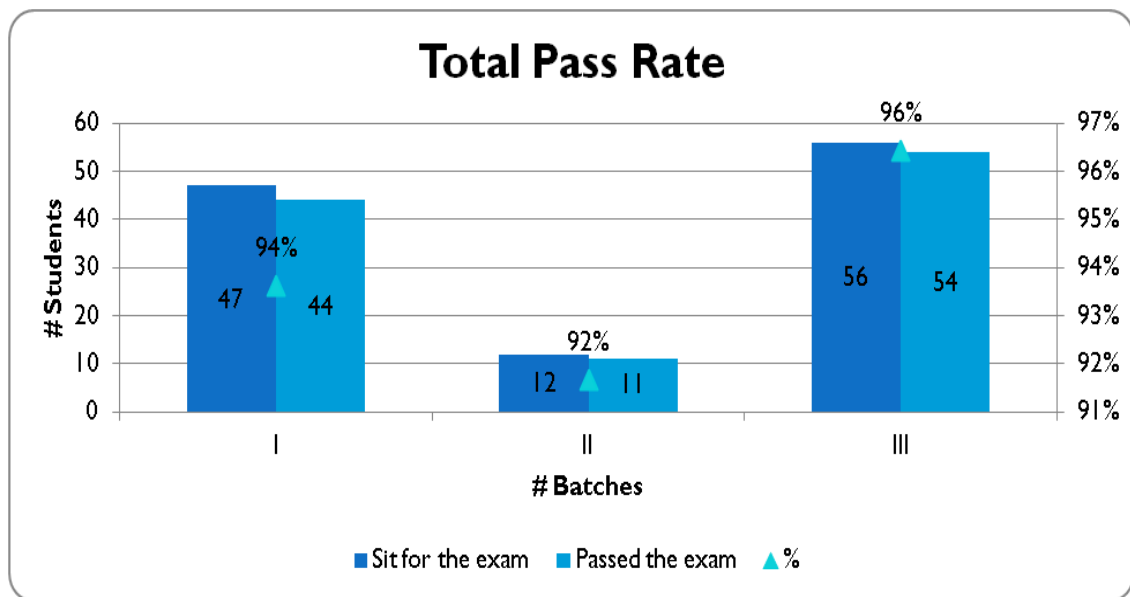


FIGURE 10 - TOTAL PASS RATES PER BATCH

## COURSE FEES AND GRANTS

Table 3 provides the course fees for the different courses per Batch. In accordance with the strategy to make the LWEI less dependent on funding from the Lideke Wery Foundation, the course fees increased. Nevertheless, they remained stable for the year in order to ensure the accessibility of education at the LWEI to the poorest. The course fees for the Saturday classes are provided in Table 4 below. The duration of the Saturday classes is a whole year, which implies that there is only 1 Batch per year.

Course	Batch 1	Batch II	Batch III
<b>Foundation</b>	10,800	10,800	10,800
<b>Access</b>	14,000	14,000	14,000
<b>Access - Spoken</b>	12,200	12,200	12,200
<b>Achiever</b>	14,200	14,200	14,200
<b>Achiever - Spoken</b>	13,500	13,500	13,500
<b>Application Assistant</b>	18,500	18,500	18,500

\* Fees in  
LKR

TABLE 3 - COURSE FEES PER BATCH IN 2014

Saturday Course	Whole year
<b>IT- Elementary Classes</b>	3,000
<b>IT – Advanced Classes</b>	3,000

\* Fees in LKR

TABLE 4 - COURSE FEES SATURDAY CLASSES 2014

Although the Institute's course fees are already lower than those of commercial institutes in the surrounding area, underprivileged students can apply for a grant of up to 95 % of the course fee. A total of 62 grants were awarded to students in 2014 (see Table 5). One student received a grant of 100 % of the course fee, which should be considered as an exception. On a general level, the number of grants and the total monetary value of the grants awarded in the different batches (see Figure 11) reflect the number of students studying at the Institute in each Batch. The total value of the awarded grants is LKR 1,027,270 which is almost equals to the amount that was awarded in 2013 (LKR 1,006,995).

