



# Lanka Microfinance Practitioners' Association



**ANNUAL REPORT**  
**2024/2025**

## **Vision**

A “Dynamic & Sustainable Microfinance Sector for an Inclusive Financial System in Sri Lanka”

## **Mission**

To “contribute to the development of sustainable and effective microfinance service by, supporting all the stakeholders in the sector and creating a conducive environment through collective action in an effective and efficient manner”.

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## Message from the LMFPA President



I am very pleased to present the 19th Annual Report of the LMFPA to the members and all the stakeholders of the microfinance industry.

The recognition of Licensed Microfinance Companies to be drafted into the Credit Information Bureau is a landmark achievement for the microfinance industry in 2025. The expected gazette notification should usher a new trajectory in the future development of the sector.

The long awaited Microfinance and Credit Regulatory Authority Act is expected to see the light of day during 2025. During the previous year, LMFPA had the opportunity to represent the working committee appointed by the Finance Ministry to give feedback on suitable amendments to the previous draft.

In the area of Capacity Building, LMFPA was able to commence its foreign exposure visit initiative after a long hiatus due to the COVID pandemic. This year we were able to send our largest group of 38 member representative to Karnataka India. LMFPA also continued its training workshops and webinars during the year to support the initiatives of the membership. Special thanks should go to the Training Committee for their commitment that saw the association earn yet another surplus for the 2024 financial year.

I wish to extend my gratitude to the board members, staff and all the stakeholders who continued to support the association.

**Wasantha Gunawardena**

The Hony President – 2024/2025



## Corporate Information

**Address:** 32, Suriyamal Mawatha, Divulapitiya, Boralesgamuwa

**Tel:** + 94 11 4369612

**Email:** • info.Lmfpa@microfinance.lk

**Web:** www.microfinance.lk

**Legal Form:** Re-registered under the Companies Act no.7 of 2007 Registration no- GA 136

**Auditors:** Magamage & Co. Chartered Accountants

**Secretaries:** Hemba Waduge Thilanka Priyadarshana Sampath

**Bankers:** Commercial Bank of Ceylon PLC, Sampath Bank PLC, Hatton National Bank PLC

## The Board of Directors 2024/2025



**Mr. Wasantha  
Gunawardhane -**  
Hony. President

Mr. Wasantha Gunawardhane is a seasoned professional in the microfinance and community development fields, currently serving as the CEO/General Manager of People's Micro-Commerce Limited, a subsidiary of People's Leasing & Finance PLC, which has state ownership through being the subsidiary of People's Bank. He was the first employee in People's Micro-Commerce Limited, which started with him and he has now been with the company for 15 years. With 32 years of industry experience, Mr. Wasantha has a strong background in General Administration, Human Resource Management, and Operations Management, particularly in the NGO sector and cooperatives, focusing on Business Development and Animal Husbandry.

He began his career as the first employee of Berendina, where he worked his way up to Resident Project Manager. Later, he served as the Head of Field Operations at Lak Jaya Microfinance. Mr. Wasantha has also been actively involved in the Lanka Microfinance Practitioners' Association (LMFPA), where he held roles such as Honorary Vice President, Treasurer, and Director, gaining extensive corporate-level management experience.



**Mr. Charith Fernando -**  
Hony. Treasurer

Mr. Charith Fernando serves as the Executive Board Member and Deputy Managing Director of Berendina Micro Investments Company Ltd (BMIC). Before stepping into this role, he served as the General Manager of Berendina Microcredit Institute (Guarantee) Limited and the General Manager - Finance & Administration of Berendina Group. He has more than 23 years' experience in the fields of Auditing, Accounting, Finance Management and Microfinance in private and 'NGO' sector establishments.

Mr. Charith holds a Master's Degree in Business Administration from Cardiff Metropolitan University, UK and a B.Sc. Degree in Public Management (Special) from the University of Sri Jayewardenepura. Additionally, he is also a Certified Microfinance Management Professional at the Boulder Institute of Microfinance, USA. He is also in the final stage obtaining his Chartered Accountancy qualification from the Institute of Chartered Accountants of Sri Lanka (ICASL).



**Mr. Saman Ranaweera**  
Hony. Secretary

Mr. Saman Ranaweera is the Chief Manager – Business Operations at Ventura Crystal Investments Ltd. He has over 31 years' of experience in the Microfinance sector with more than 25 years in the management and top management in leading Microfinance Institutions in the Industry.

He started his career as a Divisional Project Manager at Seeds Guarantee Ltd in 1993 where he served for 9 years prior to joining Agro Microfinance (GTE) Ltd as a Credit Manager. Prior to joining Ventura Crystal Investments Ltd, he also served as the Senior Manager – Field Operations at Lakjaya Microfinance Ltd and as the Senior Manager – Operations at Agro Microfinance (GTE) Ltd.

Mr. Ranaweera is a fully Certified Trainer of the Microfinance Distance Course by the Asian Development Bank Institute (ADBI) and Tokyo Development Learning Centre (TDLC). He is also a Certified Trainer of CGAP. He has also attended various "Training of Trainers" programs conducted by Frankfurt School of Finance & Management and LMFP & Plan Sri Lanka. Mr. Ranaweera served as a Director from 2020/2022 to 2022/2023 of LMFP.



**Mr. Chamika Weerasinghe -**  
Director

Mr. Chamika Weerasinghe has over 22 years of experience in the banking and finance sector, specializing in Micro Financing, SME Financing, Corporate Banking, Retail/Branch Banking, Trade Finance, Project Finance, and Credit Risk Management. He has worked with some of the most respected banks in Sri Lanka, including NDB Bank PLC, DFCC Bank PLC, and Seylan Bank PLC, and has held senior management positions in the banking and finance industry both locally and internationally. Currently, Mr. Weerasinghe serves on multiple director boards in the banking and finance sector.

In addition to his extensive banking experience, Mr. Weerasinghe is a veteran investment adviser in the local and Asian markets, providing advisory services on fund and liquidity management in finance and other versatile sectors. He holds a Bachelor of Commerce (Special) Degree from the University of Sri Jayawardenapura and a Master of Business Administration. He is also an Associate Member of the Institute of Bankers of Sri Lanka.

Mr. Chamika Weerasinghe's profound knowledge and extensive experience make him a highly respected figure in the banking and finance industry. His contributions have significantly impacted the institutions he has worked with, and his advisory services continue to benefit the finance sector across the region.



