

**FINANCIAL STATEMENT
OF**

**INSTITUTE OF MEDICAL SCIENCES TRUST
FOR THE YEAR ENDED
31ST MARCH 2018**

BBK PARTNERSHIP

**CHARTERED ACCOUNTANTS
143/4B, KADUWELA ROAD,
ATHURUGIRIYA**



INSTITUTE OF MEDICAL SCIENCES TRUST
STATEMENT OF FINANCIAL POSITION

As at 31st March 2018

(All Amount Are In Sri Lankan Rupees)

	Notes	2018 Rs. Cts.	2017 Rs. Cts.
REPRESENTED BY			
Accumulated Fund	04	<u>5,739,395.18</u>	<u>4,519,485.53</u>
NET ASSETS			
Non Current Assets			
Fixed Assets	05	694,201.70	460,933.80
Other Investments -Fixed Deposits		2,000,000.00	-
CURRENT ASSETS			
Cash & Bank Balance	06	4,276,773.05	5,995,463.30
Prepaid Subscription		-	13,333.00
Receivable From GMH		100,000.00	-
		<u>4,376,773.05</u>	<u>6,008,796.30</u>
CURRENT LIABILITIES			
Accounts Payable	07	1,331,579.57	1,950,244.57
		<u>1,331,579.57</u>	<u>1,950,244.57</u>
Net Current Assets		3,045,193.48	4,058,551.73
Total Net Assets		<u>5,739,395.18</u>	<u>4,519,485.53</u>


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Secretary


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Treasurer

The above Statement of Financial Position as at 31st March 2018 and the attached Statement of Comprehensive Income, cash Flow for the year then ended, have been prepared according to the books of account, records maintained, & information provided by the Trust.

BBK PARTNERSHIP
Chartered Accountants
Colombo

B.B.K. Partnership

26th December 2018

Nalinde Jayasekara
MBA B.Sc. Accounting & Financial Management
FCMA (UK), FCPA (Aus.), FCA,
ACIM (UK), Chartered Marketer,
LLB, Attorney-at-Law

U.I. Samarathne
ACA, B.Sc.(Business Administration)



INSTITUTE OF MEDICAL SCIENCES TRUST**INCOME & EXPENDITURE ACCOUNT**

for the year ended 31st March 2018

(All Amount Are In Sri Lankan Rupees)

	2018 Rs. Cts.	2017 Rs. Cts.
Income:		
Certificate for Health Care (CHC)	19,220.00	-
Other Funds	-	472,893.74
Receipts From Manithaneyam	956,000.00	1,722,500.00
Pharmacy Course	1,821,444.72	-
Neuro Rehabilitation	9,596,207.55	5,534,001.50
CBR	-	799,800.00
IOM	-	400,000.00
Cerandib-Children Home	-	461,330.28
Canada Fund	-	20,000.00
MIOT	1,071,000.00	964,150.00
Bank Interest	140,359.92	96,352.18
	13,604,232.19	10,471,027.70
Less : Expenses		
Salaries & wages	3,630,870.00	2,574,654.00
Consultancy Fees	751,545.00	662,600.00
Staff welfare	35,020.00	5,240.00
Premises Maintenance	940,975.68	1,535,249.85
Printing & stationery	165,300.02	94,336.50
Advertisement	64,945.65	39,819.05
Travelling	67,100.00	115,143.00
Rent	105,000.00	470,818.48
Depreciation	299,637.10	178,848.10
EPF	303,600.00	82,000.00
ETF	45,697.50	12,450.00
Electricity	352,861.05	528,602.22
Exam Fees	-	39,075.00
Food Expenses	1,073,359.19	1,023,598.08
Visiting Lecturers Fees	712,390.00	296,725.00
Telephone	88,890.46	43,119.22
Over Time	209,909.00	-
Lab Expenses	160,000.00	-
Bank Charges	19,228.78	14,758.18
Audit Fees	25,000.00	25,000.00
Medical Expenses	1,079,481.61	394,729.97
Clinic Expenses	216,070.00	-
Labour Charges	498,050.00	262,050.00
Postage	-	585.00
Registration Fees	-	43,162.00
Event Expenses	208,120.00	20,735.00
Uniforms	35,594.00	62,588.00
Volunteer Payments	489,170.00	46,375.00
Office Expenses	396,079.25	16,860.50
Physiotherapist Fees	276,665.00	316,000.00
Trustees Expenses	77,000.25	39,050.00
Internet Charges	18,430.00	13,000.00
Dues & Subscription	38,333.00	-
Total Expenditure	12,384,322.54	8,957,172.15
Income over Expenditure	1,219,909.65	1,513,855.55
	-	-
Income & Expenditure Account C/F	1,219,909.65	1,513,855.55



