

**THE CHARTERED INSTITUTE OF LOGISTICS  
AND TRANSPORT SRI LANKA**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2020**



KPMG  
(Chartered Accountants)  
32A, Sir Mohamed Macan Markar Mawatha,  
P. O. Box 186,  
Colombo 00300, Sri Lanka.

Tel : +94 - 11 542 6426  
Fax : +94 - 11 244 5872  
+94 - 11 244 6058  
Internet : www.kpmg.com/lk

## INDEPENDENT AUDITOR'S REPORT

To the Members of The Chartered Institute of Logistics and Transport Sri Lanka

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of The Chartered Institute of Logistics and Transport Sri Lanka ("the Institute"), which comprise the statement of financial position as at 31<sup>st</sup> December 2020, and the statement of income and expenditure, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Institute as at 31<sup>st</sup> December 2020 and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting standard for small and medium sized entities (SLFRS for SMEs).

#### Basis for Opinion

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

#### Other Information

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

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

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



## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **To the Members of The Chartered Institute of Logistics and Transport Sri Lanka**

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

A handwritten signature in blue ink, appearing to read 'KPMG'.

**CHARTERED ACCOUNTANTS**  
Colombo, Sri Lanka  
22<sup>nd</sup> March 2021

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA**  
**STATEMENT OF FINANCIAL POSITION**

As at 31<sup>st</sup> December,

	Note	2020 Rs.	2019 Rs.
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	299,736	285,463
<b>Total non-current assets</b>		<b>299,736</b>	<b>285,463</b>
<b>Current assets</b>			
Inventory	5	728,085	916,533
Membership fee receivable	6	1,231,175	575,225
Corporate partnership receivable	7	1,500,000	6,650,000
Other receivables	8	858,739	2,432,222
Fixed deposits	9	23,337,874	22,085,359
Cash and cash equivalents	10	2,726,553	2,241,729
<b>Total current assets</b>		<b>30,382,426</b>	<b>34,901,068</b>
<b>Total assets</b>		<b>30,682,162</b>	<b>35,186,531</b>
<b>Funds and liabilities</b>			
<b>Funds</b>			
Accumulated fund		21,748,260	25,873,165
Mentee scholarship fund	11	46,684	46,684
John Diandas memorial fund	12	6,695,298	6,111,010
CILT Building Fund	13	100,000	-
<b>Total funds</b>		<b>28,590,243</b>	<b>32,030,859</b>
<b>Non-current liabilities</b>			
Deferred tax liability	21	6,452	61,123
<b>Total non-current liabilities</b>		<b>6,452</b>	<b>61,123</b>
<b>Current liabilities</b>			
Trade and other payables	14	224,022	66,310
Membership subscription received in advance		234,536	262,435
Corporate partnership fee received in advance		-	150,000
Accrued expenses	15	806,413	1,148,605
Statutory payable	16	273,296	15,887
Bank overdraft	10	547,200	1,451,312
<b>Total current liabilities</b>		<b>2,085,468</b>	<b>3,094,549</b>
<b>Total funds and liabilities</b>		<b>30,682,162</b>	<b>35,186,531</b>

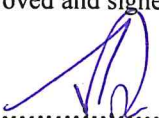
The accounting policies and explanatory notes form an integral part of these financial statements.

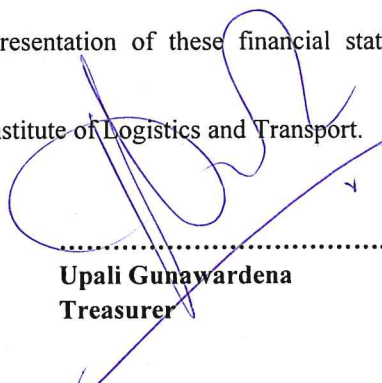
  
 .....  
**Accountant**

We certify that these financial statements have been prepared in compliance with the requirements of section 16 of the rule book of the Institute.

The Committee members are responsible for the preparation and presentation of these financial statements in accordance with SLFRS for SMEs.