**Mr. Lakshman Eraj -**  
Director

Mr. Eraj joined HNB Finance as a Microfinance Executive and rapidly grew through the ranks due to his performance, dedication and work ethic. He was promoted to Branch Manager, Regional Manager and then as Chief Manager based on his exceptional service rendered towards HNB Finance in the past 18 years. Subsequently he was promoted as Head of Business loans department where he leads a team of young professionals towards achieving organizational goals whilst helping thousands of customers grow their businesses as well. Mr. Eraj holds a Diploma in Microfinance (IBSL) and a Diploma in English from Wayamba University. An avid cricket fan, Mr. Eraj is also a member of the Sri Lanka Cricket Umpires Association and an active umpire of Sri Lankan Cricket.



**Mr. Imran Nafeer –**  
Director

Mr. Imran Nafeer is a Director of Muslim Aid Micro Credit Company and has experience and exposure both local and international level as a Microfinance consultant in various aspects including Social Performance Management, Research & Product Development, Islamic Microfinance and Micro Insurance. He is an accredited trainer of CGAP and Frankfurt School of Finance & Management. Recently he was awarded as a certified Social Auditor from CERISE France on behalf of LMFPFA. He holds an Honours Degree in B. Com. (Marketing) Special from the University of Sri Jayawardenapura. He obtained Post Graduate Qualifications in Marketing from Chartered Institute of Marketing (UK) and in International Relations from Bandaranaike Centre for International Studies (BCIS). He also serves as a lecturer in the Microfinance Diploma course by the Institute of Bankers of Sri Lanka (IBSL). Mr. Imran has served as LMFPFA Secretary from 2011 to 2013 and from 2015 to 2016. He has also served as LMFPFA President during 2017/2018.



**Mrs. Dilani Malavige -**  
Director

Mrs. Dilani Malavige is the Head of Finance of ECLOF Lanka (Guarantee) Limited she has over 15 years of experience in Auditing, Accounting, Financial Management, Taxation, Investment management ect.. at various commercial entities.

She holds the membership of The Institute of Chartered Accountants of Sri Lanka (CASL) and the membership of the Association of Accounting Technicians of Sri Lanka (AATSL) Also she act as a practicing Chartered Accountant.



**Mr. S. Surenthiran -**  
Director

Mr. Shanmugalingam Surenthiran is a Director Of Lanka Capital Future Investment (PVT) Ltd, since 2018.

Mr. Surenthiran counts more than 12 years of experience in financial service sector having commenced his career at Commercial Credit Finance PLC in 2012 as Executive to Micro Finance sector. He was promoted as SME North East Regional manager until 2014. He monitored & covered Branches in SME Administration, SME Marketing functions and Recovery functions in the Northern and Eastern Provinces and then he was promoted as RBL North East Regional In charge until 2016. He monitored & covered North East Provinces Branches RBL Administration, and North East Provinces Branches RBL Marketing functions and also Recovery functions.

Mr. Surenthiran holds a BA( Hons) Degree from University of Jaffna and holds a Masters in Business Administration (MBA) Degree from University of Cambodia.



**Mr. J. Weeraratna –**  
Director

Mr. J. Weeraratna is the President of the advisory board of WDF and one of the founders of the WDF. Mr. Weeraratna obtained his first degree from the University of Kelaniya (1967). Also he obtained his Master's Degree in 2006 from University of Kelaniya. His first examination of laws passed in 1990 at the University of Colombo. Presently he is reading for the MPhil degree in the University of Kelaniya. He has completed many foreign training programs in planning, micro credit, entrepreneurship and management. He began his career in the government service in 1968. He retired in 2006 as Director planning under Sri Lanka Planning service.

He joined as a consultant to the project of South African water sector in Sri Lanka water ministry. He also joined the president's office as a President coordinator from 2011-2015. Now he is enrolled in WDF advisory duty presently. As a journalist he has published many articles in the newspapers and journals. One of his publications is called "Janashakthi Wiyaparaya Kaalina Awashyatawaki" and the other is "Daridhrathawaya Pitu Dekeema Ha Samaja Sajeewekaranaya" with the prof: N.K Dangalla. Weerathne and these works touches on many social and economic issues.



**Mr. Rizanth Francis -**  
Director

Mr. Francis Rizanth is the Chief Executive Officer of Sejaya Micro Credit Company Limited. He has two years of experience on relief, development sector, commenced his career in the MF industry in year 2007 as a Branch Manager for Hatton Branch, and served in many position such as Risk and Compliance and Business Development etc.

Mr. Rizanth holds a Bsc Degree in Business Administration from University of Jayewardenepura and obtained a Master Degree in Business Studies from University of Colombo.



**Mr. Upali Sumithre -**  
Director

Mr. Upali Sumithre is the Founding Chairman of Janarukula, a non-governmental community-based organization operating since 1991. He is a community development professional with over 35 years of working experience. His areas of expertise include social mobilization, livelihood development, housing, infrastructure development and Microfinance programmes for marginalized communities in rural, urban, estate and fisheries sectors.

He has gained much practical knowledge and experience while working as Sri Lanka representative of Slum Dwellers International (SDI) and Asian Coalition for Housing Rights (ACHR). Additionally, he has coordinated and managed number of donor-funded community projects in the NGO and Government sectors.

Mr. Upali Sumithre is a Professional Counselor and holds an external degree from the University of Peradeniya and a Diploma in Administration and Management from Open University Sri Lanka and a Diploma in Governance, Democratization and Public Policy - School of Politics (CISS). He also followed certificated courses of Project Formulation and Skill Promotion - Sri Lanka Social Service Center, Community Action Planning and Training - UNHS. Community Development Process and Challenges - Asian Housing Rights Coalition (Japan).

### *Former Directors of 2024/2025*



**Mr. G. K. K. Gamage –**  
Director

Mr. Gamini Krishantha Kiringoda Gamage is an experienced Central Banker with 24 years of experience in Directory roles in various departments in Central Bank of Sri Lanka. Mr. Gamage has had a wide range of exposure in numerous fields of on-site and off-site supervision of licensed commercial and specialized banks as a senior examiner of the Bank Supervision Department and Information System Auditor of the Bank Supervision Department.

He has worked in the Currency Department as the Deputy Director in-charge of operational, Policy and Administration of Currency in Central Bank. In addition to his experience at the Central Bank, he has served 10 years as a Staff Officer and Manager of People's Bank, specialized in retail banking, international banking and overlooking the Department of Information Technology. Mr. Gamage obtained his first degree in Science at University of Sri Jayawardenapura. He also has an M.Sc. in International Economics from the University of Illinois in USA, a Post Graduate Diploma in Information Technology from University of Colombo and a Diploma in Information System Audit from the Institute of Chartered Accountants of Sri Lanka.





