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The Gazette of the Democratic Socialist Republic of Sri Lanka

අංක 2,025 - 2017 ජුනි මස 23 වැනි සිකුරාදා - 2017.06.23
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(Separate paging is given to each language of every Part in order that it may be filed separately)

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IMPORTANT NOTICE REGARDING ACCEPTANCE OF NOTICES FOR PUBLICATION IN THE WEEKLY “GAZETTE”

ATTENTION is drawn to the Notification appearing in the 1st week of every month, regarding the latest dates and times of acceptance of Notices for publication in the weekly *Gazettes*, at the end of every weekly *Gazette* of Democratic Socialist Republic of Sri Lanka.

All notices to be published in the weekly *Gazettes* shall close at 12.00 noon of each Friday, two weeks before the date of publication. All Government Departments, Corporations, Boards, etc. are hereby advised that Notifications fixing closing dates and times of applications in respect of Post-Vacancies, Examinations, Tender Notices and dates and times of Auction Sales, etc. should be prepared by giving adequate time both from the date of despatch of notices to Govt. Press and from the date of publication, thereby enabling those interested in the contents of such notices to actively and positively participate please note that inquiries and complaints made in respect of corrections pertaining to notification will not be entertained after **three months** from the date of publication.

All notices to be published in the weekly *Gazettes* should reach Government Press two weeks before the date of publication i.e. notices for publication in the weekly *Gazette* of 14th July, 2017 should reach Government Press on or before 12.00 noon on 30th June, 2017.

Electronic Transactions Act, No. 19 of 2006 - Section 9

“Where any Act or Enactment provides that any proclamation, rule, regulation, order, by-law, notification or other matter shall be published in the Gazette, then such requirement shall be deemed to have been satisfied if such rule, regulation, order, by-law, notification or other matter is published in an electronic form of the Gazette.”

GANGANI LIYANAGE,
Government Printer (Acting).

Department of Govt. Printing,
Colombo 08,
01st January, 2017.

This Gazette can be downloaded from www.documents.gov.lk



Appointments, & c. by the President

MOD/DEF/02/01/ARF/ROG/09.

Regular Force of the Sri Lanka Army with effect from 30th January, 2004.:-

SRI LANKA ARMY—REGULAR FORCE

Cancellation of a notification published in the Gazette of the Democratic Socialist Republic of Sri Lanka relating to Withdrawal of Commission

Colonel DAYA PARAKRAMA DISSANAYAKE - (O/50910);

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

CANCELLATION OF NOTIFICATION

HIS EXCELLENCY THE PRESIDENT has approved the Cancellation of Notification No. 2005 (DRF/21/RECT/2004) relating to the Withdrawal of Commission of the under mentioned Senior Officer published in the *Gazette* of the Democratic Socialist Republic of Sri Lanka No. 1394 of 20th May, 2005.:-

Colombo,
18th May, 2017.

06-865/2

Lieutenant Colonel DAYA PARAKRAMA DISSANAYAKE - MI (O/50910);

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
18th May, 2017.

06-865/1

No. 703 of 2017

MOD/DEF/07/01/AVF/90/EML.

SRI LANKA ARMY—VOLUNTEER FORCE

Commissioning and Posting of Officers approved by His Excellency the President

COMMISSIONING AND POSTING OF OFFICERS

HIS EXCELLENCY THE PRESIDENT has approved the Commissioning of the under mentioned Officer Cadets in the Sri Lanka Army Volunteer Force under the Direct Enlistment Scheme in the rank of Lieutenant Colonel with effect from 13th February, 2017 and their posting to the Sri Lanka Army Medical Corps with effect from the same date:-

Officer Cadet ASANGA SAMPATH BASNAYAKA;
Officer Cadet MANNAPPERU MUDIYANSELAGE PREMASIRI
ANURA BANDARA.

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

No. 702 of 2017

MOD/DEF/02/01/ARF/ROG/09.

SRI LANKA ARMY—REGULAR FORCE

Confirmation of rank and retirement approved by His Excellency the President

CONFIRMATION OF RANK

HIS EXCELLENCY THE PRESIDENT has approved the confirmation of the under mentioned Senior Officer in the rank of Colonel with effect from 29th January, 2004.:-

Temporary Colonel DAYA PARAKRAMA DISSANAYAKE - (O/50910);

RETIREMENT

HIS EXCELLENCY THE PRESIDENT has approved the retirement of the under mentioned Senior Officer from the

Colombo,
31st May, 2017.

06-820

No. 704 of 2017

MOD/DEF/07/01/AVF/Ret/910.

SRI LANKA ARMY—VOLUNTEER FORCE

Retirement approved by His Excellency the President

RETIREMENT

HIS EXCELLENCY THE PRESIDENT has approved the retirement of the under mentioned Officer from the Sri Lanka Army Volunteer Force with effect from 30th May, 2017:-

Major GANEHI ACHCHILAGE KUSUM JAYAMPATHI GANEHIARACHCHI, SLAC (O/3746)

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
31st May, 2017.

06-821

No. 705 of 2017

MOD/DEF/07/01/AVF/Ret/818.

SRI LANKA ARMY—VOLUNTEER FORCE

Confirmation of rank and Retirement approved by His Excellency the President

CONFIRMATION OF RANK

HIS EXCELLENCY THE PRESIDENT has approved the Confirmation of rank of the under mentioned Officer in the rank of Captain with effect from 19th September, 2016:-

Temporary Captain WALIMUNI DEWAYALAGE NIMAL INDRARATHNA, SLNG (O/7363);

RETIREMENT

HIS EXCELLENCY THE PRESIDENT has approved the Retirement of the under mentioned Officer from the

Sri Lanka Army Volunteer Force with effect from 20th September, 2016:-

Captain WALIMUNI DEWAYALAGE NIMAL INDRARATHNA, SLNG (O/7363).

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
26th July, 2016.

06-866

No. 706 of 2017

MOD/DEF/07/01/AVF/Ret/830.

SRI LANKA ARMY—VOLUNTEER FORCE

Retirement approved by His Excellency the President

RETIREMENT

HIS EXCELLENCY THE PRESIDENT has approved the retirement of the under mentioned Officer from the Sri Lanka Army Volunteer Force with effect from 01st October, 2016:-

Captain JAYASUNDARA MUDIYANSELAGE ASHOKA JAYASUNDARA, RSP SLNG (O/5397).

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
26th July, 2016.

06-868

No. 707 of 2017

MOD/DEF/07/01/AVF/Ret/814.

SRI LANKA ARMY—VOLUNTEER FORCE**Retirement approved by His Excellency the President****RETIREMENT**

HIS EXCELLENCY THE PRESIDENT has approved the retirement of the under mentioned Officer from the Sri Lanka Army Volunteer Force with effect from 11th October, 2016:-

Second Lieutenant PITIYE GEDARA NANDANA NUWAN KUMARA, GW (O/8644).

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
26th July, 2016.

06-864

No. 708 of 2017

MOD/DEF/03/02/RET/280.

SRI LANKA NAVY**Transfer from the Regular Naval Force to the Regular Naval Reserve**

HIS EXCELLENCY THE PRESIDENT has approved the Transfer of under mentioned Senior Officer from the Regular Naval Force to the Regular Naval Reserve of the Sri Lanka Navy with effect from 11th September, 2017:-

Rear Admiral AGALAWATTA ASOKA PRINCELY LIYANAGE, RSP & Bar, USP, psc, AOWC SLN - NRX 0341.

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
25th May, 2017.

06-726

No. 709 of 2017

MOD/DEF/03/02/RET/280.

SRI LANKA NAVY—REGULAR NAVAL FORCE**Retirement approved by His Excellency the President**

HIS EXCELLENCY THE PRESIDENT has approved the retirement of under mentioned Senior Officer from the Regular Naval Force of the Sri Lanka Navy with effect from 11th September, 2017:-

Rear Admiral AGALAWATTA ASOKA PRINCELY LIYANAGE, RSP & Bar, USP, psc, AOWC SLN - NRX 0341.

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
25th May, 2017.

06-727

No. 710 of 2017

MOD/DEF/03/02/PRO/RNF/04/03.

SRI LANKA NAVY—REGULAR NAVAL FORCE**Promotion approved by His Excellency the President**

TO the rank of Temporary Rear Admiral with effect from 08th November, 2016:-

Commodore PRIYARAJ RASIKA BANDARA DISSANAYAKE, RWP, RSP, USP, psc SLN - NRX 0266.

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
26th October, 2016.

06-873

No. 711 of 2017

MOD/DEF/03/02/PRO/RNF/04/04.

**SRI LANKA NAVY—REGULAR NAVAL
FORCE**

**Confirmations approved by His Excellency the
President**

TO the rank of Captain with effect from 01st March, 2017:-

Commander (NP) [Temporary Captain (NP)] KUSALA
SAMINDA DISSANAYAKE, USP SLN - NRP 0746;

Commander (ND) [Temporary Captain (ND)] YAPA
RAJAPRIYA SERASINGHE, WWV, RWP & Bar, RSP & Bar,
USP, psc SLN - NRX 0821.

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
31st May, 2017.

06-725

No. 712 of 2017

MOD/DEF/03/02/PRO/RNF/04/04.

**SRI LANKA NAVY—REGULAR NAVAL
FORCE**

**Promotions approved by His Excellency the
President**

*TO the rank of Temporary Captain with effect from 01st
July, 2017:-*

Commander (N) RANIL LASANTHA KULARATHNE, RSP, psc
SLN - NRX 0838;

Commander (G) HERATH MUDIYANSELAGE BUDDIKA
PESHAL RUPASINGHE, RSP & Bar, psc SLN - NRX 0843;

Commander (CDO) ATHUKORALALAGE KRISHANTHA
ROSHAN ATHUKORALA, RWP, RSP, psc SLN - NRX 0857;

Commander (H) LEKAM APPUHAMILAGE DON SANJEEWA
INDIKA KUMARA PREMARATNE, RWP, RSP & Bar, psc SLN
- NRX 0840;

Commander (L) OLAKALE GEDERA PUNCHIRALA RALLE
PALINDA RANJIKI HUNGAMPOLA, SLN - NRL 0845;

Commander (E) WESLY KUMARA AMBALANGODA WADUGE,
psc SLN - NRE 0916;

Surgeon Commander MIHIDU WIJENAYAKE, SLN - NRM
1438;

Commander (SBS) ARUNA DANANJAYA WEERASINGHE,
RSP SLN - NRZ 0965;

Commander (CE) KALUARACHCHIGE RAVINDRA
GUNASINGHE, SLN - NRC 0959;

Commander (IT) CHAMINDA VIPULAJITH RANAWEERA,
SLN - NRT 0866.

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
31st May, 2017.

06-824

No. 713 of 2017

MOD/DEF/03/02/PRO/RNF/01/10.

**SRI LANKA NAVY—REGULAR NAVAL
FORCE**

**Confirmations approved by His Excellency the
President**

*TO the rank of Commander with effect from 01st March,
2017:-*

Lieutenant Commander (ASW) [Temporary Commander
(ASW)] SANDARADURA YASANTHA JAYANATH DE SILVA, RSP,
SLN - NRX 1362;

Lieutenant Commander (S) [Temporary Commander (S)]
AKMEEMANA KUMARAGE PRASANNA KUMARA AKMEEMANA,
SLN - NRS 1365;

Lieutenant Commander (G) [Temporary Commander
(G)] THILAKASINGHE RAJ PRASANTHA, RSP & Bar SLN -
NRX 1366;

Lieutenant Commander (C) [Temporary Commander
(C)] HONDAMUNI ANURA DE ZOYSA, RWP, RSP, PWO SLN
- NRX 1189;

Lieutenant Commander (NP) [Temporary Commander
(NP)] HERATH MUDIYANSELAGE DILAN KUMARA
THILAKARATHNA, RWP, RSP, SLN - NRP 1174;

Lieutenant Commander (NP) [Temporary Commander
(NP)] WIJAYARATHNA MUDIYANSELAGE UPUL INDIKA
WIJAYARATHNA, RSP, SLN - NRP 1234;

Lieutenant Commander (ND) [Temporary Commander
(ND)] BUSABADUGE GAYAN PRASANGA FERNANDO
ABAYASUNDARA WICKRAMASURIYA, RSP & Bar SLN - NRX
1244;

Lieutenant Commander (ND) [Temporary Commander
(ND)] LOKUTHAMBUGALA RALALAGE JANAKA GUNAWARDANA,
RWP, RSP, psc SLN - NRX 1286;

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
31st May, 2017.

06-724

No. 714 of 2017

MOD/DEF/03/02/PRO/RNF/01/10.

SRI LANKA NAVY—REGULAR NAVAL FORCE

Confirmations approved by His Excellency the President

TO the rank of Commander with effect from 01st July, 2017:-

Lieutenant Commander (G) [Temporary Commander (G)] MAPITIGAMA MUDIYANSELAGE RANURA YASANTHA MAPITIGAMA, RSP, SLN - NRX 1111;

Lieutenant Commander (BH) [Temporary Commander (BH)] PONNANVILAGE HILTON SUNANDA SAMPATH APPUHAMY, PWO SLN - NRX 1374;

Lieutenant Commander (ASW) [Temporary Commander (ASW)] HETTIARACHCHIGE ANTON CHAMINDA FERNANDO, RSP SLN - NRX 1336;

Lieutenant Commander (AOH) [Temporary Commander (AOH)] SHANTHA UDUGAMA GAMAGE, SLN - NRW 1309;

Lieutenant Commander (C) [Temporary Commander (C)] WEERASEKARA WASALA MUDIYANSELAGE ASOKA BANDARA WEERASEKARA, RSP, SLN - NRX 1260;

Lieutenant Commander (E) [Temporary Commander (E)] KALOGAHAGEDARA MANJULA PUSHPA KUMARA SENARATHNA, SLN - NRE 1403;

Lieutenant Commander (E) [Temporary Commander (E)] TISSAKUTTI ARACHCHIGE DON BANDULA PRASAD TISSAARACHCHI, SLN - NRE 1414;

Lieutenant Commander (BM) [Temporary Commander (BM)] DEWELKANA GEDARA PALIPANA ATHULA DAYAKEERTHI, SLN - NRB 1338;

Surgeon Lieutenant Commander [Temporary Surgeon Commander] NAWARATHNA HERATH MUDIYANSELAGE CHANDANA ATHTHANAYAKE, SLN - NRM 1816;

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
31st May, 2017.

06-723

No. 715 of 2017

MOD/DEF/03/02/RET/283.

SRI LANKA NAVY—REGULAR NAVAL FORCE

Retirement approved by His Excellency the President

HIS EXCELLENCY THE PRESIDENT has approved the retirement of under mentioned Officer from the Regular Naval Force with effect from 26th August, 2017:-

Commander (C) INDIKA SURANGA MUNASINGHE, RSP & Bar SLN - NRX 1078.

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
31st May, 2017.

06-819

No. 716 of 2017

MOD/DEF/03/02/PRO/RNF/01/10.