Amount	Batch I	Batch II	Batch III	Total
25%	1	1	2	04
40%	1	0	1	02
50%	9	2	5	16
75%	2	1	9	12
80%	2	3	2	07
85%	5	0	0	05
90%	3	1	7	11
95%	1	1	2	04
100%	0	0	1	01
<b>Total</b>	<b>24</b>	<b>09</b>	<b>29</b>	<b>62</b>

TABLE 5 - GRANTS AWARDED IN 2014

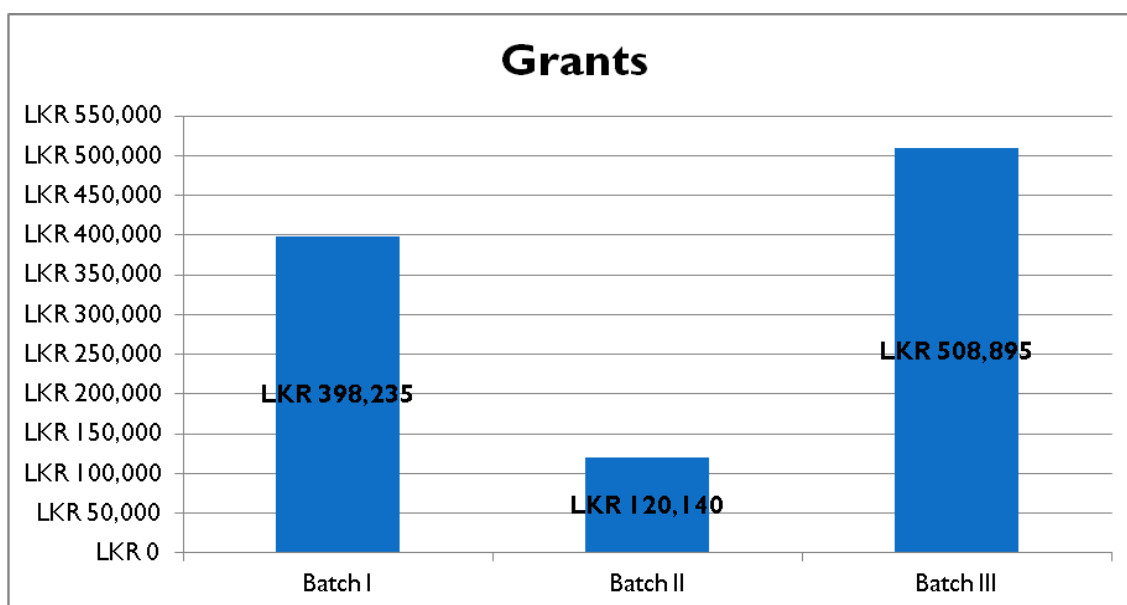


FIGURE 11 - MONETARY VALUE OF GRANTS AWARDED PER BATCH



## SATURDAY CLASSES

The Lideke Wery Educational Institute also provides Saturday classes in IT to students between the age of 13 and 15. As mentioned before, the duration of the Saturday classes is 12 months (1 year). In 2014, Mr. Sanira Viraj taught the Saturday IT classes.

