



CPM SRI LANKA

2018/19

# ANNUAL REPORT 2018 / 19





We are ready to  
**TRANSFORM**  
ourselves with greater resilience

The Institute of CHARTERED Professional Managers of Sri Lanka, formerly the Institute of Certified Professional Managers has been predominant in promoting Professional Management in Sri Lanka with its best Management Practices and Standards with great accomplishment.

To strengthen the brand of the Institute with the momentum of new era, CPM Sri Lanka is ready to be the most sought Professional Management qualification in Sri Lanka.

## Notice of Annual General Meeting

Notice is hereby given that the Tenth Annual General Meeting of The Institute of Chartered Professional Managers of Sri Lanka will be held on Thursday, 19<sup>th</sup> December 2019 at Victorian Hall, The Kingsbury Hotel, Colombo at 5.30 pm to consider the following;

## Agenda

01. To receive and adopt the report of the Governing Council for the year ending 31<sup>st</sup> March 2019.
02. To receive and adopt the audited accounts and the auditor's report for the year ending 31<sup>st</sup> March 2019.
03. To reappoint KPMG Chartered Accountants, as auditors of the Institute for the Financial Year 2019/2020 and to authorise the Governing Council to determine their remuneration.
04. Any other business of which prior notice has been given.

By order of the Governing Council,



M. B. Ismail  
Treasurer  
05<sup>th</sup> December 2019





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## Vision & Mission



VISION

**TO ACHIEVE EXCELLENCE IN PROFESSIONAL MANAGEMENT AND BE THE LEADING ORGANIZATION FOR PROFESSIONAL MANAGERS IN SRI LANKA.**

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**TO PROMOTE THE HIGHEST STANDARDS IN PROFESSIONAL MANAGEMENT THROUGH EXCELLENCE IN ETHICS, GOVERNANCE AND INNOVATION.**

## Objectives


**TO INNOVATE, LEAD AND SUSTAIN QUALITY IN PROFESSIONAL MANAGEMENT THROUGH INTEGRITY AND ACCOUNTABILITY.**

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**TO FACILITATE NETWORKING AND KNOWLEDGE SHARING AMONG PROFESSIONALS AT NATIONAL AND INTERNATIONAL LEVELS.**

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**TO PROMOTE THE STUDY OF MANAGEMENT AND TO ENCOURAGE RESEARCH INTO THE BEST MEANS AND METHODS OF APPLYING THE PRINCIPLES AND TECHNIQUES OF MANAGEMENT.**



**The best executive is the one who has sense enough to pick good men to do what he wants done, and self-restraint to keep from meddling with them while they do it."**

## Promoting Best Practice

**T**he Institute of Chartered Professional Managers of Sri Lanka (CPM Sri Lanka) is a Professional Body for Managers set up with the assistance of All India Management Association (AIMA) and CMA Sri Lanka (CMASL). It provides membership to managers at three levels, Associate (ACPM), Member (MCPM) and Fellow (FCPM). It is also engaged in the conduct of a professional management programme, postgraduate diploma in management, executive management development programs, knowledge sharing sessions, research forums, international management conferences and publication of bi-annual journals for the members and corporates.

CPM Sri Lanka is recognized internationally and is an active member of the Association of Management Development Institutions in South Asia (AMDISA). AMDISA includes Management Institutes of all the SAARC Countries including its members from India, Pakistan, Bangladesh, Sri Lanka, Maldives, Nepal and Bhutan.

CPM Sri Lanka is organizing Executive Management Education programmes conducted by renowned Management Gurus from the Indian Institute of Management Ahmedabad (IIMA) the Top Management School in India and Asia in association with CMA Sri Lanka and supported by AMDISA.

CPM Sri Lanka has signed an MOU with the Malaysian Institute of Management (MIM) to facilitate professional development, knowledge exchange and capacity building in order to develop competent management professionals in Sri Lanka.

CPM Sri Lanka is also providing practical experience in private and public sector entities and establishing a link between the private and public sectors for the advancement of professional managers. CPM is working with AMDISA on the Corporate Learning Improvement Process (CLIP) and wish to invite organizations to participate in this program and to be associated with companies in SAARC Countries.

# REVIEW OF THE PRESIDENT GOVERNING COUNCIL



**PROF.  
LAKSHMAN  
R. WATAWALA**

President  
CPM Sri Lanka

“It gives me great pleasure to present to you the Annual Report and the Audited Financial Statements of the Institute of Chartered Professional Managers of Sri Lanka (CPM Sri Lanka) for the year ended 31<sup>st</sup> March 2019.