Approved and signed for and on behalf of the Committee of Chartered Institute of Logistics and Transport.

  
 .....  
**Channaka De Alwis**  
**President**

  
 .....  
**Upali Gunawardena**  
**Treasurer**

22 March, 2021  
 Colombo

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA**  
**STATEMENT OF INCOME AND EXPENDITURE**

*For the year ended 31<sup>st</sup> December,*

	Note	2020 <u>Rs.</u>	2019 <u>Rs.</u>
Income	17	3,966,773	10,868,375
Other income	18	1,985,092	3,850,507
<b>Total income</b>		<b>5,951,865</b>	<b>14,718,882</b>
Administrative expenses	19	(2,187,280)	(2,407,613)
Other operational expenses	20	(7,944,161)	(14,613,997)
<b>Total expenses</b>		<b>(10,131,441)</b>	<b>(17,021,610)</b>
<b>Deficit before tax</b>		<b>(4,179,576)</b>	<b>(2,302,728)</b>
Tax expense	21	54,671	(29,345)
<b>Deficit for the year (Total comprehensive income)</b>		<b>(4,124,905)</b>	<b>(2,332,073)</b>

The accounting policies and notes form an integral part of these financial statements.  
*Figures in brackets indicate deductions.*

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA**  
**STATEMENT OF CHANGES IN FUNDS**

*For the year ended 31<sup>st</sup> December*

	Accumulated fund	Mentee scholarship fund (Restricted)	JDM fund (Restricted)	CILT Building Fund	Total
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
<b>Balance as at 31<sup>st</sup> December 2018</b>	27,625,743	66,684	5,818,437	-	33,510,864
Income to the fund	-	-	712,573	-	712,573
Expenses from the fund	-	(20,000)	(420,000)	-	(440,000)
Deficit for the year (Total comprehensive income)	(2,332,073)	-	-	-	(2,332,073)
Prior year adjustments made to the retained earnings	579,495	-	-	-	579,495
<b>Balance as at 31<sup>st</sup> December 2019</b>	<b>25,873,165</b>	<b>46,684</b>	<b>6,111,010</b>	<b>-</b>	<b>32,030,859</b>
Income to the fund	-	-	584,288	100,000	684,288
Expenses from the fund	-	-	-	-	-
Deficit for the year (Total comprehensive income)	(4,124,905)	-	-	-	(4,124,905)
<b>Balance as at 31<sup>st</sup> December 2020</b>	<b>21,748,260</b>	<b>46,684</b>	<b>6,695,298</b>	<b>100,000</b>	<b>28,590,242</b>

The accounting policies and notes form an integral part of these financial statements.  
*Figures in brackets indicate deductions.*

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA**  
**STATEMENT OF CASH FLOWS**

*For the year ended 31<sup>st</sup> December,*

	Note	2020 <u>Rs.</u>	2019 <u>Rs.</u>
<b>Cash flows from operating activities</b>			
Deficit before tax		(4,179,576)	(2,302,728)
<b>Adjustments for;</b>			
Interest income		(902,159)	(1,771,722)
Depreciation of property, plant and equipment	4	156,877	163,420
Property, plant and equipment written off (Net)	4	-	18,222
		<u>(4,924,857)</u>	<u>(3,892,808)</u>
<b>Changes in;</b>			
Decrease in Inventory	5	188,448	(916,533)
Increase in Membership fee receivable	6	(655,950)	996,362
Decrease in Corporate partnership receivable	7	5,150,000	(3,750,000)
Decrease in Other receivables	8	1,703,139	(1,092,927)
Decrease in Membership subscription received in advance		(27,899)	194,350
Decrease in Corporate partnership fee received in advance		(150,000)	150,000
Decrease in Accrued expenses	15	(342,192)	776,731
Increase in Trade and other payable	14	157,712	66,310
Increase in Statutory payables	16	289,183	-
<b>Cash flow (used in)/generated from operating activities</b>		<u>6,312,441</u>	<u>(3,575,707)</u>
Income tax paid	21	-	(242,291)
<b>Net cash flow used in operating activities</b>		<u>1,387,584</u>	<u>(7,710,806)</u>
<b>Cash flows from in investing activities</b>			
Acquisition of property, plant and equipment	4	(171,150)	(82,284)
Interest income received		740,729	1,771,722
Net movements in fixed deposits	9	(1,252,515)	500,000
<b>Net cash (used in) investing activities</b>		<u>(682,936)</u>	<u>2,189,438</u>
<b>Cash flows from financing activities</b>			
John Diandas Memorial fund	12	584,288	292,573
Mentee scholarship fund	11	-	(20,000)
CILT Building Fund	13	100,000	-
<b>Net cash flow from financing activities</b>		<u>684,288</u>	<u>272,573</u>
<b>Net increase in cash and cash equivalents</b>		1,388,936	(5,248,795)
Cash and cash equivalents at the beginning of the year		790,417	6,039,212
<b>Cash and cash equivalents at the end of the year</b>	10	<u>2,179,353</u>	<u>790,417</u>

