

# SRI LANKA CERT (PRIVATE) LIMITED

## FINANCIAL STATEMENTS 2020



**SRI LANKA CERT (PRIVATE) LIMITED**  
**STATEMENT OF PROFIT AND LOSS**

**FOR THE YEAR ENDED 31ST DECEMBER 2020**  
**(ALL FIGURES ARE IN SRI LANKAN RUPEES)**

	<u>NOTE</u>	<u>2020</u> Rs	<u>(Restated)</u> <u>2019</u> Rs
<b>Grant Income</b>	<b>4</b>	109,985,588	118,389,200
<b>Expenses</b>			
Personnel Emoluments	<b>5</b>	(61,305,892)	(53,410,858)
Operational Expenses	<b>6</b>	(19,706,552)	(17,758,775)
Project Expenses	<b>7</b>	<u>(34,018,066)</u>	<u>(47,079,967)</u>
<b>Net Surplus/(Deficit) on Grant Activities</b>		(5,044,921)	139,600
<b>Other Revenue</b>	<b>8</b>	5,481,502	15,905,753
<b>Net Surplus/(Deficit) before Taxation</b>		436,581	15,905,753
Less : Taxation		-	-
<b>Net Surplus/(Deficit) after Taxation</b>		<u><u>436,581</u></u>	<u><u>15,905,753</u></u>



**SRI LANKA CERT (PRIVATE) LIMITED**  
**STATEMENT OF FINANCIAL POSITION**

AS AT 31ST DECEMBER 2020

(ALL FIGURES ARE IN SRI LANKAN RUPEES)

	<u>NOTE</u>	<u>2020</u> Rs	(Restated) <u>2019</u> Rs
<b><u>Assets</u></b>			
<b><u>Non-Current Assets</u></b>			
Property, Plant & Equipment	9	4,740,120	4,626,580
Intangible Assets	10	2,498,747	3,861,700
		<u>7,238,867</u>	<u>8,488,280</u>
<b><u>Current Assets</u></b>			
Prepayments	11	5,221,085	1,387,692
Other Receivables	12	40,215,928	82,714,503
Cash & Cash Equivalents	13	33,267,641	10,476,919
		<u>78,704,653</u>	<u>94,579,114</u>
<b>Total Assets</b>		<b><u>85,943,520</u></b>	<b><u>103,067,394</u></b>
<b><u>Equity &amp; Liabilities</u></b>			
<b><u>Equity</u></b>			
Stated Capital	14	20	20
Accumulated Surplus		61,372,384	60,935,803
<b>Total Equity</b>		<u>61,372,404</u>	<u>60,935,823</u>
Deferred Revenue for Grant Assets	15	7,238,867	8,488,280
Unutilised Grant Income	16	-	11,483,044
<b><u>Non-Current Liabilities</u></b>			
Retirement Benefit	17	13,370,188	12,274,000
<b><u>Current Liabilities</u></b>			
Deferred Revenue for Expenses	18	3,494,061	-
Trade & Other Payables	19	468,000	9,886,247
		<u>3,962,062</u>	<u>9,886,247</u>
<b>Total Equity &amp; Liabilities</b>		<b><u>85,943,520</u></b>	<b><u>103,067,394</u></b>

The Accounting Policies and notes on pages 5 through 19 form an integral part of the Financial Statements.

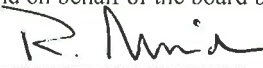
These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007. □


  
 Chief Executive Officer

  
 Nexia Management Services (Pvt) Ltd

The board of directors is responsible for the preparation and presentation of these Financial Statements.

Signed for and on behalf of the board by;

  
 Chairman

  
 Director

DATE OF APPROVAL BY THE BOARD

08 - 02 - 2022



**SRI LANKA CERT (PRIVATE) LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31ST DECEMBER 2020**  
**(ALL FIGURES ARE IN SRI LANKAN RUPEES)**

	Stated Capital Rs	Accumulated Surplus Rs	Total Rs
<b>Balances as at 31st December 2017</b>	20	34,851,154	34,851,174
Surplus for the Year			
- As previously reported	-	12,514,270	12,514,270
- Prior year adjustments (Note 23)		(2,335,374)	(2,335,374)
		10,178,896	10,178,896
<b>Re-stated balance as at 31st December 2018</b>	20	45,030,050	45,030,070
Surplus for the Year	-	15,905,753	15,905,753
<b>As at 31st December 2019</b>	20	60,935,803	60,935,823
Surplus for the Year	-	436,581	436,581
<b>As at 31st December 2020</b>	20	61,372,384	61,372,404

The accounting policies and notes form an integral part of the Financial Statements.  
 Figures in brackets indicate deductions.