This year we are celebrating our 10<sup>th</sup> Anniversary and were able to mark another important milestone in our illustrious journey and our achievements have been recognised with the receipt of the official approval for the change of name to The Institute of Chartered Professional Managers of Sri Lanka.

As a pioneer professional management organization, we have stayed true to our mission and continued to maintain our status as the most sought professional management designation in the Country. Our expansion strategy has been aligned with the Country's needs as we have continued to follow an inclusive approach to the management profession.

Furthermore, the skills and knowledge we equip our members with, are expected to be vital in supporting the growth trajectory of the management profession in Sri Lanka.

Another key milestone achieved during the year was the commencement of “Management and Entrepreneurship Programmes” with a fully-fledged syllabus with a practical background. On qualifying at these examinations and with

practical experience will lead to membership of CPM Sri Lanka which includes Associates (ACPM), Member (MCPM) and Fellow (FCPM). This will provide opportunities for young executives and managers who aspire to progress in their career to senior positions and develop entrepreneurship skills.

The year 2018-2019 was momentous to us which shows that CPM Sri Lanka has progressed even further than last few years. It is happy to note that CPM Sri Lanka recorded a surplus of income over expenditure of Rs.595,013/-. Furthermore, our fee structure was maintained at the same level, as we absorbed inflationary pressures rather than passing it onto our members.

As in the past, CPM Sri Lanka continues its frequent events such as "Evening For Managers (EFM)", Professional Development Programmes (PDP), Publishing "Certified Manager" Journal, Research Symposium, Regional Management Conference well represented by members and others. Expanding our wings furthermore, we have organized CPM Management Quiz Battle with the intention of creating an innovative platform for the purpose of moulding competent Managers to the corporate world.

I wish to invite you to the 10<sup>th</sup> Annual General Meeting on Thursday, 19<sup>th</sup> December 2019 at Victorian Hall, The Kingsbury Hotel, Colombo at 05.30 pm.

I take this opportunity to express my gratitude to the support extended by Patrons, Governing Council, Advisory Council, All Committees and Director and Staff of CPM Sri Lanka, for their untiring services for the success and growth of the Institute.



**Prof. Lakshman R. Watawala**

President  
CPM Sri Lanka

# LANDMARKS ON OUR 10 YEAR JOURNEY



Launch of  
"Institute of  
Certified  
Professional  
Managers"

Launch of  
Management  
Program in  
collaboration with All  
India Management  
Association (AIMA)

2009



Granted the  
Membership of  
Association of  
Management  
Development  
Institutions in  
South Asia  
(AMDISA)

2011



Set up CPM Sri  
Lanka **Vision,  
Mission &  
Objectives**

Formation of  
Conference  
Committee

Organized 01<sup>st</sup>  
**CPM Regional  
Management  
Conference** in  
collaboration with  
AMDISA

Hosted 61<sup>st</sup>  
AMDISA Executive  
Board Meeting

2013

2008

Set up with the  
assistance of All  
India Management  
Association (AIMA)  
and CMA Sri Lanka



2010

Formation of  
Journal Committee

Launch of  
**CERTIFIED  
MANAGER**  
Journal

Release 01<sup>st</sup>  
Membership  
Directory

2012

Signed an MoU with the  
Malaysian Institute of  
Management (MIM) to  
facilitate professional  
development, knowledge  
exchange and capacity  
building in order to  
develop competent  
management  
professionals in Sri Lanka



Organized 01<sup>st</sup>  
International  
Management Conference  
in collaboration with  
Malaysian Institute of  
Management (MIM)

Launch of  
**"CPM Business  
Excellence Awards"**



Launch of CPM  
**Evening of  
Managers (EFM)**  
Presentation series

Introduced CPM  
**"Continuous  
Professional  
Development  
Scheme" (CPD)**

Introduced CPM  
**"Code of Ethics"**

Formation of  
Members' Activities  
Committee

Organized 13<sup>th</sup>  
**South Asian  
Management  
Forum 2015**

Received the  
President ship of  
AMDISA to  
**Prof. Lakshman  
R. Watawala**,  
Founder President,  
CPM Sri Lanka  
for the period of  
2015-2017



Hosted 65<sup>th</sup> & 66<sup>th</sup>  
AMDISA Executive  
Board Meetings

# 2015



Conducted  
**"Executive  
Education  
Program"** in  
collaboration with  
Indian Institute of  
Management,  
Ahmedabad (IIMA)