SRI LANKA NAVY—REGULAR NAVAL FORCE

Promotions approved by His Excellency the President

To the rank of Temporary Commander with effect from 01st July, 2017:-

Lieutenant Commander (G) SARATH ANANDA ILLANGASINGHE, SLN - NRX 1141;

Lieutenant Commander (H) PALIHAWADANA ARACHCHIGE PRAGEETH SUDANTHA PERERA, RSP SLN - NRX 1363;

Lieutenant Commander (ASW) JAYAKODY MUDIYANSELAGE GANGANATH BANDARA JAYAKODY, SLN - NRX 1230;

Lieutenant Commander (C) RAMMINI AMILA KALHARA DHARMAWICKRAMA, RWP, RSP & Bar SLN - NRX 1157;

Lieutenant Commander (SBS) WEERASEKARA ARACHCHIGE CHAMINDA PRASAD WEERASEKARA, RSP & Bar SLN - NRZ 1389;

Lieutenant Commander (C) KULUGAMMANA RANKETTE
GEDARA ROLAND SUDATH RANTENNA, psc SLN - NRX 1300;
Lieutenant Commander (ND) HEWA PATTINIGE RASIKA
PRASANNA AMARASINGHE, RSP & Bar SLN - NRX 1304;
Lieutenant Commander (G) BASNAYAKE APPUHAMILAGE
NIMANTHA DILUM TISSERA, psc SLN - NRX 1245;
Lieutenant Commander (ND) KRAW VIJITH SRI LOHITHA
DE SILVA, RSP & Bar SLN - NRX 1293;
Lieutenant Commander (ND) HEWAWASAM
PUWAKPITIYAGE MANUSANKA HEWAWASAM, psc SLN - NRX
1394;
Surgeon Lieutenant Commander WEDIKKARA
KODITUWAKKU KANKANANGE DON CHATHTHARI DHANANJAYA
KODITUWAKKU, SLN - NRM 1444;
Lieutenant Commander (CE) MONIKA ANJANI
WAHALATHANTHRI, SLN - NRC 1571;
Lieutenant Commander (L) EDIRACHCHARIGE SANJEEWA
ROSHAN JINADASA, SLN - NRL 1572;
Lieutenant Commander (E) THENNAKOON MUDIYANSELAGE
SURESH GUNARATHNA, SLN - NRE 1567;
Lieutenant Commander (L) DURAGE SURANGA CHINTHANA
DISSANAYAKE, SLN - NRL 1568;
Lieutenant Commander (E) GALAGAMA ARACHCHILAGE
PRADEEP CHANDRADASA, SLN - NRE 1573;
Lieutenant Commander (E) RANNULU SURANGA DE
SOYZA, SLN - NRE 1340;
Lieutenant Commander (IT) KULAPATHI HEWAGE NADEERA
KULAPATHI, SLN - NRT 1459;
Lieutenant Commander (IT) CHANDANA PRABATH
GUNAWARDHENA, SLN - NRT 1460;
Lieutenant Commander (IT) KARIYAWASAM PATHIRA
KANKANANGE ARUNA CHAMINDA KARIYAWASAM, SLN - NRT
1461;
Lieutenant Commander (CE) KONARA MUDIYANSELAGE
DHAMMIKA DEEPAL BANDARA KOLLALPITIYA, SLN - NRC
1868;

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
31st May, 2017.

06-822

No. 717 of 2017

MOD/DEF/03/02/RES/263.

SRI LANKA NAVY—REGULAR NAVAL FORCE

Resignation of Commission approved by His Excellency the President

HIS EXCELLENCY THE PRESIDENT has approved the
Resignation of Commission of under mentioned Officer in
the Regular Naval Force of the Sri Lanka Navy with effect
from 23rd January, 2017:-

Lieutenant Commander (E) HEWA THAMADUWAGE PESALA
PRABATH, NRE 2303, SLN.

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
23rd January, 2017.

06-870

No. 718 of 2017

MOD/DEF/03/02/PRO/RNF/01/10.

SRI LANKA NAVY—REGULAR NAVAL FORCE

Confirmation approved by His Excellency the President

Lieutenant Commander with effect from 19th March, 2017:-
Lieutenant [Temporary Lieutenant Commander] HEWA
LUNUVILA ARACHCHIGE GAYAN CHANDIMAL GUNAWARDANA,
NRX 2338, SLN;

*Lieutenant Commander (S) with effect from 18th April,
2017:-*

Lieutenant (S) [Temporary Lieutenant Commander (S)]
FRANSISCU HETTIGE LALINDA SILVA, NRS 2270, SLN;

*Lieutenant Commander (NP) with effect from 25th
April, 2017:-*

Lieutenant (NP) [Temporary Lieutenant Commander
(NP)] MUDIYANSELAGE SHANAKA MADUMAL PERERA, NRP
2261, SLN;

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
31st May, 2017.

06-869

No. 719 of 2017

MOD/DEF/03/02/PRO/RNF/01/10.

**SRI LANKA NAVY—REGULAR NAVAL
FORCE**

**Promotion approved by His Excellency the
President**

*TO the rank of Temporary Lieutenant - Commander (E)
with effect from 23rd December, 2016:-*

Lieutenant (E) PANHIS KORALALAGE THUSHARA SAMPATH,
NRE 2530, SLN;

*To the rank of Temporary Lieutenant - Commander with
effect from 30th December, 2016:-*

Lieutenant RATHNAWALA GEDARA ASANKA PRADEEP
RAJAPAKSHA, NRX 2516, SLN;

Lieutenant DAYAN ROSHAN DE RANABAHU, NRX 2520,
SLN;

*To the rank of Temporary Lieutenant - Commander (E)
with effect from 30th December, 2016:-*

Lieutenant (E) AMITH NISHANTHA MAKOLAGE, NRE 2537,
SLN.

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
15th February, 2017.

06-872

No. 720 of 2017

MOD/DEF/03/02/PRO/RNF/01/10.

**SRI LANKA NAVY—REGULAR NAVAL
FORCE**

**Promotion approved by His Excellency the
President**

*TO the rank of Temporary Lieutenant - Commander with
effect from 13th January, 2017:-*

Lieutenant WADIYA RALLE UJJOTHA DEEKSITHA
DHARMASENA, NRX 2524, SLN.

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
03rd March, 2017.

06-867

No. 721 of 2017

MOD/DEF/03/02/PRO/VNF 02.

**SRI LANKA NAVY—VOLUNTEER NAVAL
FORCE**

**Promotion approved by His Excellency the
President**

*TO the rank of Temporary Captain (VNF) with effect from
01st July, 2017:-*

Commander (VNF) NUWARA PAKSHA GEDARA NIMAL
WASANTHA, SLVNF - NVX 5188;

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
31st May, 2017.

06-818

No. 722 of 2017

MOD/DEF/03/02/PRO/VNF/02.

**SRI LANKA NAVY—VOLUNTEER NAVAL
FORCE**

**Promotion approved by His Excellency the
President**

*TO the rank of Temporary Commander (VNF) with effect
from 01st July, 2017:-*

Lieutenant Commander (VNF) PIYADASAGE ANIL
WICKRAMASINGHE, SLVNF - NVX 5202;

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
31st May, 2017.

06-823

No. 723 of 2017

MOD/DEF/03/02/RET/257.

SRI LANKA NAVY—VOLUNTEER NAVAL FORCE

Retirement and Transfer to the Volunteer Naval Reserve approved by His Excellency the President

HIS EXCELLENCY THE PRESIDENT has approved the retirement of under mentioned Officer from the Volunteer Naval Force of Sri Lanka Navy and transfer to the Volunteer Naval Reserve with effect from 09th September, 2015:-

Lieutenant Commander (VNF) MADDUMA HEWAGE LAKSHMAN, NVI 5186, SLVNF.

By His Excellency's Command,

Eng. KARUNASENA HETTIARACHCHI,
Secretary,
Ministry of Defence.

Colombo,
10th January, 2017.

06-871

Other Appointments, & c.

No. 724 of 2017

MINISTRY OF LANDS

Survey Department of Sri Lanka

Appointment of a member to the Advisory and Co-ordinating Board of the Institute of Surveying and Mapping

Mr. Kanagaratnam Thavalingam/Retired Surveyor General is appointed as a member of the Advisory and Co-ordinating Board of the Institute of Surveying & Mapping by virtue of the powers vested to me under the Section 5 (2) (b) (iv) of Act, No. 21 of 1969 to provide for the establishment of an Institute of Surveying & Mapping and for matters connected therewith.

JOHN A. E. AMARATHUNGA,
Minister of Lands.

Colombo,
18th May, 2017.

06-710

Government Notifications

**PILGRIMAGES ORDINANCE
(Chapter the Pilgrimages - 175)**

Esala Festival of Ruhunu Katharagama Maha Devale - 2017

IT is hereby notified for information of the general public that the above festival will commence on the 24th July, 2017 and terminate on 08th August, 2017.

The general public are informed that the regulations published in the following *gazette* notifications, in terms of the provisions of the Pilgrimages Ordinance, shall be in force within the duration of the festival.

Government *Gazette* No. 9859 of 30.04.1948
Government *Gazette* No. 10000 of 22.07.1949
Government *Gazette* No. 11255 of 07.02.1958
Government *Gazette* No. 12508 of 07.07.1961
Government *Gazette* No. 12947 of 02.03.1962

D. S. PATHMAKULASOORIYA,
Monaragala District Secretary/Government
Agent and,
Officer in charge Kataragama Esala Festival Work Force.

The District Secretariat,
Moneragala,
24th May, 2017.

06-899/1

ESALA FESTIVAL OF RUHUNU KATHARAGAMA MAHA DEVALE - 2017

ATTENTION of the General Public is invited to Regulations relating to pilgrimages published in *Gazette* No. 9859 dated 30.04.1948, No. 10000 dated 22.07.1949, No. 11255 dated 07.02.1958, No. 12508 dated 07.07.1961, No. 12947 dated 02.03.1962. I, hereby notify the following particulars relating to those regulations.

01. Camp Area:

“Camp area” means (a) the area within a radius of a 1.6 km from the ford of the Manik Ganga at Katharagama and (b) the area within a radius of 0.4 km from the Pulleyar Kovil at Sella Katharagama.

02. Construction of Buildings:

No person shall construct any building or boutique whether permanent or temporary within the camp area during the period of 24th July, 2017 to 08th August, 2017 without a written permission obtained from any other authorized officer.

03. Beggars:

No person shall solicit alms within the camp area except in the beggar hut constructed near the second bridge over the Menik Ganga or within a distance of four meters from there and no person shall distributes any alms to beggars within the camp area except at the aforesaid places.

04. Bathing and washing:

No person shall bath or wash cloths or animals within the area of 4.8 km upward the Manik Ganga extending from the place of pumping water through the Katharagama Water Supply Scheme.

05. Vehicles :

5.1 No person shall enter any motor vehicle, bicycle, bullock cart or any other vehicle to the sacred area (Eastern part of Menik Ganga) without a permit issued by me or any other authorized officer.

5.2. No person shall park any vehicle within the camp area except within the areas reserve for parking vehicles in the new town.

06. Barber Saloons:

No person shall establish any barber saloon within the camp area except the palaces reserved for the purpose.

07. Kavadi Kada:

No person shall establish any Kavadi Kada without a permit issued by me or any other authorized officer.

08. Marketing:

- 8.1 Hawkers are not allowed to sell anything within the scared area, pilgrims rest area, bus stand and on or near foot bridges No. 01 and 02.
- 8.2 No person shall sell “Thinnoru, Ice-Cream, Pooja Bhanda, Pooja trays, Food items or any other commodities outside the areas reserved for that purpose.
- 8.3 No person shall establish or maintain any sale outlet within the sacred area except selling of flowers within the sheds already constructed on either sides of the road leading to Kirivehera.
- 8.4 Every building and every boutique shall have a dustbin and all refuse should be deposited there in.
- 8.5 All processed foods exposed for sale should be kept in boxes with covers so as to protect them from flies.

D. S. PATHMAKULASOORIYA,
Monaragala District Secretary/Government
Agent and,
Officer in charge Kataragama Esala Festival Work Force.

The District Secretariat,
Moneragala,
24th May, 2017.

06-899/2

Revenue and Expenditure Returns

THE REPORT OF THE AUDITOR

To the Council of the Institute of Chartered Accountants of Sri Lanka

Report on the Financial Statements

I have audited the accompanying financial statements of The Institute of Chartered Accountants of Sri Lanka, (“the Institute”), which comprise the statement of financial position as at December 31st, 2016, and the statement of comprehensive income, statement of changes in funds and reserves and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information. I have also audited the statements of financial position of F.B. Lander Prize Fund and Cyril E. Begbie Memorial Prize Fund as at 31st December, 2016.

Management’s Responsibility for the Financial Statements

The management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards, 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards. Those standards require that I 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 and fair presentation of the financial statements 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 the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the Institute, F.B. Lander Prize Fund and Cyril E. Begbie Memorial Prize Fund as at December 31st, 2016, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

S. M. N. L. SENANAYAKE,
Chartered Accountant.

Colombo.
19th May 2017.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF SRI LANKA

STATEMENT OF FINANCIAL POSITION

<i>As at</i>	<i>Note</i>	31.12.2016 Rs. '000	31.12.2015 Rs. '000
Assets			
Non-current assets			
Property, plant and equipment	3	555,265	585,640
Intangible assets	4	48,709	65,100
Library books	5	1,455	1,510
Loans and advances to staff	6	18,932	15,205
Held to maturity financial assets	7	274,265	268,995
Available for sale financial assets	8	34,547	36,778
<i>Total non-current assets</i>		<u>933,173</u>	<u>973,228</u>
Current assets			
Inventories	9	24,437	28,448
Receivables	10	57,905	68,295
Loans and advances to staff	6	9,716	7,842
Held to maturity financial assets	7	209,286	82,509

<i>As at</i>	<i>Note</i>	31.12.2016 Rs. '000	31.12.2015 Rs. '000
Cash and cash equivalents	11	<u>101,710</u>	125,024
Total current assets		<u>403,054</u>	312,118
Total assets		<u>1,336,227</u>	1,285,346
Funds and liabilities			
Accumulated fund and reserves			
Accumulated fund		948,151	859,465
Capital expenditure reserve	12	-	24,000
AFS reserve		<u>(4,479)</u>	<u>(2,849)</u>
Total accumulated fund and reserves		<u>943,672</u>	880,616
Funds and grants			
Designated funds	13	30,633	27,935
Restricted funds and grants	14	17,654	49,010
Endowment funds	15	<u>2,117</u>	1,990
Total funds and grants		<u>50,404</u>	78,935
Non-current liabilities			
Retirement benefit obligation	17	<u>31,821</u>	27,808
Total non-current liabilities		<u>31,821</u>	27,808
Current liabilities			
Payables	18	79,265	86,985
Borrowings	16	-	1,582
Income tax liability	19	80	90
Receipts in advance	20	184,766	167,708
Deferred income		23,238	16,062
Bank overdrafts	11	<u>22,981</u>	25,560
Total current liabilities		<u>310,330</u>	297,987
Total liabilities		<u>342,151</u>	325,795
Total funds and liabilities		<u>1,336,227</u>	1,285,346

The accounting policies and notes on pages 5 to 43 form an integral part of these financial statements.

These financial statements have been prepared and presented in compliance with Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka.

K. C. DINUSHINI,
Head of Finance

ARUNA ALWIS,
Secretary/Chief Executive Officer.

LASANTHA WICKREMASINGHE,
President

JAGATH PERERA,
Vice President.

Colombo,
19th May, 2017.

STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 31st December

	Note	2016 Rs. '000	2015 Rs. '000
Income	21	752,389	760,460
Expenditure	21	<u>(356,819)</u>	<u>(360,617)</u>
Net income before employee costs and overheads		395,570	399,843
<i>Other income</i>			
Other operating income	22	<u>4,241</u>	<u>7,373</u>
Operating income		399,811	407,216
Overhead expenses			
Employee costs	23	(207,988)	(196,004)
Maintenance of premises	24	(40,420)	(36,146)
Depreciation and amortisation	25	(68,195)	(67,531)
Other expenses	26	<u>(48,547)</u>	<u>(36,178)</u>
Total overhead expenses		<u>(365,150)</u>	<u>(335,859)</u>
Net operating income		34,661	71,357
Grants and other restricted funds	14.1	21,858	20,969
Related expenditure of grants	14.2	(18,726)	(17,480)
Contribution to designated funds	13	(12,913)	(9,949)
Transfers to restricted funds and grants	14.1	(4,657)	(3,619)
Contribution to endowment funds	15	<u>(172)</u>	<u>(151)</u>
		(14,610)	(10,230)
Finance income	27	51,230	38,395
Finance cost	28	<u>(127)</u>	<u>(326)</u>
Surplus for the year before tax		<u>71,154</u>	<u>99,196</u>
Income tax	29	<u>(5,018)</u>	<u>(3,317)</u>
Surplus for the year after tax		<u>66,136</u>	<u>95,879</u>
<i>Other comprehensive income</i>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Fair value changes on available for sale investments	8	(1,630)	(2,577)
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Defined benefit plan actuarial loss	17.1	<u>(1,450)</u>	<u>(2,126)</u>
Total comprehensive income		<u>63,056</u>	<u>91,176</u>

The accounting policies and notes on pages 5 to 43 form an integral part of these financial statements.

STATEMENT OF CHANGES IN FUNDS AND RESERVES FOR THE YEAR ENDED 31ST DECEMBER, 2016

	<i>Accumulated fund Rs. '000</i>	<i>Capital expenditure reserve Rs. '000</i>	<i>Available for sale reserve Rs. '000</i>	<i>Total Rs. '000</i>
Balance as at 1st January 2015	765,712	24,000	(272)	789,440
Surplus for the year after tax	95,879	-	-	95,879
Actuarial loss on defined benefit obligation	(2,126)	-	-	(2,126)
Fair value changes on available for sale investments	-	-	(2,577)	(2,577)
Balance as at 31st December 2015	859,465	24,000	(2,849)	880,616
Balance as at 1st January 2016	859,465	24,000	(2,849)	880,616
Surplus for the year after tax	66,136	-	-	66,136
Actuarial loss on defined benefit obligation	(1,450)	-	-	(1,450)
Fair value changes on available for sale investments	-	-	(1,630)	(1,630)
Transfers	24,000	(24,000)	-	-
Balance as at 31st December 2016	948,151	-	(4,479)	943,672

The accounting policies and notes on pages 5 to 43 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER

<i>For the year ended 31st December</i>	<i>Note</i>	<i>2016 Rs. '000</i>	<i>2015 Rs. '000</i>
Cash flow from operating activities			
Surplus for the year before tax		71,154	99,196
Adjustments for:			
Depreciation and amortisation	25	71,739	71,395
Reimbursements and amortisation of restricted funds and grants	14	(21,858)	(20,969)
Contribution to designated funds	13	12,913	9,949

	<i>Note</i>	2016 <i>Rs. '000</i>	2015 <i>Rs. '000</i>
Transfers to restricted funds and grants	14	4,657	3,619
Contribution to endowment funds	15	172	151
Provision for defined benefit plan	17	5,995	4,966
(Profit)/loss on disposal of property, plant and equipment	22	(123)	-
Work- in progress written off	4	1,050	-
Amortisation of pre-paid staff cost	23	2,480	1,683
Interest expense	28	127	326
Finance income	27	<u>(51,230)</u>	<u>(38,395)</u>
Operating surplus before working capital changes		97,076	131,921
(Increase) / decrease in inventory	9	4,011	(12,281)
(Increase) / decrease in receivables	10	8,384	(20,211)
(Increase) / decrease in loans and advances to staff	6	(5,603)	(7,439)
Increase / (decrease) in payables	18	(6,790)	(1,593)
Increase / (decrease) in deferred income		7,176	6,274
Increase / (decrease) in receipts in advance	20	<u>17,158</u>	<u>35,370</u>
Cash generated from operations		121,412	132,041
Tax paid	19	(1,296)	(3,217)
Gratuity paid	17	<u>(3,432)</u>	<u>(3,725)</u>
Net cash inflow from operating activities		<u>116,684</u>	<u>125,099</u>
Cash flows from/ (used in) investing activities			
Acquisition of property, plant and equipment and library books	3,5	(24,768)	(11,526)
Acquisition of intangible assets	4	(2,741)	(38,442)
Investment in held to maturity financial assets		(470,750)	(170,749)
Maturity proceeds received from held to maturity financial assets		329,844	95,750
Proceeds on disposal of property, plant and equipment		327	-
Finance income received		<u>31,692</u>	<u>21,677</u>
Net cash flow from/ (used in) investing activities		<u>(136,396)</u>	<u>(103,290)</u>
Cash flows from / (used in) financing activities			
Donations received to designated funds	13	3	34
Receipts to restricted funds and grants	14	11,700	6,176
Donations received to endowment funds	15	-	145
Payments made from designated funds	13	(10,218)	(8,977)
Payments made from restricted funds	14	(954)	(135)
Payments made from endowment funds	15	(45)	(359)
Proceeds received/ (settlements made) on borrowings		<u>(1,709)</u>	<u>(469)</u>
Net cash flow from/ (used in) financing activities		<u>(1,223)</u>	<u>(3,585)</u>
Net increase / (decrease) in cash and cash equivalents		(20,935)	18,224
Cash and cash equivalents at the beginning of the year		99,464	81,240
Derecognition of cash and cash equivalents of APFASL		<u>200</u>	<u>-</u>
Cash and cash equivalents at the end of the year	11	<u>78,729</u>	<u>99,464</u>

The accounting policies and notes on pages 5 to 43 form an integral part of these financial statements.

Notes to the Financial Statements – For the Year Ended 31st December, 2016

1. General Information

1.1 *Legal and domicile form*

The Institute of Chartered Accountants of Sri Lanka (the Institute) is a statutory body incorporated by Institute of Chartered Accountants Act, No. 23 of 1959 (The Act), and domiciled in Sri Lanka, situated at 30A, Malalasekara Mawatha, Colombo 7.

The Act provides for the establishment of the Institute of Chartered Accountants of Sri Lanka and of a Council of the Institute, which shall be responsible for the management of its affairs for the issue of Sri Lanka Accounting and Sri Lanka Auditing Standards and for the registration and control of and the maintenance of professional standards and discipline by members of the Institute and for matters connected with or incidental to the matters aforesaid.

1.2 *Date of authorisation for issue*

The financial statements were authorised for issue by the Council on 19th May, 2017.

1.3 *Principal activities and nature of operations*

- To promote in general the theory and practice of accountancy and in particular auditing, financial management and taxation.
- To enrol, educate and train members who are desirous of learning or improving their skills and knowledge in disciplines such as auditing, financial management and taxation.
- Act as the sole authority for promulgating accounting and auditing standards in Sri Lanka.
- To organise, finance and maintain schemes for the granting of diplomas, certificates and other awards to members of the Institute and other professional bodies and to other persons who fulfil the prescribed conditions.
- Adoption and implementation of code of ethics and best practices.
- Conducting of technical awareness campaigns in the form of seminars, workshops and events to ensure continuous professional development of the members.
- Regulation and supervision of student education and training.
- Activities on matters of public interest.

1.4 *Going concern basis*

Financial statements have been prepared on going concern basis.

1.5 *Financial period*

The financial period of the Institute represents a twelve month period from 01st January, 2016 to 31st December, 2016.

1.6 *Accounting for Association of Public Finance Accountants of Sri Lanka (APFASL)*

The assets and liabilities of Association of Public Finance Accountants of Sri Lanka (APFASL) which had been amalgamated with the Institute financials up to year 2015 has been de-recognized from the financial statements of the Institute from the year 2016 due to the amendment of certain clauses and provisions of the constitution of APFASL in order to operate as a more autonomous entity.

1.7 *Basis of preparation of financial statements*

1.7.1 *Statement of compliance*

The financial statements of the Institute have been prepared in accordance with Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka.

These financial statements comprise the statement of financial position, statement of comprehensive income, statement of changes in funds and reserves, statement of cash flows and notes to the financial statements.

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all periods presented in the financial statements unless otherwise stated.

1.7.2 *Basis of measurement*

The financial statements have been prepared on accrual basis and under the historical cost basis, except where appropriate disclosures are made with regard to fair value under relevant notes.

1.7.3 *Comparative information*

Comparative information including quantitative, narrative and descriptive information is disclosed in respect of the previous period for all amounts reported in the financial statements in order to enhance the understanding of the financial statements of the current period and to improve comparability.

Where necessary, comparative figures have been rearranged to conform to the current year's presentation.

1.7.4 *Materiality and aggregation*

Each material class of similar items is presented separately in the financial statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

1.7.5 *Functional and presentation currency*

The financial statements are presented in Sri Lankan Rupees, which is the Institute's functional and presentation currency, in the primary economic environment in which the Institute operates.

All financial information presented in Sri Lankan Rupees have been rounded to the nearest thousand, unless stated otherwise.

1.8 *Significant accounting estimates and judgments*

The preparation and presentation of financial statements in conformity with Sri Lanka Accounting Standards, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates and judgments used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised 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.

Information about significant areas of estimates, uncertainty and critical judgments in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is as follows:-

(a) **Association of Accounting Technicians of Sri Lanka (AAT) and Accounting for Association of Public Finance Accountants of Sri Lanka (APFASL)**

When determining that there is no requirement for consolidation, the consideration has been drawn to all factors and circumstances in SLFRS 10 "Consolidated Financial Statements" (Paragraph 7) as follows;

- (a) power over the investee;
 - (b) exposure, or rights, to variable returns from its involvement with the investee; and
 - (c) the ability to use its power over the investee to affect the amount of the investor's returns,
- Accordingly, management has determined that there is no requirement for consolidation.

(b) Defined benefit plans

The cost of the retirement benefit plan of employees is determined using Projected Unit Credit (PUC) method. Such method involves use of assumptions concerning the rate of interest, rate of salary increase and retirement age. Due to the long term nature of the plan, such estimates are subject to significant uncertainty.

(c) Changes in accounting estimates and judgments

Any changes in accounting estimates and critical judgements are disclosed in the relevant notes to the financial statements.

2. Summary of significant accounting policies

2.1 Assets and the bases of their valuation

2.1.1 Property, plant and equipment

(a) Basis of recognition and measurement

Property, plant and equipment are recognised if it is probable that future economic benefits associated with the asset will flow to the Institute and the cost of the asset can be measured reliably.

All property, plant and equipment are stated initially at cost and subsequently measured at cost less accumulated depreciation and any impairment losses. Repair and maintenance cost are recognised in the statement of comprehensive income as incurred. The carrying value of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that carrying value may not be recoverable.

(b) Depreciation

Depreciation is calculated by using a straight line method on the cost of all property, plant and equipment, in order to write-off such amounts over the estimated useful life of such assets.

The estimated useful lives of assets are as follows:-

<i>Asset category</i>	<i>Useful life</i>
Buildings	5-50 years
Furniture	5- 10 years
Plant and Machinery	5-10 years
Motor vehicles	10 years
Computers	5 years

Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognised.

Significant items of property, plant and equipment with different useful lives are separately identified and depreciated.

Depreciation on property, plant and equipment purchased through restricted funds is charged to the statement of comprehensive income. The correspondent grant amount is amortised over the useful life of the related asset.

(c) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset calculated as the difference between the net disposal proceeds and the carrying amount and included in the statement of comprehensive income in the year the asset is derecognised.

2.1.2 *Library books*

Cost of library books are written off on the straight line basis over a period of 3 years.

2.1.3 *Capital work-in-progress*

Capital work-in-progress is stated at cost, less any impairment losses. These are expenses of a capital nature directly incurred in the construction of property, plant and equipment awaiting capitalisation. Capital work-in-progress would be transferred to the relevant asset category in property, plant and equipment, when it is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Institute.

2.1.4 *Intangible assets*

a. **Computer software**

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use. These costs are amortised over their estimated useful life of five (5) years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Institute are recognised as intangible assets when the following criteria are met:

1. it is technically feasible to complete the software product so that it will be available for use;
2. management intends to complete the software product and use it;
3. there is an ability to use the software product;
4. it can be demonstrated how the software product will generate probable future economic benefits;
5. adequate technical, financial and other resources to complete the development and to use the software product are available; and
6. the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Costs recognised as intangible assets are amortised over their estimated useful lives, which do not exceed five (5) years. Costs relating to development of software are carried in capital work in progress until the software is ready for use.

b. **Study Material**

Costs that are directly attributable to the development of curriculum and study materials of the CA qualifications are recognised as intangible assets when it is technically feasible to implement the new curriculum, the investment attributable to the project during its development period can be reliably measured and it can be demonstrated that it will generate probable future economic benefits

These costs are amortised over the effective period of the new curriculum and the remaining useful life is reviewed at least at each financial reporting year end.

2.1.5 *Inventories*

Inventories are stated at the lower of cost and net realisable value after making due allowances for obsolete and slow moving items. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and selling expenses. The cost of inventories is based on weighted average cost. The cost includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

The inventories of the Institute include study packs, study material, publications, stationery and consumables.

2.1.6 *Impairment of non-financial assets*

The Institute assesses at each reporting date whether there is an indication that an asset may be impaired. If such indication exists or when annual impairment testing for an asset is required, the Institute makes an estimate of

the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value, using a discount rate that reflects current market assessment of the time value of money and the risk specific to the asset.

Impairment losses of continuing operations are recognised in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount, since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot "exceed" the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of comprehensive income.

2.1.7 *Financial assets – Initial recognition and measurement*

Financial assets within the scope of LKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Institute determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs.

The Institute initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Institute becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Institute has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The financial assets of the Institute include receivables, loans and advances to staff, Held-to-Maturity Financial Assets, Available-for-sale Financial Assets, repurchase agreements and cash and cash equivalents.

(a) **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of comprehensive income. The losses arising from impairment are recognised in the statement of comprehensive income in finance costs.

Initially, loans and receivables are recognised on the date that they are originated. Loans and receivables are stated at their cost net of an allowance on outstanding amounts to cover the risk of non-payment.

Loans and receivables comprise trade receivables, employee loans and advances, deposits and other receivables.

(b) **Held-To-Maturity Financial Assets (HTM)**

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as HTM when the Institute has the positive intention and ability to hold them to maturity. After initial measurement, HTM investments are measured at amortised cost using the Effective Interest Rate (EIR) method, less impairment. The EIR amortisation is included in finance income in the statement of comprehensive income. The losses arising from impairment are recognised in the statement of comprehensive income in financial costs.

Investments in fixed deposits and government securities have been classified under HTM investments.

(c) **Available-For-Sale Financial Assets (AFS)**

AFS financial assets are non-derivative financial assets that are designated as AFS or are not classified in any of the above categories of financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognised in other comprehensive income and presented in the fair value reserve in funds and reserves. Interest income on AFS financial assets is calculated using the effective interest rate method (EIR) and is recognised in profit or loss. When an investment is derecognised, the gain or loss accumulated in funds and reserves reclassified to profit or loss.

Investments in government securities have been classified under AFS investments.

2.1.8 Derecognition of financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- (a) the rights to receive cash flows from the asset have expired
- (b) the Institute has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - i) the Institute has transferred substantially all the risks and rewards of the asset, or
 - ii) the Institute has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Institute has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of it, the asset is recognized to the extent of the Institute's continuing involvement in it.

In that case, the Institute also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Institute has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Institute could be required to repay.

2.1.9 Impairment of financial assets

The Institute assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired and if such impairment has occurred, that amount of impairment is calculated by taking the difference between the asset's carrying amount and the present value of estimated future cash flows.

A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events occurring after the initial recognition of the asset or assets (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors are experiencing significant financial difficulty or default in interest or principal payments, the probability that they will enter bankruptcy or any financial reorganisation, and when observable data indicate that there is a measurable decrease in future cash flows, such as change in arrears or economic conditions that correlate with defaults. If any indication exists, the asset's recoverable amount is estimated.