**SRI LANKA CERT (PRIVATE) LIMITED**  
**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31ST DECEMBER 2020**  
**(ALL FIGURES ARE IN SRI LANKAN RUPEES)**

	Note	<u>2020</u> Rs	(Restated) <u>2019</u> Rs
<b>Cash Flows from Operating Activities</b>			
Surplus/(Deficit) for the Year		436,581	15,905,753
<b>Adjustments for;</b>			
Depreciation & Amortization		2,493,121	482,299
Provision for Gratuity		2,581,188	1,574,750
Gratuity Paid		(1,485,000)	(1,725,000)
Deferred Revenue for Grant Assets Adjustment		(1,249,413)	8,468,279
		<u>2,776,477</u>	<u>24,706,082</u>
<b>Working Capital Changes</b>			
(Increase) / Decrease in Prepayments		(3,833,393)	(88,380)
Increase / (Decrease) in Other Payables		(9,418,247)	(3,214,748)
Increase / (Decrease) in Unutilised Grant Income		(11,483,044)	11,483,044
Increase / (Decrease) in Deferred Rev for Exp		3,494,061	-
(Increase) / Decrease in Other Receivables		42,498,575	(28,985,529)
		<u>24,034,430</u>	<u>3,900,469</u>
<b>Cash Flows from Investing Activities</b>			
Acquisition of Property, Plant & Equipments		(1,243,709)	(8,950,579)
Net Cash Generated (Used in) from Investing Activities		<u>(1,243,709)</u>	<u>(8,950,579)</u>
Cash & Cash Equivalents as at the beginning of the Year		10,476,919	15,527,029
Net Cash Generated (Used in) during the Year		22,790,721	(5,050,110)
<b>Cash &amp; Cash Equivalents as at the End of the Year</b>	(A)	<u><u>33,267,641</u></u>	<u><u>10,476,919</u></u>
<b>(A) <u>Analysis of Cash &amp; Cash Equivalents as at the end of the year</u></b>			
Cash at Bank & in Hand		33,267,641	10,476,919
		<u><u>33,267,641</u></u>	<u><u>10,476,919</u></u>



**SRI LANKA CERT (PVT) LTD****NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020****1. CORPORATE INFORMATION****1.1. General**

Sri Lanka CERT (Pvt) Ltd was established in June 2006 as an affiliate of ICTA to be the National Centre for Cyber Security. Sri Lanka CERT|CC is separated from ICT Agency of Sri Lanka in August 2018 with an independent operational body under Ministry of Digital Infrastructure & Information Technology. At the beginning of 2020 Sri Lanka CERT|CC was under the Ministry of Defence and was assigned to Presidential Secretariat on 25 September 2020 by the Gazette No. 2194/74. Thereafter, Sri Lanka CERT|CC was reassigned to Ministry of Technology on 20th November 2020 by the Gazette No. 2202/25.

Sri Lanka CERT|CC has been mandated to be the focal point for preventing, protecting against and responding to cyber security threats and vulnerabilities in Sri Lanka's ICT infrastructure and to liaise with all government organizations, private sector, academia and non-government organizations to disseminate information relevant to potential Cyber Security threats and providing assistance to mitigate such incidents.

**1.2. Principal Activities and Nature of Operations****Sri Lanka CERT activities include;**

- Responsive services such as incident handling that involves responding to a request or notification by a constituent that an unusual event has been detected, which may be affecting the performance, availability or stability of the services or cyber systems belonging to that constituent.
- Awareness services, such as conducting of cyber security awareness programs for the general public including school children, and the conduct of seminars, conferences and workshops for professionals in both the state and private sectors and maintaining an up to date knowledge base relating to cyber security in the Sri Lanka CERT website.
- Provision of consultancy services such as digital forensics investigations, vulnerability assessments, network security assessments, and information security policy development and implementation.