**Mr. Nirmalan  
Nayagam –  
Director**

Mr. Nirmalan Nayagam is currently the Chief Executive Officer of Sejaya Microcredit Limited. Prior to this, he has been in the microfinance industry for about 15 years, first as the Chief Financial Officer at VisionFund Lanka and as a Regional Finance Director at VisionFund International, covering both Asia and Eastern Europe regions. He holds a qualification from the Chartered Institute of Management Accountants, UK.



**Mr. G. K. K. Gamage –  
Director**

Mr. Priyantha Dematagoda is the General Manager/Chief Executive Officer of Sewa Community Credit Limited, is a Professional Banker with 23 years of Commercial Banking experience. He was a Faculty member of the Institute of Bankers of Sri Lanka (IBSL), Center for Banking Studies CBSL, and also serves as Trainer in various disciplines in Banking at many Private and State Commercial Banks in Sri Lanka. He is also a Certified Trainer in Microfinance by Frankfurt School for Finance and Management. He holds a Masters' Degree in Business Studies and a Post Graduate Diploma in Business Administration from the University of Colombo. He also holds a Diploma in Human Rights (Institute of Human Rights Sri Lanka). He has also undergone professional training at National University of Singapore (NUS), and with the Association for Development Financing in Asia and Pacific (ADFIAP) and University of Sri Jayawardhanapura. Mr. Dematagoda was a Past President 2021/22, and has previously served as LMFP Treasurer 2017/2018 and Vice President 2019/2020 and 2020/2021.



**Mr. Bandula  
Hennadige –  
Director**

Mr. Bandula Hennadige is the Executive Director of the South Asia Partnership- Sri Lanka (SAPSRI). He is a development professional with over 40 years of working experience. His areas of expertise include project development, regional planning, and management, monitoring and evaluation of medium and large-scale projects, rural infrastructure, food security, social mobilization, livelihood development and water and sanitation for marginalized communities.

He has gained much practical knowledge and experience while working in the public sector in various positions, including as a Project Director in the donor financed "Integrated Rural Development Programs" (IRDPs) that were implemented in the '80s and '90s in Sri Lanka. Additionally, he has served as Senior Program Officer in the Embassy of the Kingdom of the Royal Netherlands and has also managed donor-funded projects in the NGO sector.

Mr. Hennadige holds a B. Com degree from the University of Peradeniya and a Diploma in Industrial Development from the National Institute of Business Management. He also has a postgraduate master's degree in economics from the University of Wales in the UK

## Sub Committees:

- Membership Committee – Mr. Saman Ranaweera, Mr. Upali Sumithre & Mr. Nirmalan Nayagam
- Training & Fund Raising Committee – Mr. Imran Nafeer, Mr. Lakshman Erj & Mr. Gnanasiri Abeywardhana
- Public Relations Committee – Mr. Priyantha Dematagoda, Mr. GKK Gamage & Mr. Bandula Hennadige
- Archives Committee – Mr. Charith Fernando, Mrs. Dilani Malavige, & Mr. Chamika Weerasinghe

## Our Members

01	Agro Micro Investments Ltd	24	Life Mate Investments (Pvt) Ltd
02	Arthavida Intermediary Ltd	25	Lanka Financial Services for Underserved Settlements
03	Athugala Credit & Investment (Pvt) Ltd	26	LOLC Finance PLC
04	Berendina Micro Investment Company Ltd	27	Muslim Aid Micro Credit (Gte) Ltd
05	Candea Credit Ltd	28	Nation Lanka Finance PLC
06	Capital Credit & Investments (Pvt) Ltd	29	People's Micro-commerce Ltd
07	Commercial Credit & Finance PLC	30	Pragathi Sewa Foundation
08	DCS Credit & Investment (Pvt) Ltd	31	Purewin Credit & Investments Ltd
09	Dinujaya Holdings (Pvt) Ltd	32	Reliance Credit & Capital Investments (Pvt) Ltd
10	Dumbara Micro Credit Ltd	33	Reliance Investments Co (Pvt) Ltd
11	ECLOF Lanka (Gte) Ltd	34	S. N. Micro Credit (Pvt) Ltd
12	Ekabaddha Praja Sanwardhana Kantha Maha Sangamaya	35	SANASA Development Bank PLC
13	FHP Micro Assist Ltd	36	Sejaya Micro Credit Ltd
14	Fintechnology Asia Pacific Lanka (Pvt) Ltd	37	Sesatha Economic & Livelihood Development Association
15	Future Life Investments Ltd	38	Sewa Community Credit Ltd
16	Graduate Investment Ltd	39	Silvereen Micro Credit Company Ltd
17	Hambantota WDF	40	South Asia Partnership Sri Lanka
18	HNB Finance PLC	41	SAPCO
19	Janarukula (Gte) Company	42	The Institute for Development of Community Strengths (INDECOS)
20	KiwiFund (Gte) Ltd	43	Ventura Crystal Investments Ltd
21	Lak Jaya Microfinance Ltd	44	Women Enterprise Development Service Centre
22	Lanka Capital Future Investment (Pvt) Ltd	45	Y GRO Ltd
23	Lanka Credit & Business Finance Ltd		



## Review of Activities in 2024/2025

### *Creating a conducive environment*

#### Discussion on National Development Trust Fund



On 17th February 2025, the LMFPFA organized a discussion with former partners of the National Development Trust Fund in Colombo. The objective of this meeting was to get member feedback and commitment to a collectively signed communique addressed to the government urging the authorities to consider the re-activation of the fund or a similar mechanism under the government's policy framework. During the meeting the participants decided that correspondence should be made by LMFPFA on behalf of the former NDTF partners to the government in this regard.

#### Discussion Regarding On Boarding of Microfinance Data to CRIB



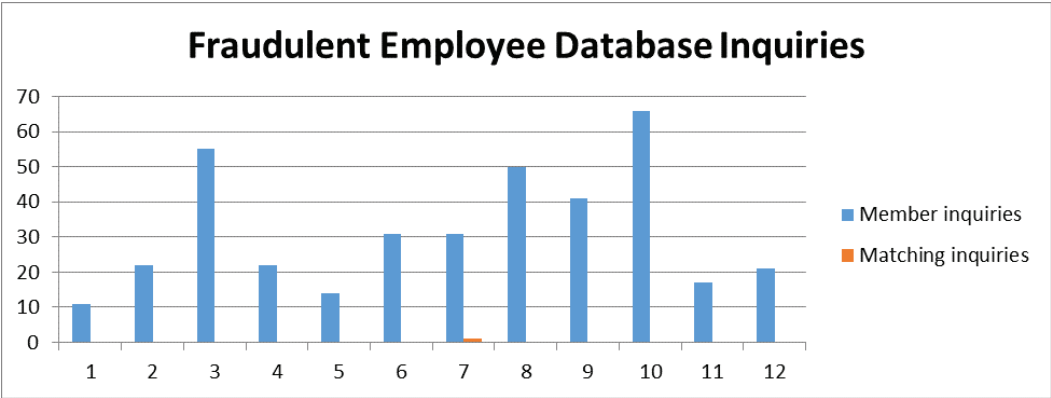
On 02nd July 2025, the Credit Information Bureau of Sri Lanka (CRIB) held an inaugural discussion with representatives of the Central Bank licensed Microfinance Companies advising them to commence necessary developments to onboard data to the CRIB. The CRIB is supposed to onboard Microfinance data once the registered Microfinance companies are gazetted as the "Lending Institutions" for the purpose of CRIB Act and this gazette is expected to be published in August 2025. During this discussion, strategic and working committees were appointed to expedite the preparatory process.