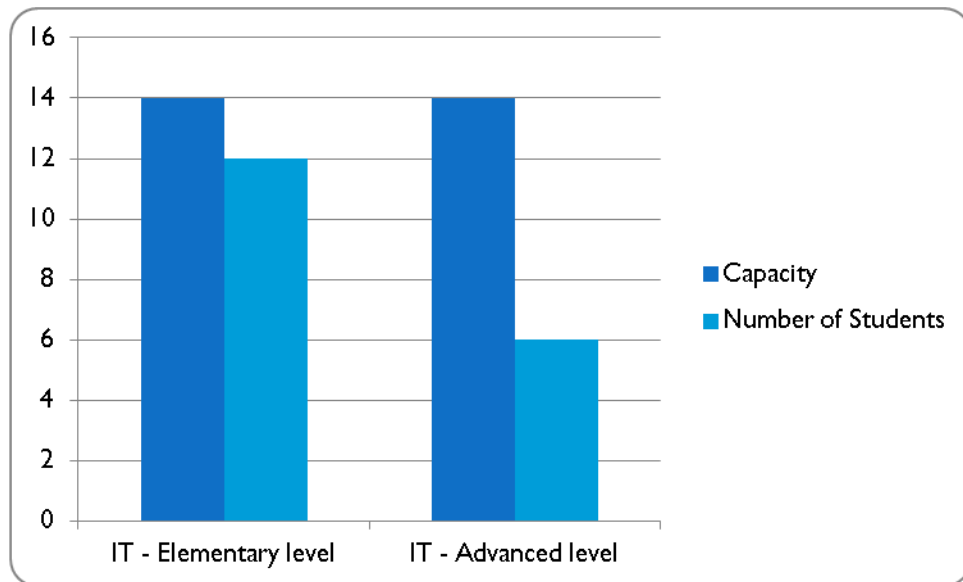


FIGURE 12 - CLASS OCCUPATION SATURDAY CLASSES

## 6. APPRECIATION OF DONORS

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We would like to express our heartfelt gratitude to our donors and operational supporters who work tirelessly to ensure that the Lideke Wery Educational Institute can continue to provide top quality education to the underprivileged youth in Sri Lanka.



## 7. FINANCIAL STATEMENTS



KPMG  
Galle Branch  
(Chartered Accountants)  
30, Middle Street  
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Sri Lanka.

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+94 91 562 9275  
Fax : +94 91 224 2757  
E-mail: kpmggalle@kpmg.com

### INDEPENDENT AUDITORS' REPORT

#### TO THE MEMBERS OF LIDEKE WERY EDUCATIONAL INSTITUTE

##### Report on the Financial Statements

We have audited the accompanying financial statements of Lideke Wery Educational Institute, ("the Association"), which comprise the statement of financial position as at December 31, 2014, and the statement of profit and loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

##### Board's Responsibility for the Financial Statements

The Board of Directors ("Board") is responsible for the preparation of these financial statements that give a true and fair view in accordance with Sri Lanka Financial Reporting Standard for Small and Medium-sized Entities ("SLFRS for SMEs"), and for such internal control as Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

##### Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

##### Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Association as at December 31, 2014, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Financial Reporting Standard for Small and Medium-sized Entities ("SLFRS for SMEs").

1

KPMG, a Sri Lankan Partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International cooperative ("KPMG International"), a Swiss entity.

M.R. Mithul FCA	P.Y.S. Perera FCA	C.P. Jayatilaka FCA
T.J.S. Rajakarier FCA	W.W.J.C. Perera FCA	Ms. S. Joseph FCA
Ms. S.M.B. Jayasekara ACA	W.K.D.C. Abeyaratne ACA	S.T.D.L. Perera FCA
G.A.U. Karunaratne ACA	R.M.D.B. Rajapakse ACA	Ms. B.K.D.T.N. Rodrigo ACA

Principals - S.R.I. Perera ACMA, LL.B. Attorney-at-Law, H.S. Goonewardene ACA



#### **Report on Other Legal and Regulatory Requirements**

As required by section 163 (2) of the Companies Act No. 07 of 2007, we state the following:

- a) The basis of opinion and scope and limitations of the audit are as stated above.
- b) In our opinion 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 Association and the financial statements of the Association, comply with the requirements of section 151 of the Companies Act.

**CHARTERED ACCOUNTANTS**

Galle, 10<sup>th</sup> March 2015

JP/SR



**LIDEKE WERY EDUCATIONAL INSTITUTE**  
**STATEMENT OF FINANCIAL POSITION**


**AS AT 31<sup>ST</sup> DECEMBER**

	Note	2014 Rs.	2013 Rs.
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Property, Plant and Equipment	2	1,884,918	820,340
Other Financial Assets	3	100,000	100,000
<b>Total Non - Current Assets</b>		<u>1,984,918</u>	<u>920,340</u>
<b>Current Assets</b>			
Accounts Receivables	4	3,403	3,633
Prepayments	5	336,757	354,010
Cash and Cash Equivalents	6	3,406,516	1,388,768
<b>Total Current Assets</b>		<u>3,746,676</u>	<u>1,746,411</u>
<b>Total Assets</b>		<u>5,731,594</u>	<u>2,666,751</u>
<b>LIABILITIES AND RESERVES</b>			
<b>Accumulated Reserves</b>			
Reserves	7	3,309,394	3,309,394
Accumulated Fund	8	(899,061)	(1,103,802)
<b>Total Accumulated Reserves</b>		<u>2,410,333</u>	<u>2,205,592</u>
<b>Current Liabilities</b>			
Donations Received in Advance	9	3,104,122	-
Accrued Expenses	10	169,951	130,280
Income Tax Liability		47,188	330,879
<b>Total Current Liabilities</b>		<u>3,321,261</u>	<u>461,159</u>
<b>Total Liabilities and Reserves</b>		<u>5,731,594</u>	<u>2,666,751</u>

Figures in brackets indicate deductions.