**1.3. Date of Authorization for Issue**

The financial statements of Sri Lanka CERT (Pvt) Ltd for the year ended December 31, 2020 was authorized for issuance by the directors on 08th February 2022.

**2. BASIS OF PREPARATION**

The financial statements which have been presented in Sri Lankan Rupees and on a historical cost basis.



**SRI LANKA CERT (PVT) LTD****NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020****2.1. Statement of compliance**

The financial statements of the company, have been prepared and presented in accordance with the Sri Lanka Accounting Standards for Small and Medium sized Entities laid down by the Institute of Chartered Accountants of Sri Lanka, and comply with the requirements of Companies Act No 7 of 2007

**2.2 Use of Estimates & Judgments**

- The preparation of financial statements in conformity with SLFRS/LKAS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.
- The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**2.3 Going Concern**

The Directors have made an assessment on the Company's ability to continue as a going concern and they do not intend either to liquidate or to cease operations.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****3.1 Foreign Currency Translation**

The financial statements are presented in Sri Lankan Rupees, which is the company's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the Statement of Financial Position date. All differences are taken to Statement of Comprehensive Income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at dates of the initial translations. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

**3.2. Other Receivables**

Other Receivables and dues from related parties are recognized at Cost.



SRI LANKA CERT (PVT) LTDNOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2020**3.3 Cash & Cash Equivalents**

Cash & cash equivalents are 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 and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investment with short maturities i.e. three months or less from the date of acquisition is also treated as cash equivalents.

**3.4 Financial Instruments****(a) Initial Recognition and Measurement**

The Company recognizes a financial asset or a financial liability in its statement of financial position when the entity become party to the contractual provisions of the instrument.

Company initially measures its financial assets at fair value plus in case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Company initially measures its and liabilities at fair value minus in case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liabilities.

Despite the above paragraph, at initial recognition, the company measures trade receivables at their transaction price as defined in SLFRS 15.

**(b) Classification of Financial Assets**

- Financial assets are classified as subsequently measured at amortised cost, Fair Value through other comprehensive income or fair value through profit or loss based on
- The company's business model for managing the financial assets and
- The contractual cash flow characteristics of the financial assets

**(i) Financial Assets measured at Amortized cost**

A Financial asset is measured at amortised cost if both the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and





SRI LANKA CERT (PVT) LTDNOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2020Financial Assets measured at Amortized cost (Cont'd)

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

*(c) Classification of Financial liabilities*

Financial liabilities are subsequently measured at amortized cost, except for,

- Financial liabilities at fair value through profit or loss.
- Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies
- Financial guarantee contracts
- Commitments to provide a loan at a below-market interest rate

*(d) Reclassification*

- (i) Financial assets are reclassified when and only when the company changes its business model for managing financial assets.

If the company reclassifies financial assets, such reclassification is applied prospectively from the reclassification date and previously recognized gains, losses (including impairment gains or losses) are not restated.

Guidance in paragraphs 5.6.1 to 5.6.7 to SLFRS 09 - Financial instruments are applied in the event of a reclassification of financial assets.

- (ii) Financial liabilities are not reclassified

*(e) Amortised cost Measurement*

Interest revenue is calculated by using the effective interest method by applying effective interest rate to the gross carrying value originated credit impaired financial assets

- Purchased or Originated credit impaired financial assets.
- Financial assets that are not purchased or originated credit impaired financial assets but subsequently have become credit impaired financial assets.



SRI LANKA CERT (PVT) LTDNOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2020**3.4.1. Impairment****(a) Impairment**

The company recognizes a loss allowance for expected credit losses on a financial asset.

Where on the reporting date the credit risk on the financial instrument has increased significantly since initial recognitions, loss allowances at an amount equal to the lifetime expected credit losses is made.

Where on the reporting date the credit risk on the financial instrument has not increased significantly since initial recognitions, loss allowances is measured for that financial instrument at an amount equivalent to 12 month expected credit losses.

**(b) Derecognition of Financial Assets**

The company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire, or
- it transfers the financial asset and the transfer qualifies for derecognition.