#### Revision of the Recommended Maximum Interest Rate (RMIR)

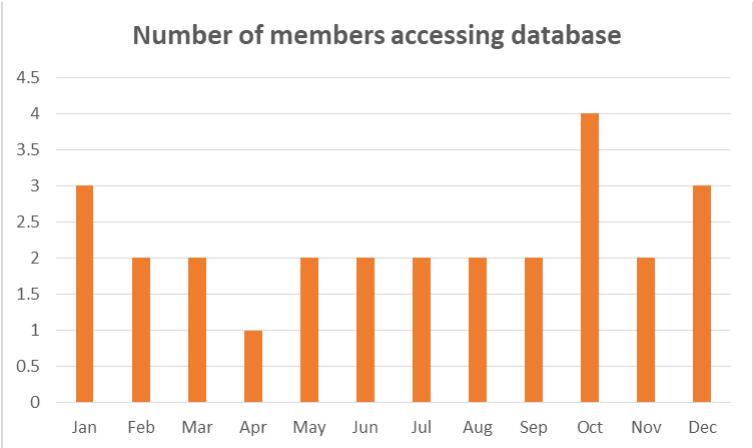
The LMFPFA Recommended Maximum Interest Rate (RMIR) was lifted in 2023 due to the adverse economic conditions of the country. However, with the view of future development in the industry, key discussions were held regarding interest rates with LMFPFA members and the RMIR was re-introduced at 35% (reducing balance rate).

## Update on Fraudulent Staff Database

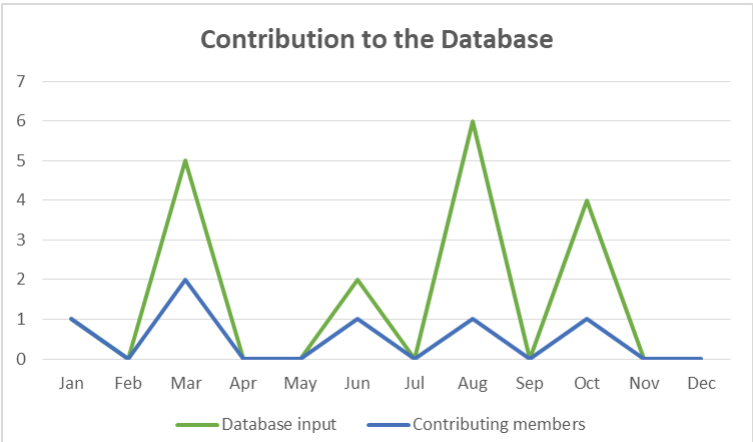
The LMFPFA Fraudulent Employee Database has now grown to 299 entries. During the last financial year, there had been a total of 381 inquiries with one matching inquiry with the database.



Members have contributed to the database with 18 entries of their former employees.



The number of members accessing the database on a monthly basis is between 2 to 4 MFIs.



## Capacity Building

### LMFPA Training Series 2024/2025

The continuation of capacity building programmes for the LMFPA membership was organized on a monthly basis in 2023 in both Sinhala and Tamil languages. From September 2023 to May 2024 the following capacity building programmes were organized:

- Webinar on Effective Credit Evaluation in Microfinance – 06th September 2024
- Webinar on Effective Credit Evaluation in Microfinance (Tamil Medium) – 23rd October 2024
- Webinar on Combank Digital Business for Microfinance – 04th November 2024
- Webinar on Pre Legal & Legal Procedure on default loans in Microfinance – 07th December 2024
- Webinar on Successful Client Retention in Microfinance – 06th March 2025
- Workshop on Pre Legal & Legal Procedure on default loans in Microfinance – 24th April 2025
- Webinar on Principles and Practices of Insurance – 18th June 2025

A total of 323 member representatives benefitted from these training workshops and webinars and we like to thank all our members for their interest and enthusiasm in these programmes.

### LMFPA Exposure Visit to India 2025

The LMFPA in collaboration with the Shri Kshetra Dharmasthala Rural Development Project (SKDRDP) of India successfully organized an exposure visit programme to Karnataka India from 19th to 25th January 2025. The organization concentrates on the empowerment of people by organizing Self-Help Groups and provides infrastructure and finance through micro credit to rural people. A total of 38 member representatives took part in this programme and were able to learn from the Self Help Group model, micro credit and other projects that the organization conducts.



## *Information Dissemination*

### **Microfinance Review 2023**

Despite some delays in receiving data, the Microfinance Review Publication 2023 was published by December 2024. 31 member organizations took part in the data profiling project and we like to thank our members for their active support.



## Auditor's Report & Financial Statements

### MAGAMAGE & Co. CHARTERED ACCOUNTANTS

Tusitha S. Magamage (B.Sc., F.C.A.)

#### Independent Auditor's Report

To The Shareholders of Lanka Microfinance Practitioners' Association

#### Opinion

We have audited the financial statements of Lanka Microfinance Practitioners' Association, which comprise the statement of financial position as at 31st December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 31st December 2024, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for Small and medium – Sized Entities (SLFRs for SME)

#### 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 Company 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.

#### 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 Sri Lanka Accounting Standards for Small and medium – Sized Entities (SLFRs for SME) 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, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

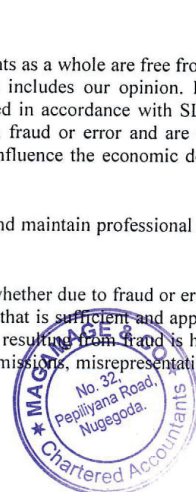
Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### 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.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, 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 fraud may involve collusion, forgery, intentional omissions, misrepresentation, the override of internal control.



- Obtain an understanding of internal control 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 Company's internal control.
- 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 Company'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 Company 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 control that we identify during our audit.

