

MARGA INSTITUTE
STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2018.

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<u>ASSETS</u>	<u>NOTE</u>	<u>31.03.18</u> <u>Rs.</u>	<u>31.03.17</u> <u>Rs.</u>
<u>NON CURRENT ASSETS</u>			
Property, Plant & Equipment	01	54,815,654	55,102,136
Investments	02	36,500,000	36,500,000
		<u>91,315,654</u>	<u>91,602,136</u>
<u>CURRENT ASSETS</u>			
Inventory	03	1,475,391	1,736,868
Trade and Other Receivables	04	267,826	314,223
Taxation	05	438,846	302,739
Cash & Cash Equivalents	06	112,178	93,114
		<u>2,294,240</u>	<u>2,446,944</u>
TOTAL ASSETS		<u>93,609,894</u>	<u>94,049,080</u>
<u>RESERVES & LIABILITIES</u>			
<u>Accumulated Reserves</u>			
Unrestricted Funds	07	88,170,395	89,109,925
Total Accumulated Reserves		<u>88,170,395</u>	<u>89,109,925</u>
<u>NON CURRENT LIABILITIES</u>			
Retirement benefit obligation	08	900,775	1,554,500
Total Non Current Liabilities		<u>900,775</u>	<u>1,554,500.0</u>
<u>CURRENT LIABILITIES</u>			
Trade & Other Payables	09	2,490,741	3,026,980
Accounts Payable	10	393,306	357,675
Bank Overdraft	11	1,654,677	-
		<u>4,538,724</u>	<u>3,384,655</u>
		<u>93,609,894</u>	<u>94,049,080</u>

The Board of Directors of responsible for preparing and presenting these Financial Statements.

.....
 Executive Governor

.....
 Consultant - Finance & Administration

14-Jun-18

MARGA INSTITUTE
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH 2018.

	<u>NOTE</u>	<u>2017/18</u> <u>Rs.</u>	<u>2016/17</u> <u>Rs.</u>
OPERATING INCOME			
Incoming Resources	12	2,406,923	5,628,481
Operating Expenditure	13	6,729,271	12,211,322
Total Operating Expenditure		<u>6,729,271</u>	<u>12,211,322</u>
Net Deficit Of Operating Activities		<u>(4,322,349)</u>	<u>(6,582,841)</u>
OTHER INCOME			
Net Financial Income	14	<u>4,601,927</u>	<u>3,400,360</u>
OTHER EXPENDITURE			
Other Non-Operating Expenses	15	5,856	620
Net Surplus Of Non-Operating Activities		<u>4,596,071</u>	<u>3,399,740</u>
		<u>273,723</u>	<u>(3,183,101)</u>
Surplus Of OUSL Post Graduate Diploma	16	(780,838)	909,106
Deficit Of Publication	17	(432,415)	(150,650)
		<u>(1,213,252)</u>	<u>758,456</u>
Net Deficit Before Taxation		(939,530)	(2,424,645)
Income Tax		-	(29,951)
Deficit For The Year		<u>(939,530)</u>	<u>(2,454,596)</u>

**MARGA INSTITUTE
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31ST MARCH 2018.**

	Results For The Year	Total
	<u>Rs</u>	<u>Rs</u>
Balance As At 01st April 2016	91,564,521	91,564,521
Net Deficit For The Year	(2,454,596)	(2,454,596)
Balance As At 31st March 2017	<u>89,109,925</u>	<u>89,109,925</u>
Balance As At 01st April 2017	89,109,925	89,109,925
Net Deficit For The Year	(939,530)	(939,530)
Balance As At 31st March 2018	<u>88,170,395</u>	<u>88,170,395</u>

MARGA INSTITUTE
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31ST MARCH 2018.