Launch of CPM  
**"Sahana" CSR  
Project**



# 2017

Recognized as



**THE INSTITUTE OF  
CHARTERED  
PROFESSIONAL MANAGERS  
OF SRI LANKA**

Formation of Syllabus  
Review Committee

Launch of Management  
and Entrepreneurship  
Professional Programme

Recognized as



Launch of CPM  
Management  
Quiz Battle

# 2019

# 2014

Hosted ACBSP  
Accredited Program

Formation of E&T  
Committee

Commemoration of  
SAARC Charter Day  
(jointly organized  
with CMA Sri Lanka)

Hosted 63<sup>rd</sup> AMDISA  
Executive Board  
Meeting

Launch of  
**"Professional  
Development  
Programme  
(PDP)"**



# 2016



Launch of CPM  
Cricket Challenge  
series

Launch of



Launch of New  
Members Induction  
& Certificate  
Awarding Ceremony

Formation of  
Membership  
Committee



# 2018

Signed MoU with  
Junior Chamber  
International Sri  
Lanka

Formation of  
Promotion & Brand  
Development  
Committee



# GOVERNING STRUCTURE OF CPM SRI LANKA

PATRONS



**HON. KARU  
JAYASURIYA**

**Hon. Speaker** of the  
Parliament of Sri Lanka

PATRONS



**PROF. GUNAPALA  
NANAYAKKARA**

**Founding Director**, PIM, Uni. of  
Sri J'Pura, Former Senior Prof.  
of Management, Uni. of Sri  
J'Pura, Add. Director General of  
National Institute of Education

PATRONS



**MR. MAHENDRA  
J.C. AMARASURIYA**

**Former Chairman-**  
Commercial Bank Plc. and  
United Motors Lanka PLC

ADVISORY COUNCIL



**DR. ANURA  
EKANAYAKE**

**Senior Economist,**  
**Former Chairman-**Ceylon  
Chamber of Commerce &  
Management Consultant

ADVISORY COUNCIL



**MR. JAYAMPATHY  
BANDARANAYAKE**

**Former Chairman-** Ceylon  
Chamber of Commerce,  
Ceylon Tobacco Co. Plc. and  
Central Finance PLC

ADVISORY COUNCIL



**MR. S.E.  
SATARASINGHE**

**Former Chairman/  
Managing Director-**  
Brooke Bond

ADVISORY COUNCIL



**MR. MOKSEVI  
RASINGH PRELIS**

**Director-**Dialog Axiata  
PLC. and Colombo Stock  
Exchange  
**Chairman-** Capital Trust  
Financial Pvt. Ltd.  
**Former MD/CEO-**DFCC  
Bank PLC

ADVISORY COUNCIL



**DR. RAVI  
FERNANDO**

**Executive in Residence**  
INSEAD Business School  
(Social Innovation Center),  
France  
CEO, Global Strategic  
Corporate Sustainability  
(Pvt.) Ltd.

ADVISORY COUNCIL



**MR. T.  
SOMESWARAN**

**Director-** Transparency  
International Sri Lanka  
**Former Senior Partner-**  
SJMS Associates  
**Former Director-**  
Commercial Credit and  
SMB Leasing





### PROF. LAKSHMAN R. WATAWALA

(President)

**Former Chairman**-BOI,  
People's Bank, Pan Asia  
Bank, People's Merchant  
Bank

**Past President**-CA(SL),  
SAFA, OPA & AMDISA  
**Founder President**-AAT(SL)  
& CMA(SL).

**Director**-Lanka IOC,  
Lakehouse Printers &  
Publishers PLC

**Dpt. Chairman**-Gestetner  
(Ceylon) PLC



### MR. KOSALA M. DISSANAYAKE

(Secretary)

**Former MD**-GlaxoSmithKline  
and Delmege Forsyth & Co.

**Former Group Director (Admin)**-  
Asiri Group of Hospitals



### MR. M.B. ISMAIL

(Treasurer)

**Managing Partner**-SJMS

Associates an affiliate of  
Deloitte Touche Tohmatsu  
India LLP



### MR. PRIANTHA SERESINHE

**Former Group Director**-  
The Capital Maharaja  
Organisation Ltd.



### MR. PREMA COORAY

**Chairman**-The Rain Forest  
Eco Lodge Pvt. Ltd. & Citrus  
Leisure PLC

**Former Chairman**-Aitken  
Spence PLC



### MR. H.M. HENNAYAKE BANDARA

**Former GM/CEO**-National  
Savings Bank

**Past President**-AAT(SL)

**Vice President**- CMA (SL)



### DR. SAMANTHA RATHNAYAKE

**Faculty Member**-PIM,  
Uni. of Sri J'Pura



### MR. ASOKA HETTIGODA

**MD**-Hettigoda Industries  
Pvt. Ltd.

**Former Chairman**-  
National Chamber of  
Commerce (SL)



# REPORT OF THE GOVERNING COUNCIL

The Governing Council of the Institute of Chartered Professional Managers have pleasure in presenting to the members this report, together with the audited financial statement for the year ended 31<sup>st</sup> March 2019 and the auditor's report on the financial statements.