The accounting policies and notes form an integral part of these financial statements.

*Figures in brackets indicate deductions.*

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA  
NOTES TO THE FINANCIAL STATEMENTS**

---

**1. CORPORATE INFORMATION**

**1.1 Reporting Entity**

The Chartered Institute of Logistics and Transport Sri Lanka (“the Institute”) is an Association registered and located at 450, D.R. Wijewardana Mawatha, Colombo 10.

**1.2 Principal Activities and nature of Operation**

The principal activities of the Institute are to promote and encourage the art and science of logistics and transport. The Association is governed by the Council members in accordance with the rules set out in the rule book of the Association.

**2. BASIS OF PREPARATION**

**2.1 Statement of Compliance**

The financial statements of the Institute which comprise of the statement of financial position, statement of income and expenditure and accumulated fund and statement of cash flows together with the accounting policies and notes to the financial statements of the institute as at 31<sup>st</sup> December 2020 and for the year then ended are prepared in accordance with Sri Lanka Accounting Standard for Small and Medium – sized Entities (“SLFRS for SME’s) adopted by the institute of Chartered Accountants of Sri Lanka (ICASL).

**2.2 Responsibility for Financial statements**

The committee members are responsible for the preparation and presentation of the Financial Statements.

**2.3 Approval of Financial Statements by Committee of members**

The Financial Statements for the year ended 31<sup>st</sup> December 2020, were authorized for issue by the Committee of members on 22<sup>nd</sup> March 2021.

**2.4 Basis of Measurement**

The Financial Statements have been prepared on the historical cost basis and applied consistently with no adjustments being made for inflationary factors affecting the financial statements.

These Financial Statements have been prepared on the basis that the Institute would continue as a going concern for the foreseeable future.

**2.5 Functional and Presentation Currency**

The Financial Statements are presented in Sri Lankan Rupee (LKR), which is the Institute’s functional currency.



**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA**  
**NOTES TO THE FINANCIAL STATEMENTS**

---

**2. BASIS OF PREPARATION (CONTINUED)**

**2.6 Use of Estimates and Judgments**

The preparation of the financial statements in conformity with SLFRS for SMEs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affect only that period or in the period or revision and future periods if the revision affects both current and future periods.

**2.7 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.

**3. SUMMARY OF SIGNIFICANT POLICIES**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements unless otherwise indicated.

Certain comparative amounts in the financial statements have been reclassified to conform to the current year's presentation.

**(a) Foreign Currency Translation**

All transactions in foreign currencies are translated to Sri Lanka Rupees at the foreign exchange rates prevailing at the time of such transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into Sri Lanka Rupees at the foreign exchange rates prevailing on that date. The foreign exchange differences arising on translation are recognized in the Statement of income and expenditure and accumulated fund.

**(b) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Institute in the management of its short-term commitments. The statement of Cash Flow is reported based on the indirect method.

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

**(i) Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the Cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use and when the group of asset to obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA**  
**NOTES TO THE FINANCIAL STATEMENTS**

---

**(c) Property, plant and equipment (continued)**

When an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Any gains and losses on disposal of an item of property, plant and equipment is recognized in profit or loss.