An impairment loss is then recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount, but only to the extent

that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.1.10 Cash and cash equivalents

The Institute 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 Institute's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Cash and cash equivalents comprise cash in hand, cash at bank, deposits at bank and repurchase agreements.

Bank overdraft is included as a component of cash and cash equivalents for the purpose of the statement of cash flows, which has been prepared using the 'indirect method'.

2.2 Liabilities and provisions

A liability is classified as current when it is expected to be settled in the normal operating cycle; held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The institute classifies all other liabilities as non-current.

2.2.1 Financial liabilities

Subsequent to initial recognition, interest-bearing loans are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of comprehensive income over the period of the loan on an effective interest basis.

Interest-free loans are recorded at fair value on initial recognition, which is the present value of the expected future cash flows, discounted using a market related rate. The difference between the cost and the fair value of these loans on initial recognition has been recognised immediately as interest income while the corresponding unamortised interest expenditure recognised in statement of financial position has been amortised over the period of the loan.

2.2.2 Deferred Income

Deferred income results when invoices relating to courses and study programmes are raised at the commencement of the courses where the course delivery takes place over a period of several months. Deferred income is recognised in the statement of comprehensive income to the extent of course delivery taken place and the balance attributable to the remaining course period is recognised as a liability on the statement of financial position until income is recognised.

2.2.3 Provisions

A provision is recognised in the statement of financial position when the Institute has a legal or constructive obligation as a result of a past event, it is probable that an outflow of assets will be required to settle the obligation and the obligation can be measured reliably.

2.2.3.1 Employee benefits

(a) Employee defined benefit plan - Gratuity

Defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The defined benefit is calculated by an independent actuary using Projected Unit Credit (PUC) method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related liability. The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions about discount rate, future salary increases and mortality rates. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. All assumptions are reviewed at each reporting date. Accordingly, the employee benefit liability is based on the actuarial valuation as of 31st

December, 2016. The Institute's accounting policy for gratuity is to recognize actuarial gains and losses in the period in which they occur in full in the statement of other comprehensive income.

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

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with respective statutes and regulations. These are recognized as an expense in the statement of comprehensive income as incurred. The Institute contributes 15% and 3% of gross emoluments of the employees to Employees' Provident Fund and Employees' Trust Fund respectively.

2.2.4 Taxation

(a) Incometax

The surplus and income of the Institute other than surplus and income from dividends or interest is exempt from income tax under Section 7(b) (ii) of the Inland Revenue Act, No.10 of 2006.

(b) Other taxes

VAT has been paid in respect of rent received by the Institute, letting of movable or immovable property being the only taxable activity carried on by the Institute. Since the Institute is not engaged in carrying on a trade or a business, the Institute is not liable for Economic Service Charge or Nation Building Tax. Therefore, no provision has been made for any other taxes.

(c) Deferred taxation

Provision has not been made for deferred tax, as surplus and income of the Institute other than income from dividends or interest are exempt from income tax under section 7(b) (ii) of the Inland Revenue Act, No. 10 of 2006.

2.2.5 Translation of foreign currency transactions

Transactions in currencies other than Sri Lankan Rupees are converted into Sri Lankan Rupees at rates which approximate the actual rates at the transaction date. At the reporting date, monetary assets (including securities) and liabilities denominated in foreign currency are converted into Sri Lankan Rupees at the rate of exchange at that date. Non - monetary assets and liabilities in foreign currencies that are stated at historical cost are translated at the foreign exchange rate at the date of the transaction. Realised and unrealised exchange differences are reported in the statement of comprehensive income.

2.3 Accounting for the receipt and utilisation of funds, grants and reserves

The Institute received various grants for specific development activities. Funds, grants and reserves have been classified as unrestricted funds, restricted funds and endowment funds.

2.3.1 Unrestricted funds

Unrestricted funds are those that are available for use by the Institute at the discretion of the Council and funds that are designated for a specific purpose by the Council in furtherance of the general objectives of the Institute. Allocations made by the council for the credit of the designated funds are charged to the statement of comprehensive income. Surplus funds are transferred from restricted funds to unrestricted funds in terms of the relevant donor agreements or with the subsequent approval of the donor.

Contributions and donations received from the general public are recognised in the statement of comprehensive income at the time of received where there are no terms of references.

Designated funds /Reserves

Unrestricted funds designated by the Council to a specific purpose are identified as designated funds. The Institute has accounted the following funds as designated funds and reserves and the purpose of such funds are elaborated as follows,

(a) Funds

Name of the designated fund	Purpose
Needy students' Scholarship Fund	
❖ L.A. Weerasinghe Memorial Needy Scholarship Fund	Help deserving and promising CA Sri Lanka students
Merit Scholarship Funds	
❖ General Fund	Help deserving and promising students who have shown exceptional performance at CA Sri Lanka examinations and undergoing Business level training.
❖ CA Sri Lanka Scholarship Funds	
Other Funds	
Faculty of Taxation Fund	Development of the tax profession
Faculty of Auditing Fund	Development of the auditing profession
Publication Fund	Development of publications
Urgent Issues Task Force Fund	Interpretation of accounting issues
Audit Quality Assurance Fund	Conducting audit quality assurance related activities

(b) Reserve

Reserve

Capital expenditure reserve

Purpose

Funds reserved for upgrading of building

2.3.2 Restricted funds

Where grants/donations 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. Unutilised funds are held in their respective fund accounts and included under accumulated fund and reserves in the statement of financial position until such time as they are required.

Where approved grant expenditure exceeds the income received and there is certainty that the balance will be received, such amounts are recognised through receivables in the statement of financial position.

The Institute has accounted the following funds and grants as restricted funds and the purpose of such funds are elaborated as follows,

<i>Name of the restricted fund</i>	<i>Purpose</i>
Needy students' Scholarship Funds	
❖ CA Sri Lanka UK Members' Scholarship Fund	
❖ Dalton Wijeyeratne Memorial Scholarship Fund	
❖ Prof.Y.A.D.S.Samaratunga Memorial Fund	
❖ Prof.Kodagoda Memorial Fund	
❖ Members' Scholarship Fund	
❖ Price waterhouse Coopers Scholarship Fund	
❖ Mr. Sanjaya Bandara Scholarship Fund	Help deserving and promising students to realize their future ambition of becoming a Chartered Accountant
❖ Mr. Chandradasa Liyanage Scholarship Fund	
❖ Mr. A.L.B. Brito Mutunayagam Memorial Scholarship Fund	
❖ Pelwatta Sugar Industries Ltd Fund	
❖ Ernst & Young scholarship Fund	Institute administers the scholarships granted to Ernst & Young trainees
❖ Miss. Inoka Gunaratne Memorial Fund	Help deserving and promising students

Grants

- | | |
|--|--|
| ❖ World Bank Grant – IRQUE project | Capacity building project |
| ❖ World Bank Grant – strengthening the Institute of Chartered Accountants of Sri Lanka | Implementing an audit quality assurance, assist and educate SMPs, increase the awareness of IFRSs, strengthen the public sector financial management |

Name of the restricted fund

Purpose

- | | |
|--|---|
| ❖ Sri Lanka Accounting and Auditing Standards Monitoring Board (SLAASMB) grant | Promulgating accounting and auditing standards |
| ❖ PricewaterhouseCoopers grant – Human Resources Information System | Provided the HRIS developed by Pricewaterhouse Coopers as a free grant to the Institute |
| ❖ GIZ Grant- SMEs Development Project | Carryout initiatives for the development of SMEs |
| ❖ Ernst & Young SME Grant | Provide training on audit tool kit for small and medium practices |
| ❖ GIZ Project Grant | Develop and strengthen the skills and capacities of SMEs and SMPs in the country |
| ❖ ICTA / SLASSCOM Grant | Development of the Business Process Outsourcing Service Professional Qualification |
| ❖ GIZ grant for SMPs | Development of business tools for SMPs in the country |
| ❖ GIZ grant for Lagging Region Training Programme | Conducting training programmes for SMPs and SMEs in Badulla, Trincomalee and Vavuniya |

Other Restricted Funds

- | | |
|--|---|
| ❖ Association of Public Finance Accountants of Sri Lanka- (APFASL) | APFASL has been set up jointly with the Institute of Public Finance and Development Accountancy (IPFDA) and The Institute of Chartered Accountants of Sri Lanka in 2012, to enhance the capacity of public sector financial management professionals. Both parties have equally contributed for this project. |
|--|---|

Best annual report competition Fund

- | | |
|--------------------------|--|
| ❖ Deshabandu Albert Page | To encourage excellence in the presentation of information in annual reports. Awards are presented to the winners annually.
Categories under which the awards are presented are as follows; |
| ❖ Late Mr.Cyril Gardiner | |
| ❖ Hayleys PLC | |
- Overall and sector Awards (Gold, Silver, Bronze)
 - Corporate Governance Disclosure Award (Gold, Silver, Bronze)
 - Corporate Social Responsibility Reporting Award (Gold, Silver, Bronze)
 - Management Commentary Award
 - Integrated Reporting Award (Gold, Silver, Bronze)
 - Integrated Reporting-special award : Best disclosure on business model and capital management

2.3.3 Endowment funds

Where assets are received as an endowment, which are not exhausted, only the income earned from such assets may be recognised and used as income.

Investment income and other gains realised from funds available under each of the above categories are allocated to the appropriate funds, unless the relevant agreement or minute provides otherwise.

<i>Name of the endowment fund</i>	<i>Purpose</i>
<i>Prize Funds</i>	
<input type="checkbox"/> CA Sri Lanka President's fund <input type="checkbox"/> B R De Silva memorial fund <input type="checkbox"/> A D B Talwatte fund <input type="checkbox"/> Satchithananda memorial fund <input type="checkbox"/> Kreston MNS fund <input type="checkbox"/> Nivard Cabraal fund <input type="checkbox"/> Reyaz Mihular fund <input type="checkbox"/> D R Settinayake memorial fund <input type="checkbox"/> ADE De S Wijeyeratne memorial fund <input type="checkbox"/> Mohan Abeynaikie fund <input type="checkbox"/> KPMG fund <input type="checkbox"/> Ernst & Young fund <input type="checkbox"/> SJMS Associates fund <input type="checkbox"/> Sunil Piyawardena & Co. fund <input type="checkbox"/> Lal Nanayakkara & Co. fund <input type="checkbox"/> G C B Wijeyesinghe memorial fund <input type="checkbox"/> Nihal Hettiarachchi fund <input type="checkbox"/> Jayaweera & Co. fund <input type="checkbox"/> Brito Mutunayagam memorial fund <input type="checkbox"/> PricewaterhouseCoopers fund <input type="checkbox"/> K G H De Silva prize fund <input type="checkbox"/> BDO Partners prize fund	Awarding subject prizes and merit prizes for the best performance of each examination.

The Institute policies regarding the endowment funds are;

- i. Investment policy:
Funds are invested only in government securities and fixed deposits in state owned banks. Investments are made after considering the higher yield on investment, liquidity and interest rate risk for reinvestment. All new investment and reinvestment decisions require the approval of the investment committee.
- ii. Withdrawal policy:
Withdrawals are not made other than at maturity. Any early withdrawal requires the approval of the investment committee.
- iii. Fund usage policy:
Usage is restricted for the specific purpose for which the fund was established.

2.3.4 Grants and subsidies

Grants and subsidies are recognised in the financial statements at their fair value. When the grant or subsidy relates to an expense it is recognised as an income over the period necessary to match it with the costs, which it is intended to compensate for on a systematic basis.

Grants and subsidies related to assets are generally deferred in the statement of financial position and credited to the statement of comprehensive income over the useful life of the asset.

2.4 Statement of comprehensive income

2.4.1 Income Recognition

(a) Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Institute and that it can be reliably measured.

i) Subscriptions and annual renewal fees:

The subscription year for members, students, certificate to practice and Certified Business Accountants runs from 1st January to 31st December. Only the subscriptions that are attributable to the current financial year are recognised as income. Fees and subscription payments that relate to future periods are shown in the statement of financial position as fees received in advance under current liabilities.

Annual renewal fees from training partners and teaching colleges are recognised as income at the time of receipt of the payment. The renewal year runs from 1st January to 31st December.

ii) Enrolment Fees:

Fees received in connection with enrolment to CA/ CBA membership, fellowship, practice, training and learning partners are recognised after receiving the approval of Council and payment due on such applications.

iii) Examinations Fees:

Fees on examinations are recognised as income at generation of admission.

iv) Income from supply of educational materials:

Supplies of educational materials are recognised as income at the time of dispatch or sale.

v) Income from courses :

Income from other courses are recognised as income based on periodic basis.

vi) Income from seminar/workshops:

Seminars, workshops, conference and continuous professional development (CPD) activities are recognised upon conducting the event.

vii) Arrears, penalties and fines:

Arrears, penalties and fines in connection with the payments received after the due date are recognised on upon received income.

viii) Fee from training agreement:

Training agreement fees are recognised at the time of registration for practical training.

ix) Sponsorships and contributions:

Sponsorships for member/student related activities are recognised on acknowledgement.

(b) Other income :

(i) Income from hire of halls :

Income from hire of halls is recognised on accrual basis.

(ii) Gain/Loss from sale of property, plant and equipment:

Net gains and losses on the disposal of property, plant and equipment is recognised 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.

(iii) Other income:

Any other income not specified under above categories is recognised on accrual basis.

(c) Restricted contributions/income :

Restricted contributions are provided based on agreements, contracts or other understanding, where the conditions for receipt of the funds are linked to a performance of a service or other process. The Institute earns the contribution through compliance with the conditions that have been laid down and meeting the

envisaged obligations. Income is not recognised in the statement of comprehensive income, until there is reasonable assurance that the contribution will be received and the conditions stipulated for its receipt have been complied with and the relevant expenses that it is expected to compensate has been incurred and charged to the statement of comprehensive income. Receipt of the funds does not by itself provide conclusive evidence that the conditions attached to the contribution have been or will be fulfilled. Until the conditions have been fulfilled, the contribution is regarded as part of restricted funds.

On receiving any restricted contributions, the contribution is recognised in the Statement of Financial Position. Thereafter, on a systematic basis, an amount equivalent to that which has been spent on agreed “restricted” activities during the period, is taken to income. Unutilised funds are carried forward as such in the Statement of Financial Position.

Any surplus remaining in a restricted fund on conclusion of project or planned activities are transferred as unrestricted income unless it is prohibited by a condition attached to it or the obligation exist to revert back to the fund providers.

Funds received as donations without any direct request being made or without any defined terms and conditions being laid down with regard to utilisation, are unrestricted. In such circumstances the funds are recognised as income when it is received.

Funds are recognised in the statement of comprehensive income up to the extent that the Institute disburse the scholarship funds received for the agreed purpose.

(d) Finance income:

Interest income is recognised on accrual basis using effective interest rate method (EIR) according to LKAS 39.

2.4.2 Expenditure recognition

Expenses in carrying out the projects and other activities of the Institute are recognised in the statement of comprehensive income during the period in which they are incurred. Other expenses incurred in administering and running the Institute and in restoring and maintaining the property, plant and equipment to perform at expected levels are accounted for on an accrual basis and charged to the statement of comprehensive income.

Institute has adopted the “Function of Expense” method to present fairly the elements of the Institute’s activities in its statement of comprehensive income.

(a) Project expenses

Expenses in carrying out the projects and other activities of the Institute are recognised in the statement of comprehensive income during the period in which they are incurred and the basis for identifying project expenses are mainly on locations of the project, staff allocated to the project and projected activities of the project according to the project proposal.

Expenses are recognised in the statement of comprehensive income on the basis of direct association between the cost incurred and the earning of specific items of income.