## Financial Review

**Rs.9,361,510/-**

TOTAL  
INCOME

**Rs.515,080/-**

INCOME OVER  
EXPENDITURE

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The total income for the period was Rs.9,361,510/-. CPM recorded a surplus of income over expenditure of Rs.595,013/- for the period under review.

## Membership

The Institute values and esteems its members highly since they are the main pillars of the Institute. They offer tangible evidence in their careers of the professionalism and knowledge through various programmes developed by the Institute. Simply by performing their duties effectively and ethically, they communicate the values of the Institute. In addition, they form a valuable resource base of experts, who assist in the sharing of technical knowledge at various management forums organized by the Institute, as well as offering a knowledge network to the business community.

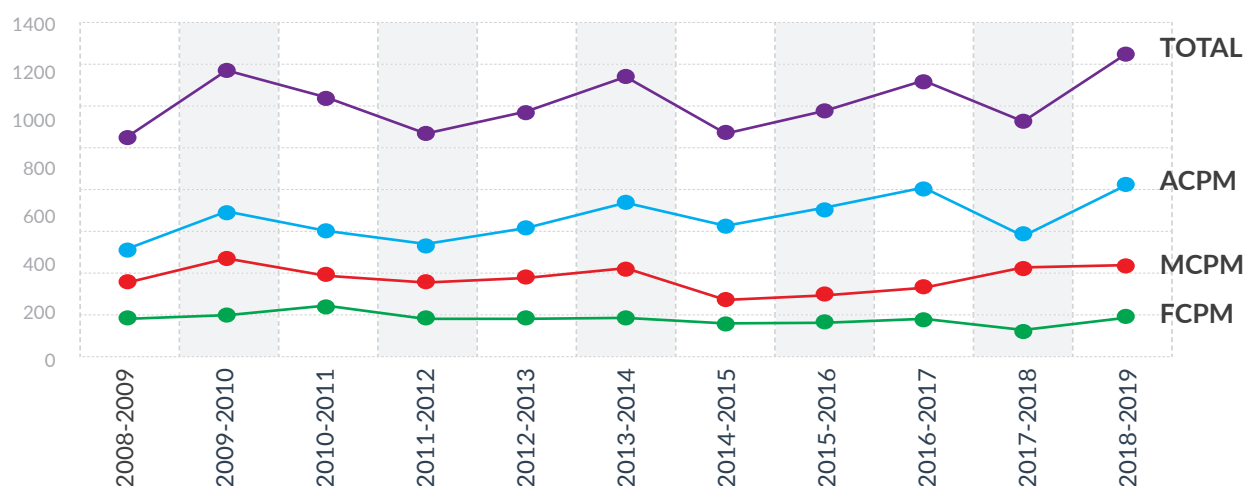
# New Enrolments

	ACPM	MCPM	FCPM	TOTAL
Year				
2012/2013	57	23	1	81
2013/2014	127	36	9	172
2015/2016	111	34	16	161
2016/2017	134	45	15	194
2017/2018	85	25	08	118
2018/2019	143	48	19	210

## Total Active Membership as at 31.03.2019

MEMBERSHIP CATEGORY	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
ACPM	451	607	526	472	535	642	551	624	706	503	714
MCPM	312	412	344	313	334	370	244	263	296	370	386
FCPM	164	176	218	161	161	168	139	147	159	113	169
TOTAL	927	1195	1088	946	1030	1180	934	1034	1161	986	1269
<b>TOTAL</b>	<b>927</b>	<b>1195</b>	<b>1088</b>	<b>946</b>	<b>1030</b>	<b>1180</b>	<b>934</b>	<b>1034</b>	<b>1161</b>	<b>986</b>	<b>1269</b>

## Total Active Membership as at 31.03.2019



CRMC-2019 WAS A  
RICH EXPLORATION OF

# MANAGEMENT 4.0: READINESS & STRATEGY

The Institute of Chartered Professional Managers of Sri Lanka (CPM Sri Lanka) concluded the CPM Regional Management Conference 2019 (CRMC 2019) in a grand style in collaboration with the Association of Management Development Institutions in South Asia (AMDISA) at the Marino Beach Hotel, Colombo on 30<sup>th</sup> October 2019. Participants represented from the AMDISA member countries in the South Asian Region and the CRMC 2019 was represented by leading management development institutions from India, Pakistan, Bangladesh, Sri Lanka, Nepal, Maldives, Bhutan and Afghanistan. The theme of the international forum was "Management 4.0: Readiness and Strategy".