**(ii) Subsequent Measurement**

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Institute incurred.

**(iii) Depreciation**

Items of property, plant and equipment are depreciated on a straight- line basis in profit or loss over the estimated useful lives of each component. Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives of Property, plant and equipment are as follows:

<u>Class of tangible assets</u>	<u>Useful Life</u>
Computer equipment	4
Furniture	10

All assets are depreciated from the month of the asset is available for use up to the month of disposal.

**(d) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Institute and the revenue can be reliably measured on an accrual basis. Revenue is measured at the fair value of the consideration received or receivable. The following specific criteria are used for the purpose of recognition of revenue.

**(i) Membership subscription**

Membership subscription is accounted for on time accrual basis.

**(ii) Interest income**

Interest income represents the interest on fixed deposits and is accounted on accrual basis.

**(e) Expenses**

All expenditure incurred in the operations of the business and in maintaining the capital assets in a state of efficiency have been charged to income in arriving at the Institute's profit/loss for the year.

**(f) Funds**

**i) Unrestricted funds**

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

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA**  
**NOTES TO THE FINANCIAL STATEMENTS**

---

**ii) Restricted funds**

Where the grants are received for use in an identified project or activity, such funds are held in a restricted fund account and transferred to the statement of income and expenditure to match with expenses incurred in respect of identified project. Utilized funds are held in their respective fund accounts and included under accumulated fund in the statement of financial position until such time as they are required.

**iii) Designated funds**

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

**iv) CILT building fund**

CILT building fund is a fund held by the Institute with the purpose of raising funds for a new building. Further the 15% of profits generated from Institute's profitable events are to be transferred this fund.

**(g) Income Tax Expenses**

Income tax expense comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

**(i) Current tax**

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

**(ii) Deferred tax**

Deferred tax is provided using the liability method, on for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base of assets and liabilities, which is the amount attributed to those assets and liabilities for tax purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted as at the reporting date. Deferred tax liabilities are not recognized for the permanent differences.

**(h) Events occurring after the reporting date**

All material events occurring after reporting date events have been considered and where necessary adjustments to or disclosures in the financial statements have been made.

**(i) Capital commitments and contingencies**

Contingencies are possible assets or obligations that arise from a past event and would be confirmed only on the occurrence or non-occurrence of uncertain future events, which are beyond the Institute's control. Commitments and contingent liabilities are disclosed in notes to the financial statement

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA**  
**NOTES TO THE FINANCIAL STATEMENTS**

*As at 31<sup>st</sup> December,*

<b>4 Property, plant and equipment</b>	<b>Computer equipment</b>	<b>Furniture equipment</b>	<b>Total 2020</b>	<b>Total 2019</b>
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
<b><u>Cost</u></b>				
Balance as at 01 <sup>st</sup> January	807,432	104,006	911,438	850,644
Additions during the year	171,150	-	171,150	82,284
Write off during the year	-	-	-	(21,490)
<b>Balance as at 31<sup>st</sup> December</b>	<b><u>978,582</u></b>	<b><u>104,006</u></b>	<b><u>1,082,588</u></b>	<b><u>911,438</u></b>
<b><u>Accumulated depreciation</u></b>				
Balance as at 01 <sup>st</sup> January	583,821	42,154	625,975	465,823
Charge for the year	146,477	10,401	156,877	163,420
Write off of depreciation during the year	-	-	-	(3,268)
<b>Balance as at 31<sup>st</sup> December</b>	<b><u>730,298</u></b>	<b><u>52,555</u></b>	<b><u>782,852</u></b>	<b><u>625,975</u></b>
<b>Carrying amount as at 31<sup>st</sup> December</b>	<b><u>248,284</u></b>	<b><u>51,452</u></b>	<b><u>299,736</u></b>	<b><u>285,463</u></b>

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA**  
**NOTES TO THE FINANCIAL STATEMENTS**

