

**S. THOMAS' PREPARATORY SCHOOL OLD
BOYS UNION**
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF S. THOMAS' PREPARATORY SCHOOL OLD BOYS UNION

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of S. Thomas' Preparatory School Old Boys Union ("the Union"), which comprise the Statement of Financial Position as at 31 March 2025, and the Statement of Income and Expenditure, the Statement of Changes in Reserve and Statement of Cash Flows for the year the ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Union as at 31 March 2025, and of its financial performance and cash flows for the year ended in accordance with Sri Lanka Accounting Standards and Sri Lanka Statement of Recommended Practice for Not-For-Profit Organization.

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 Union in accordance with Code of Ethics for Professional Accountants 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.

Responsibilities of Executive Committee and Those Charged with Governance for the Financial Statements

The Executive Committee is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards and Sri Lanka Statement of Recommended Practice for Not-For-Profit Organization 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.

In preparing the financial statements, the Executive Committee is responsible for assessing the Union'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 Union or to cease operations, or has no realistic alternative but to do so.

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



INDEPENDENT AUDITOR'S REPORT (CONT'D...)

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 Sri Lanka Auditing Standards 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.

As part of an audit, in accordance with Sri Lanka Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also;

identify and assess the risks of material misstatements of the financial statements, whether due to frauds or errors, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as frauds may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls,

obtain an understanding of internal controls relevant to the audit 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 Union's internal controls,

evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management,

conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Union's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Union to cease to continue as a going concern,

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

we communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

Mgi Kal Rupasinghe

MGI KAL Rupasinghe and Company
Chartered Accountants
Colombo



15th May 2025

S. THOMAS' PREPARATORY SCHOOL OLD BOYS UNION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST MARCH

		2025	2024
			Restated*
INCOME	Notes	Rs.	Rs.
Merchandise Income	03	212,450	124,400
Membership Fees Income		69,618	108,000
Interest Income on Fixed Deposits / Money Market		675,096	995,146
Interest on Trust Funds Investments		468,204	792,634
Less : Interest Income on Trust Fund Investments Transferred to Trust Fund	12	(468,204)	(792,634)
Total Income		957,164	1,227,546
 EXPENDITURE			
Project Expenses	04	-	137,477
Administrative Expenses	05	543,266	607,278
Membership Fee Expenses		4,700	8,690
Total Expenditures		547,966	753,445
 Surplus of income over expenditure before income tax		409,198	474,101
 Income Tax	06	(173,660)	(250,289)
 Surplus of income over expenditure after income tax		235,538	223,812

The accounting policies and notes on pages 04 through 09 form integral part of the Financial Statements.

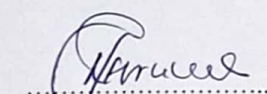
Colombo
15 May 2025

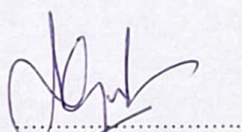


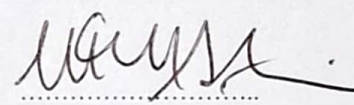
S. THOMAS' PREPARATORY SCHOOL OLD BOYS UNION
STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH

		2025	2024
			Restated*
ASSETS	Notes	Rs.	Rs.
Current Assets			
Inventories	07	1,053,614	984,351
Investments	08	18,897,010	13,815,732
Other Receivables	09	82,000	67,000
Cash and Cash Equivalents	10	985,381	5,514,546
Total Current Assets		21,018,005	20,381,629
TOTAL ASSETS		21,018,005	20,381,629
LIABILITIES AND RESERVES			
Accumulated Reserves and Funds			
Accumulated Fund	11	4,040,286	3,804,748
Total Accumulated Reserves and Funds		4,040,286	3,804,748
Current Liabilities			
OBU Trust Fund Payable	12	8,723,356	8,255,152
Other Payables	13	5,747,817	5,928,980
Income Tax Payable	14	254,386	142,748
Pool Development and Infrastructure Payable		2,250,000	2,250,000
Cash and Cash Equivalents	10	2,159	-
Total Current Liabilities		16,977,719	16,576,881
TOTAL LIABILITIES AND RESERVES		21,018,005	20,381,629

The Executive Committee is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the union by.


The President


The Secretary


The Treasurer

The accounting policies and notes on pages 04 through 09 form integral part of the Financial Statements.

Colombo
15 May 2025



S. THOMAS' PREPARATORY SCHOOL OLD BOYS UNION
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 MARCH

Notes	Accumulated Funds	Total
	Rs.	Rs.
Balance as at 01st April 2023	3,555,502	3,555,502
Prior Year Adjustment	25,433	25,433
Surplus for the year *Restated	223,812	223,812
Balance as at 31st March 2024 * Restated	3,804,748	3,804,748
Surplus for the year	235,538	235,538
Balance as at 31st March 2025	4,040,286	4,040,286

The accounting policies and notes on pages 04 through 09 form integral part of the Financial Statements.