THE INSTITUTE OF  
**CHARTERED**  
PROFESSIONAL MANAGERS  
OF SRI LANKA

[www.cpm.srilanka.org](http://www.cpm.srilanka.org)

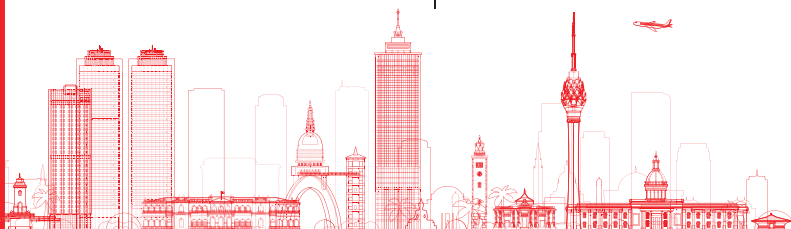
## MANAGEMENT 4.0

# Readiness & Strategy

30<sup>th</sup> October 2019

Wednesday

Marino Beach Hotel  
Colombo







The conference was organized as a half day deliberation and Hon. Karu Jayasuriya, Speaker of the Parliament of Sri Lanka and Patron of CPM Sri Lanka delivered the Chief Guest's address at the forum. President of CPM Sri Lanka and Past President of AMDISA, Prof. Lakshman R. Watawala and the Incumbent President of AMDISA Prof. Nisar Ahmed Siddiqui, Vice Chancellor of Sukkur IBA University, Pakistan gave opening remarks. Dr Samantha Rathnayake, Governing Council Member of CPM Sri Lanka and Faculty Member from Postgraduate Institute of Management of University of Sri Jayewardenepura, Sri Lanka played an important role as the Head of Technical Sessions of the Conference and delivered the summing up.

Management 4.0 strives for exploring what the Fourth Industrial Revolution means to the management profession. What new competencies we need to be adapting and sharing both existing and future leaders. This revolution is attributed by the fusion of technologies such as Internet of Things, Artificial Intelligence, Big Data, Cloud Computing, 3D-Printing, Extended Reality, Autonomous Robots, Sensors, Mobile Smart Devices, etc. In this context, as management competencies and best practices are vital in improving the organizational performance and quality of work by closing the effectiveness, efficiency and productivity gaps, it is of paramount importance to seek the meaning of readiness and strategy in management 4.0.



## Session I:

**Readiness to Respond** - Organizations should be ready to adjust more rapidly and more extensively to new situations and shifting market parameters and boundaries. Management 4.0 offers multiple technology solutions and techniques.

This truly becomes a "revolution" when entire value chains, whether it is in the public sector or the private sector, are ready to

change. In order to remain competitively viable in the long term, it is imperative to ask a question, are the organizational structures as well as decision-making processes open to adapt the new circumstances.

## Session II:

**Transformational Leadership Strategy in Management 4.0** - Management 4.0 is pronounced in terms of the digital technology, rather than the employees. In fact, many employees feel feared as this may replace their jobs. And this is where transformational leadership and strategic move can play a huge and an important role of understanding as to how management 4.0 is integrated into a new working life. In this backdrop, strategy is referred as a new way of finding and making things happen for the fourth industrial revolution. It's an approach that is gaining ground as it tackles the issues surrounding people alongside the technology itself.

Two keynote speakers and veteran panellists representing key institutions both from the public and private sector in the region expressed their opinions in line with the conference theme. Leaders need to exhibit and foster creativity and innovation in the workplace to succeed in today's competitive, unstable and volatile climate. This dynamic panel discussion brought top of their real life experiences in respective domains. It was summed up how Industry 1.0 - the first industrial revolution, steam power and water power; Industry 2.0 - the second industrial revolution, better known as the technological revolution is the period between 1870 and 1914; Industry 3.0 The





third industrial revolution or occurred in the late 20th century; and Industry 4.0 - fourth industrial revolution have created a number of unprecedented challenges and changes to human lives.