The notes on page 07 to 16 are an integral part of these financial statements.


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

  
 .....  
 Administrator

The Board of Directors is responsible for the preparation and presentation of these financial statements.  
 Approved and signed for and on behalf of the Board;

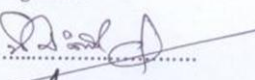
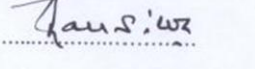
Name of the Director

  
 .....  
 Ranjith Cabral

  
 .....  
 V.P. De Silva

10<sup>th</sup> March 2015

Signature

  
 .....  
  
 .....



**LIDEKE WERY EDUCATIONAL INSTITUTE**  
**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER**

	<b>Note</b>	<b>2014 Rs.</b>	<b>2013 Rs.</b>
<b>Operating Income</b>			
Income	<b>11</b>	<u>6,382,520</u>	<u>7,330,469</u>
<b>Total Operating income</b>		<u>6,382,520</u>	<u>7,330,469</u>
<b>Operating Expenditure</b>			
Project Expenses	<b>12</b>	(771,647)	(1,144,118)
Administrative and Other Operating Expenses	<b>13</b>	<u>(5,401,954)</u>	<u>(9,742,998)</u>
<b>Total Operating Expenditure</b>		<u>(6,173,601)</u>	<u>(10,887,116)</u>
<b>Net Operating Activities</b>		208,919	(3,556,647)
<b>Other Income</b>			
Net Financial Income	<b>14</b>	11,730	14,441
Other Income	<b>15</b>	<u>31,280</u>	<u>52,071</u>
<b>Total Other Income</b>		<u>43,010</u>	<u>66,512</u>
<b>Other Expenditure</b>			
Sundry Expenses		-	(24,018)
<b>Total Other Expenditure</b>		<u>-</u>	<u>(24,018)</u>
<b>Net of Non-Operating Activities</b>		43,010	42,494
<b>Net Surplus / (Deficit) Before Taxation</b>		251,929	(3,514,153)
Income Tax Expense	<b>16</b>	<u>(47,188)</u>	<u>(46,214)</u>
<b>Net Surplus / (Deficit) for the Year</b>		<u>204,741</u>	<u>(3,560,367)</u>
<b>Other Comprehensive Income</b>		-	-
<b>Total Other Comprehensive Income for the Year</b>		<u>-</u>	<u>-</u>
<b>Total Comprehensive Surplus / (Deficit) for the Year</b>		<u>204,741</u>	<u>(3,560,367)</u>

Figures in brackets indicate deductions.

The notes on page 07 to 16 are an integral part of these financial statements.

**LIDEKE WERY EDUCATIONAL INSTITUTE**  
**STATEMENT OF CHANGES IN RESERVES**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2014**

	<b>Reserves</b>	<b>Accumulated</b>	<b>Total</b>
	<b>Rs.</b>	<b>Funds</b>	<b>Equity</b>
		<b>Rs.</b>	<b>Rs.</b>
As at 01 <sup>st</sup> January 2013	3,309,394	2,456,565	5,765,959
Deficit for the Year	-	(3,560,367)	(3,560,367)
As at 31 <sup>st</sup> December 2013	<u>3,309,394</u>	<u>(1,103,802)</u>	<u>2,205,592</u>
As at 01 <sup>st</sup> January 2014	3,309,394	(1,103,802)	2,205,592
Surplus for the Year	-	204,741	204,741
As at 31 December 2014	<u>3,309,394</u>	<u>(899,061)</u>	<u>2,410,333</u>

Figures in brackets indicate deductions.

The notes on page 07 to 16 are an integral part of these financial statements.