(b) Operational expense

All expenditure incurred in the running of the Institute and in maintaining the capital assets in a state of efficiency has been charged against income in arriving at the surplus for the year.

Expenditure on examinations, seminars, courses and other educational and members' activities are recognised in the statement of comprehensive income on the accruals basis.

(c) Finance expense

Finance expense is recognised on accrual basis when it is paid or creates liabilities.

2.5 *Statement of cash flows*

The Statement of Cash Flows has been prepared by using the 'Indirect Method' of preparing of cash flows in accordance with Sri Lanka Accounting Standard- LKAS 7 on 'Statement of Cash Flows'. Cash and cash equivalents as referred to in the Statement of Cash Flows are comprised of those items as explained in Note 11.

2.6 *Capital commitments and contingencies*

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

Capital commitments and contingent liabilities of the Institute are disclosed in the respective notes to the financial statements.

2.7 *Events after the reporting period*

The materiality of events occurring after the reporting period has been considered and appropriate adjustments, wherever necessary, have been made in the financial statements.

2.8 *Standards issued but not yet effective*

Following new accounting standards and amendments to existing standards which have been issued but not yet effective as at the reporting date have not been applied in preparing these financial statements.

2.8.1 *Standards effective from the financial period beginning on or after 1st January 2018.*

New SLFRSs and interpretations:

- SLFRS 9 Financial Instruments
- SLFRS 15 Revenue from Contracts with Customers

Amendments to existing SLFRSs:

- Clarifications to SLFRS 15 Revenue from Contracts with Customers
- SLFRS 1 First-time Adoption of Sri Lanka Accounting Standards
- SLFRS 12 Disclosure of Interests in Other Entities
- LKAS 28 Investments in Associates and Joint Ventures
- Amendments to SLFRS 2 Share-based Payments
- Amendments to SLFRS 4 Insurance Contracts : Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts

2.8.2 *Standards effective from the financial period beginning on or after 1st January 2019.*

- SLFRS 16 Leases

Note 3 - Property, Plant and Equipment

Cost

	<i>Buildings Rs.'000</i>	<i>Furniture Rs.'000</i>	<i>Plant and machinery Rs.'000</i>	<i>Motor vehicles Rs.'000</i>	<i>Computers Rs.'000</i>	<i>Capital work- in-progress Rs.'000</i>	<i>Total Rs.'000</i>
Balance as at 1st January 2015	499,811	94,454	122,369	12,121	67,236	46	796,037
Additions	-	1,936	1,422	161	6,456	-	9,975

	<i>Buildings</i> <i>Rs.'000</i>	<i>Furniture</i> <i>Rs.'000</i>	<i>Plant and</i> <i>machinery</i> <i>Rs.'000</i>	<i>Motor</i> <i>vehicles</i> <i>Rs.'000</i>	<i>Computers</i> <i>Rs.'000</i>	<i>Capital</i> <i>work-in-</i> <i>progress</i> <i>Rs.'000</i>	<i>Total</i> <i>Rs.'000</i>
Capitalised during the year	-	46	-	-	-	(46)	-
Balance as at 1st January 2016	499,811	96,436	123,791	12,282	73,692	-	806,012
Additions	7,218	1,226	13,092	-	1,825	-	23,361
Disposals	-	(764)	(2,119)	-	(7,685)	-	(10,568)
Balance as at 31st December 2016	507,029	96,898	134,764	12,282	67,832	-	818,805
<i>Accumulated depreciation</i>							
	<i>Buildings</i> <i>Rs.'000</i>	<i>Furniture</i> <i>Rs.'000</i>	<i>Plant and</i> <i>machinery</i> <i>Rs.'000</i>	<i>Motor</i> <i>vehicles</i> <i>Rs.'000</i>	<i>Computers</i> <i>Rs.'000</i>	<i>Capital work-</i> <i>in-progress</i> <i>Rs.'000</i>	<i>Total</i> <i>Rs.'000</i>
Balance as at 01st January, 2015	40,993	32,237	36,591	8,729	48,304	-	166,854
Depreciation charge for the year	18,152	8,466	19,503	1,160	6,237	-	53,518
Balance as at 01st January, 2016	59,145	40,703	56,094	9,889	54,541	-	220,372
Depreciation charge for the year	18,118	8,282	20,130	759	6,243	-	53,532
Disposals	-	(628)	(2,060)	-	(7,676)	-	(10,364)
Balance as at 31st December, 2016	77,263	48,357	74,164	10,648	53,108	-	263,540
Carrying Amounts							
As at 31st December, 2016	429,766	48,541	60,600	1,634	14,724	-	555,265
As at 31st December 2015	440,666	55,733	67,697	2,393	19,151	-	585,640

3.1 The cost of fully depreciated assets as of 31-12-2016 amounted to Rs. 75 mn. (2015: Rs. 76.9 mn). Further fully depreciated assets amounting to Rs. 10.1mn have been disposed during the year.

3.2 The Institute received the deeds signed by the president of the Democratic Socialist Republic of Sri Lanka His Excellency Maithripala Sirisena and registered with the Land Registry in March 2017 whereby the Institute has the freehold right over the premises.

Note 4 - Intangible assets**Cost**

	<i>Software Rs. '000</i>	<i>Software licences Rs. '000</i>	<i>Study material development Rs. '000</i>	<i>Work-in- progress - projects Rs. '000</i>	<i>Total Rs. '000</i>
Balance as at 1st January 2015	17,694	3,638	15,871	26,829	64,032
Additions	362	148	-	37,932	38,442
Capitalised during the year	-	-	62,854	(62,854)	-
Balance as at 1st January 2016	18,056	3,786	78,725	1,907	102,474
Additions	1,868	491	-	382	2,741
Derecognition of intangible assets of APFASL	-	-	(1,337)	-	(1,337)
Capitalised during the year	370	-	638	(1,008)	-
Work-in Progress written off	-	-	-	(1,050)	(1,050)
Balance as at 31st December 2016	20,294	4,277	78,026	231	102,828

Amortisation

	<i>Software Rs. '000</i>	<i>Software licences Rs. '000</i>	<i>Study material development Rs. '000</i>	<i>Work-in- progress - projects Rs. '000</i>	<i>Total Rs. '000</i>
Balance as at 1st January 2015	12,910	1,842	6,163	-	20,915
Amortisation for the year	1,380	743	14,336	-	16,459
Balance as at 1st January 2016	14,290	2,585	20,499	-	37,374

Amortisation for the year	1,628	620	14,497	-	16,745
Derecognition of amortization of APFASL	-	-	-	-	-
Balance as at 31st December 2016	15,918	3,205	34,996	-	54,119

Carrying Amounts

As at 31st December 2016	<u>4,376</u>	<u>1,072</u>	<u>43,030</u>	<u>231</u>	<u>48,709</u>
As at 31st December 2015	<u>3,766</u>	<u>1,201</u>	<u>58,226</u>	<u>1,907</u>	<u>65,100</u>

As at

31.12.2016 **31.12.2015**
Rs. '000 **Rs. '000**

Note 5 - Library books

Balance at the beginning of the year	1,510	1,377
Additions	1,407	1,551
Depreciation	(1,462)	(1,418)
Balance at the end of the year	<u>1,455</u>	<u>1,510</u>

	31.12.2016 Rs. '000	31.12.2015 Rs. '000
Note 6 - Loans and Advances to Staff		
Receivable within one year	9,716	7,842
Receivable after one year	18,932	15,205
Total	28,648	23,047

Note 7 - Held to Maturity Financial Assets

Maturity within one year - FDs	151,533	57,910
- Bonds	57,753	24,599
	209,286	82,509
Maturity after one year - FDs	172,297	179,528
- Bonds	101,968	89,467
	274,265	268,995
Total	483,551	351,504

Investments in FDs include Rs. 25mn designated for the Audit quality assurance fund.

Fixed deposits have been placed with and investments in treasury bonds have been made through State owned banks with a credit rating of AA+.

Note 8 - Available for Sale Financial Assets

Maturity after one year		
Balance as at 1st January	36,778	39,916
Investment made during the period	-	-
Disposals during the year	-	-
Interest for the year	3,150	3,190
Coupon interest received	(3,751)	(3,751)
Fair value changes	(1,630)	(2,577)
Balance as at 31st December	34,547	36,778

Investments in treasury bonds have been made through State owned banks with a credit rating of AA+.

Fair Value Measurement

The institute uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation techniques;

Level 1: quoted (unadjusted) prices in active market for identical assets or liabilities.

Level 2: inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair values that are not based on observable market data.

As at 31st December 2016 the institute held the following financial assets carried at fair value on the statement of financial position.

Assets Measured at Fair Value	Valuation Date	Level 01	Level 02	Level 03	Total
Available for sale financial assets	31.12.2016	-	34,547	-	34,547

	31.12.2016 Rs.'000	31.12.2015 Rs.'000
Note 9 - Inventories		
Study packs and study materials	13,602	17,453
Publications	5,094	6,823
Stationery, consumables and others	5,741	4,172
Total	24,437	28,448

Note 10 - Receivables

Receivables - Lead sponsors	16,000	20,500
- Event sponsors	11,500	8,750
- Courses and other	17,497	23,208
Deposits and prepayments	5,700	9,438
Pre-paid staff cost	4,542	2,518
Advances	2,666	3,881
Total	57,905	68,295

Pre-paid staff cost amounting to Rs. 2.5mn which had been classified under loans and advances to staff in the year 2015 has been reclassified under receivables.

Advance payment made to supplier amounting to Rs. 2.7mn which had been classified under advances in the year 2015 has been set off against the payable to suppliers.

Note 11 - Cash and Cash Equivalents**Favourable balances**

Treasury bill re-purchase agreements	53,000	90,000
Cash at banks	48,425	34,731
Cash in hand	285	293
Total	101,710	125,024

Unfavourable balances

Bank overdrafts	(22,981)	(25,560)
Total cash and cash equivalents for the purpose of statement of cash flows	78,729	99,464

Note 12 - Capital Expenditure Reserve

Capital expenditure reserve	-	24,000
Total	-	24,000

Capital expenditure reserve represented funds set aside out of the surpluses during the periods from 2002 to 2004 for upgrading of buildings.(2002:Rs.8 mn, 2003:Rs.8 mn, 2004:Rs.8 mn) This reserve was transferred to accumulated fund during the year due to the completion of major building upgrading projects.

Note 13 - Designated Funds

13.1 Summary

	<i>Balance as at 1.1.2016</i>	<i>Contribution from the institute</i>	<i>Donations Received</i>	<i>(Payments)</i>	<i>Balance as at 31.12.2016</i>	<i>Balance as at 31.12.2015</i>
	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>
Designated scholarship funds	13.2	11,528	3	(10,218)	27,384	26,071
Other designated funds	13.3	1,385	-	-	3,249	1,864
Total designated funds		12,913	3	(10,218)	30,633	27,935
	<i>Balance as at 1.1.2016</i>	<i>Contribution from the institute</i>	<i>Donations Received</i>	<i>(Payments)</i>	<i>Balance as at 31.12.2016</i>	<i>Balance as at 31.12.2015</i>
	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>
13.2 Designated scholarship funds						
L A Weerasinghe memorial needy scholarship fund	12,866	1,988	3	(2,417)	12,440	12,866
Merit scholarship fund	8,047	3,584	-	(4,735)	6,896	8,047
CA Sri Lanka scholarship funds	5,158	5,956	-	(3,066)	8,048	5,158
Total designated scholarship funds	26,071	11,528	3	(10,218)	27,384	26,071
	<i>Balance as at 1.1.2016</i>	<i>Contribution from the institute</i>	<i>Donations Received</i>	<i>(Payments)</i>	<i>Balance as at 31.12.2016</i>	<i>Balance as at 31.12.2015</i>
	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>
13.3 Other designated funds						
Faculty of Taxation fund	569	46	-	-	615	569
Faculty of Auditing fund	549	45	-	-	594	549
Publication fund	356	29	-	-	385	356
Urgent Issues Task Force fund	390	32	-	-	422	390
Audit Quality Assurance fund	-	1,233	-	-	1,233	-
Total other designated funds	1,864	1,385	-	-	3,249	1,864

Audit Quality Assurance Fund was formed by designating an investment in Fixed Deposit amounting to Rs. 25 mn, of which the interest income is transferrable to the fund every year with effect from 01st July, 2016.

Note 14 - Restricted Funds and Grants

14.1 Summary

	<i>Balance as at 1.1.2016</i>	<i>Transfers to funds</i>	<i>Grants/ Donations received</i>	<i>De-recognition of APFASL fund</i>	<i>(Reimbursements/ Amortisation)</i>	<i>(Payments)</i>	<i>Balance as at 31.12.2016</i>	<i>Balance as at 31.12.2015</i>
	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>
Grants	11,324	3,598	9,401	-	(21,826)	-	2,497	11,324
Other restricted funds	31,666	548	-	(24,901)	(32)	-	7,281	31,666
Restricted scholarship funds	6,020	511	2,299	-	-	(954)	7,876	6,020
Total restricted funds and grants	49,010	4,657	11,700	(24,901)	(21,858)	(954)	17,654	49,010

14.2 Grants

	<i>Balance as at 1.1.2016</i>	<i>Contribution from the institute</i>	<i>Grants received</i>	<i>(Reimbursements)</i>	<i>(Amortisation)</i>	<i>Balance as at 31.12.2016</i>	<i>Balance as at 31.12.2015</i>
	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>
World Bank grant - IRQUE project	3,198	-	-	-	(1,232)	1,966	3,198
World Bank grant - Strengthening the Institute of Chartered Accountants of Sri Lanka	256	-	-	-	(111)	145	256
PricewaterhouseCoopers grant	680	-	-	-	(340)	340	680
Ernst & Young SME grant	1,300	-	-	(1,254)	-	46	1,300
GIZ Project grant	261	-	-	(261)	-	-	261
GIZ grant	1,714	1,161	2,792	(5,667)	-	-	1,714
ICTA/SLASSCOM grant	3,290	2,033	-	(5,323)	-	-	3,290
GIZ grant for SMPs	625	197	1,647	(2,469)	-	-	625
GIZ grant for Lagging Region Training Programme	-	207	1,862	(2,069)	-	-	-
	11,324	3,598	6,301	(17,043)*	(1,683)*	2,497	11,324

	Balance as at 1.1.2016 Rs. '000	Contribution from the institute Rs. '000	Grants received Rs. '000	(Reimbursements) Rs. '000	(Amortisation) Rs. '000	Balance as at 31.12.2016 Rs. '000	Balance as at 31.12.2015 Rs. '000
Revenue grants							
Sri Lanka Accounting and Auditing Standards Monitoring Board (SLAASMB) grant	14.2.10	-	2,500	(2,500)	-	-	-
Government grant	14.2.11	-	600	(600)	-	-	-
Total grants		<u>11,324</u>	<u>3,598</u>	<u>(20,143)</u>	<u>(1,683)</u>	<u>2,497</u>	<u>11,324</u>
Grants - Total expenditure							
World Bank grant - Strengthening the Institute of Chartered Accountants of Sri Lanka						2016 Rs. '000	5 Rs. '000
World Bank grant - IRQUE project						111	10,643
PricewaterhouseCoopers grant						1,232	1,596
Ernst & Young SME grant						340	340
GIZ Project grant						1,254	-
GIZ grant						261	804
ICTA/SLASSCOM grant						5,667	1,944
GIZ grant for SMPs						5,323	2,153
GIZ grant for Lagging Region Training Programme						2,469	-
Total						<u>18,726</u>	<u>17,480</u>

* Grants -Total expenditure of Rs. 18,726,000/- consist of reimbursements amounting to Rs. 17,043,000/- and amortisation amounting to Rs. 1,683,000/-.