	<u>2017/18</u>	<u>2016/17</u>
	Rs.	Rs.
OPERATING ACTIVITIES		
Deficit for the year before tax	(939,530)	(2,424,645)
Interest Income	(4,648,884)	(3,444,753)
Gratuity Provision	79,400	311,475
Depreciation	311,687	234,807
Deficit before working Capital Changes	<u>(5,197,327)</u>	<u>(5,323,116)</u>
(Increase)/ Decrease In Inventories	261,478	(4,343)
(Increase)/ Decrease In Trade & Other Receivables	46,398	(12,397)
Increase/ (Decrease) In Account Payable	35,631	740,118
Increase/ (Decrease) In Trade & Other Payables	(536,239)	-
Gratuity Paid	(733,125)	-
Income Tax Paid	(136,107)	(89,434)
	<u>(1,061,965)</u>	<u>633,944</u>
Net Cash Absorbed in Operating Activities	<u>(6,259,291)</u>	<u>(4,689,172)</u>
INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(25,206)	(149,708)
Proceeds From Sale of Property, Plant and Equipment	-	-
Interest Income	4,648,884	3,331,647
Movement in Investments	-	1,500,000
Net Cash Generated From Investing Activities	<u>4,623,679</u>	<u>4,681,939</u>
Decrease in cash and cash equivalents	(1,635,612)	(7,233)
Cash And Cash Equivalents At The Beginning of The Year	93,114	100,347
Cash And Cash Equivalents At The End of The Year	<u>(1,542,499)</u>	<u>93,114</u>
CASH AND CASH EQUIVALENTS		
Bank Of Ceylon		
A/C No 0000407119	-	46,464
A/C No 0000407239	-	11,964
Hatton National Bank PLC		
A/C No 104010127822	82,480	24,233
A/C No 104010059525	-	1,000
Hatton National Bank PLC		
A/C No 104020125414	10,197	10,360
Bank Of Ceylon		
A/C No 80536096	10,427	10,019
Petty Cash	9,075	(10,926)
BOC 0000407119 Publication	(967,891)	-
BOC 0000407239 OUSL	(686,786)	-
At the end of the year	<u>(1,542,499)</u>	<u>93,114</u>

MARGA INSTITUTE
NOTES TO ACCOUNTS.
FOR THE YEAR ENDED 31ST MARCH 2018.

NOTE 01 - PROPERTY, PLANT & EQUIPMENT

	<u>As at</u> <u>01-04-17</u>	<u>Additions</u>	<u>Disposals</u>	<u>As at</u> <u>31-03-18</u>
<u>COST & VALUATION</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
Land & Buildings	53,472,191			53,472,191
Library Books	2,359,215	1,355	-	2,360,570
Office Equipment	7,867,087	23,851	-	7,890,938
Furniture & Fittings	2,999,441	-	-	2,999,441
Motor Vehicles	1,870,450	-	-	1,870,450
Computer Equipment & Accessories	3,589,240	-	-	3,589,240
Other Equipment	320,590	-	-	320,590
	<u>72,478,214</u>	<u>25,206</u>	<u>-</u>	<u>72,503,420</u>
 <u>LESS : DEPRECIATION</u>				
Library Books	2,347,421	-		2,347,421
Office Equipment	7,626,617	52,864		7,679,481
Furniture & Fittings	2,884,347	-		2,884,347
Motor Vehicles	835,157	258,823		1,093,980
Computer Equipment & Accessories	3,392,205	-		3,392,205
Other Equipment	290,331	-		290,331
	<u>17,376,078</u>	<u>311,687</u>	<u>-</u>	<u>17,687,765</u>
 <u>NET BOOK VALUE</u>				
Land & Buildings	53,472,191			53,472,191
Library Books	11,794			13,149
Office Equipment	240,470			211,456
Furniture & Fittings	115,094			115,094
Motor Vehicles	1,035,293			776,470
Computer Equipment & Accessories	197,035			197,035
Other Equipment	30,259			30,259
Total Net Book Value	<u><u>55,102,136</u></u>			<u><u>54,815,654</u></u>

MARGA INSTITUTE
NOTES TO ACCOUNTS.
FOR THE YEAR ENDED 31ST MARCH 2018.

	<u>31.03.18</u>	<u>31.03.17</u>
	<u>Rs.</u>	<u>Rs.</u>
<u>NOTE 02 - INVESTMENTS</u>		
Central Finance	16,500,000	20,000,000
HNB	10,000,000	15,000,000
BOC	10,000,000	1,500,000
	<u>36,500,000</u>	<u>36,500,000</u>
<u>NOTE 03 - INVENTORIES</u>		
Inventories		
Publication	1,415,239	1,667,638
Stationery	60,152	69,230
	<u>1,475,391</u>	<u>1,736,868</u>
<u>NOTE 04 - TRADE & OTHER RECEIVABLES</u>		
<u>Trade Debtors</u>		
Publication Debtors	127,677	154,838
<u>Other Receivables</u>		
Prepayments - Insurance	25,315	25,315
<u>Due From Staff</u>		
Distress Loans	17,334	14,070
Festival Advances	97,500	120,000
	<u>267,826</u>	<u>314,223</u>
<u>NOTE 05 - TAXATION</u>		
Balance at the beginning of the year	302,739	130,150
Adjustment made in respect of previous year	-	-
Add: Provision for the year		
Income Tax	-	(29,951)
	<u>302,739</u>	<u>100,199</u>
Less: Payment made during the year		
Income Tax	-	89,434
Withholding Tax	136,107	113,106
Balance at the end of the year	<u>438,846</u>	<u>302,739</u>
<u>NOTE 06 - CASH & CASH EQUIVALENTS</u>		
<u>Current Accounts</u>		
Bank Of Ceylon		
A/C No 0000407119	-	46,464
A/C No 0000407239	-	11,964
Hatton National Bank PLC		
A/C No 104010127822	82,480	24,233
A/C No 104010059525	-	1,000
<u>Saving Account</u>		
Hatton National Bank PLC		
A/C No 104020125414	10,197	10,360
Bank Of Ceylon		
A/C No 80536096	10,427	10,019
Petty Cash	9,075	(10,926)
	<u>112,178</u>	<u>93,114</u>