**LIDEKE WERY EDUCATIONAL INSTITUTE**  
**STATEMENT OF CASH FLOW**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER**

	<b>2014</b>	<b>2013</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>Cash Flow from / (Used in) Operating Activities</b>		
Net Surplus / (Deficit) Before Taxation	251,929	(3,514,153)
<b>Adjustment to Reconcile Deficit to Net Cash Flow</b>		
Depreciation	282,987	992,109
Loss on Disposal of Property, Plant and Equipment	12,577	2,554,418
<b>Changes in Working Capital</b>		
Accounts Receivable	230	5,809
Prepayments	17,253	948,715
Accrued Expenses	39,671	16,699
Deferred Income	-	(1,505,607)
Donation Received In Advance	3,104,122	-
<b>Cash Flow from / (Used) in Operating Activities</b>	<u>3,708,769</u>	<u>(502,010)</u>
Tax Paid	<u>(330,879)</u>	<u>-</u>
<b>Net Cash Flow from / (Used) in Operating Activities</b>	<u>3,377,890</u>	<u>(502,010)</u>
<b>Cash Flow from Investing Activities</b>		
Acquisition of Property, Plant and Equipment	(1,360,142)	(270,986)
Insurance Claim on Disposed Property Plant and Equipment	-	485,290
Investment in Fixed Deposit	-	(100,000)
<b>Net Cash Flow from / (Used) in Investing Activities</b>	<u>(1,360,142)</u>	<u>114,304</u>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	2,017,748	(387,706)
<b>Cash and Cash Equivalents at Beginning of the Year</b>	<u>1,388,768</u>	<u>1,776,474</u>
<b>Cash and Cash Equivalents at End of the Year (Note A)</b>	<u>3,406,516</u>	<u>1,388,768</u>
<b>Note A</b>		
<b>Cash and Cash Equivalents at the End of the Year</b>		
Cash in Hand	220,166	207,809
Cash at Bank	<u>3,186,350</u>	<u>1,180,959</u>
	<u>3,406,516</u>	<u>1,388,768</u>

Figures in brackets indicate deductions.

The notes on page 07 to 16 are an integral part of these financial statements.

## **LIDEKE WERY EDUCATIONAL INSTITUTE**

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **1.1 Reporting entity**

Lideke Wery Educational Institute has been incorporated & domiciled in Sri Lanka as an Association as per the Section 34 of the Companies Act No. 7 of 2007, with its registered office at Casa Marc Residence, Good Shed Road, No. 246/C, Galbada, Induruwa. The Organization is engaged in providing learning opportunities to students in English, Computer Science and other fields and improving, upgrading, teaching and language skills, especially those affected by the Tsunami disaster.

#### **1.2 Basis of preparation**

##### **(a) Statement of compliance**

The Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Reserves, Statement of Cash Flows together with the Accounting Policies and Notes to the financial statements as at 31<sup>st</sup> December 2014 and for the year then ended comply with the Sri Lanka Statement of Recommended Practice for Not-for-Profit Organisations (including Non Governmental Organisations), issued by the Institute of Chartered Accountants of Sri Lanka (SLSoRP).

The financial statements were authorized for issue by the Board of Directors on 10<sup>th</sup> March 2015.

##### **(b) Basis of measurement**

The financial statements have been prepared on the historical cost basis.

##### **(c) Functional and presentation currency**

These financial statements are presented in Sri Lanka rupees, which is the company's functional currency. All financial information presented in Sri Lanka rupees has been rounded to the nearest rupee.

##### **(d) Changes in accounting policies and disclosures**

The accounting policies have been consistently applied, unless otherwise indicated, and are consistent with those used in previous years, except for the changes in accounting policies specified by the SL SoRP issued in 2013.

##### **(e) Use of estimates and judgments**

The preparation of financial statements in conformity with SLASs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

#### **1.3 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the entity.

**LIDEKE WERY EDUCATIONAL INSTITUTE**  
**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(a) Property, plant and equipment**

**(i) Recognition and measurement**

Items of property, plant and equipment are measured at cost/valuation less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within “other income” in Income statements. When re-valued assets are sold, the amounts included in the revaluation surplus reserve are transferred to retained earnings.

**(ii) Subsequent costs**

The cost of replacing part of an item of property plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied with the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in Income statement as incurred.

The accounting policies have been consistently applied, unless otherwise indicated, and are consistent with those used in previous years, except for the changes in accounting policies specified by the SL SoRP issued in 2013.