**(c) Derecognition of Financial Liabilities**

A financial liability is removed (or a part of a financial liability) from its statement the financial position when, and only when, it is extinguished—ie when the obligation specified in the contract is discharged or cancelled or expired.

**(d) Impairment of other non-financial assets**

Assets that have indefinite useful lives are not subject to amortization and tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

**SRI LANKA CERT (PVT) LTD****NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020****3.4.2. De-recognition**

A financial asset (or, where applicable a part of a financial asset or part of a Group of similar financial assets) is de-recognised when:

- The rights to receive cash flows from the asset have been expired.
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (a) The Company has transferred substantially all the risks and rewards of the asset,  
Or
  - (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of it, the asset is recognised to the extent of the Company's continuing involvement in it. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continued involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**3.5. Property, Plant and Equipment**

Property, plant and equipment are stated at cost excluding the costs of day today servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing parts of the plants and equipment when that cost is incurred, if the recognition criteria are met.

Depreciation is calculated on a straight-line basis at the following rates.

Asset	Rate
Office Equipment	20%
Computers	20%
Furniture & Fittings	20%



**SRI LANKA CERT (PVT) LTD****NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020****3.6. Intangible Assets**

Intangible Assets are recognized, if it is probable that economic benefits are attributable to the assets will flow to the entity and cost of the assets can be measured reliably.

**3.6.1. Software and Publication**

All computer software costs incurred, which are not internally related to associate hardware, which can be clearly identified, reliably measured and it's probable that they will lead to future economic benefits, are included in the Statement of Financial Position under the category of intangible assets and carried at cost less accumulated amortization and any accumulated impairment losses.

**3.6.2 Subsequent Expenditure**

Expenditure incurred on software is capitalized, only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

**3.6.3. Amortization**

Amortization is calculated on a straight-line basis at the following rate or useful life , whichever is less. (The useful life of the software is 3 years)

Asset	Amortization rate
Software and publication	20%

**3.7. Retirement Benefit Obligations****a) Defined Benefit plan- Gratuity**

Gratuity is a defined benefit plan. The company is liable to pay gratuity in terms of the relevant statute. In order to meet this liability, a provision is carried forward in the Statement of Financial Position, equivalent to an amount calculated based on a half month's salary of the last month of the financial year of all employees for each completed year of service, commencing from the first year of service. The resulting difference between brought forward provision at the beginning of a year net of any payments made, and the carried forward provision at the end of a year is dealt with in the Statement of Comprehensive Income.



**SRI LANKA CERT (PVT) LTD****NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020****b) Defined Contribution Plans-Employees' Provident Fund & Employees' Trust Fund**

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

**3.8. Grants & Subsidies**

Grants are recognized where there is reasonable assurance that the grant will be received and all attaching conditions are complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is set up as deferred income. Where the company receives non-monetary grant, the asset and that grant are recorded at nominal amounts and released to the Statement of Comprehensive income over the expected useful life of the relevant asset by equal installments.

**3.9. Unutilized Grant Income**

Unutilized grant income represents grants received during the year 2019. However relevant expenditure for the said grant received have not been incurred. Therefore, the said grant received is recognized as unutilized grant income & shown immediately after equity. This amount will be transferred to statement of Profit & Loss when relevant expenditure is incurred in future.

**3.10. Revenue Recognition**

In consultation with the Sri Lanka Accounting and Auditing Standards Monitoring Board and in accordance with the requirements of LKAS -20- Government Grants and Disclosure of Government Assistance, the company recognized during the year as income and the outlays on project implementation.

**3.11. Interest**

Revenue is recognized on a time proportion basis that takes in to accounts the effective interest rate on asset.

**3.12. Other**

Other income is recognized on accrual basis.