MARGA INSTITUTE
 NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2018.

NOTE 07 - UNRESTRICTED FUNDS

	<u>2017/18</u>	<u>2016/17</u>
	<u>Rs.</u>	<u>Rs.</u>
Accumulated Fund		
Balance at the beginning of the year	89,109,925	91,564,521
Add : Deficit for the year	(939,530)	(2,454,596)
Balance at the end of the year	<u>88,170,395</u>	<u>89,109,925</u>

NOTE 08 - RETIREMENT BENEFIT OBLIGATION

Balance at the beginning of the year	1,554,500	1,243,025
Add : Provision for the year	79,400	311,475
Less : Payments made during the year	733,125	-
Balance at the end of the year	<u>900,775</u>	<u>1,554,500</u>

MARGA INSTITUTE
NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2018.

	<u>2017/18</u>	<u>2016/17</u>
	<u>Rs.</u>	<u>Rs.</u>
<u>NOTE 09 - TRADE & OTHER PAYABLES</u>		
Refundable Deposits	780,000	600,000
Provision for Open University Payment	1,710,741	2,426,980
	<u>2,490,741</u>	<u>3,026,980</u>

NOTE 10 - ACCOUNTS PAYABLE

Auditors Remuneration	155,500	133,000
EPF	31,760	32,300
ETF	4,764	4,845
Electricity	80,718	91,365
Internet & E-Mail	1,892	-
Janitorial Expenses	25,000	25,000
News Papers	5,130	4,970
Security Fees	49,600	49,600
Telephone	19,048	16,595
Water	12,650	-
Over Time Payable	7,245	-
	<u>393,306</u>	<u>357,675</u>

NOTE 11 - BANK OVERDRAFT

BOC 0000407119 Publication	967,891	-
BOC 0000407239 OUSL	686,786	-
	<u>1,654,677</u>	<u>-</u>

MARGA INSTITUTE
NOTES TO ACCOUNTS.
FOR THE YEAR ENDED 31ST MARCH 2018.

	<u>2017/18</u>	<u>2016/17</u>
	<u>Rs.</u>	<u>Rs.</u>
<u>NOTE 12 - INCOMING RESOURCES</u>		
Hire Of Auditorium	10,500	67,325
Hire Of Classroom	99,630	63,595
Rent Income	1,560,000	1,330,000
Reimbursement of Travelling Expenses		
Dr.Gunathilaka	131,300	83,300
Ms.Perera	40,774	45,065
Mr.Lantra	-	1,023
Mr.Amar	2,307	-
Dr.Lloyd Fernando	600	-
Sundry Income	5,750	48,017
Project Income	357,952	3,990,156
Income on Photocopy	8,051	-
Transport Charges - GCF	11,159	-
Library Using Charges	1,400	-
MA Studentship	177,500	-
	<u>2,406,923</u>	<u>5,628,481</u>

NOTE 13 - OPERATING EXPENDITURE

Project Direct Expenses	Note 13.1	-	6,488,708
Administration Expenses	Note 13.2	6,729,271	5,722,614
		<u>6,729,271</u>	<u>12,211,322</u>

NOTE 13.1 - Project Direct Expenses

Consultancy Fee	-	2,180,000
Development Dialogues Expenses	-	353,037
ECD Project Expenses	-	2,418,135
Education Reforms Workshop Expenses	-	291,679
G.C.F Collaboration	-	287,524
Public Opinion Survey Expenses	-	140,000
Sanei Project Expenses	-	612,998
Telephone	-	205,335
	<u>-</u>	<u>6,488,708</u>

MARGA INSTITUTE
NOTES TO ACCOUNTS.
FOR THE YEAR ENDED 31ST MARCH 2018.