The conference discussions were based on insights derived from Deloitte Shift Report

(2015), McKinsey Report (2016), McKinsey Global Institute Report (2017), and World Economic Forum Reports (2016-2017 & 2018). It was extensively deliberated the facts and insights derived from McKinsey Global Institute Report (2017) in terms of automation and it was stressed as automa-





tion is not happening overnight, and five key factors will influence the pace and extent of its adoption;

First is technical feasibility, since the technology has to be invented, integrated and adapted into solutions that automate specific activities.

Second is the cost of developing and deploying solutions, which affects the business case for adoption.

Third are labor market dynamics, including the supply, demand, and costs of human labor as an alternative to automation.

Fourth are economic benefits, which could include higher throughput and increased quality, as well as labor cost savings.

Finally, regulatory and social acceptance can affect the rate of adoption even when deployment makes business sense.

Further, it was discussed the fact that transportation, office administration, production,

feed preparation etc. has relatively higher potential for technical automation due to their activity sets being primarily based on predictable physical activities as well as data administration where as occupations such as management, personal care and sales whose activity sets mostly involve managing and developing people, applying expertise to decision making, planning, and creative tasks, interfacing with stakeholders, performing physical activities with operating machinery in unpredictable environments have lower potential for technical automation.

It was with our sincere thanks to all who attended the conference in Colombo and having enjoyable stay here in Sri Lanka. The CPM would like to extend sincere appreciation and willing to continue the friendly spirit and request to join hand with future conferences in the region. All in all, it is about using the concepts that have been put across at this conference to make the region more vibrant for all management professionals.





Highlights of  
CPM EFM\_13

## Foresight for Country's ECONOMIC REVIVAL STRATEGY and SOUND MANAGEMENT

14th February, 2019



# “CPM EVENING FOR MANAGERS (EFM)” EVENING PRESENTATION SERIES

CPM Sri Lanka is working on the needs for professional managers to explore new avenues for business growth in order to remain competitive in a changing business environment.

With the great demand of highly interactive evening presentation series of “Evening For Managers (EFM)” the Institute organized highly interactive evening presentations successfully, with various topics relevant to the modern manager. The presentation series organized by the Education & Training Committee.





Highlights of  
CPM EFM\_14

## Are you in the Right Direction?

"How do you ensure that your "STRATEGY" is aligned to the "PURPOSE" of your business?" 24<sup>th</sup> July, 2019



Highlights of  
CPM EFM\_15

## Rational Decision Making

"Diligence of a decision on Reasons and Facts"

26<sup>th</sup> September, 2019



### TOPIC: How to Navigate in Tough Market Conditions?

"Balancing brand performance in turbulent economic conditions. Explore possibilities of how to build a brand at a time of critical periods"

#### KEY PRESENTER

**Mr. Graham Marshall,**  
Chief Executive Officer-  
Industrial Solutions Sector,  
CIC Holdings PLC

#### SESSION FACILITATOR

**Dr. Samantha Rathnayake**  
Management Consultant  
PIM and Governing Council  
Member of CPM Sri Lanka

#### PANELIST

**Mr. Sanjeewa Anthony**  
Executive Director, Jetwing  
Hotels Ltd.

#### PANELIST

**Mr. Roshan Rajadurai**  
Managing Director, Kelani  
Valley Plantations PLC &  
Talawakelle Tea Estates PLC  
(Hayleys Plantations)

### TOPIC: Foresight for Country's Economic Revival Strategy

#### KEY PRESENTER

**Prof. Sirimal Abeyratne**  
Professor in Economics,  
University of Colombo,  
Chairman, Monetary Policy  
Consultative Committee,  
Central Bank of Sri Lanka

#### SESSION FACILITATOR

**Dr. Samantha Rathnayake**  
Management Consultant  
PIM and Governing Council  
Member of CPM Sri Lanka

#### PANELIST

**Ms. Surani Amerasinghe**  
Head of Human Resources,  
Lion Brewery (Ceylon) PLC

#### PANELIST

**Mr. Sudash Liyanage**  
Head of Environmental  
Science Division, Hayleys  
Agriculture Holdings Limited





### TOPIC: **Are you in the Right Direction?**

"How do you ensure that your "STRATEGY" is aligned to the "PURPOSE" of your business?"