14.2.1 - World Bank Grant - IRQUE Project

	Balance as at 1.1.2016	Grants received	(Amortisation)	Balance as at 31.12.2016	Balance as at 31.12.2015
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Furniture and equipment	935	-	(467)	468	935
Motor coach	2,263	-	(765)	1,498	2,263
Total	3,198	-	(1,232)	1,966	3,198

Amortisation of grants consists of amortisation of property, plant and equipment related grant amounting to Rs. 1,232,215/-. (Note 3)

14.2.2 World Bank Grant-Strengthening the Institute of Chartered Accountants of Sri Lanka: Following activities have been carried out under the World Bank project on strengthening the Institute of Chartered Accountants of Sri Lanka.

	2016	2015
	Rs. '000	Rs. '000
Component 1 : Implementing an audit quality assurance programme	-	2,420
Component 2 : Programme to assist and educate Small and Medium-sized Practices (SMPs)	-	1,998
Component 3 : Programme to increase adoption of IFRSs	111	5,218
Component 4 : Programme to strengthen Public Sector Financial Management	-	1,007
	111	10,643

Total expenditure of Rs.111,000/- is the depreciation charge relating to two laptops and a digital screen.

14.2.3 PricewaterhouseCoopers Grant: This amount represents the HR system worth Rs.1.7 mn, received free of charge from PricewaterhouseCoopers.

14.2.4 Ernst & Young SME Grant: This amount represents the grant received from Ernst & Young to provide training on audit tool kit for Small and Medium Practices (SMPs).

14.2.5 GIZ Project Grant: This amount represents the grant received from German Agency for International Cooperation to develop and strengthen the skills and capacities of Small and Medium-sized Entities (SMEs) and Small and Medium-sized Practices (SMPs) in the country.

14.2.6 GIZ Grant: This amount represents the grant received from German Agency for International Cooperation for the development of the accounting standards for smaller size entities.

	<i>Balance as at 1.1.2016</i>	<i>Contribution from the institute</i>	<i>Donations received</i>	<i>(Payments)</i>	<i>Balance as at 31.12.2016</i>	<i>Balance as at 31.12.2015</i>
	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>
14.4 Restricted scholarship funds						
CA Sri Lanka UK Members' scholarship fund	34	3	-	-	37	34
Prof.Y A D S Samaratunga memorial fund	77	14	200	(17)	274	77
Prof. Kodagoda memorial fund	250	20	-	(22)	248	250
PricewaterhouseCoopers scholarship fund	224	18	14	(15)	241	224
Ernst & Young scholarship fund	3,166	261	567*	(463)	3,531	3,166
Miss. Inoka Gunaratne memorial fund	55	4	-	-	59	55
Pelwatta Sugar Industries Ltd. fund	512	40	-	(44)	508	512
Members' scholarship fund	974	84	450**	(328)	1,180	974
Dalton Wijeyeratne memorial scholarship fund	8	1	-	-	9	8
Mr. Sanjaya Bandara scholarship fund	720	66	241***	(52)	975	720
Mr. Chandradasa Liyanage scholarship fund	-	-	427	(13)	414	-
A.L.B.Brito Mutunayagam memorial scholarship fund	-	-	400	-	400	-
Total restricted scholarship funds	6,020	511	2,299	(954)	7,876	6,020

* Includes Rs. 390,000/- paid to Mr. Manil Jayasinghe by the Institute for services rendered by him .

** Includes Rs. 31,500/- paid to Mr. Jagath Perera by the Institute for services rendered by him .

*** Represents Rs. 241,562.50 paid to Mr. Sanjaya Bandara by the institute for the services rendered by him.

Note 15 - Endowment Funds
15.1 Summary

	<i>Balance as at 1.1.2016</i>	<i>Contribution from the institute</i>	<i>Donations received</i>	<i>Transfers</i>	<i>(Payments)</i>	<i>Balance as at 31.12.2016</i>	<i>Balance as at 31.12.2015</i>
	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>
Capital balances - prize funds	15.2 1,392	-	-	-	-	1,392	1,392
Income balances - prize funds	15.3 598	172	-	-	(45)	725	598
Total endowment funds	1,990	172	-	-	(45)	2,117	1,990
		<i>Balance as at 01.01.2016</i>	<i>Con-tribution from the institute</i>	<i>Donations received</i>	<i>(Transfers to income account)</i>	<i>Balance as at 31.12.2016</i>	<i>Balance as at 31.12.2015</i>
		<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>

15.2 Capital balances - prize funds

CA Sri Lanka President's fund	(1992)	25	-	-	-	25	25
B R De Silva memorial fund	(1992)	25	-	-	-	25	25
A D B Talwatte fund	(1993)	25	-	-	-	25	25
Satchithananda memorial fund	(1993)	16	-	-	-	16	16
Kreston MNS fund	(1993)	30	-	-	-	30	30
Nivard Cabraal fund	(1994)	50	-	-	-	50	50
Reyaz Mihular fund	(1996)	25	-	-	-	25	25
D R Settinayake memorial fund	(1999)	68	-	-	-	68	68
ADE de S Wijeyeratne memorial fund	(1999)	43	-	-	-	43	43
Mohan Abeynaikae fund	(1999)	25	-	-	-	25	25

	<i>Balance as at 01.01.2016</i>	<i>Con-tribution from the institute</i>	<i>Donations received</i>	<i>(Transfers to income account)</i>	<i>Balance as at 31.12.2016</i>	<i>Balance as at 31.12.2015</i>
	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>
KPMG fund	113	-	-	-	113	113
Ernst and Young fund	200	-	-	-	200	200
SJMS Associates fund	66	-	-	-	66	66
Sunil Piyawardena and Co fund	55	-	-	-	55	55
Lal Nanayakkara and Co fund	75	-	-	-	75	75
G C B Wijeyesinghe memorial fund	50	-	-	-	50	50
Nihal Hettiarachchi fund	51	-	-	-	51	51
Jayaweera and Co fund	25	-	-	-	25	25
Brito Mutunayagam memorial fund	129	-	-	-	129	129
PricewaterhouseCoopers fund	150	-	-	-	150	150
K G H De Silva Prize fund	121	-	-	-	121	121
BDO Partners Prize fund	25	-	-	-	25	25
	1,392	-	-	-	1,392	1,392
	<i>Balance as at 1.1.2016</i>	<i>Co ntribution from the institute</i>	<i>Transfers from capital account</i>	<i>(Payments)</i>	<i>Balance as at 31.12.2016</i>	<i>Balance as at 31.12.2015</i>
	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>	<i>Rs. '000</i>
15.3 Income balances - endowment funds						
Prize funds - income balances	598	172	-	(45)	725	598
	598	172	-	(45)	725	598

As at 31.12.2016 31.12.2015
Rs. '000 *Rs. '000*

Note 16 - Borrowings

Payable within one year	-	1,582
Payable after one year	-	-
	<u>-</u>	<u>1,582</u>

Institute launched the corporate directors' programme as a joint initiative with the Securities and Exchange Commission (SEC) for which the SEC granted an interest free loan payable in four equal payments starting from the second programme. The loan has been fully settled during the year.

Note 17 - Retirement Benefit Obligation

Balance at the beginning of the year	27,808	24,441
Provision made during the year (Note 17.1)	7,445	7,092
Payments made during the year	<u>(3,432)</u>	<u>(3,725)</u>
Balance at the end of the year	<u>31,821</u>	<u>27,808</u>

17.1 - Provision made during the year

Interest cost	2,598	1,955
Current service cost	<u>3,397</u>	<u>3,011</u>
	5,995	4,966
Net actuarial (gain) / loss recognised	<u>1,450</u>	<u>2,126</u>
Total provision made during the year	<u>7,445</u>	<u>7,092</u>

17.2 Actuarial and Management Consultants (Pvt) Ltd., qualified actuaries carried out an actuarial valuation on the defined benefit plan-gratuity as at 31st December 2016. The assumptions used in determining the cost of retirement benefits are as follows.

	<i>2016</i>	<i>2015</i>
Rate of discount	<i>12 % per annum</i>	<i>9.5% per annum</i>
Rate of salary increase	<i>10.5%</i>	<i>8.5%</i>
Retirement age	<i>55 years</i>	<i>55 years</i>
	<i>2016</i>	<i>2015</i>
	Increase / (decrease) of defined benefit obligation Rs. '000	Increase / (decrease) of defined benefit obligation Rs. '000
Sensitivity analysis to discount rate		
One percentage point increase	(712)	(626)
One percentage point decrease	755	664
Sensitivity analysis to salary escalation rate		
One percentage point increase	876	755
One percentage point decrease	(842)	(724)

Note 18 - Payables

Accrued charges	45,352	46,396
Payables to suppliers	20,156	22,662
Payables-capital projects	8,681	9,534
Amounts due to related parties (Note 18.1)	-	242
Payables on self-study courses and other payables	5,064	7,631
Value Added Tax payables	12	520
Total	79,265	86,985

Advance payment made to supplier amounting to Rs. 2.7mn which had been classified under advances in the year 2015 has been set off against the payable to suppliers.

18.1 Amounts due to related parties

Amount due to council members for rendering educational services	-	242
Total	-	242

31.12.2016 31.12.2015
Rs.'000 Rs.'000

Note 19 - Income Tax Liability

Balance brought forward	90	782
Charge for the year (Note 29)	4,875	3,671
Interest income recognised for year on which WHT deductions are due at maturity	(1,575)	469
Tax payable on cash basis	3,300	4,140
Over provision for previous years	-	(354)
Charge for previous years	143	-
Total payable	3,443	3,786
Notional tax credits	(2,157)	(1,261)
WHT deductions during the year	(1,018)	(2,776)
Tax paid during the year	(278)	(441)
	(3,453)	(4,478)
Balance carried forward	80	90

With-holding tax payable on fixed deposit interest which had been classified under income tax liability amounting to Rs. 3.7mn in the year 2015 has been re-classified under Held to Maturity financial assets.

31.12.2016 31.12.2015
Rs.'000 Rs.'000

Note 20 - Receipts in advance

Advances received for educational activities	133,861	150,673
Advances received for member subscription and events	50,905	17,035
Total	184,766	167,708

Deferred income amounting to Rs. 16mn which had been classified under Receipts in advance in the year 2015 has been shown on the face of statement of financial position.

For the year ended 31st December

Note 21 - Income and Expenditure (Excluding employee costs)

	2016		2015	
	Income Rs. '000	(Expenditure) Rs. '000	Net Income/ (Expenditure) Rs. '000	Income Rs. '000
			(Expenditure) Rs. '000	Net Income/ (Expenditure) Rs. '000
Performance by activity				
Learning and professional development	569,308	(240,873)	328,435	587,549
Continuous professional development and member related activities	137,904	(80,589)	57,315	122,014
Financial reporting and assurance standards related activities	37,908	(32,688)	5,220	35,747
Library related activities	584	(2,669)	(2,085)	415
Net sponsorship income*	6,685	-	6,685	9,509
Development of Public Finance	-	-	-	5,226
Total	752,389	(356,819)	395,570	760,460
Analysis by divisions				
Examinations	194,448	(98,280)	96,168	205,369
Registration, Education, Training, Library and Marketing	198,591	(63,164)	135,427	246,448
IT Training and Language Centre	45,573	(14,238)	31,335	39,700
Members' activities	177,082	(100,734)	76,348	156,646
Business school	51,345	(27,173)	24,172	44,957
Taxation faculty	24,008	(10,960)	13,048	16,929
School of Accounting and Business	48,121	(28,840)	19,281	27,753
CPD secretariat	618	(742)	(124)	2,164
Technical research	12,603	(12,688)	(85)	15,268
Association of Public Finance Accountants of Sri Lanka	-	-	-	5,226
Total	752,389	(356,819)	395,570	760,460
*	2016	2015		
	Rs. '000	Rs. '000		
Gross Sponsorship Income	16,000	21,000		
Utilization of sponsorship benefits	(9,315)	(11,491)		
Net Sponsorship Income	6,685	9,509		

	2016 Rs.'000	2015 Rs.'000
Note 22 - Other Operating Income		
Income from hire of halls	1,957	6,188
Profit on sale of publications	540	157
Gain on disposal of property, plant and equipment	123	-
Miscellaneous income	1,621	1,028
Total other operating income	4,241	7,373
Note 23 - Employee Costs		
Salaries and wages	178,395	169,747
Defined contribution plan cost		
- Employees' Provident Fund	17,598	16,340
- Employees' Trust Fund	3,520	3,268
Amortisation of pre-paid staff cost	2,480	1,683
Defined benefit plan cost	5,995	4,966
Total employee costs	207,988	196,004
No. of employees as at year end	151	148
	2016	2015
	Rs.'000	Rs.'000
Note 24 -Maintenance of Premises		
Building maintenance and utility	38,671	35,616
Renovations related expenditure	1,749	530
Total maintenance of premises	40,420	36,146
Note 25 - Depreciation and Amortisation		
Depreciation for the year	53,532	53,518
Depreciation of library books	1,462	1,418
Amortisation of intangible assets	16,745	16,459
	71,739	71,395
Amortisation of capital grant	(1,683)	(2,046)
Depreciation charged to expenditure on learning and professional development	(1,861)	(1,818)
Total depreciation and amortisation	68,195	67,531
Note 26 - Other Expenses		
Communication expenses	26,270	24,781
Travelling expenses	1,586	1,410
Bank charges and commissions	3,760	2,869
Professional fees	2,800	2,205
Work - in progress written off	1,050	-
Auditors' remuneration	300	300
Legal fees	6,897	1,902
Review of Business plan and HR plan	3,071	-
Stationery and sundry expenses	2,813	2,711
Total other expenses	48,547	36,178

For the year ended 31st December

2016

Rs. '000

2015

Rs. '000

Note 27 - Finance Income

Interest income on available for sale financial assets	3,500	3,544
Interest income on investments in re-purchase agreements	4,788	1,296
Interest income on held-to-maturity financial assets	39,213	30,976
	47,501	35,816
Interest income on loans and receivables	3,729	2,579
Total Finance income	51,230	38,395

Note 28 - Finance cost

Interest Expense	127	326
Total Finance cost	127	326

The institute received an interest free loan from Securities and Exchange Commission and the above amount represent the adjustment for the market interest rate. This loan has been fully settled during the year.

Note 29 - Income tax

Reconciliation between current tax expenses/(reversal) and the accounting surplus/(deficit);

Surplus for the year before tax	71,154	99,196
Finance income	(51,230)	(38,395)
Surplus not liable for tax (Note 29.1)	19,924	60,801
Finance income for the year	51,230	38,395
Amortisation of pre-paid staff cost	(2,480)	(1,683)
Finance income liable for income tax	48,750	36,712
Taxation at 10%	4,875	3,671
Current tax provision	4,875	3,671
(Over) / Under provision in respect of previous years	143	(354)
Charge for the year	5,018	3,317

29.1: The amount shown as the charge for the year in respect of tax liability of the institute is the amount referable to finance income considered on the accrual basis. However in the income tax returns the interest income liable to withholding tax would be reported on a cash basis *i.e.* on the basis taxes are withheld.

Note 30 : De-recognition of APFASL Balances

As referred to in 1.6 to the Accounting Policies, the assets and liabilities of APFASL which had been amalgamated with the Institute financials up to year 2015 has been de-recognized from the financial statements of the Institute from the year 2016. APFASL balances which had been included in the comparatives of 2015 are given below.

Included under Statement of Financial Position

<i>As at</i>	<i>31.12.2015</i> <i>Rs. '000</i>
Non Current Assets	
Intangible Asset- Educational Materials	1,337
Held to maturity financial assets	22,785
Current Assets	
Receivables	2,007
Cash and cash equivalent	6
Restricted funds	24,901
Current Liabilities	
Payables	929
Receipts in advance	99
Bank overdraft	206

Included under Statement of Comprehensive Income For the year ended 31st December

	<i>2015</i> <i>Rs. '000</i>
Income	5,226
Expenditure	(4,495)
Finance income	1,431
Income tax	(130)

Note 31 - Events Occurring after the Reporting Period

There are no material events occurring after the reporting period that require adjustment or disclosure in the financial statements.

