

*LIVING CHURCH OF GOD*

*FINANCIAL STATEMENTS*

*AUDIT FOR THE YEAR ENDED*

*31<sup>ST</sup> MARCH - 2006*

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# G. M. S. Associates

Chartered Accountants

No. 120, Arnold Ratnayaka Mawatha, Colombo - 10, Sri Lanka.  
Tel : 0112 683358 Fax : 0115 332503 E-mail : [namal@eol.lk](mailto:namal@eol.lk)

## Partners

B. Gamini Peiris B. Com. Spe. A. C. A.

Mohamed Murath B. Com. A. C. A.

Y. J. Sunimal Perera A. C. A. FSCMA.

## AUDITOR'S REPORT TO THE MEMBERS OF LIVING CHURCH OF GOD

*RE : Financial Statements for the  
Year ended 31<sup>st</sup> March 2006*

*We have audited the Balance Sheet of **LIVING CHURCH OF GOD** as at 31<sup>st</sup> March 2006 and the related statements of Income and Expenditure Account for the year then ended, together with the accounting policies and notes as set out therein.*

### **Respective Responsibilities of Directors and Auditors**

*The Directors are responsible for preparing and presenting these financial statements in accordance with the Sri Lanka Accounting Standards. Our responsibility is to express an opinion on these financial statements, based on our audit.*

### **Basis of Opinion**

*We conducted our audit in accordance with the Sri Lanka Auditing Standards, which require that we plan and perform the audit to obtain reasonable assurance about whether the said financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the said financial statements, assessing the accounting principles used and significant estimates made by the directors, evaluating the overall presentation of the financial statements, and determining whether the said financial statements are prepared and presented in accordance with the Sri Lanka Accounting Standards. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. We therefore believe that our audit provides a reasonable basis for our opinion.*

### **Opinion**

*In our opinion, so far as appears from our examination, proper books of account have been maintained by the Company, and to the best of our information and according to explanations given to us, the Balance Sheet and Income and Expenditure account which are in agreement therewith, read together with the notes referred to therein, provide the information required by the Companies Act No. 17 of 1982 and give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2006, and of its net results for the year then ended, in conformity with generally accepted accounting principles to be applied consistently.*

### **Directors' Interest in Contracts with the Company**

*According to information available to us, no Director of the Company, is directly or indirectly interested in a contract with the Company, other than those disclosed by way of notes to the accounts and those in the normal course of business.*

**G. M. S. ASSOCIATES**  
Chartered Accountants.  
08<sup>th</sup> November 2006





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No. 120, Arnold Ratnayaka Mawatha, Colombo - 10, Sri Lanka.

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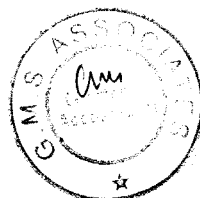
Y. J. Sunimal Perera A. C. A. FSCMA.

## LIVING CHURCH OF GOD BALANCE SHEET AS AT 31ST MARCH - 2006

	<u>Note</u>	2006 Rs	2005 Rs
<b><u>ASSETS</u></b>			
<b><u>Cash &amp; Cash Equivalents</u></b>			
Bank Accounts		100,417.07	89,097
Petty Cash		44,066.92	7,603
<b><u>Deposits &amp; Prepayments</u></b>			
Rent - Deposit		360,000.00	360,000
Internet Prepayment		-	2,200
<b>TOTAL CURRENT ASSETS</b>		<b>504,483.99</b>	<b>458,900</b>
Property Plant & Equipment	2	250,582.80	287,091
<b>TOTAL ASSETS</b>		<b>755,066.79</b>	<b>745,992</b>
<b><u>LIABILITIES &amp; UNRESTRICTED NET ASSETS</u></b>			
<b><u>Current Liabilities</u></b>			
Accounts Payable	3	11,000.00	5,000
<b><u>UNRESTRICTED NET ASSETS</u></b>			
<b><u>Accumilated Fund</u></b>			
Balance B/F		740,991.78	350,127
Net Income for the year		3,075.01	390,865
<b>TOTAL LIABILITIES &amp; UNRESTRICTED NET ASSETS</b>		<b>755,066.79</b>	<b>745,992</b>

.....  
Director.

.....  
Director.



LIVING CHURCH OF GOD  
INCOME & EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH - 2006

	<u>NOTE</u>	2006 <u>RS</u>	2005 <u>RS</u>
TOTAL INCOME	4	<u>505,768.00</u>	<u>954,725</u>
<u>LESS : EXPENSES</u>			
Church	5	494,578.89	521,807
Administrative	6	8,114.10	42,053
Total Expenses		<u>502,692.99</u>	<u>563,860</u>
NET INCOME		<u><u>3,075.01</u></u>	<u><u>390,865</u></u>

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**LIVING CHURCH OF GOD**  
**NOTES TO THE ACCOUNTS AS AT 31ST MARCH - 2006**

**NOTE - 01**  
**ACCOUNTING POLICIES**

1.1 GENERAL

The Living Church Of God has been incorporated as a Limited Liability company on 11th July 2002.

1.2 The Financial Statements of Living church of God have been prepared in conformity with generally accepted accounting Principles on a historical cost basis.

1.3 The revenue has been accounted for on a cash basis and the costs have been accrued and recorded in the financial statements of the period to which they relate.