#### KEY PRESENTER

**Mr. Suranga Herath**  
Chief Executive Officer  
The English Tea Shop UK &  
Amazon Trading

#### SESSION FACILITATOR

**Dr. Samantha Rathnayake**  
Management Consultant  
PIM and Governing Council  
Member of CPM Sri Lanka

#### PANELIST

**Mr. Susantha Silva**  
Group Chief Executive Officer,  
Dreamron Group of Companies,  
Former MD of Ceylon Petroleum Corporation,  
Former Vice Chancellor/  
CEO of IBS University, Papua  
New Guinea

#### PANELIST

**Mr. Eranda Amal Godage**  
General Manager-Marketing  
Kanrich Finance Limited

### TOPIC: **Rational Decision Making**

"Diligence of a decision on Reasons and Facts"

#### KEY PRESENTER

**Dr. Ajith Rohana Colonne**  
Management Consultant  
and Lecturer, Former Deputy  
Director and Advisor on  
Intelligence Analysis State  
Intelligence Service

#### SESSION FACILITATOR

**Mr. Roshan Collas**  
AGM-Bancassurance &  
Alternate Distribution Sri  
Lanka Insurance Corporation  
& Head of CPM Education &  
Training Committee

#### PANELIST

**Mr. Chris Corea**  
Director, Riscor Consultants  
& Former Director, Keells  
Business Systems Limited

#### PANELIST

**Mr. Fazal Gaffoor**  
Chief Executive Officer  
Amana Takaful PLC

# Professional Development Program (PDP)

A half day program on Entrepreneurial Skills to achieve success in Business Management organized by the Institute in a highly successful note with a full house of professionals from Finance, Administration, Marketing, HR and Entrepreneurial spheres in attendance.

The participants found two dynamic highly educative & informative lessons which were also an eye opener to many as it covered an area seldom spoken of in the industry.

The participants were engaged with the Q&A session which discussed about the thinking pattern of modern managers and leaders and how they need to find new ways to tackle business problems, think beyond the status quo, and create value for their organizations.

This half-day program tapped the participant's potential to innovate and evaluate new ideas for a process change to strengthen efficiencies in a transformative business model.

The program was facilitated by Dr. Nirmal De Silva, Social Entrepreneur and CEO & Co-Founder of Paramount Realty Co and Mr. Ravi Bamunusinghe,



# CPM Launches "Management & Entrepreneurship Professional Programme"



*Highlights of*  
**The Launch of CPM Professional Programme  
Management & Entrepreneurship**



Celebrating its 10th Anniversary, CPM Sri Lanka launched the "Management and Entrepreneurship Programmes" with a fully-fledged syllabus and a practical background. On qualifying at these examinations will lead to membership of CPM which includes Associates (ACPM), Member (MCPM) and Fellow (FCPM) for young executives and managers who aspire to progress in their careers to senior positions and also develop entrepreneurship skills.

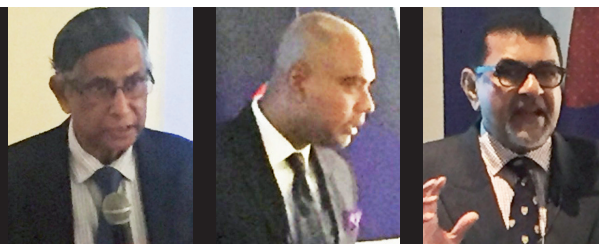
The official launching ceremony was held on Wednesday, 19th June 2019 at Orchid Room, BMICH at 6.00 pm under the patronage of Hon. Karu Jayasuriya, Speaker of the Parliament of Sri Lanka and Founder Patron of CPM Sri Lanka.

A highlight of this event was the keynote address on "Entrepreneurship for an Innovative Sri Lanka" by Dr. Ravi Fernando, Executive in Residence, INSEAD Business School (Social Innovation Center), France.

The President of CPM Sri Lanka Prof. Lakshman R. Watawala given the welcome address and Dr. Samantha Rathnayake, Head of Syllabus Review Committee and Governing Council Member delivered the highlights of the programme. Mr. Prema Cooray Senior Governing Council Member given the concluding remarks.

Faculty Member and Management Consultant of Postgraduate Institute of Management (PIM), University of Sri Jayewardenepura.

This was a feeder program prior to launching the new CPM Sri Lanka courses in line with Entrepreneurship and Management which develop candidates with sound conceptual and practical knowledge in management/



development with exposure to different business and entrepreneurial contexts.

CPM Sri Lanka President, Prof. Lakshman R. Watawala said the institute

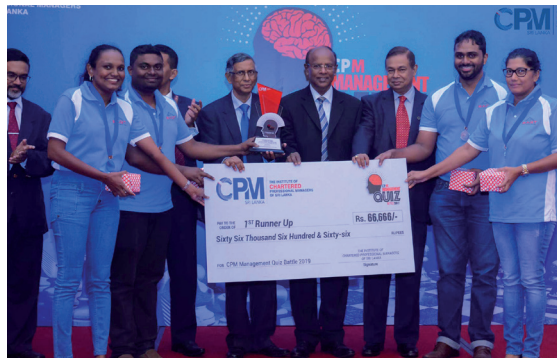
was continuously making efforts to educate its stakeholders on various trends and issues facing all sectors. "This is a new initiative aimed at educating professionals on the importance of Entrepreneurial thinking culture in the business society"

Prof. Watawala said.