**SRI LANKA CERT (PRIVATE) LIMITED****NOTES TO THE STATEMENT OF PROFIT AND LOSS**

FOR THE YEAR ENDED 31ST DECEMBER 2020

(ALL FIGURES ARE IN SRI LANKAN RUPEES)

	<u>2020</u>	<u>(Restated)</u> <u>2019</u>
	Rs	Rs
<b>NOTE 04 GRANT INCOME</b>		
Grant Income - Operational	62,205,423	70,687,334
Grant Income - Project	33,804,000	47,219,566
Deferred Grant Income - On Grant Assets	2,493,121	482,299
Transferred from Unutilised Grant Income A/C	11,483,044	-
	<b>109,985,588</b>	<b>118,389,200</b>
<b>NOTE 05 PERSONNEL EMOLUMENTS</b>		
Salaries & Wages	42,889,733	36,696,500
EPF Expenses	5,146,768	4,403,580
ETF Expenses	1,286,692	1,104,765
Consultant fees	8,520,000	8,520,000
Interns Allowance	586,332	661,164
Gratuity Provision	2,581,188	1,574,750
Over Time	295,179	450,099
	<b>61,305,892</b>	<b>53,410,858</b>
<b>NOTE 06 OPERATIONAL EXPENSES</b>		
Telephone & Internet Charges	2,560,693	2,575,692
Insurance Expense	1,806,261	1,558,215
Rent Expense	8,412,336	5,358,455
Travelling - Foreign	-	1,669,360
IT Equipments Maintenance	212,465	154,293
Professional Fees	1,020,000	1,020,000
Secretarial Fee	474,620	286,300
Bank Charges	18,150	15,250
Courier Charges	82,392	93,753
Maintenance & Repairs Expense	98,142	174,512
News papers & periodicals	24,690	24,900
Audit Fee	150,000	150,000
Meeting Expenses	73,230	65,763
Other Office Expense	58,528	93,789
Tax surcharge	-	10,000
Water	42,234	62,188
Staff Welfare	73,231	779,496
License Renewal	1,172,419	1,919,113
Advertising Expense	67,592	14,400
Training Expenses	-	227,600
Travelling - Local	658,046	712,348
Stationery & Printing	208,404	311,048
Depreciation & Amortization	2,493,121	482,299
	<b>19,706,552</b>	<b>17,758,775</b>



**SRI LANKA CERT (PRIVATE) LIMITED**  
**NOTES TO THE STATEMENT OF PROFIT AND LOSS**

**FOR THE YEAR ENDED 31ST DECEMBER 2020**

(ALL FIGURES ARE IN SRI LANKAN RUPEES)

	<u>2020</u>	(Restated) <u>2019</u>
	Rs	Rs
<b><u>NOTE 07 PROJECT EXPENSES</u></b>		
Sri Lanka Telecom PLC	13,919,040	16,283,472
Epic Lanka (Pvt) Ltd	10,368,000	12,768,000
The Associated Newspapers of C	43,740	756,596
Aitken Spence Travels (Pvt) Ltd	-	9,564,320
Data Management Systems (Pvt) Ltd	3,832,637	-
LOLC Technologies Limited	-	3,703,019
KPMG	2,948,400	-
BOD Malayasia IT Auditors	-	2,366,539
S W R D Bandaranaike Memorial	911,736	-
Multi Tech Solutions (Pvt) Ltd	776,100	-
Tertiary and Vocational Education	700,000	-
ISACA Sri Lanka Chapter	-	1,432,520
Procons Infotech (Pvt) Ltd	250,000	-
Institute for Participatory Interaction	124,500	-
Techno Forms (Pvt) Ltd	-	62,000
Other	37,663	-
Pace Institute (Pvt) Ltd	71,250	-
CPCP members	35,000	75,000
TEC & PPC members	-	68,500
	<b><u>34,018,066</u></b>	<b><u>47,079,967</u></b>

**NOTE 08 OTHER REVENUE**

Earned Revenue		
- Cyber Security Week 2020	-	9,636,478
- Manage security services & others	5,102,891	6,129,675
Interest Income	378,611	-
	<b><u>5,481,502</u></b>	<b><u>15,766,153</u></b>



**SRI LANKA CERT (PRIVATE) LIMITED****NOTES TO THE STATEMENT OF FINANCIAL POSITION**

AS AT 31ST DECEMBER 2020

(ALL FIGURES ARE IN SRI LANKAN RUPEES)