Note 32 - Commitments

Capital Commitments

<i>As at</i>	<i>31.12.2016</i> <i>Rs. '000</i>	<i>31.12.2015</i> <i>Rs. '000</i>
Authorised but not contracted		
Intangible assets	100,000	100,000
Property, plant and equipment	-	6,800
Total	<u>100,000</u>	<u>106,800</u>

Capital commitments represent the Rs.100 mn approved by the council for ERP Project.

Note 33 - Contingent Liabilities

The institute has received assessments in respect of Value Added Tax (VAT) and Nation Building Tax (NBT) for the period ended 30th June, 2012 to 31st December, 2014 which amounted to Rs. 61 mn and Rs. 54 mn respectively in separate instances. Further, the institute has received a letter of intimation amounting to Rs. 3 mn in respect of Economic Service Charge (ESC) for the quarters ended 31st March, 2009 to 31st December, 2010 and for the Y/A 2011/2012. The institute has already appealed against the VAT assessment and is in the process of appealing against the NBT assessment.

No provision has been made in the financial statements based on the consultation received that the institute is not liable for above mentioned taxes assessed.

Note 34 - Related Party Transactions

Payments are made in the ordinary course of business to any member of the Institute for certain specified activities. During the reporting period the following members of the Council have been involved in such activities at the request of the Council on behalf of the Institute.

For the year ended 31st December

<i>Name</i>	<i>Transactions</i>	<i>2016 Rs. '000</i>	<i>2015 Rs. '000</i>
Mr. S. M. S. S. Bandara *	Educational activities	226	2,360
	Technical activities		
	Lecture fees	171	146
		19	104
Mr. Heshana Kuruppu	Lecture fees	-	8
	Educational activities	3	75
Mr. Manil Jayesinghe **	Technical activities		
	Educational activities	390	441
		-	75
Mr. Tishan Subasinghe	Technical activities	-	26
Mr. Kapila Atukorala	Educational activities	138	-
Mr. Jagath Perera ***	Lecture fees	32	-
Mr. Dulitha Perera	Technical activities	10	-

* An amount of Rs. 241,563/- which had been paid to Mr. S.M.S.S. Bandara by the institute in connection with the services rendered during the year was returned to the institute and credited to Mr. Sanjaya Bandara scholarship fund at the request of Mr. S.M.S.S. Bandara.

** An amount of Rs.390,000/- which had been paid to Mr. Manil Jayesinghe by the institute in connection with the services rendered during the year was returned to the institute and credited to the Ernst & Young Scholarship Fund at the request of Mr. Manil Jayesinghe.

*** An amount of Rs.31,500/- which had been paid to Mr. Jagath Perera by the institute in connection with the services rendered during the year was returned to the institute and credited to the Members' scholarship fund at the request of Mr. Jagath Perera.

Note 35 - Transactions entered into by the Institute with other organizations where Council members are Partners of those organizations.

An amount of Rs.978,617/- which had been paid to KPMG , where Mr. Jagath Perera and Mr. Dulitha Perera are partners and also members of the Council of the Institute for the outsourcing of the payroll function.

An amount of Rs.244,750/- which had been paid to Saagra Accounting and Business School, where Mr. Kapila Atukorala is a partner and also a member of the Council of the Institute for conducting SE1 Courses.

An amount of Rs. 205,494/- is payable for the year to PricewaterhouseCoopers where Mr. Thivanka Jayasinghe is a partner and also a member of the council of the Institute, in connection with the subsequent modifications and upgradations made to the Human Resources Information System.

Note 36 - Transactions engaged between CA Sri Lanka and AAT, where CA Sri Lanka appoints eight council members out of the sixteen of AAT.

	<i>2016</i> <i>Rs.'000</i>	<i>2015</i> <i>Rs.'000</i>
Advertisement in organizer	30	20
Sponsorships paid to AAT	750	1,250

Note 37 - Financial Risk Management

The Institute has exposure to the following risks from its use of financial instruments. These are monitored by the Council and operational review committee on a regular basis:

1. Credit risk
2. Liquidity risk
3. Market risk

1. Credit Risk

Credit risk is the risk of finance losses to the Institute if a recipient of a service or counterparty to a financial instrument fails to meet its contractual obligations.

To minimise the credit risk fixed deposits are held with State owned banking Institutions and investments in treasury bonds and re-purchase agreements are made only through state owned banks.

<u>Carrying Value as at 31st December</u>	<i>2016</i> <i>Rs.'000</i>	<i>2015</i> <i>Rs.'000</i>
Fixed deposits	323,830	237,438
Treasury bonds	194,268	150,844
Loans and receivables	73,645	75,505
Treasury bill re-purchase agreements	53,000	90,000
Total	644,743	553,787

2. Liquidity Risk

The Institute is managing the liquidity risk by ensuring that there will always be sufficient liquidity to meet its liabilities when due without incurring unacceptable damages to the Institute's reputation.

Maturity Analysis of Financial Assets and Liabilities

Description	On Demand	Less than 3 months	3 to 12 months	2 to 3 years	More than 3 years	Total
Financial Assets						
Receivables	30,066	14,931	-	-	-	44,997
Loans and advances to staff	-	2,711	7,005	14,181	4,751	28,648
Fixed deposits	-	-	151,533	172,297	-	323,830
Treasury bonds	-	-	57,752	64,776	71,740	194,268
Treasury bill re-purchase agreements	-	53,000	-	-	-	53,000
Cash and cash equivalents	48,710	-	-	-	-	48,710
	<u>78,776</u>	<u>70,642</u>	<u>216,290</u>	<u>251,254</u>	<u>76,491</u>	<u>693,453</u>
Financial Liabilities						
Payables	(20,156)	(5,076)	(8,681)	-	-	(33,913)
Bank overdrafts	(22,981)	-	-	-	-	(22,981)
	<u>(43,137)</u>	<u>(5,076)</u>	<u>(8,681)</u>	<u>-</u>	<u>-</u>	<u>(56,894)</u>
Net financial assets	<u>35,639</u>	<u>65,566</u>	<u>207,609</u>	<u>251,254</u>	<u>76,491</u>	<u>636,559</u>

3. Market Risk

Market risk is the risk that changes in interest rates which will affect the Institute's income or the value of its holding of financial instruments.

The Institute manages and controls the market risk exposure within acceptable parameters while optimising the return.

F. B. LONDER PRIZE FUND STATEMENT OF FINANCIAL POSITION

AS AT	31.12.2016		31.12.2015	
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
ASSETS				
Balance at National Savings Bank		703		673
		<u>703</u>		<u>673</u>
EQUITY AND LIABILITIES				
Capital		13		13
Income Account				
Balance as at 1 st January	660		628	
Add: Interest for the year	<u>30</u>	<u>690</u>	<u>32</u>	<u>660</u>
		<u>703</u>		<u>673</u>

CYRIL E. BEGBIE MEMORIAL PRIZE FUND STATEMENT OF FINANCIAL POSITION

AS AT	31.12.2016 Rs.'000	Rs.'000	31.12.2015 Rs.'000	Rs.'000
ASSETS				
Balance at National Savings Bank		224		214
		224		214
EQUITY AND LIABILITIES				
Capital		10		10
Income Account				
Balance as at 1st January	80		108	
Add: Interest for the year	10		11	
Less: Prize paid	(17)		(39)	
Balance as at 31st December		73		80
Creditors - CA Sri Lanka		141		124
06-898		224		214

Miscellaneous Departmental Notices

SAMPATH BANK PLC (Formerly known as Sampath Bank Limited)

Resolution adopted by the Board of Directors of Sampath Bank PLC under Section 04 of the Recovery of Loans by Banks (Special Provisions) Act, No. 04 of 1990 amended by No. 01 of 2011 and No. 19 of 2011

R. S. Kahaduwa and R Dilrukshi.
A/C Nos. 1047 5468 8777/0047 5000 4747.

AT a meeting held on 27.04.2017 by the Board of Directors of Sampath Bank PLC it was resolved specially and unanimously:

Whereas Rangana Sampath Kahaduwa *alias* Kahaduwa Rangana Sampath and Rathuwaduge Dilrukshi in the Democratic Socialist Republic of Sri Lanka as the Obligors and the said Rangana Sampath Kahaduwa *alias* Kahaduwa Rangana Sampath as the Mortgagor have made default in the repayment of the credit facility granted against the security of the property and premises morefully described in the Schedule hereto mortgaged and hypothecated by the Mortgage Bond No. 1602 dated 27th March 2015 attested by Y. N. Delpechitra of Colombo Notary Public in favour of Sampath Bank PLC holding Company No. PQ 144 and having its Registered Office at No. 110, Sir James Peiris Mawatha, Colombo 2.

And whereas Rangana Sampath Kahaduwa *alias* Kahaduwa Rangana Sampath in the Democratic Socialist Republic of Sri Lanka as the Obligor has made default in the repayment of the credit facility granted against the security of the property and premises morefully described in the Schedule hereto mortgaged and hypothecated by the Mortgage Bond No. 1960 dated 17th November 2015 attested by Y N Delpechitra of Colombo Notary Public in favour of Sampath Bank PLC holding Company No. PQ 144 and having its Registered Office at No. 110, Sir James Peiris Mawatha, Colombo 02

And there is now due and owing on the said Bonds Nos. 1602 and 1960 to Sampath Bank PLC aforesaid as at 16th April 2017 a sum of Rupees Eight Million Four Hundred and Fifty Nine Thousand Nine Hundred and Forty One and Cents Seventy One Only (Rs. 8,459,941.71) of lawful money of Sri Lanka being the total amount outstanding together with interest on the said Bonds and the Board of Directors of Sampath Bank PLC aforesaid under the powers vested by the Recovery of Loans by Banks (Special Provisions) Act, No. 04 of 1990 do hereby resolve that the property and premises morefully described in the Schedule hereto mortgaged to Sampath Bank PLC aforesaid as security for the said credit facilities by the said Bonds Nos. 1602 and 1960 to be sold in public auction by I W Jayasuriya Auctioneer of Kandy for the recovery of the said sum of Rupees Eight Million Four Hundred and Fifty Nine Thousand Nine Hundred and Forty One and Cents

Seventy-one Only (Rs. 8,459,941.71) together with further interest on a sum of Rupees Six Million Two Hundred and Six Thousand Three Hundred and Fifty Three and Cents Ninety Six only (Rs. 6,206,353.96) at the rate of Nine decimal Five percent (9.5%) per annum and further interest on a further sum of Rupees One Million Nine Hundred and Forty Three Thousand Seven Hundred and Fifty Four and Cents Twenty Only (Rs. 1,943,754.20) at the rate of Ten decimal Five *per centum* (10.5%) *per annum* from 17th April 2017 to date of satisfaction of the total debt upon the said Bonds bearing Nos. 1602 and 1960 together with costs of advertising and other charges incurred less payment (if any) since received.

THE SCHEDULE

All that divided and defined allotment of Land depicted in Plan No. 7524 dated 12th February 2015 made by B L D Fernando Licensed Surveyor of the land called "Madangahawatta" together with the soils, trees, plantations, buildings and everything else standing thereon bearing Assessment No. 101, Arthur V. Dias Mawatha situated at Pattiya within the Grama Niladari Division of No. 685, Pattiya North within the Divisional Secretariat of Panadura within the Urban Council Limits of Panadura in Panadura Talpiti Debadda of Panadura Totamune Kalutara District Western Province and which said Land is bounded on the North by the road leading to the Urban Council premises on the East by Lot 4 in Plan No. 186 on the South by Lot 2 in Plan No. 186 and the property formerly of Tiddy Perera and on the West by Arthur V. Dias Mawatha and containing in extent Nine decimal One Nought Perches (0A., 0R., 9.10P.) according to the said Plan No. 7524.

which said Land depicted in Plan No. 7524 is a resurvey of the land morefully described below;

All that divided and defined allotment of land marked Lot 1 depicted in Plan No. 186 dated 05th November 1975 made by B L D Fernando Licensed Surveyor of the land called "Madangahawatta" together with the soils, trees, plantations, buildings and everything else standing thereon situated at Pattiya aforesaid and which said Lot 1 is bounded on the North by Road, on the East by Lot 4 on the South by Lot 2 and land claimed by T D Perera and others and on the West by Arthur V. Dias Mawatha and containing in extent Nine decimal One Nought Perches (0A., 0R., 9.10P.) according to the said Plan No. 186 and registered in Volume /Folio D 209/110 at the Land Registry Panadura.

By order of the Board,

Company Secretary.

PEOPLE'S BANK—MAJESTIC CITY BRANCH

Resolution under Section 29 D of the People's Bank Act, No. 29 of 1961 as amended by the Act, No. 32 of 1986

IT is hereby notified that the following resolution was unanimously passed by the Board of Directors of the People's Bank, under Section 29 D of the People's Bank Act, No. 29 of 1961 as amended by the Act, No. 32 of 1986 at their meeting held on 27.04.2017.

Whereas, Tech Information Solutions (Private) Limited a Company duly incorporated under the Companies Act, No. 07 of 2007 and having its Registered Office at No. 501F, 3rd Floor, Unity Plaza, Colombo 04, have made default in payment due on Mortgage Bond No. 5216, dated 07.12.2016 attested by M. N. Perera Notary Public of Colombo in favour of the People's Bank and there is now due and owing to the People's Bank a sum of Rupees Seventy Million Only (Rs. 70,000,000.00), of the said Bond No. 5216. The Board of Directors of the People's Bank under the power vested in them by the People's Bank Act, No. 29 of 1961 as amended by the Act, No. 32 of 1986 do hereby resolve that the property and premises mortgaged to the said Bank by the said Mortgage bond be sold by Public Auction by Ervin Perera, Licensed Auctioneer of Colombo for recovery of the sum of Rupees Seventy Million (Rs. 70,000,000.00) together with interest at 17% per annum from 22.12.2016, to date of sale with costs and other charges of sale less payment (if any) since received.

DESCRIPTION OF THE PROPERTY MORTGAGED

All that divided and defined allotment of land marked as "Lot 3BIC" depicted in Plan No. 2469 dated 19.03.1980 made by S. Lokanathan, Licensed Surveyor of the land called "Mahawellawatta" situated along Station Road presently bearing assessment No. 14, Station Road in Wellawatte North Ward No. 43, within the Grama Niladhari Division of Wellawatte North and Divisional Secretariat Division of Thimbrigasyaya within the Municipality and District of Colombo, Western Province and which said Lot 3BIC is bounded on the North by Station Road, on the East Lots 3BIA and 3BIB, on the South by Lots 3B2, 3B3 and 3BIB and on the West by Lot 3B5 (balance area) and containing in extent Eleven Decimal Six Three Four Perches (0A., 0R., 11.634P.) together with trees, buildings, plantations and everything else standing thereon according to the said Plan No. 2469, Registered at the Land Registry of Colombo in Volume/folio SPE 45/70.

By Order of the Board of Directors,

Regional Manager,
(Colombo South).

COMMERCIAL BANK OF CEYLON PLC

Resolution adopted by the Board of Directors of Commercial Bank of Ceylon PLC (Registration No. PQ 116) under Section 4 of the recovery of loans by Banks (Special Provisions) Act, No. 4 of 1990

Loan Account Nos. 1781637, 1782210 and 1910039.
Walanagodage Nalin Anton Ravindra Ranaweera
alias
Walangodage Nalin Anton Ravindra Ranaweera.