Colombo
15 May 2025



S. THOMAS' PREPARATORY SCHOOL OLD BOYS UNION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH

	2025	2024
	Rs.	Restated*
Note	Rs.	Rs.
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus For The Year before Tax	409,198	474,101
Adjustment for;		
Prior Year Adjustment	-	25,434
Interest Income	(1,143,300)	(1,787,780)
Operating Deficit Before Working Capital Changes	(734,102)	(1,288,244)
Working Capital Adjustments		
Decrease / (Increase) in Inventory	(69,263)	(180,212)
Decrease / (Increase) in Deposits, Advances and Other Receivables	(15,000)	-
Increase / (Decrease) in OBU Trust Fund Payable	468,204	292,634
Increase / (Decrease) in Other Payable	(181,164)	578,828
Cash Flows Used In Operating Activities	(531,325)	(596,994)
WHT Paid	(62,022)	(107,541)
Net Cash Flows Used In Operating Activities	(593,347)	(704,534)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Income Received	1,620,066	1,663,642
(Investment) / Withdrawal in Fixed Deposit (Net)	(5,558,043)	(1,556,102)
Net Cash Generated From Investing Activities	(3,937,977)	107,540
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,531,324)	(596,995)
CASH AND CASH EQUIVALENTS AT 01ST APRIL	5,514,546	6,111,541
CASH AND CASH EQUIVALENTS AT 31ST MARCH	10 983,222	5,514,546

The accounting policies and notes on pages 04 through 09 form integral part of the Financial Statements.

Colombo
15 May 2025



S. THOMAS' PREPARATORY SCHOOL OLD BOYS UNION
NOTES TO THE FINANCIAL STATEMENTS

1. General information

S.Thomas' Preparatory School Kollupitiya OBU ("the Union") was established in May 12, 1978.

The Union was formed with the following objects:

- i. To increase a sense of fellowship in Old Boys both with one another and with the school,
- ii. To promote good works for the benefit of the school and assist the school when assistance is needed.
- iii. To afford guidance and encouragement to the younger generation of boys.
- iv. To give guidance when requested by the Headmaster for the better management and administration of the school, provided that the Union shall not in any manner be entitled to participate in or intervene in the management and administration of the school by the Board of Governors or the Headmaster, or make any decisions concerning the policy of the school in any matter.

Date of authorization for issue

The financial statements of the Union for the year ended 31 March 2025 were authorized for issue by the committee on 15 May 2025.

2. Basis of preparation and summary of significant accounting policies

These financial statements have been prepared on a going concern basis and in compliance with Sri Lanka Accounting Standard for Smaller Entities issued by the Institute of Chartered Accountants of Sri Lanka. All values appearing in the financial statement are presented in Sri Lankan Rupees (Rs.) rounded to the nearest rupee. The basis of measurement used is the historical cost basis, except where otherwise stated in the accounting policies below. The accounting policies applied by the Union are consistent with those used in the previous year. Previous year's figures and phrases are rearranged wherever necessary to conform to the current year's

2.1 Significant accounting policies

2.1.1 Income and expenditure recognition

Income

Income is accounted on accrual basis.

Expenditure

Expenditure is accounted on accrual basis.

2.1.2 Receivables

Receivables are stated at the amounts they are estimated to be realized.

2.1.3 Liabilities and provisions

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date.

2.1.4 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

2.1.5 Taxation expenses

The calculation of tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act No.24 of 2017 and amendments thereto.



S. THOMAS' PREPARATORY SCHOOL OLD BOYS UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH

	2025 Rs.	2024 Rs.
03 Merchandise Income		
Cufflink Sales	-	10,000
Tie Sales	29,650	10,000
Shirt sale	136,000	96,100
Coasters Sales	10,800	6,500
Car Sticker sales	36,000	1,800
	<u>212,450</u>	<u>124,400</u>
04 Project Expenses		
Web Design and Development	-	137,477
	<u>-</u>	<u>137,477</u>
05 Administrative Expenses		
SGM / AGM Expenses	-	25,800
Bank Charges	10,259	10,500
Audit Fees	55,000	45,000
Postal Expenses	2,343	2,090
Travelling Expense	7,302	3,377
Salaries Expense	260,000	240,000
Communication Expenses	35,343	37,466
Printing and Stationery	-	12,375
Car Stickers Expense	12,000	600
Cufflinks Expense	-	7,000
T-Shirt Expense	80,000	18,500
Meal and Entertainment Expenses	30,619	5,759
Event Expense	-	183,723
Coaster Expense	7,200	2,600
Gifts	6,900	500
Other Expenses	18,300	7,500
Tie Expense	18,000	4,488
	<u>543,266</u>	<u>607,278</u>
06 Income Tax Expenses	2025	2024
Current year Income Tax Expenses	173,660	Restated* 250,289
	<u>173,660</u>	<u>250,289</u>