**NOTE 09 PROPERTY, PLANT & EQUIPMENT**

9.1	Cost	Balance as at 01.01.2020 Rs	Additions Rs	Disposals/ Transfers Rs	Balance as at 31.12.2020 Rs
	Furniture and Fittings	2,999,607	820,869	-	3,820,475
	Computers	14,634,960	422,840	-	15,057,800
	Office Equipment	641,435	-	-	641,435
		<b>18,276,002</b>	<b>1,243,709</b>	<b>-</b>	<b>19,519,710</b>
9.2	Accumulated Depreciation	Balance as at 01.01.2020	Charge for the Year	Disposals/ Transfers	Balance as at 31.12.2020
	Furniture and Fittings	2,999,607	63,835	-	3,063,442
	Computers	10,114,184	1,043,696	-	11,157,880
	Office Equipment	535,631	22,637	-	558,268
		<b>13,649,422</b>	<b>1,130,169</b>	<b>-</b>	<b>14,779,590</b>
9.3	Net Book Value			<u>2020</u> Rs	<u>2019</u> Rs
	Furniture and Fittings			757,033	-
	Computers			3,899,920	4,520,776
	Office Equipment			83,167	105,804
				<b>4,740,120</b>	<b>4,626,580</b>

Sri Lanka CERT (Pvt) Ltd executed its valuation of all assets classes in December 2021 through the Valuation Department. The valuation report will be issued in January 2022 by them.





**SRI LANKA CERT (PRIVATE) LIMITED****NOTES TO THE STATEMENT OF FINANCIAL POSITION**

AS AT 31ST DECEMBER 2020

(ALL FIGURES ARE IN SRI LANKAN RUPEES)

**NOTE 10 INTANGIBLE ASSETS**

10.1	Cost	Balance as at 01.01.2020 Rs	Additions Rs	Disposals/ Transfers Rs	Balance as at 31.12.2020 Rs
	Software and Publications	6,915,175	-	-	6,915,175
		<b>6,915,175</b>	<b>-</b>	<b>-</b>	<b>6,915,175</b>
10.2	Accumulated Amortisation	Balance as at 01.01.2020	Charge for the Year	Disposals/ Transfers	Balance as at 31.12.2020
	Software and Publications	3,053,476	1,362,953	-	4,416,429
		<b>3,053,476</b>	<b>1,362,953</b>	<b>-</b>	<b>4,416,429</b>
10.3	Carrying Value			2020 Rs	2019 Rs
	Software and Publications			2,498,747	3,861,700
				<b>2,498,747</b>	<b>3,861,700</b>



**SRI LANKA CERT (PRIVATE) LIMITED****NOTES TO THE STATEMENT OF FINANCIAL POSITION**

AS AT 31ST DECEMBER 2020

(ALL FIGURES ARE IN SRI LANKAN RUPEES)

	<u>2020</u>	<u>(Restated)</u> <u>2019</u>
	Rs	Rs
<b>NOTE 11 PREPAYMENTS</b>		
Prepaid Expenses - Insurance	1,727,023	1,387,692
- License Renewal	3,494,061	-
	<u>5,221,085</u>	<u>1,387,692</u>
<b>NOTE 12 OTHER RECEIVABLES</b>		
ICT Agency of Sri Lanka (Pvt) Ltd.	40,215,928	40,215,928
Government Grant Receivables - Operational Fund	-	7,760,675
- Projects	-	34,737,900
	<u>40,215,928</u>	<u>82,714,503</u>
<b>NOTE 13 CASH AND CASH EQUIVALENTS</b>		
BOC A/C	(16,139,911)	10,456,919
Savings A/C	28,397,140	-
Fixed Deposit	20,270,411	-
Bank Guarantee Margin A/C	720,000	-
Petty Cash	20,000	20,000
	<u>33,267,641</u>	<u>10,476,919</u>
<b>NOTE 14 STATED CAPITAL</b>		
Fully Paid 02 Ordinary Shares	20	20
	<u>20</u>	<u>20</u>
<b>NOTE 15 DEFERRED LIABILITY FOR GRANT ASSETS</b>		
Amount Recognized as at 01st January	8,488,280	20,000
Income Deferred during the Year	1,243,709	8,950,579
	<u>9,731,989</u>	<u>8,970,579</u>
Transferred to Profit & Loss A/c	(2,493,121)	(482,299)
Balance as at 31st December	<u>7,238,867</u>	<u>8,488,280</u>
<b>NOTE 16 UNUTILISED GRANT INCOME</b>		
Unutilised Grant Income as at 01 January	11,483,044	-
Unutilised Grant Income A/C for the year	-	11,483,044
	<u>11,483,044</u>	<u>11,483,044</u>
(-) Transferred to Profit & Loss A/c	(11,483,044)	-
Balance as at 31st December	<u>-</u>	<u>11,483,044</u>