#### Report on Other Legal and Regulatory Requirements

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



Magamage & Co.  
Chartered Accountants  
Nugegoda  
19<sup>th</sup> May 2024



**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2024**

(All Amounts in Sri Lankan Rupees)

	Notes	<u>2024</u> Rs. Cts.	<u>2023</u> Rs. Cts.
General Income	01	1,497,500.00	1,310,000.00
Interest Income	02	1,025,876.76	936,127.38
Other Income	03	1,249,873.90	1,219,088.30
<b>Total Income</b>		<b>3,773,250.66</b>	<b>3,465,215.68</b>
Activity Related Expenses	04	260,788.00	311,144.00
<b>Net income</b>		<b>3,512,462.66</b>	<b>3,154,071.68</b>
Administrative Expenses	05	2,762,066.69	2,355,783.45
<b>Net Surplus/ (Deficit) Before Taxation</b>		<b>750,395.97</b>	<b>798,288.23</b>
Income Tax Expense	06	-	-
<b>Surplus/ (Deficit) For the Year</b>		<b>750,395.97</b>	<b>798,288.23</b>



## Statement of Financial Position

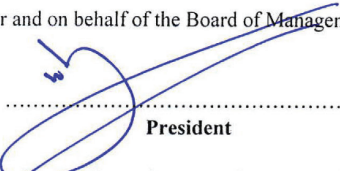
**AS AT 31<sup>st</sup> DECEMBER 2024**


(All Amounts in Sri Lankan Rupees)

	Notes	2024 Rs. Cts.	2023 Rs. Cts.
<b>Assets</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	07	-	-
Investment in Fixed Deposits	08	4,778,334.33	3,500,000.00
		<u>4,778,334.33</u>	<u>3,500,000.00</u>
<b>Current Assets</b>			
Receivables	09	784,738.89	899,738.89
Deposits and Prepayments	10	100,000.00	100,000.00
Cash & Cash Equivalent	11	949,309.86	601,209.19
		<u>1,834,048.75</u>	<u>1,600,948.08</u>
<b>Total Assets</b>		<u><b>6,612,383.08</b></u>	<u><b>5,100,948.08</b></u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Accumulated Fund		4,934,435.08	4,497,068.08
<b>Total Equity</b>		<u>4,934,435.08</u>	<u>4,497,068.08</u>
<b>Non-Current Liabilities</b>			
Retirement Benefit Obligation	12	654,500.00	495,000.00
		<u>654,500.00</u>	<u>495,000.00</u>
<b>Current Liabilities</b>			
Income Tax Payable	13	-	-
Accounts Payable	14	1,023,448.00	99,680.00
Bank Overdraft	15	-	9,200.00
		<u>1,023,448.00</u>	<u>108,880.00</u>
<b>Total Funds and Liabilities</b>		<u><b>6,612,383.08</b></u>	<u><b>5,100,948.08</b></u>

The Committee is responsible for the preparation and presentation of these financial statements

Signed for and on behalf of the Board of Management

  
.....  
President

  
.....  
Treasurer

The accounting policies and notes to the account form an integral part of these financial statements





**ACCUMULATED FUND**

<u>(All Amounts in Sri Lankan Rupees)</u>	<b><u>2024</u></b>		<b><u>2023</u></b>	
	<u>Rs.</u>	<u>Cts.</u>	<u>Rs.</u>	<u>Cts.</u>
Balance as at 1 <sup>st</sup> January 2024	4,497,068.08		3,799,938.75	
Surplus / (Deficit) for the Year	750,395.97		798,288.23	
Prior Year Adjustment	(313,028.97)		(101,158.90)	
Balance as at 31 <sup>st</sup> December 2024	<u>4,934,435.08</u>		<u>4,497,068.08</u>	



**Statements of Cash Flows****For the Year Ended 31<sup>st</sup> December**

(All Amounts in Sri Lankan Rupees)

	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b><u>Rs. Cts.</u></b>	<b><u>Rs. Cts.</u></b>
<b><u>Cash Flow from Project Activities</u></b>		
Net Surplus/ (Deficit) before taxation	750,395.97	798,288.23
<b><u>Adjustment for Non Cash Items</u></b>		
Depreciation	-	54,087.78
Interest Income	-	(157,388.49)
Prior Year Adjustment	(313,028.97)	(101,158.90)
Gratuity provision for the year	159,500.00	45,000.00
Operating Profit before Working Capital Changes	596,867.00	638,828.62
<b><u>Working Capital Changes</u></b>		
Increases /(Decrease) in receivables, deposits and prepayments	115,000.00	(456,038.89)
Increase/(Decrease) in Accounts Payable	923,768.00	(556,123.40)
Cash Flow from / (used in) Operating Activities	1,038,768.00	(373,333.67)
Income tax paid		
Net Cash Flow from / (used in) Operating Activities	1,038,768.00	(373,333.67)
<b><u>Cash Flow from Investing Activities</u></b>		
Interest Income	-	157,388.49
increase/ decrease Investments in Fxed Deposits	(1,278,334.33)	148,333.33
Net Cash Flow from / (used in) Investing Activities	(1,278,334.33)	305,721.82
Net Increase/ (Decrease) in Cash & Cash Equivalents	357,300.67	(67,611.85)
Cash & Cash Equivalents at the Beginning of the Year	592,009.19	659,621.04
<b>Cash &amp; Cash Equivalents at the End of the Year</b>	<b>949,309.86</b>	<b>592,009.19</b>
<b><u>Analysis of Cash and Cash Equivalents at the End of the Year</u></b>		
Cash & Cash Equivalent	949,309.86	601,209.19
Bank Overdraft	-	(9,200.00)
	<b>949,309.86</b>	<b>592,009.19</b>



**Accounting Policies and Explanatory Notes to the Financial Statements**  
**For the Year Ended December 31, 2024**

**1-Corporate information**

**1.1 General**

Lanka Microfinance Practitioners' Association (previously known as Lanka Microfinance Network) is a Non-Profit Organization

Lanka Microfinance Practitioners Association has been registered under the Companies Act, No. 7 of 2007 on 13 October 2008 as a Company limited by guarantee and incorporated in and domiciled in Sri Lanka. The registered office is located at 32, Suriyami Mawatha, Divulapitiya, Boralesguwa.

**1.2 Principal activities and nature of operations**

The principal activities of the organization during the period were to promote membership among Micro Finance Institutions (MFIs) locally, advocate for a policy Environment for collective action by MFIs, promote the adoption and installation of internationally accepted performance standard for the MFIs develop and strengthen system for information collection, promote the expansion of the formal financial market as Micro Finance Service, protect and strengthen the capacity of the MFIs, develop an operational an independent performance monitoring system for MFIs and mobilize resources and network with Government, donors, funding agencies, investors and commercial loan providers .