INSTITUTE OF MEDICAL SCIENCES TRUST
STATEMENT OF CASH FLOWS
For the year Ended 31 March 2018
(All Amounts In Sri Lanka Rupees)

Year ended 31 March	Notes	2018	2017
		Rs. Cts.	Rs. Cts.
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Surplus/(Deficit) for the year (Before Tax)		1,219,910	1,513,856
Adjustments to reconcile surplus/(deficit) to net cash flows:			
Adjustments For			
Interest Income		(140,360)	(96,352)
Depreciation of Fixed Assets		299,637	178,848
		<u>1,379,187</u>	<u>1,596,351</u>
Working Capital Adjustments:			
Net Increase/(Decrease) Current liabilities		(618,665)	701,898
Net (Increase)/Decrease Current Assets		(86,667)	-
Net cash from/(used in) operating activities		<u>673,855</u>	<u>2,298,249</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Invest in Fixed Deposits		(2,000,000)	
Purchase of Fixed Assets		(532,905)	(252,160)
Net cash from/(used in) investing activities		<u>(2,532,905)</u>	<u>(252,160)</u>
		(1,859,050)	2,046,089
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Interest Income		140,360	96,352
Net cash from/(used in) financing activities		<u>140,360</u>	<u>96,352</u>
NET INCREASE/(DECREASE) INCASH AND CASH EQUIVALENTS		<u>(1,718,690)</u>	<u>2,142,442</u>
CASH AND CASH EQUIVALENTS AT 1 APRIL		<u>5,995,463</u>	<u>3,853,022</u>
CASH AND CASH EQUIVALENTS AT 31 MARCH		<u>4,276,773</u>	<u>5,995,463</u>
CASH AND CASH EQUIVALENTS AT 31 MARCH			
Cash & Bank Balance	Note 06	4,276,773	5,995,463
		<u>4,276,773</u>	<u>5,995,463</u>



**INSTITUTE OF MEDICAL SCIENCES TRUST
CORPORATE INFORMATION & SIGNIFICANT ACCOUNT POLICIES
FOR THE YEAR ENDED 31ST MARCH 2018**

1. REPORTING ENTITY

1.1 Domicile & legal Form

INSTITUTE OF MEDICAL SCIENCES TRUST was incorporated on 11th July 2014 Under the Section 114 of the Trust ordinance and domiciled in Sri Lanka.

The Registered Office of the Trust is situated at **Green Memorial Hospital, Manipay Jaffna.**

1.2 Objects of the INSTITUTE OF MEDICAL SCIENCES TRUST

- (i) Provide educational programs with set at different levels based on the ability and prior educational background of the students.
- (ii) Organize pre-service and in-service training programs in the area of Medical Sciences.
- (iii) Undertake aid and promote and coordinate research in various aspects of Medical Sciences.
- (iv) Provide academic and professional guidance to agencies, institutions and personnel engaged in Medical education.
- (v) Prepare, print and publish papers, periodicals and books in furtherance of these objectives and encourage publication of articles of research in journals with which the institute will collaborate (Eg. "West London Medical Journal" published in the UK).
- (vi) Organize training conferences, workshops, meetings seminars and briefing sessions for Medical Science personnel.
- (vii) To offer fellowships, scholarships and academic awards to candidates with ability unable to avail themselves of opportunities provided by the institute subject to sponsorship by individual and institutional well-wishers (Eg. Friends of Manipay Hospital)
- (viii) To facilitate and assist in delivering effective health, education services for people in Northern Sri Lanka

1.3 Trustees

The management of the trust is included the following Trustees and the Management of the Trust is responsible for preparing and presenting the Financial Statements

The Trustees as on 31st March 2018 are as follows.