The estimated useful lives for the period are as follows,

Computer Equipment	03 Years
Furniture & Fittings	03 Years
Other Equipment	03 Years
Solar System	05 Years
Course Books	03 Years

Depreciation for all property, plant and equipment are provided proportionately in the month of purchase and in the month of disposal of the assets.

## **LIDEKE WERY EDUCATIONAL INSTITUTE**

### **SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **(b) Impairment**

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in Income statement. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other in the unit (group of units) on a *pro rata basis*.

#### **(c) Other receivables**

Other receivables are stated at the amounts they are estimated to be realized.

#### **(d) Employee benefits**

##### **(i) Defined contribution plans – Provident / Trust fund**

The group contributes 12% and 3% of gross salary to the Employees Provident Fund and Employees Trust Fund respectively, in terms of EPF Act No15 of 1958 as amended and to Employers Trust Fund in terms of the ETF Act No.46 of 1980 as amended.

##### **(e) Provisions**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

#### **(f) Income recognition**

##### **(i) Income sources**

Income mainly consists of local and foreign donations and student fee income. Donations include with monetary and non-monetary resources and they are recognized as income on cash basis.

Student fees and other income are recognized as income based on the period in which it is received.

##### **(ii) Interest Income**

Interest income is recognized as it accrues in Statement of Comprehensive Income.

#### **(g) Cash and cash equivalents**

Cash and cash equivalents are defined as cash in hand, demand deposits and short-term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts.

**LIDEKE WERY EDUCATIONAL INSTITUTE**  
**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(h) Taxation**

**(i) Income tax**

The provision for income tax is based on sum of 3% of funds received ( grants, donations, contributions or in any other form less any money received from the Government ) treated as taxable income which is liable to tax at 28% in accordance with the provisions of the Inland Revenue Act No.10 of 2006 and amendments there to.

**(h) Other payables**

Other payables are stated at cost.

**(i) Expenses recognition**

Expenses are recognized in the Statement of Comprehensive Income on the basis of a direct association between the cost incurred and earning of a specific item of income. All expenditure incurred in the running of the business and in maintaining the property, plant & equipment in state of efficiency has been charged to revenue in arriving at the surplus for the year.

**(j) Cash flow statement**

The cash flow statements have been prepared in accordance with LKAS 7.

**(k) Comparative information**

Whenever necessary comparative figures are reclassified to conform to the changes in presentation in the current year and disclosed as notes to the financial statements.

**(l) Events occurring after the balance sheet date**

All material post balance sheet events have been considered and where appropriate adjustments or disclosures have been made in respective notes to the financial statements.

**(m) Contingent liabilities**

Contingencies are possible assets or obligations that arise from a past event and would be confirmed only on the occurrence or non-occurrence of uncertain future events, which are beyond the company's control.

**LIDEKE WERY EDUCATIONAL INSTITUTE**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. PROPERTY, PLANT AND EQUIPMENT**

	<b>Computer Equipment Rs.</b>	<b>Furniture &amp; Fittings Rs.</b>	<b>Other Rs.</b>	<b>Solar Panel System Rs.</b>	<b>Course Books Rs.</b>	<b>2014 Total Rs.</b>	<b>2013 Total Rs.</b>
<b>Cost</b>							
Balance as at 01 <sup>st</sup> January	4,909,058	608,753	714,800	-	372,101	6,604,712	10,176,584
Additions	576,400	-	8,420	775,322	-	1,360,142	270,986
Disposals	(56,300)	(66,318)	(3,500)	-	-	(126,118)	(3,842,858)
Balance as at 31 <sup>st</sup> December	5,429,158	542,435	719,720	775,322	372,101	7,838,736	6,604,712
<b>Depreciation</b>							
Balance as at 01 <sup>st</sup> January	4,321,505	480,042	661,004	-	321,821	5,784,372	5,595,413
Charge / (Over Charge) for the Year	218,718	42,399	29,165	4,054	(11,349)	282,987	992,109
On Disposals	(43,723)	(66,318)	(3,500)	-	-	(113,541)	(803,150)
Balance as at 31 <sup>st</sup> December	4,496,500	456,123	686,669	4,054	310,472	5,953,818	5,784,372
<b>Net Carrying Value</b>							
As at 31 December 2014	932,658	86,312	33,051	771,268	61,629	1,884,918	
As at 31 December 2013	587,553	128,711	53,796	-	50,280		820,340

**2.1** The fully depreciated Property, Plant & Equipment, as at balance sheet date, at cost is amounted to Rs.3,420,075/- (In 2013 - Rs.3,703,245/-).