**2-Summary of significant accounting policies**

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently

**2.1 Basis of preparation**

The annual financial statements have been prepared in accordance with Sri Lanka Accounting Standard for Small and Medium Enterprises (SLFRS for SMEs) with effect from 1 December 2017 These Financial Statements are presented in Sri Lankan Rupees (Rs).

The transition to SLFRS for Small and Medium Enterprises has not affected the reported financial position and financial performance of the Company.

**2.2 Statement of Compliance**

The Statement of financial position ,statement of comprehensive income and statement of cash flows together with summary of significant accounting policies and notes to the financial statements of the Lanka Microfinance Practitioners' Association, as at 31<sup>st</sup> December 2024 and for the year then ended comply with the SLFRS for Smaller Entities laid down by the Institute of Chartered Accountants of Sri Lanka and in compliance with the Companies Act No.07 of 2007.

These financial statements were authorized for issue by the Board of Management on 10<sup>th</sup> June, 2024



**Accounting Policies and Explanatory Notes to the Financial Statements**  
**For the Year Ended December 31, 2024**

**2.3 Going Concern**

The Board of Management has made an assessment of the Organization's ability to continue as a going concern and they do not intend either to liquidate or to cease operations

**2.4 Comparative information**

The accounting policies have been consistently applied by the organization and are in consistent with those of previous year. The previous year's figures and phases have been rearranged wherever necessary to conform current year's presentation.

**2.5 Assets and bases of their valuation**

**2.5.1-Property, Plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following annual rates are used for the depreciation of property, plant and equipment

Depreciation of assets begin when it is available for use and the principle annual rates used are as follows.

<b>Assets Category</b>	<b>Rate</b>
Furniture & Fittings	10%
Office Equipment	20%
Computer Equipment	20%
Office Partition	20%

**2.5.2-Impairment of assets**

At each reporting date, property, plant and equipment is reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset(or group of related assets)is estimated and compared with its carrying amount. If estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined has no impairment loss been recognized for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.





**Accounting Policies and Explanatory Notes to the Financial Statements**  
**For the Year Ended December 31, 2024**

**2.5.3- Financial assets**

Financial assets that are investments in fixed deposits and carried at amortized cost. These investments are normally held as long term since the entity does not expect to dispose them in the near future.

**2.5.4- Receivables**

Receivables are measured at amortized cost using effective interest method. At the end of each reporting period, the carrying amounts of receivables are reviewed to determine whether there is an objective evidence that the amounts are not recoverable. If so an impairment loss is recognized immediately in the statement of comprehensive income.

**2.5.5- Cash and cash equivalents**

Cash and cash equivalents are defined as cash in hand, demand deposits and short term highly, liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of cash flow statement, cash & cash equivalent consists of cash in hand deposits in banks net of outstanding bank overdrafts. Investments with short term maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents

**2.6- Liabilities and provision**

**2.6.1- Liabilities**

Liabilities stated under current liabilities in the balance sheet are those expected to fall due within one year from the balance sheet date. Items stated as long term liabilities are those expected to fall due at point of time after one year from the date of the financial position.

**2.6.2- Provisions**

Provisions are recognized when the Organization has a present obligation (legal and constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be estimated reliably. The expenses relating to any provision is presented in profit or loss. Provisions are not recognized for future operating losses. If the effect of the time value of money is material, provision is discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**2.6.3- Retirement benefit obligation**

**a)-Defined benefit plan – Gratuity**

Provision has been made for retirement gratuities in conformity with Gratuity Act No.12 of 1983 in accordance with the sec 28 of SLFRS for SMES. The liability is not externally funded nor it is actuarially funded.

Gratuity provision has been valued in conformity with sec 28 of the Sri Lanka accounting standard for small and medium size entities, by multiplying half months' salary by the number of years of service



**Accounting Policies and Explanatory Notes to the Financial Statements**  
**For the Year Ended December 31, 2024**

**b)-Defined contribution plans – EPF & ETF**

Employees are eligible for Employees' Provident Fund contributions and Employees' Trust Fund contributions in line with respective statutes and regulations. The Organization contributes 12% and 3% of gross emoluments of employees' to the Provident Fund and to the Employees' Trust Fund.

**2.6.4- Taxation**

**a)- Current taxes**

Current income tax assets and liabilities for the current and prior periods are measured at the amounts expected to be recovered from or paid to the Commissioner General of Inland Revenue

The provision for income tax is based on the elements of income and expenditure as reported in the financial statement and computed in accordance with the provisions of the inland Revenue Act No 24 of 2017.

**2.7-Funds**

**2.7.1-Unrestricted funds**

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

**2.7.2-Restricted funds**

Restricted funds are the funds where grants are received for use in an identified project or activity; such funds are held in a fund account and transferred to the statement of comprehensive income to match with expenses incurred in respect of that identified project. Unutilized funds are held in their respective fund account and included under accumulated fund in the statement of financial position until such time as they are required. Funds collected through a fund raising activity for any specific or defined purpose are also included under this category. The activities for which these restricted funds may be and are being used are identified in the notes to the financial statements.

**2.7.3-Designated funds**

Unrestricted funds are designated by the board to a specific purpose identified as designated funds. The activities for which these funds may be used are identified based on the life of the assets.



**Accounting Policies and Explanatory Notes to the Financial Statements**  
**For the Year Ended December 31, 2024**

**2.8-Grants and subsidies**

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

**2.9-Income Statement**

**2.9.1-Revenue recognition**

**a)-Income-Restricted funds**

Income realized from restricted funds is recognized in the statement of comprehensive income only when there is certainty that all of conditions for accept of the funds have been compiled 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. All other income is recognized when the organization is legally entitled to use of such funds and amount can be quantified. This would include income receivable through fund raising activities.

**b)-Subscription income**

Subscription income is recognized on cash basis at the point of receiving money to the bank from members and confirmation received from the member.

Management committee has decided to change its subscription income recognition policy from accrued basis to the cash basis with effect from 1<sup>st</sup> January 2020

**c)-Others**

Other income is recognized on the accrual basis

Gains and losses arising from incidental activities to main revenue generating activities and those arising from a group of similar transactions which are not material, are aggregated, reported and presented on a net basis.

**2.9.2-Expenditure recognition**

Expenses in carrying out the projects and other activities of the Organization are recognized in the statement of comprehensive income during the period in which they are incurred. Other expenses incurred in the administration and running the Organization and in restoring and maintaining the property, plant and equipment to perform at expected levels are accounted for on an accrual basis and charged to the statement of comprehensive income.