	<u>2017/18</u>	<u>2016/17</u>
	<u>Rs.</u>	<u>Rs.</u>
<u>NOTE 13.2 - ADMINISTRATIVE EXPENSES</u>		
Accountancy Fee	-	-
Advertising	100,878	23,950
Annual Return Charge	6,900	5,550
Auditorium Hire Expenses	-	5,650
Auditors Remuneration	42,500	133,000
Bank Chargers	11,112	15,050
Computerized Accounting System	21,000	3,000
Consultancy Fees	880,000	31,671
Depreciation	311,687	234,807
Salary Expense	2,110,725	2,123,365
EPF	253,287	202,964
ETF	63,322	50,741
EPF Arrears	74,000	-
ETF Arrears	11,100	-
Electricity Expense	360,825	477,692
Water Expense	52,212	-
Telephone	210,688	-
General Expenses	85,342	115,051
Governing Council Meeting Expenses	18,720	21,395
Insurance	25,321	2,301
Internet & E-Mail	24,441	20,606
Janitorial Expenses	188,000	188,000
Building Maintenance	101,330	68,882
Equipment Repair & Maintenance	220,002	285,798
Vehicle Repair & Maintenance	56,857	283,043
News Paper Periodicals & Library Expenses	58,570	58,260
Postage, Telex & Fax	9,413	3,565
Stationery	46,888	66,704
Rates & Taxes	56,700	56,700
Refreshment & Entertainment	48,415	39,665
Renewal Fee	-	115,141
Staff Allowances	310,017	-
Secretarial Fees	24,701	22,868
Security Fees	284,000	464,000
Staff Overtime	108,736	88,139
Staff Welfare & Training	58,500	60,969
With Holding Tax	22,470	-
Tax Consultancy Fee	29,325	-
Travelling & Transport	261,671	120,612
Web Site Expenses	22,200	22,000
Gratuity Provision	79,400	311,475
Honorarium Fee	6,000	-
Lawyer Charges	10,000	-
Hall Chargers	43,418	-
Annual Payment	3,000	-
Stamp Duty	15,600	-
	<u>6,729,271</u>	<u>5,722,614</u>

**MARGA INSTITUTE
NOTES TO ACCOUNTS.
FOR THE YEAR ENDED 31ST MARCH 2018.**

	<u>2017/18</u>	<u>2016/17</u>
	<u>Rs.</u>	<u>Rs.</u>
<u>NOTE 14 - NET FINANCIAL INCOME</u>		
Interest on Distress Loans	1,010	1,036
Interest on Investment	4,647,118	3,435,698
Interest on Saving Account	756.02	8,019
	<u>4,648,884</u>	<u>3,444,753</u>
Interest on Overdraft	(46,957)	(44,393)
	<u>4,601,927</u>	<u>3,400,360</u>
<u>NOTE 15 - OTHER NON-OPERATING EXPENSES</u>		
Surcharges on ETF	5,856	620
	<u>5,856</u>	<u>620</u>
<u>NOTE 16 - OUSL POST GRADUATE DIPLOMA</u>		
Course Fee Income	-	2,012,692
<u>Less : Expenses</u>		
Lecture Fee	154,350	160,000
Open University Expenses	-	914,728
Overtime On OUSL	1,500	15,667
Refreshment & Entertainment	31,988	13,191
Consultancy Fee	593,000	-
	<u>780,838</u>	<u>1,103,586</u>
Surplus For the Year	<u>(780,838)</u>	<u>909,106</u>
<u>NOTE 17 - PUBLICATION</u>		
Sales	597,232	441,300
Sales Return	-	(1,135)
	<u>597,232</u>	<u>440,165</u>
<u>Less : Cost Of Sales</u>		
Inventories at the beginning of the year	1,667,638	1,679,435
<u>Add : Direct Expenses</u>		
CIBF Expenses	423,862	368,513
Book Publishion	344,385	112,510
Refreshment & Entertainment	9,000	-
	<u>2,444,885</u>	<u>2,160,458</u>
Inventories at the end of the year	<u>(1,415,239)</u>	<u>(1,667,638)</u>
	<u>1,029,647</u>	<u>492,820</u>
Gross Loss	<u>(432,415)</u>	<u>(52,655)</u>
Less : Other Expenses	-	97,995
Deficit For The Year	<u>(432,415)</u>	<u>(150,650)</u>
	<u>(432,415)</u>	<u>(150,650)</u>