<i>As at 31<sup>st</sup> December,</i>	<b>2020</b>	<b>2019</b>
	<u><b>Rs.</b></u>	<u><b>Rs.</b></u>
<b>5 Inventory</b>		
Ties	312,287	314,168
Pins	123,043	123,760
Tshirts	250,740	252,630
Liquor Stock	42,015	225,975
	<u><b>728,085</b></u>	<u><b>916,533</b></u>
<b>6 Membership fee receivable</b>		
Balance as at the beginning of the year	575,225	1,571,587
Received during the year	(179,250)	(301,000)
Provision made during the year	-	(1,647,425)
Prior year adjustments	-	(1,162)
Receivables for the year	835,200	953,225
<b>Balance as at the end of the year</b>	<u><b>1,231,175</b></u>	<u><b>575,225</b></u>
<b>7 Corporate partnership receivable</b>		
South Asia Gateway Terminals	-	350,000
Hayleys Advantis	1,500,000	1,500,000
Hellmann Worldwide Logistics	-	150,000
Inter Air and Sea Logistics (Pvt) Ltd	-	150,000
John Keels Logistics	-	150,000
Logicare (Pvt) Ltd	-	150,000
Oviklo International	-	150,000
Sri Lanka Ports Authority	-	150,000
Trelleborg Lanka	-	150,000
Diesel & Motor Engineering PLC	-	1,500,000
Emergent Cold	-	350,000
Ceyline Holdings	-	350,000
MC Larens Holding	-	350,000
Abans Logistics (Pvt) Ltd.	-	150,000
Lanka Shipping and Logistics	-	150,000
Chriss Logix	-	150,000
National Transport Commission	-	150,000
PickMe	-	150,000
Civil Aviation Authority of Sri Lanka	-	150,000
Kotalawala Defence University	-	150,000
Aitken Spence Maritime Ltd.	-	150,000
	<u><b>1,500,000</b></u>	<u><b>6,650,000</b></u>
<p>Corporate partnership Receivable for Hayleys Advantis is in the discussion level with the institute and due to Covid 19 pandemic situation many of corporate partnership agreements for the year have not renewed by the corporate partners.</p>		
<b>8 Other receivables</b>		
Fixed deposit interest receivable	706,855	1,187,802
WHT receivable	65,159	102,695
International conference 2015/2016 receivable	11,500	11,500
International conference 2018 receivables	20,000	40,000
International conference 2019 receivables	-	192,500
WiLAT ignite receivables	15,000	15,000
Logistics excellence award receivables	18,000	18,000
PBKML sponsorship receivables	15,000	15,000
LLE 26 <sup>th</sup> July 2019 Receivables	-	65,000
WiLAT Receivables	-	525,000
Centenary dinner receivable	-	250,000
BRI conference 2020 advance payment	225	225
Undeposited Funds	7,000	9,500
	<u><b>858,739</b></u>	<u><b>2,432,222</b></u>

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA**  
**NOTES TO THE FINANCIAL STATEMENTS**