For the purpose of presentation of the income statement the Board of Management of the opinion that function of expenses method presents fairly the elements of the Organization's performance and hence such presentation method is adopted.



**Accounting Policies and Explanatory Notes to the Financial Statements**  
**For the Year Ended December 31, 2024**

**3-Events after reporting period**

**3.1-Events occurring after the reporting period**

All material events occurring after the reporting date have been considered and where necessary Adjustments to or disclosures have been made in the respective notes to the accounts.

**3.2-Contingencies and unrecognized contractual commitments**

Contingencies are possible assets or obligations that arise from past event and would be confirmed only the occurrence or non-occurrence of uncertain future events, which are beyond the organization's control



**NOTES TO THE ACCOUNTS****For the Year Ended 31<sup>st</sup> December***(All Amounts in Sri Lankan Rupees)*

		<b>2024</b>		<b>2023</b>	
		<i>Rs.</i>	<i>Cts.</i>	<i>Rs.</i>	<i>Cts.</i>
<b>01</b>	<b><u>General Income</u></b>				
	Membership Fees	1,347,500.00		1,210,000.00	
	Membership Registration	150,000.00		100,000.00	
	<b>1.1</b>	<b>1,497,500.00</b>		<b>1,310,000.00</b>	
<b>1.1</b>	Management committee has decided to change its subscription income recognition policy from accrued basis to the cash basis with effect from 1 <sup>st</sup> January 2020				
<b>02</b>	<b><u>Interest Income</u></b>				
	Interest on Fixed Deposits and Money Market a/c	1,025,876.76		936,127.38	
		<b>1,025,876.76</b>		<b>936,127.38</b>	
<b>03</b>	<b><u>Other Income</u></b>				
	Book Sales	21,500.00		21,600.00	
	Training Income	669,265.00		691,125.00	
	Admin Fees (SAMN)	341,108.90		337,648.90	
	Miscellaneous Income	18,000.00		40,000.00	
	Sponsorship Income (LMFPA)	200,000.00		128,460.00	
	Interest Income	-		254.40	
		<b>1,249,873.90</b>		<b>1,219,088.30</b>	
<b>04</b>	<b><u>Activity Related Expenses</u></b>				
	Workshop Expenses	234,620.00		214,844.00	
	Miscellaneous Expenses	26,168.00		96,300.00	
		<b>260,788.00</b>		<b>311,144.00</b>	



**NOTES TO THE ACCOUNTS****For the Year Ended 31<sup>st</sup> December***(All Amounts in Sri Lankan Rupees)***05 Administrative Expenses**

Secretary Fees for Conference (SAMN)

Salaries

Employee Provident Fund

Employee Trust Fund

Gratuity

Travelling and Others

Audit Fee

Secretarial Fee

Rent

Office Maintenance

Postage &amp; Courier

Printing and Stationery

Depreciation

Internet Charges

Sundry Expenses

Computer Maintenance

Website Maintenance

Mobile Allowance

Electricity

Telephone

Bank Charges (LMFPA)

Travelling Allowances

Water

Membership fee (SAMN)

AGM Expenses

**2024***Rs. Cts.***2023***Rs. Cts.*

1,054,000.00

126,480.00

31,620.00

159,500.00

72,350.00

37,268.00

19,939.49

505,000.00

55,900.00

17,640.00

68,115.00

-

34,157.00

22,441.00

23,550.00

19,600.00

18,000.00

3,412.00

8,503.00

19,206.20

96,000.00

4,305.00

306,000.00

59,080.00

**2,762,066.69**

-

1,020,000.00

122,400.00

30,600.00

45,000.00

23,010.00

33,880.00

71,042.42

460,000.00

36,700.00

15,050.00

16,540.00

54,087.78

33,289.00

18,127.00

10,650.00

5,200.00

18,000.00

9,442.00

13,881.00

14,576.65

96,000.00

4,379.00

128,196.60

**2,355,783.45****06 Income Tax Expenses**

Income Tax

**2024****2023**

**NOTES TO THE ACCOUNTS****For the Year Ended 31<sup>st</sup> December***(All Amounts in Sri Lankan Rupees)***07 PROPERTY, PLANT & EQUIPMENT**

<u>Cost</u>		<u>Balance as at</u>	<u>Additions</u>	<u>Disposal</u>	<u>Balance as at</u>
		<u>1<sup>st</sup> January</u>		<u>During the</u>	<u>31<sup>st</sup> December</u>
		<u>2024</u>	<u>During the Year</u>	<u>Year</u>	<u>2024</u>
Computer Equipment		599,211.00	-	-	599,211.00
Office Equipment		765,473.00	-	-	765,473.00
Furniture and Fittings		171,824.00	-	-	171,824.00
Office Partition		107,425.00	-	-	107,425.00
		<u>1,643,933.00</u>	<u>-</u>	<u>-</u>	<u>1,643,933.00</u>
<u>Accumulated Depreciation</u>		<u>Balance as at</u>	<u>Depreciation for</u>	<u>Disposal</u>	<u>Balance as at</u>
		<u>1st January</u>	<u>the Year</u>	<u>Depreciation</u>	<u>31st December</u>
		<u>2024</u>			<u>2024</u>
Computer Equipment	20%	599,211.00	-	-	599,211.00
Office Equipment	20%	765,473.00	-	-	765,473.00
Furniture and Fittings	10%	171,824.00	-	-	171,824.00
Office Partition	20%	107,425.00	-	-	107,425.00
		<u>1,643,933.00</u>	<u>-</u>	<u>-</u>	<u>1,643,933.00</u>
<b>Net Book Value</b>		<u>-</u>			<u>-</u>