**LIDEKE WERY EDUCATIONAL INSTITUTE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**AS AT 31ST DECEMBER**

	<b>2014</b>	<b>2013</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>3. OTHER FINANCIAL ASSETS</b>		
Fixed Deposit (Sanasa Development Bank PLC)	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
<b>4. ACCOUNTS RECEIVABLES</b>		
FD Interest Receivable	3,403	3,633
	<u>3,403</u>	<u>3,633</u>
<b>5. PREPAYMENTS</b>		
Building Rent Prepayment	320,000	320,000
Insurance Prepayment	16,757	34,010
	<u>336,757</u>	<u>354,010</u>
<b>6. CASH AND CASH EQUIVALENTS</b>		
Cash in Hand	220,166	207,809
Cash at Bank	3,186,350	1,180,959
	<u>3,406,516</u>	<u>1,388,768</u>
<b>7. RESERVES</b>		
Capital Reserve	3,309,394	3,309,394
	<u>3,309,394</u>	<u>3,309,394</u>
The capital reserve represents the initial net capital investment made by the subscribers of the company.		
<b>8. ACCUMULATED FUND</b>		
As at 01 <sup>st</sup> January	(1,103,802)	2,456,565
Surplus / (Deficit) for the Year	204,741	(3,560,367)
As at 31 December	<u>(899,061)</u>	<u>(1,103,802)</u>
<b>9. DONATIONS RECEIVED IN ADVANCE</b>		
Donations from Mr. Ron Wilke	3,104,122	-
	<u>3,104,122</u>	<u>-</u>

**LIDEKE WERY EDUCATIONAL INSTITUTE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

<b>AS AT 31ST DECEMBER</b>	<b>2014</b>	<b>2013</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>10. ACCRUED EXPENSES</b>		
Auditors' Remuneration	75,000	65,000
Casual Employees Payable	-	500
Employees' Trust Fund	5,464	5,073
Electricity	24,186	-
Telephone	441	1,162
Internet	3,694	3,748
Satellite TV	1,592	-
Employees' Provident Fund	36,438	33,823
Tax Consultancy Charges	22,500	20,563
PAYE Tax	636	411
	<u>169,951</u>	<u>130,280</u>
<b>FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2014</b>	<b>2014</b>	<b>2013</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>11. INCOME</b>		
<u><i>Donations</i></u>		
Mr. Ron Wilke	4,367,163	5,294,725
Other Donation	1,250,427	206,939
	<u>5,617,590</u>	<u>5,501,664</u>
<u><i>Student Fees Income</i></u>		
Student Fees Income	764,930	1,828,805
Total Income	<u>6,382,520</u>	<u>7,330,469</u>
<b>12. PROJECT EXPENSES</b>		
Course Materials	900	31,595
Computer Hardware and Software Maintenance	109,015	116,730
Teacher Training and Staff Training	12,975	(5,700)
Examination Fees	395,379	814,189
Promotion Materials	124,558	156,988
Student Committees	30,000	30,316
LWEI T-Shirt Printing Cost	98,820	-
	<u>771,647</u>	<u>1,144,118</u>