Dr. Rajendra Surenthirakumaran (Settlor)
Dr. Nadarajah Sivarajah
Mr. Arnold Rohan Rabindranath
Mr. Ganeshamoorthy Sayaruban
Mr. Selvaratnam Suthakaran



**INSTITUTE OF MEDICAL SCIENCES TRUST
CORPORATE INFORMATION & SIGNIFICANT ACCOUNT POLICIES
FOR THE YEAR ENDED 31ST MARCH 2018**

1.4 Trust President, Secretary & Treasurer

Dr. R. Surenthikumaran - **President**
Dr. N. Sivarajah - **Secretary**
Mr. G. Sayaruban - **Treasurer**

1.6 Auditors

BBK Partnership
No. 143/4-B,
Kaduwela Road,
Athurugiriya.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 General Information

INSTITUTE OF MEDICAL SCIENCES TRUST is a non-governmental organization as per the definition provided in the Sri Lanka Statement of Recommended Practice for Not-for-Profit Organizations (including non-governmental organizations).

Except for the certain activities that will conclude on the realization of their relevant activities in accordance with the relevant terms of reference, the financial statements have been prepared on going concern basis.

The Notes to the financial statements on page 4 to 7 are an integral part of the financial statements.

2.2 Basis of Preparation

2.2.1 Statement of Compliance

The statement of Financial Position, Statement of Comprehensive Income, statement of cash flows together with the Accounting policies and notes to the financial statements as at 31st March 2018 and for the year then ended comply with the Sri Lanka Statement of recommended Practice for Not-for-profit organizations issued by the Institute of Chartered Accountants of Sri Lanka.



**INSTITUTE OF MEDICAL SCIENCES TRUST
CORPORATE INFORMATION & SIGNIFICANT ACCOUNT POLICIES
FOR THE YEAR ENDED 31ST MARCH 2018**

2.3 Basis of Measurements

The Financial statements have been prepared using the historical cost convention.

2.4 Changes in Accounting Policies and Disclosures

The accounting policies have been consistently applied, unless otherwise stated, and are the changes in accounting policies consistent with those used in previous years, except for the changes in accounting policies specified by the SLSorP.

2.5 Cash and Cash equivalents

INSTITUTE OF MEDICAL SCIENCES TRUST considers Cash in hand, amounts due from banks (Current and Savings) and short term deposits with an original maturity of three months or less to be cash and cash equivalents.

2.6 Fixed Assets

2.6.1 All items of Fixed Assets are initially recorded at cost. Where any item of Fixed Assets subsequently revalued, the entire class of such asset is revalued. Revaluation is carried out with sufficient regularity to ensure that their carrying amounts do not differ materially from their fair values as at the date of the statement of financial position. Subsequent to the initial recognition of an asset, fixed assets are carried at historical cost or, if revalued, at the revalued amounts less any subsequent depreciation.

2.6.2 Depreciation

Depreciation is provided for on all assets on straight-line basis and is calculated on the cost or revalued amount of all fixed assets, in order to write off such amounts less any terminal value over the estimated lives of such assets.

The annual rates of depreciation currently being used by IMS TRUST are:

Asset Description	Rate p.a.
Furniture and Fittings	20%
Computer & equipment	25%
Office Equipment	25%

2.7 Grants and Subsidies

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



**INSTITUTE OF MEDICAL SCIENCES TRUST
CORPORATE INFORMATION & SIGNIFICANT ACCOUNT POLICIES
FOR THE YEAR ENDED 31ST MARCH 2018**

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

In the case of grants received to fund an entire project or activity, which includes the purchase of an asset, and the cost of such asset is charged with the project costs to the statement of comprehensive income, the grant value is recognized as income in the same period as the cost of the asset is charged to the statement of comprehensive income. On conclusion of the project, in the event that the asset is not handed over to the beneficiary or returned to the original donor, the cost of the asset is included in a memorandum inventory of fixed assets identified as such in the financial statements.