<i>As at 31<sup>st</sup> December,</i>	<b>2020</b>	<b>2019</b>
	<b><u>Rs.</u></b>	<b><u>Rs.</u></b>
<b>9 Fixed deposits</b>		
Bank of Ceylon	5,832,314	5,718,427
National Savings Bank	500,000	500,000
Sampath Bank	17,005,560	15,866,932
	<b><u>23,337,874</u></b>	<b><u>22,085,359</u></b>
<b>10 Cash and cash equivalents</b>		
Bank of Ceylon	303,406	1,054,192
Sampath Bank	2,332,957	1,117,287
Hatton National Bank	61,000	40,250
Petty cash	29,190	30,000
	<b><u>2,726,553</u></b>	<b><u>2,241,729</u></b>
Sampath Bank overdraft	(547,200)	(1,451,312)
	<b><u>2,179,353</u></b>	<b><u>790,417</u></b>
<b>11 Mentee scholarship fund</b>		
Balance as at the beginning of the year	46,684	66,684
Expenses from the fund	-	(20,000)
<b>Balance as at the end of the year</b>	<b><u>46,684</u></b>	<b><u>46,684</u></b>
The purpose of this fund is to provide scholarship to students.		
<b>12 John Diandas Memorial fund</b>		
Balance as at the beginning of the year	6,111,010	5,818,437
Income to the fund- (Fixed Deposit interest)	584,288	712,573
Expenses from the fund	-	(420,000)
<b>Balance as at the end of the year</b>	<b><u>6,695,298</u></b>	<b><u>6,111,010</u></b>
The purpose of this fund is to promote the study and research, along with the publication, presentation and discussion thereof on public transport as relevant to Sri Lanka and the conduct of the annual John Diandas Memorial Lecture.		
<b>13 CILT Building Fund</b>		
Balance as at the beginning of the year	-	-
Income to the fund	100,000	-
Expenses from the fund	-	-
<b>Balance as at the end of the year</b>	<b><u>100,000</u></b>	<b><u>-</u></b>
The Committee has decided to set up this fund with the purpose of raising funds for a new building. Intital fund of Rs.100,000 was received from member in 2020		
<b>14 Trade and other payables</b>		
Refundable deposits	310	66,310
C-Confluence 2020	149,994	-
Indian Ocean Island	73,718	-
	<b><u>224,022</u></b>	<b><u>66,310</u></b>
<b>15 Accrued expenses</b>		
Unidentified deposits	326,975	317,974
Accrued expenses	369,438	730,631
Audit fee payable	110,000	100,000
	<b><u>806,413</u></b>	<b><u>1,148,605</u></b>
<b>16 Statutory payables</b>		
Income tax payable	15,887	15,887
EPF payable	223,399	-
ETF payable	34,010	-
	<b><u>273,296</u></b>	<b><u>15,887</u></b>

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA**  
**NOTES TO THE FINANCIAL STATEMENTS**

*For the year ended 31 December*

	<b>2020</b>	<b>2019</b>
	<b><u>Rs.</u></b>	<b><u>Rs.</u></b>
<b>17 Income</b>		
Membership fees	3,016,773	3,168,375
Corporate partnership	950,000	7,700,000
	<b><u>3,966,773</u></b>	<b><u>10,868,375</u></b>
<b>18 Other income</b>		
Interest income	902,159	1,771,722
International conference	-	601,269
Income from the move game	-	9,676
Certificate Name Change Fee	-	1,500
Balance transferred from WiLAT account	228,355	29,448
Membership Processing Fee	168,000	435,417
Workshop on lean management	187,000	-
Accreditation Fee	-	468,457
Bad debt recovery income	14,000	3,500
Other income	-	15,000
Qualifying examination fee	74,000	35,000
Sales of CILT Ties	-	35,600
Sales of CILT Pins	-	17,500
Sales of CILT T-shirts	800	23,200
YPF-Young Professional Forum	15,354	-
Exchange gain	56	-
JDML 2019	-	3,396
L S De Silva ML 2019	-	5,322
Certificate programme in aviation management	-	30,000
Membership pack	4,000	40,000
Student membership fee	216,500	324,500
BRI Conference 2020	174,868	-
	<b><u>1,985,092</u></b>	<b><u>3,850,507</u></b>
<b>19 Administrative expenses</b>		
Postage and telephone	161,009	238,368
Printing and stationery	76,755	196,160
Courier charges	9,500	3,200
Depreciation on computer equipment	146,477	153,033
Depreciation on furniture	10,401	10,387
Entertainment and refreshments	97,217	161,515
Sundry/ general expenses	699,480	600,670
Other administration Expenses	-	50,000
Travelling	147,392	174,413
Monthly allowance	-	60,000
Salary	669,000	759,867
EPF	136,039	-
ETF	34,010	-
	<b><u>2,187,280</u></b>	<b><u>2,407,613</u></b>