**LIDEKE WERY EDUCATIONAL INSTITUTE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31ST DECEMBER**

	<b>2014</b>	<b>2013</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>13. ADMINISTRATIVE &amp; OTHER OPERATING EXPENSES</b>		
Staff Salaries	1,955,185	2,147,480
Incentives to Staff	30,000	147,900
Employees' Provident Fund	248,328	276,969
Employees' Trust Fund	62,083	69,242
Casual Wages	70,800	128,773
Bonus - New Year	60,000	70,000
Leave Pay	11,408	30,227
Staff Welfare	274,738	384,076
School Representation Cost	58,904	79,602
Building Rent	960,000	960,000
Building Repairs and Maintenance	14,575	82,961
Electricity	412,348	565,336
Water	10,800	16,020
Telephone	25,302	26,900
Internet	44,340	45,266
Satellite TV	19,172	16,883
Insurance	54,367	71,736
Copy and Printer Supply	101,309	259,366
Stamp and Postage	15,460	13,616
Website Expenses	4,900	39,200
Secretarial Fees	64,192	44,934
Auditors' Remuneration	75,000	65,000
Reimbursement of Audit Related Expenses	12,255	11,686
Reimbursement of Tax Related Expenses	-	3,563
Services (Laundry and Dust Bin)	1,000	2,650
Staff Travelling	234,967	303,841
Depreciation	282,987	992,109
Equipment Repair and Maintenance	131,620	100,915
Bank Charges	3,360	2,750
Sundry Expenses	41,477	38,783
Rent Equipment	5,000	9,875
Legal Matters	-	59,600
Write off of Lexima BV Payment	-	3,600
Coodinator's Visa	81,000	82,500
Tax Consultation Fee	22,500	35,221
Loss on Disposal of Solar Panel System	-	2,552,210
Furniture & Fitting Disposal Loss	-	224
Electronic Equipment Disposal Loss	-	1,984
IT Equipment Disposal Loss	12,577	-
	<u>5,401,954</u>	<u>9,742,998</u>

**LIDEKE WERY EDUCATIONAL INSTITUTE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31ST DECEMBER**

	<b>2014</b>	<b>2013</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>14. NET FINANCIAL INCOME</b>		
Interest on Fixed Deposits	11,730	14,441
	<u>11,730</u>	<u>14,441</u>
<b>15. OTHER INCOME</b>		
T-Shirts Income	14,100	27,545
Sundry Income	17,180	17,848
Write Back of Opening Payable Balances	-	6,678
	<u>31,280</u>	<u>52,071</u>
<b>16. INCOME TAX EXPENSE</b>		
Current Tax on Ordinary Activities ( <i>Note 16.1</i> )	-	-
NGO Tax on Grants Received ( <i>Note 16.2</i> )	47,188	46,214
	<u>47,188</u>	<u>46,214</u>
<b>16.1 Reconciliation between Net Deficit before Taxation and Current Tax on Ordinary Activities</b>		
<b>Net Surplus / (Deficit) Before Taxation</b>	<b>204,741</b>	<b>(3,514,153)</b>
<b>Add:</b> Expenses Disallowed for Tax	662,243	3,522,090
<b>Less:</b> Foreign Donation Received	(5,617,590)	(5,501,664)
Deductible b/f Losses	(24,341,129)	(18,931,439)
<b>Taxable Loss</b>	<u>(29,091,735)</u>	<u>(24,425,166)</u>
Provision for Current Year Profit @ 12%	-	-
	<u>-</u>	<u>-</u>
<b>16.2 NGO Tax on Grants Received</b>		
Total Donation Received	5,617,590	5,501,664
3% of Total Donations Received	168,528	165,050
Tax at the Rate of 28%	<u>47,188</u>	<u>46,214</u>

As per the Inland Revenue Act No 10 of 2006, all Non Governmental Organizations are liable to tax at 12% on any surplus earned during the year; and 3% of all grants received during the year are taxable at 28% subject to certain specified exemptions.

**17. CAPITAL COMMITMENTS**

There were no major capital commitments approved or contracted by the Company as at balance sheet date.

**LIDEKE WERY EDUCATIONAL INSTITUTE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31ST DECEMBER 2014**

**18. CONTINGENT LIABILITIES**

There were no contingent liabilities which require adjustments to/or disclosure in the financial statements as at the balance sheet date.

**19. POST BALANCE SHEET EVENTS**

No circumstances have been arisen since the balance sheet date which require adjustments to/or disclosure in the financial statements.

**20. DIRECTORS' RESPONSIBILITY**

The Directors are responsible for preparing and presenting these financial statements in accordance with the Sri Lanka Accounting Standards.

**21. KEY MANAGEMENT PERSONNEL COMPENSATION**

The Board of Directors of the Company are the members of the Key management personnel.  
No transactions have been occurred during the period with the related parties & Key management personnel.

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**Board of Directors**

Dr. R. Cabral (*Chairman*)  
Ms. A. Schilderman  
Mr. V. Primilal de Silva  
Mr. J.J. Bijlsma  
Mr. L.J.M. Pieries  
Ms. I.N. van 't Hoff  
Mr. T.D.H. Lokuge

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