2.8 Income Recognition

2.8.1 Contributions/Incoming Sources

Income realized from restricted funds is recognized in the statement of comprehensive income only when there is certainty that all of the conditions for receipts of the funds have been complied with and the relevant expenditure that it is expected to compensate has been incurred and charged to the statement of comprehensive income. Unutilized funds are carried forward as such in the statement of financial position.

Gifts and donations received in kind are recognized at valuation at the time that they are distributed to beneficiaries, or if received for resale with proceeds being used for the purpose of the company at the point of such sale. Items not sold or distributed are inventoried but not recognized in the financial statements.

All other income is recognized when the company is legally entitled to the use of such funds and the amount can be quantified. This would include income receivable through fund raising activities and donations.

2.9 Expenditure Recognition.

Expenses in carrying out the projects and other activities of **INSTITUTE OF MEDICAL SCIENCES TRUST** are recognized in the statement of Comprehensive Income during the period in which they are incurred. Other expenses incurred in administering and running of the **INSTITUTE OF MEDICAL SCIENCES TRUST** and in restoring and maintaining the fixed assets to perform at expected levels are accounted for on an accrual basis and charged to the Statement of Comprehensive Income.



INSTITUTE OF MEDICAL SCIENCES TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2018

(All Amount Are In Sri Lankan Rupees)

NOTE 04 - ACCUMILATED FUNDS

	2018 Rs. Cts.	2017 Rs. Cts.
Accumilated Funds At the beginning	4,519,485.53	3,005,629.98
Surplus/ (Deficit)	1,219,909.65	1,513,855.55
Accumilated Funds At 31st March	5,739,395.18	4,519,485.53

NOTE 05 - FIXED ASSETS

	Balance as at 01.04.2017	Additions During the Year	Disposals During the Year	Balance as at 31.03.2018
5.1 Gross Carrying Amounts				
Free Hold Assets				
Furniture & Fittings	765,728.00	248,745.00	-	1,014,473.00
Computer Equipment	-	106,150.00		106,150.00
Office Equipment	102,810.00	178,010.00	-	280,820.00
Total	868,538.00	532,905.00	-	1,401,443.00

	Balance as at 01.04.2017	Additions During the Year	Disposals During the Year	Balance as at 31.03.2018
5.2 Depreciation				
Free Hold Assets				
Furniture & Fittings	334,699.20	202,894.60	-	537,593.80
Computer Equipment	-	26,537.50		26,537.50
Office Equipment	72,905.00	70,205.00	-	143,110.00
Total	407,604.20	299,637.10	-	707,241.30

	2018	2017
5.3 Net Book Value		
Furniture & Fittings	476,879.20	431,028.80
Computer Equipment	79,612.50	
Office Equipment	137,710.00	29,905.00
	694,201.70	460,933.80



INSTITUTE OF MEDICAL SCIENCES TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2018
(All Amount Are In Sri Lankan Rupees)

NOTE 06 - CASH & BANK BALANCE

	2018	2017
	Rs. Cts.	Rs. Cts.
Cash at Bank-Commercial Bank xxx8060 (Saving)	4,889,451.98	6,215,678.30
Cash at Bank-Commercial Bank xxx1500 (Current)	(612,678.93)	(220,215.00)
	4,276,773.05	5,995,463.30

NOTE 07 - ACCOUNTS PAYABLE

	2018	2017
	Rs. Cts.	Rs. Cts.
Payable to GMH (Note 07.1)	1,241,579.57	1,885,244.57
Audit Fees	90,000.00	65,000.00
	1,331,579.57	1,950,244.57

NOTE 07.1 - PAYABLE TO GMH

	2018	2017
	Rs. Cts.	Rs. Cts.
Opening Balance	1,885,244.57	1,208,346.00
Funds Received on Behalf of GMH	4,390,055.00	3,482,274.00
Total Receipt	4,390,055.00	3,482,274.00
Payments on Behalf of GMH	(5,033,720.00)	(1,400,000.00)
Current Account Balance	-	(1,405,375.43)
Balance Payable to GMH	1,241,579.57	1,885,244.57