AT a meeting held on 27th January, 2017 the Board of Directors of Commercial Bank of Ceylon PLC resolved specially and unanimously as follows:-

Whereas Walanagodage Nalin Anton Ravindra Ranaweera *alias* Walangodage Nalin Anton Ravindra Ranaweera as the obligor has made default in the payment due on Bond Nos. 9360 dated 27th February, 2007 and 17053 dated 29th January 2012 both attested by Felician Fernandopulle, Notary Public of Negombo and 3679 dated 19th December, 2012 attested by W. L. Jayaweera, Notary Public of Colombo in favour of Commercial Bank of Ceylon Limited now known as Commercial Bank of Ceylon PLC (the land morefully described in the 1st Schedule hereto)

And Whereas Walanagodage Nalin Anton Ravindra Ranaweera as the Obligor has made default in the payment due on Bond Nos. 10020 dated 31st July, 2007 and 17960 dated 10th December, 2012 both attested by Felician Fernandopulle, Notary Public of Negombo in favour of Commercial Bank of Ceylon Limited now known as Commercial Bank of Ceylon PLC (the land morefully described in the 2nd Schedule hereto)

And Whereas Walanagodage Nalin Anton Ravindra Ranaweera as the Obligor has made default in the payment due on Bond Nos. 10015 dated 31st July 2007 and 18043 dated 19th February 2013 both attested by Felician Fernandopulle, Notary Public of Negombo in favour of Commercial Bank of Ceylon Limited now known as Commercial Bank of Ceylon PLC (the land morefully described in the 3rd Schedule hereto)

And whereas Walangodage Nalin Anton Ravindra Ranaweera as the Obligor has made default in the payment due on Bond No. 2080 dated 03rd July, 2013 attested by H. M. C. P. Herath, Notary Public of Colombo in favour of Commercial Bank of Ceylon PLC (the land morefully described in the 4th Schedule hereto)

And Whereas there is now due and owing to the Commercial Bank of Ceylon PLC as at 05th December, 2016 a sum of Rupees Thirty-two Million Sixty-four Thousand Four Hundred and Thirty-two and cents Seventy (Rs. 32,064,432.70) on the said Bonds and the Board of Directors of Commercial Bank of Ceylon PLC under the powers vested by recovery of Loans by Banks (Special Provisions) Act, No. 4 of 1990 do hereby resolve that the properties and premises morefully described in the 1st, 2nd, 3rd and 4th Schedules hereto and mortgaged to the Commercial Bank of Ceylon Limited now known as Commercial Bank of Ceylon PLC by the said Bond Nos. 9360, 17053, 3679, 10020, 17960, 10015, 18043 and 2080 be sold by Public Auction by Mr. L. B. Senanayake, Licensed Auctioneer of Thrivanka & Senanayake Auctioneers of No. 200, 2nd Floor, Hulftsdorp Street, Colombo 12 for the recovery of the said sum of Rupees Thirty-two Million Sixty-four Thousand Four Hundred and Thirty-two and Cents Seventy (Rs. 32,064,432.70) with further interest on a sum of Rs. 19,961,103/- at 15.62% per annum (PLR + 4% per annum) and on a sum of Rs. 6,750,000 at 14.62% per annum (PLR+3% per annum) from 06th December, 2016 to date of sale together with cost of Advertising and any other charges incurred less payments (if any) since received."

THE 1ST SCHEDULE

All that divided and defined allotment of Land depicted in Plan No. 1120/2003 dated 19th November, 2003 made by K. Kannangara, Licensed Surveyor of the land called 'Katuwehena' together with the buildings trees plantations and everything else standing thereon situated at Divulapitiya within the Grama Niladhari Division of Wewagedara in the Divisional Secretariat Limits of Divulapitiya and in Dasiya Pattu of Aluthkuru Korale in the District of Gampaha, Western Province and which said Land is bounded on the North by Paddy Field owned by J. Fernando and Lot 2 of the same land on the East by Lot 2 of the same land and High Road on the South by High Road and Lot 5 of the same land (reservation for Road 4 feet wide) and on the West by Lot 5 of the same land (reservation for Road 4 feet wide and containing in extent Twenty-two decimal Naught Eight (0A., 0R., 22.08P.) but more correctly Twenty-two decimal Eight Perches (0A., 0R., 22.8P.) according to the said Plan No. 1120/2003 and registered under Volume/Folio A 481/75 at the Gampaha Land Registry.

THE 2ND SCHEDULE

All that land marked Lot 1 of Dikpillewa situated at Pahala Makandura in Katugampola Hath Pattu of Pitigal Korale within the Registration Division of Kuliyaipitiya in

the District of Kurunegala North Western Province which said land is bounded according to Plan No. 1785 dated 30th April 1998 made by R. A. Chandraratne, Licensed Surveyor on the

North by Road (PS)
East by Road (PS) and land of Wijesena
South by Land of Wijesena and Paddy Field of
Thilakaratne Wijesinghe
West by Land of A. Mercy Fernando

containing in extent Two Roods Fifteen Perches (0A., 2R., 15P.) together with buildings plantations and everything standing thereon and registered under Volume/Folio S 105/105 at the Kuliyaipitiya Land Registry.

THE 3RD SCHEDULE

All that land called Dikpillewa Watta situated at Ihala Makandura in Katugampola Hath Pattu of Pitigal Korale within the Registration Division of Kuliyaipitiya in the District of Kurunegala, North Western Province which said land is bounded on the

North by Pillewa and VC Road
East by Land of W. Susil Chandra
South by Paddy Fields
West by Paddy Field

Containing in extent Two Roods (0A., 2R., 0P.) together with buildings, plantations and everything standing thereon and registered under Volume/Folio S 49/190 at the Kuliyaipitiya Land Registry.

This is described according to a recent Survey Plan as follows:

All that land called Dikpillewa Watta situated at Ihala Makandura in Katugampola Hath Pattu of Pitigal Korale within the Registration Division of Kuliyaipitiya in the District of Kurunegala North Western Province which said land is bounded according to Plan No. 7855 dated 20.08.2004 made by S. B. Abeykoon, Licensed Surveyor on the -

North by Road (PS),
East by Portion of the same land of Wasantha Susil Chandra Munasinghe and Samantha Munasinghe
South by Paddy Field of Lal Samaraweera and others
West by Paddy Field but now the land of S. A. Stanis Priyantha.

Containing in extent Two Roods Six decimal Five Perches (0A., 2R., 6.5P.) together with buildings, plantations and everything standing thereon.

This land is situated within the Grama Niladhari Division No. 1588 Ihala Makandura in the Divisional Secretary's Division of Pannala within the Pradeshiya Sabaha Limits of Pannala.

THE 4TH SCHEDULE

All that divided and defined allotment of land marked Lot 1 depicted in Plan No. 2582 dated 30.03.2005 made by S. Senarath, Licensed Surveyor of the land called 'Kahatagahawatta *alias* Millagahalanda' together with the buildings trees plantations and everything else standing thereon situated at Bombugammana Village within the Grama Niladhari Division of 97A - Bombugammana the Divisional Secretary's Division of Divulupitiya in Dasiya Pattu of Aluthkuru Korale in the District of Colombo Western Province and which said Lot 1 is bounded on the North by Land of T. J. S. P. Fonseka, on the East by Land of T. J. S. P. Fonseka and Land of Divulupitiya Multy Servicing Co-operative Society on the South by Lot 2 (Assessment No. 21, Minuwangoda Road) and on the West by Lot 2 (Assessment No. 21, Minuwangoda Road) and Minuwangoda-Giriulla Main Road and containing in extent One decimal Eight-two Perches (0A., 0R., 1.82P.) as per the said Plan No. 2582 and registered under Volume/Folio J 29/95 and J 29/96 at the Negombo Land Registry.

RANJANI GAMAGE,
Company Secretary.

27th January, 2017.

06-784

THE BANK OF CEYLON

Notice under Section 21 of the Bank of Ceylon Ordinance (Chapter 397) as amended by Act, No. 34 of 1968 and Law, No. 10 of 1974

AT a meeting held on 17.05.2017 the Board of Directors of this Bank resolved specially and unanimously.

1. That a sum of Rupees Ten Million Six Hundred and Fifty-two Thousand Fifty-four and cents Seventy-nine (Rs. 10,652,054.79) on account of the principal and interest up to 19.04.2017 and together with further interest on Rupees Ten Million (Rs. 10,000,000.00) at the rate of Seventeen (17%) per centum per annum from 20.04.2017 till date of payment on overdraft, a sum of Rupees Six Million Seven Hundred and Eight Thousand Eight Hundred and Eleven

and cents Fifty-one (Rs. 6,708,811.51) on account of the principal and interest up to 19.04.2017 and together with further interest on Rupees Six Million Three Hundred and Seventy-four Thousand Nine Hundred and Ninety-five (Rs. 6,374,995.00) at the rate of Sixteen (16%) per centum per annum from 20.04.2017 till date of payment on term loan and a sum of Rupees Eleven Million Seventy-eight Thousand Two Hundred and Fifteen and cents Eighty-one (Rs. 11,078,215.81) on account of the principal and interest up to 19.04.2017 and together with further interest on Rupees Ten Million (Rs. 10,000,000.00) at the rate of Sixteen (16%) per centum per annum from 20.04.2017 till date of payment on series of loan are due from Sky Ceramics (Pvt) Ltd of No. 92 B, Pamunuwa, Maharagama, (The Directors are; Mr. Vithincha Sampath Gajadeera and Mrs. Himali Jayawardhane both of No. 765 E, Bogahawatta Road, Thaladena, Malabe), on Mortgage Bond No. 75 dated 31.07.2014 attested by Chaga Lawanya Yapa, Notary Public and Mortgage Bond No. 1146 dated 25.08.2015 attested by S. A. D. P. R. Gunawardena, Notary Public.

2. That in terms of Section 19 of the Bank of Ceylon Ordinance (Cap. 397) and its amendments Mr. Thusitha Karunaratne, M/s T & H Auctions, the Auctioneer of No. 50/3, Vihara Mawatha, Kolonnawa, be authorized and empowered to sell by public auction the property mortgaged to the Bank of Ceylon and described in the schedules hereunder, for the recovery of the said a sum of Rupees Ten Million Six Hundred and Fifty-two Thousand Fifty-four and cents Seventy-nine (Rs. 10,652,054.79) on overdraft, a sum of Rupees Six Million Seven Hundred and Eight Thousand Eight Hundred and Eleven and cents Fifty-one (Rs. 6,708,811.51) on term loan and a sum of Rupees Eleven Million Seventy-eight Thousand Two Hundred and Fifteen and cents Eighty-one (Rs. 11,078,215.81) on series of loan on the said Mortgage Bond No. 75 dated 31.07.2014 and Mortgage Bond No. 1146 dated 25.08.2015 and together with interest as aforesaid from 20.04.2017 to date of sale and costs and monies recoverable under section 26 of the said Bank of Ceylon Ordinance and the Chief Manager of Nugegoda Supra Grade Branch of the Bank of Ceylon to publish notice of this resolution in terms of Section 21 of the said Bank of Ceylon Ordinance.

THE FIRST SCHEDULE

All that divided and defined allotment of land marked Lot 1 depicted in Plan No. 4549 dated 27th May, 2014 made by A. M. S. Attanayake, Licensed Surveyor of the land called "Bogahawatta" and Bogahalanda" bearing Assessment No. 14/43, Thaladena Road situated at Thalagama North within the Minucipal Council Limits

of Kaduwela in Grama Niladhari's Division of No. 477/A, Thalagama North-B in Divisional Secretary's Division Kaduwela in Palle Pattu of Hewagam Korale in the District of Colombo Western Province and which said Lot 1 is bounded on the North by Bogahawatta Road on the East by Lot 1B in Plan No. 8346B, on the South by Lot 1 in Plan No. 7/33 and on the West by land claimed by G. P. Indranie Perera and containing in extent Twenty Perches (0A., 0R., 20P.) according to the said Plan No. 4549 together with the trees, plantations, buildings standing and growing thereon and registered in B 746/40 at the Land Registry, Homagama.

By Order of the Board of Directors of the Bank of Ceylon,

Mr. I. S. N. PERERA,
Chief Manager.

Bank of Ceylon,
Nugegoda Supra Grade.

06-901

SAMPATH BANK PLC **(Formerly known as Sampath Bank Limited)**

Resolution adopted by the Board of Directors of Sampath Bank PLC under Section 04 of the Recovery of Loans by Banks (Special Provisions) Act, No. 04 of 1990 amended by No. 01 of 2011 and No. 19 of 2011

D. M. C. N. C. Dissanayake.
A/c No. 0113 5000 2997.

AT a meeting held on 27.04.2017 by the Board of Directors of Sampath Bank PLC it was resolved specially and unanimously:

Whereas Dissanayake Mudiyanseelage Chinthaka Namel Crishantha Dissanayake in the Democratic Socialist Republic of Sri Lanka as the Obligor has made default in the repayment of the credit facility granted against the security of the property and premises morefully described in the Schedule hereto mortgaged and hypothecated by the Mortgage Bond Nos. 844 dated 23rd June, 2014 and 1189 dated 05th May, 2015 both attested by K. A. P. Kahandawa of Badulla, Notary Public in favour of Sampath Bank PLC holding Company No. PQ 144 and having its Registered Office at No. 110, Sir James Peiris Mawatha, Colombo 02 and

there is now due and owing on the said Bond Nos. 844 and 1189 to Sampath Bank PLC aforesaid as at 11th April, 2017 a sum of Rupees Fourteen Million Eight Hundred and Sixty-four Thousand Ninety-nine only (Rs. 14,864,099) of lawful money of Sri Lanka being the total amount outstanding together with interest on the said Bond and the Board of Directors of Sampath Bank PLC aforesaid under the powers vested by the Recovery of Loans by Banks (Special Provisions) Act, No. 04 of 1990 do hereby resolve that the property and premises morefully described in the Schedule hereto mortgaged to Sampath Bank PLC aforesaid as security for the said credit facility by the said Bond Nos. 844 and 1189 to be sold in public auction by I. W. Jayasuriya, Auctioneer of Kandy for the recovery of the said sum of Rupees Fourteen Million Eight Hundred and Sixty-four Thousand Ninety-nine only (Rs. 14,864,099) together with further interest on a sum of Rupees Twelve Million Three Hundred and Eighty-five Thousand Six Hundred and Seventy-nine and cents Thirty-four only (Rs. 12,385,679.34) at the rate of Ten percent (10%) pre annum from 12th April, 2017 to date of satisfaction of the total debt upon the said Bond bearing Nos. 844 and 1189 together with costs of advertising and other charges incurred less payments (if any) since received.

THE SCHEDULE

All that divided and defined allotment of land marked Lot 1 depicted in Plan No. 969 dated 20th January, 1996 made by P. W. Nandasena, Licensed Surveyor (re-surveyed and boundaries confirmed on 02nd May, 2014 by same Surveyor) for the land called “Wye Estate” together with soils, trees, plantations, buildings and everything else standing thereon and all rights, ways, privileges, easements, servitudes appertaining thereto belonging, situated at Metipimbiya Village within the Grama Niladhari Division of 67-C, Ambegoda in Pradeshiya Sabha Limits of Haputale and Divisional Secretariat Division of Bandarawela in Mahapalata Korale in the District of Badulla, Uva Province and which said Lot 1 is bounded on the North by V. C. Road, on the East by balance portion of the same land (Lot No. 1 in Plan No. 566), on the South by Kandura and on the West by Kandura and containing in extent Ten Perches (0A., 0R., 10P.) or Hec. 0.026 according to the said Plan No. 969. Registered in Volume/Folio V 06/112 at the Land Registry Badulla.

By Order of the Board,

Company Secretary.

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