S. THOMAS' PREPARATORY SCHOOL OLD BOYS UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH

	2025	2024
	Rs.	Rs.
07 Inventories		
Ties	339,322	444,312
Cufflinks	49,000	49,000
T-Shirt Normal and Embroidery	450,646	304,050
Coasters	91,800	88,200
Car Stickers	120,000	96,000
Envelops	2,846	2,789
	<u>1,053,614</u>	<u>984,351</u>
08 Investments	2025	2024
		* Restated
Investment in Financial Assets - OBU	12,192,617	7,463,835
Investment in Financial Assets - OBU Trust Fund	6,243,584	5,793,957
Interest Receivables	460,809	557,940
	<u>18,897,010</u>	<u>13,815,732</u>
09 Other Receivables		
Receivable from School	2,000	2,000
Other Receivables	80,000	65,000
	<u>82,000</u>	<u>67,000</u>
10 Cash and Cash Equivalent		
<u>Favourable Cash and Cash Equivalent Balances</u>		
National Development Bank PLC - General Account	170,186	296,299
National Development Bank PLC - Special Project	687,073	5,080,338
National Development Bank PLC - Infrastructure Development	128,122	128,122
National Development Bank PLC - C/A 0719	-	7,000
Cash in Hand	-	2,787
	<u>985,381</u>	<u>5,514,546</u>
<u>Unfavourable Cash and Cash Equivalent Balances</u>		
National Development Bank PLC - C/A 0719	2,159	-
	<u>2,159</u>	<u>-</u>
<i>Total Cash and Cash Equivalents for the purpose of Cash Flow Statement</i>	<u>983,222</u>	<u>5,514,546</u>
11 Accumulated Fund		
Opening balance as at 01 April	3,804,748	3,555,502
Prior Year Adjustment -	-	25,433
Surplus for the year	235,538	223,812
Closing Balance as at 31 March	<u>4,040,286</u>	<u>3,804,748</u>



S. THOMAS' PREPARATORY SCHOOL OLD BOYS UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH

	2025	2024
12 OBU Trust Fund Payable		
Opening balance as at 01 April	8,255,152	7,962,518
Add : Interest Income Transfer from Income Statement	468,204	792,634
Less : Fund Paid to School	-	(500,000)
Closing Balance as at 31 March	8,723,356	8,255,152

The Objects of the Old Boys Union Trust Fund (OBUTF) include providing better facilities for the advancement of knowledge and for educational, sports, cultural and religious activities in School, to provide financial and other assistance to deserving students of the School by way of Scholarships and Bursaries, to construct additional buildings, repair, maintain, renovate and effect structural alterations to the existing buildings and school facilities and to afford facilities to raise teaching standards. The funds from the OBUTF have been used to finance several requirements of the School in terms of the above Objects set out in the Deed of Trust.

	Rs.	Rs.
13 Other Payables		
Audit Fee Payable	55,000	45,000
Sports Club Donations Payable	1,449,650	1,449,650
Salaries Payable	49,600	20,000
Education Grants and Payables to School	3,000	3,000
New Fund Collection [Note 13.1]	4,188,170	4,408,182
Accruals	2,397	3,148
	5,747,817	5,928,980

13.1 New Fund Collection		
Opening balance as at 01 April	4,408,182	3,782,502
Add: Fund received during the year	522,041	-
	4,930,223	3,782,502
Less: Fund utilized during the year	(742,053)	-
Closing Balance as at 31 March	4,188,170	4,408,182

	2025	2024
14 Income Tax Payable		* Restated
Opening balance as at 01 April	142,748	-
Add: Provision for the year	173,660	250,289
	316,408	250,289
Less: Tax paid during the year	-	-
WHT Paid during the year	(62,022)	(107,541)
Closing Balance as at 31 March	254,386	142,748



S. THOMAS' PREPARATORY SCHOOL OLD BOYS UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH

15 Correction of Errors

During 2024/2025, the Union discovered that interest income from money market investments and income tax expense have been erroneously overstated in its financial statements in 2023/2024. As a consequence, interest income from money market and the related investments assets, and income tax expense and related income tax liability have been overstated. The errors have been corrected by restating each of the affected financial statement line items for 2023/2024. The following tables summarise the impacts on the Union's financial statement.

15.1 Statement of Financial Position

31 March 2024	Impact of Correction of Errors		
	As Previously Reported	Adjustment	As Restated
	Rs.	Rs.	Rs.
Current Assets			
Investments	14,195,366	(379,634)	13,815,732
Total Assets	<u>14,195,366</u>	<u>(379,634)</u>	<u>13,815,732</u>
Current Liabilities			
Income Tax Payable	195,897	(53,149)	142,748
Total Liabilities	<u>195,897</u>	<u>(53,149)</u>	<u>142,748</u>
Accumulated Reserves and Funds			
Accumulated Fund	4,131,234	(326,486)	3,804,748
Total Accumulated Reserves and Funds	<u>4,131,234</u>	<u>(326,486)</u>	<u>3,804,748</u>

15.2 Statement of Income and Expenditure

31 March 2024	Impact of Correction of Errors		
	As Previously Reported	Adjustment	As Restated
	Rs.	Rs.	Rs.
Interest Income on Fixed Deposits / Money Market	1,374,781	(379,634)	995,146
Income Tax Expense	303,438	(53,149)	250,289
Surplus for the year after income tax	<u>550,298</u>	<u>(326,486)</u>	<u>223,812</u>

16 Events after the Statement of Financial Position

There have been no material events occurred between Financial Position date and the date on which the financial statements are authorized for issue that require adjustments to or disclosures in the Financial Statements.