1.4 Property, Plant & Equipment

Property, Plant & Equipment are stated on the Balance sheet as at cost Less Depreciation. Depreciation is not provided for in the year of purchase while a full year's Provisions is made in the year of disposal. The annual rates of depreciation are as follows :

Furniture & Fittings	10%
Office Equipment	20%



**LIVING CHURCH OF GOD**  
**NOTES TO THE ACCOUNTS AS AT 31ST MARCH - 2006**

**NOTE - 02**  
**PROPERTY PLANT & EQUIPMENT**

	Furniture & Fittings	Office Equipment	Total
<b>COST</b>			
Balance as at 01.04.2005	32,696.00	314,695.00	347,391.00
Additions	-	29,700.00	29,700.00
Disposal	-	1,500.00	1,500.00
Note - 02 A	32,696.00	342,895.00	375,591.00
<b>DEPRECIATION</b>			
Balance as at 01.04.2005	8,590.60	51,709.00	60,299.60
Charge for the year	3,269.60	61,439.00	64,708.60
	11,860.20	113,148.00	125,008.20
<b>W. D. Value</b>			
Balance as at 31.03.2006	20,835.80	229,747.00	250,582.80
Balance as at 31.03.2005	24,105.40	262,986.00	287,091.40

	2006	2005
	<u>RS</u>	<u>RS</u>
<b>NOTE - 03</b>		
<b>CURRENT LIABILITIES</b>		
<b>ACCOUNTS PAYABLE</b>		
Audit Fees	11,000.00	5,000
	<u>11,000.00</u>	<u>5,000</u>

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**G. M.S. ASSOCIATES**  
**Chartered Accountants**

**NOTE - 02 A**

**LIST OF PROPERTY PLANT & EQUIPMENT**

Description	Cost Furniture & Fittings	Office Equipment
<b><u>Purchase on 2001/2002</u></b>		
Fascimile Machine	-	7,000
Rice Cooker	-	3,500
Wall Fans	-	6,500
Ceiling Fan (White)	-	2,500
Pedastal Fan (Blue)	-	4,500
Table Fan (Blue)	-	3,500
Pedastal Fan (Maroon)	-	2,500
Microphone Stand	-	2,350
Wooden Table	4,400	
Plastic Chair	22,275	
<b><u>Purchase on 2002/2003</u></b>		
Computer & Printer	-	50,000
Steel Cupboard	6,021	-
<b><u>Purchase on 2003/2004</u></b>		
Television	-	41,150
Modem	-	1,650
Amplifier Stand	-	2,795
DVD Player	-	10,000
Modem	-	1,400
<b><u>Purchase on 2004/2005</u></b>		
Tithe Box & Notice Board	-	3,000
Panasonic 5CD Changer	-	14,000
Amplifier, 2 Speaker & Mixer	-	59,300
A/C Machine	-	97,550
<b><u>Purchase on 2005/2006</u></b>		
Water Dispenser	-	10,000
Lectern	-	8,000
Microphone	-	11,700
	32,696	342,895

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**LIVING CHURCH OF GOD**  
**NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2006**

	2006	2005
	<u>RS</u>	<u>RS</u>
<b><u>NOTE - 04 - INCOME</u></b>		
First Tithe	423,145.00	897,930
HDO FOT	18,970.00	11,650
HDO ULB - 1	6,320.00	6,145
HDO ULB - 2	12,890.00	6,290
HDO Pentecost	6,340.00	6,150
HDO Trumpets	8,320.00	5,270
HDO Atonement	8,700.00	4,490
HDO FOT Last Great Day	19,583.00	16,300
Profit on Asset Disposal (Note 04A)	1,500.00	500
<b>TOTAL INCOME</b>	<b>505,768.00</b>	<b>954,725</b>

**NOTE - 04A**

**PROFIT ON ASSET DISPOSAL**

Sale Proceed		1,500.00
<u>Less: W.D.V</u>		
Cost	1,500.00	
Provision for Depreciation	1,500.00	-
	<b>1,500.00</b>	

**NOTE - 05 - CHURCH**

Telephone	-	23,601
Internet	8,721.00	3,200
Postage & Clearing Charges	1,202.00	3,290
Field Travel & Lodging	14,427.29	39,780
Equip Maintenance & Upkeep	9,845.00	1,850
Office & Misc. Supplies	25,225.00	33,897
Sabbath Hall Rent	360,000.00	360,000
FOT Expenses	2,950.00	24,500
Depreciation Exp. Equip & Furniture	66,208.60	31,689
Stationary	2,159.00	-
Building Maintenance & Repair	3,841.00	-
<b>TOTAL CHURCH</b>	<b>494,578.89</b>	<b>521,807</b>





LIVING CHURCH OF GOD  
NOTES TO THE ACCOUNTS AS AT 31ST MARCH 2006

	2006	2005
	<u>RS</u>	<u>RS</u>
<b><u>NOTE - 06</u></b>		
<b><u>ADMINISTRATIVE</u></b>		
<b><u>CORPORATE MANAGEMENT</u></b>		
Legal Fees	-	11,000
Secretarial Fees	-	25,000
<b>TOTAL CORPORATE MANAGEMENT</b>	<b>-</b>	<b>36,000</b>
<b><u>OFFICE ADMINISTRATIVE</u></b>		
Bank Charges	1,000.00	1,053
Debit Tax	1,114.10	-
Audit Fees	6,000.00	5,000
<b>TOTAL OFFICE ADMINISTRATIVE</b>	<b>8,114.10</b>	<b>6,053</b>
<b>TOTAL ADMINISTRATIVE</b>	<b>8,114.10</b>	<b>42,053</b>