**NOTES TO THE ACCOUNTS****For the Year Ended 31<sup>st</sup> December***(All Amounts in Sri Lankan Rupees)*

	<b>2024</b>		<b>2023</b>	
	<i>Rs.</i>	<i>Cts.</i>	<i>Rs.</i>	<i>Cts.</i>
<b>08 Investments in Fixed Deposits</b>				
Commercial Bank - 3009443298	-		500,000.00	
HNB Bank - 112300040829	-		1,000,000.00	
HNB Bank - 112300040836	-		1,000,000.00	
HNB Bank - 112300040843	-		1,000,000.00	
Fixed Deposits	250,001.00		-	
Fixed Deposits	528,333.33		-	
HNB Bank - 112300062630	1,000,000.00		-	
HNB Bank - 112300062623	1,000,000.00		-	
HNB Bank - 112300062616	1,000,000.00		-	
HNB Bank - 112300062609	1,000,000.00		-	
	<b>4,778,334.33</b>		<b>3,500,000.00</b>	
<b>09 Receivables</b>				
Interest Income Receivable	778,738.89		898,738.89	
Fund Receivable	6,000.00		1,000.00	
	<b>784,738.89</b>		<b>899,738.89</b>	
<b>10 Deposits and Prepayments</b>				
Rent Deposits	100,000.00		100,000.00	
	<b>100,000.00</b>		<b>100,000.00</b>	
<b>11 Cash and Cash Equivalents</b>				
B001 - Commercial Bank 01-1200019410	25,000.00		-	
Commercial Bank-Money Market Account-1190023870	837,844.90		224,425.26	
HNB - Savings Account -112020222484	65,544.06		25,675.03	
Sampath Bank-Current Account-009410006291	20,008.90		341,108.90	
Cash in Hand	912.00		10,000.00	
	<b>949,309.86</b>		<b>601,209.19</b>	
<b>12 Retirement Benefit Obligation</b>				
Balance as at the Beginning of the Year	495,000.00		450,000.00	
Provisions for the Year	159,500.00		45,000.00	
Balance as at End of the Year	<b>654,500.00</b>		<b>495,000.00</b>	
<b>13 Income Tax Refund / (Liability)</b>				
	-		-	



**NOTES TO THE ACCOUNTS****For the Year Ended 31<sup>st</sup> December***(All Amounts in Sri Lankan Rupees)*

		<b>2024</b>		<b>2023</b>	
		<i>Rs.</i>	<i>Cts.</i>	<i>Rs.</i>	<i>Cts.</i>
<b>14</b>	<b><u>Accounts Payable</u></b>				
	Audit Fee Payable	37,268.00		32,680.00	
	Prepaid Membership Fees (LMFPA)	-		10,000.00	
	Other Current Liabilities	640,180.00		17,000.00	
	Accrued Expenses (LMFPA)	40,000.00		40,000.00	
	Membership Fees Payable	306,000.00		-	
		<u>1,023,448.00</u>		<u>99,680.00</u>	
<b>15</b>	<b><u>Bank Overdraft</u></b>				
	Commercial Bank Current Account No: 1200019410	-		9,200.00	
		<u>-</u>		<u>9,200.00</u>	
<b>16</b>	<b><u>Commitments and Contingencies</u></b>				
	There were no commitments and contingencies existing as at the reporting date				
<b>17</b>	<b><u>Events After the Reporting Date</u></b>				
	No circumstances have arisen, since the balance sheet date, which would require adjustments to, or disclosure, in the financial statements				
<b>18</b>	<b><u>Members Interest in Contracts</u></b>				
	None of the members are either directly or indirectly interested in any existing or proposed contracts with the organization				
<b>19</b>	<b><u>Related Party Transactions</u></b>				
	There have been no related party transactions to be disclosed to the financial statements				



**Tax Computation****For The Year Of Assessment 23/24***(All Amounts Are In Sri Lankan Rupees)*

	<u>Note</u>	<u>Rs. Cts.</u>
<b>Profit before Tax as per Accounts</b>		<b>750,395.97</b>
<b>Less: Investment Income</b>		<b>(1,025,876.76)</b>
		<b>(275,480.79)</b>
<b>Add: Specific Disallowances</b>		
Depreciation	-	
Provision for Gratuity	159,500.00	159,500.00
		<b>(115,980.79)</b>
<b>Less: Specifically Permitted Deductions</b>		
Gratuity Paid	-	
Capital Allowance	5,825.52	(5,825.52)
<b>Income From Business</b>		<b>(121,806.31)</b>
<b>Less: Tax Loss</b>		<b>-</b>
<b>Assessable Income From Business</b>		<b>-</b>
<b>Investment Income</b>		<b>1,025,876.76</b>
<b>Less: Exempt Investment Income</b>		<b>-</b>
<b>Less: Expenditure Incurred In The Production Of Investment Income</b>		<b>-</b>
<b>Less: Tax Loss</b>		<b>(1,025,876.76)</b>
<b>Assessable Income From Investments</b>		<b>-</b>
<b>Other Income</b>		<b>-</b>
<b>Assessable Income From Other</b>		<b>-</b>
<b>Less : Tax loss</b>		<b>(184,087.46)</b>
<b>Total Assessable Income (Business, Investment, Other)</b>		<b>-</b>
<b>Less: Qualified Payments</b>		<b>-</b>
<b>Taxable Income</b>		<b>-</b>
<b><u>Tax Liability for the Year</u></b>	<b>%</b>	<b>-</b>
Income Tax	30%	<b>-</b>
<b>Total Tax Payable</b>		<b>-</b>
<b>Less: Tax Credits</b>		
Withholding Tax Credits		
Self-Assessment Income Tax Payments		
<b>Balance Tax Payable/ (Refund Due)</b>		<b>-</b>



**NOTES TO THE TAX COMPUTATION****For The Year Of Assessment 23/24***(All Amounts Are In Sri Lankan Rupees)*

	<u>Rs.</u>
Brought Forward from 2022/2023	2,329,005.05
Business Loss Incurred the Year 2023/2024	
Total Loss Incured from Business	<u>2,329,005.05</u>
Claimed against Assesable Income from Business 2023/2024	121,806.31
Claimed against Assesable Income from Investment 2023/2024	<u>(1,025,876.76)</u>
Total Claimed against Total Asseasable Income	<u>(904,070.45)</u>
Business Losses Carried Forward to 2024/ 2025	<u>1,424,934.60</u>





**NOTES TO THE TAX COMPUTATION****For The Year Of Assessment 23/24***(All Amounts Are In Sri Lankan Rupees)***Assets Purchased after April 1, 2018**

Asset	Years	Cost		Claimed up to 01.01.24		Charges for the Year		Claimed up to 31.12.24		To be claimed	
		Rs.	Cts.	Rs.	Cts.	Rs.	Cts.	Rs.	Cts.	Rs.	Cts.
<u>Assets Purchased in 18/19</u>											
<i>Office Equipment</i>											
Multimedia Projector	5	-	-	-	-	-	-	-	-	-	-
Scanner	5	-	-	-	-	-	-	-	-	-	-
Electric Kettle and Tea Set	5	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-

**Assets purchased in 20/21**

<i>Office Equipment</i>											
Air conditioner	5	29,127.60		11,651.04		5,825.52		17,476.56		11,651.04	
		29,127.60		11,651.04		5,825.52		17,476.56		11,651.04	
Total Capital Allowance		29,127.60		11,651.04		5,825.52		17,476.56		11,651.04	





**Lanka Microfinance  
Practitioners' Association**

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