**SRI LANKA CERT (PRIVATE) LIMITED****NOTES TO THE STATEMENT OF FINANCIAL POSITION**

AS AT 31ST DECEMBER 2020

(ALL FIGURES ARE IN SRI LANKAN RUPEES)

	<b>2020</b>	<b>(Restated)</b>
	Rs	Rs
<b>NOTE 17 RETIREMENT BENEFITS</b>		
Balance as at 01st January	12,274,000	12,424,250
Charge for the Year	2,581,188	1,574,750
Payments	(1,485,000)	(1,725,000)
Balance as at 31st December	<b>13,370,188</b>	<b>12,274,000</b>

The gratuity liability is funded in a fixed deposit and not actuarially valued.

**NOTE 18 Deferred Revenue for Expenses**

Deferred Revenue for Prepaid Expenses	3,494,061	-
	<b>3,494,061</b>	-

**NOTE 19 OTHER PAYABLES**

CAS Corporate Services (Pvt) Ltd	-	73,000
Digital Mobility Solutions	-	62,024
Lanka Bell Ltd	-	14,327
Auditor General - Audit Fee 2016 & 2017	-	336,000
Auditor General - Audit Fee 2018 & 2019	318,000	318,000
Auditor General - Audit Fee 2020	150,000	-
ANCL - Lake House	-	134,303
CPCP members	-	75,000
Epic Lanka (Pvt) Ltd	-	2,648,000
ISACA Sri Lanka Chapter	-	1,432,520
LOLC Technologies Limited	-	982,062
Sri Lanka Telecom PLC	-	3,680,512
TEC & PPC members	-	68,500
Techno Forms (Pvt) Ltd	-	62,000
	<b>468,000</b>	<b>9,886,247</b>

**NOTE 20 RELATED PARTY DISCLOSURES**

20.1 Details of significant related party disclosures are as follows:

**Related Party****Relationship****Nature of Transaction**

Balance as at 01st January	-	-
Expenses borne by the company	-	-
Amount received from the related party	-	-
Balance as at 31st December	-	-



**SRI LANKA CERT (PRIVATE) LIMITED**  
**NOTES TO THE STATEMENT OF FINANCIAL POSITION**

**AS AT 31ST DECEMBER 2020**

(ALL FIGURES ARE IN SRI LANKAN RUPEES)

**20.2 Transactions with key management personnel of the company.**

According to LKAS 24 'Related Party Disclosures', Key Management personnel are those having authority and responsibility for planning, directing and controlling the activities of the entity.

	<u>2020</u>	<u>2019</u>
<b>Key Management Personnel Compensation</b>		
Short-Term Employee Benefits	-	-
	-	-

**NOTE 21 EVENTS OCCURRING AFTER THE REPORTING PERIOD**

There have been no material events occurred after the reporting date that require adjustments to or disclosure of the financial statements.

**NOTE 22 COMMITMENTS AND CONTINGENCIES**

**22.1 Commitments**

There were no capital expenditure commitments outstanding at the reporting date.

**22.2 Contingencies**

There were no significant contingent liabilities as at reporting date.

**NOTE 23 ADJUSTMENT ON CORRECTION OF ERROR**

The company has restated the financial statements for the year 31st December 2018. The restatement reflects the corrections in accounting related to Amount Receivable from ICT Agency (Pvt) Ltd.

The amount of Rs. 2,335,374/- received from ICTA to settle project expense in 2018, the company accounted as Project Income while the ICT Agency (Pvt) Ltd (ICTA) recorded to settle the Amount Payable to Sri Lanka CERT (Pvt) Ltd. It was corrected as follows;

	Rs
Receivable from ICT Agency (Pvt) Ltd as at 01/01/2018	42,551,302
Less : Amount received from ICTA	<u>(2,335,374)</u>
Receivable from ICT Agency (Pvt) Ltd as at 31/12/2018	<u>40,215,928</u>