**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA**  
**NOTES TO THE FINANCIAL STATEMENTS**

*For the year ended 31<sup>st</sup> December,*

	<b>2020</b>	<b>2019</b>
	<b><u>Rs.</u></b>	<b><u>Rs.</u></b>
<b>20 Other operational expenses</b>		
Annual fee for internet payment gateway	60,000	60,000
Annual general meeting expenses	343,151	1,476,161
Audit fee	148,778	129,150
Accreditation Fee	35,461	-
Bad debt - International Conference	-	12,500
Bad debt - membership	-	750
Bank charges	30,854	17,450
CILT advance certificate course expenses	-	140,800
CILT education	-	70,970
CILT educational professional fee	-	100,000
CILT International annual payment	1,311,594	1,427,619
Consultancy fee	1,246,667	2,034,000
Centenary celebration dinner	-	206,492
Corporate partners write off	950,000	-
International convention	-	1,234,709
P B Karandawala Memorial 2020	47,105	-
Strategic Planning Meeting 2020	52,700	-
Link magazine designing charges	172,500	100,000
Logistics leaders evening 10th January 2019	-	606,167
Logistics leaders evenings 26th July 2019	-	85,499
Tax consultancy fee	40,000	150,765
New membership data base	51,400	76,800
P. B. Karandawala Memorial	-	50,940
Provision for doubtful debt	-	1,647,425
Quickbook accounting package	50,686	93,551
Road safety workshop	-	35,131
Railway consultancy project	-	627,147
Secretarial fee	2,792,260	3,273,188
Strategic planning meeting	-	98,701
Student ID card printing	8,925	33,375
Web/email maintenance	405,432	451,823
Warehouse management workshop	-	6,696
YPF-Young Professional Forum	-	158,815
Cost of sales-Ties	1,881	49,853
Cost of sales-Pins	717	20,089
Cost of sales-T shirts	1,890	30,870
Cost of liquor	77,160	-
Merchandise given free	-	106,561
Charity	100,000	-
Donations	15,000	-
	<b><u>7,944,161</u></b>	<b><u>14,613,997</u></b>



**THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT SRI LANKA**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31<sup>st</sup> December,

	2020	2019
	<u>Rs.</u>	<u>Rs.</u>
<b>21 Tax expenses</b>		
<b>21.1 Income tax</b>		
Current tax expense	-	-
	<u>-</u>	<u>-</u>
<i>Deferred tax expense</i>		
Origination/(reversal) of temporary differences	(54,671)	29,345
Income tax expense recognised under profit or loss	<u>(54,671)</u>	<u>29,345</u>

The institute is liable for income tax expense under the Inland Revenue Act No. 24 of 2017 at the rate of 14%. Accordingly, the Institute is liable for income tax on business profit or investment income whichever is higher. Accordingly, income tax has been recongnized in the financial statements.

**21.2 Deferred tax Asset/ (Liability)**

**Movement in deferred tax liabilities**

Balance at the beginning of the year	(61,123)	(31,778)
Recognized in income and expenditure	54,671	(29,345)
Balance as at end of the year	<u>(6,452)</u>	<u>(61,123)</u>

**21.3 Composition of deferred tax liabilities**

	2020		2019	
	Temporary difference	Tax effect	Temporary difference	Tax effect
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
Deferred tax liabilities attributable to;				
Property, plant and equipment	46,084	6,452	(436,595)	(61,123)
	<u>46,084</u>	<u>6,452</u>	<u>(436,595)</u>	<u>(61,123)</u>

Note : Deferred tax is provided using the Liability Method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes @ 14%.

Deferred tax adjustment had been made in the financial statements as reversal of deferred tax asset on the tax loss in the near future is remote.

**22 COVID-19 impact assessment by the management**

As a result of outbreak of the Corona virus disease (COVID-19) which was declared a pandemic by the World Health Organization in March 2020 . Institute has a significant impact on the income. Further, the majority of the Institute's income is generated from corporate partnerships and consequently the company recorded a drop in corporate partnership income due to cancellation of corporate partnership agreements.

**23 Commitments and contingent liabilities**

The Institute has no outstanding commitments and significant contingencies as at the reporting date.

**24 The Committee Members' responsibility statement**

The Committee Members are responsible for the preparation and presentation of these financial statements in accordance with SLFRS for SMEs.