



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
+94 - 11 254 1249
Internet : www.kpmg.com/lk

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF COLOURS OF COURAGE TRUST (GUARANTEE) LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Colours of Courage Trust (Guarantee) Limited ("the Company"), which comprise the statement of financial position as at 31 March 2017, and the statements of income and expenditure, changes in funds and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Board of Director's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those standards require that we comply with ethical requirements plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

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

Basis for Qualified Opinion

We were unable to verify the completeness, existence and accuracy of advance made to National Health Development Fund amounting to Rs.1,250,440/- due to unavailability of sufficient and appropriate audit evidence.



Qualified Opinion

In our opinion, except for the effects of the matter described in the basis for qualified opinion paragraph, the financial statements give a true and fair view of the financial position of Colours of Courage Trust (Guarantee) Limited as at 31 March 2017, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standard for Small and Medium-sized Entities ("SLFRS for SMEs").

Report on Other Legal and Regulatory Requirements

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

- a) The basis of opinion and scope and limitations of the audit are as stated above.
- b) In our opinion except as mentioned in the basis for qualified opinion paragraph, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company and the financial statements of the Company, comply with the requirements of section 151 of the Companies Act.

KPMG

CHARTERED ACCOUNTANTS

28 November 2017

Colombo

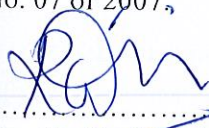
COLOURS OF COURAGE TRUST (GUARANTEE) LIMITED
THE STATEMENT OF FINANCIAL POSITION

As at 31 March,

	Note	2017 Rs.	2016 Rs.
Assets			
Current assets			
Income tax receivable	2	-	10,203
Advance to National Health Development fund		1,250,440	1,250,440
Cash and cash equivalents	3	426,598,269	60,283,154
Total assets		427,848,709	61,543,797
Funds and liabilities			
Funds			
Accumulated fund		-	10,203
Maharagama project fund		6,519,259	11,844,498
Jaffna project fund		50,602,746	46,815,590
Karapitiya project fund		367,781,126	2,873,506
Total funds		424,903,131	61,543,797
Liabilities			
Current liabilities			
Income tax payable	2	2,945,578	-
Total liabilities		2,945,578	-
Total funds and liabilities		427,848,709	61,543,797

The financial statements are to be read in conjunction with the related notes, which form an integral part of these financial statements of the Company.


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



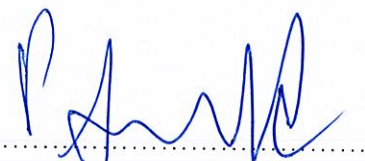
 Mrs. Rasika Srilal
 (Accountant)

The Board of Directors is 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 Board of Directors;



 Mr. R. Theagarajah
 (Director)



 Mr. P. Sivagananathan
 (Director)

28 November 2017
 Colombo

COLOURS OF COURAGE TRUST (GUARANTEE) LIMITED
STATEMENT OF CHANGES IN FUNDS

For the year ended 31 March ,

	Maharagama project fund	Jaffna project fund	Karapitiya project fund	Accumulated Fund	Total
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
Balance as at 31 March 2015	11,440,710	45,275,235	-	259,560	56,975,505
Additions during the year	557,772	7,306,011	4,530,835	-	12,394,618
Utilization of funds during the year	(153,984)	(5,765,656)	(1,657,329)	-	(7,576,969)
Deficit for the year	-	-	-	(249,357)	(249,357)
Balance as at 31 March 2016	<u>11,844,498</u>	<u>46,815,590</u>	<u>2,873,506</u>	<u>10,203</u>	<u>61,543,797</u>
Additions during the year	842,713	4,273,686	370,566,795	-	375,683,194
Utilization of funds during the year	(6,134,871)	(93,050)	(1,592,096)	-	(7,820,017)
Tax expense for the year	(33,081)	(403,683)	(4,067,079)	-	(4,503,843)
Transferred to Jaffna fund	-	10,203	-	(10,203)	-
Balance as at 31 March 2017	<u>6,519,259</u>	<u>50,602,746</u>	<u>367,781,126</u>	<u>-</u>	<u>424,903,131</u>

The financial statements are to be read in conjunction with the related notes, which form an integral part of these financial statements.