The Institute will continue similar kinds of programs frequently.







# CPM Management Quiz Battle 2019

CPM Management Quiz Battle 2019 was organized for the first time by CPM Sri Lanka with the intention of creating a fine platform for the purpose of creating competent Managers to the corporate world. The event was held on 10th May 2019 at Marino Beach Hotel, Colombo.

The event enriched with the participation from organizations in the Private and Public Sectors, Industries, Trade and Commerce, Banking, Finance and Insurance, IT and BPO, Apparel and Textile, Manufacturing and FMCG, Non Profit Organizations, Services and other sectors. The program was test the knowledge of participants in the avenues of General Management, Integrative Management (Human Resources, Information Technology, Finance, Marketing and Operations), Innovation and Entrepreneurship, General Knowledge as well as Current Affairs. The event was organized under the patronage of the President of CPM Sri Lanka, Prof. Lakshman R. Watawala and carried out by the Promotions and Brand Development Committee.

Attractive prizes were offered for the winners such as Rs. 99,999 for Champions together with the trophy, Rs. 66,666 with the trophy for First Runner Up and Rs. 33,333 along with the trophy for Second Runner Up. Moreover, all the participants received certificates of participation.







## Annual Convocation 2019

The Institute distributed new certificates at the Annual Convocation held on 11<sup>th</sup> October 2019 at BMICH, Colombo to 550 recipients in line with our achievements have been recognised with the receipt of the official approval for the change of name to The Institute of Chartered Professional Managers of Sri Lanka.

This has necessitated to officially confer the Chartered Professional Managers of Sri Lanka Certificate to all our members as per the designation ACPM, MCPM or FCPM.



## 76<sup>th</sup> AMDISA Executive Board Meeting in Colombo

CPM Sri Lanka hosted the 76<sup>th</sup> Executive Board Meeting of the Association of Management Development Institutions in South Asia (AMDISA) on 30<sup>th</sup> October 2019 at Marino Beach Hotel, Colombo.

Matters pertaining to the Management profession and its development in the South Asian Region were discussed at the meeting. AMDISA also promotes collaboration activities with different Management Universities and conducts Certificate & Diploma courses. In addition, the development of Regional Case Studies and promoting these among SAARC countries were among the issues discussed. Council Members from India, Pakistan, Bhutan, Nepal, Maldives, Bangladesh and Sri Lanka were present.







# COMMITTEES

In order to make the services and activities of the CPM more effective, the Governing Council is supported by four committees which provides oversight on specific areas relating to the Institute's operations.

## a) EDUCATION & TRAINING COMMITTEE

### SCOPE OF THE COMMITTEE

Define the educational needs of the membership of CPM assuring compliance with CPM requirements, creating educational programs to support upgrading through Continuing Professional Development (CPD), and assessing how well the organization meets those needs.

### Members of the Committee

Mr. Priantha Seresinhe	- Chairman
Mr. Pradeep Rohan Collas	- Alternate Chairman/Head of the Committee
Mrs. Primrose Mascarenhas	
Mr. Neil Abeysekera	
Dr. Prabath Karunanayake	
Mr. Prabhash Hettiarachchi	
Mr. Sanjeewa Samarasinghe	
Ms. Ganga Kumudini Fernando	
Mr. Arosh Yahampath	
Mr. Sudash Liyanage	
Mr. Dilshan Arsakularathna	- Secretary

## b) CONFERENCE COMMITTEE

### SCOPE OF THE COMMITTEE

Organising the Annual Conference of the Institute.

### Members of the Committee

Prof. Lakshman R. Watawala	- Chairman
Mr. Samantha Rathnayake	- Head of Technical Sessions
Mr. Sinnathamby Vijayapala	- Head of Concurrent Sessions
Mrs. Primrose Mascarenhas	
Dr. Dilhan S. Jayatilleke	
Mr. Ruwan Sanjeewa	
Mr. Ruwan Jayaratne	
Mr. M.Z.M. Ashroff	
Mr. Sumith Liyanaarachchi	
Mr. Dilshan Arsakularathna	- Secretary

## c) JOURNAL COMMITTEE

### SCOPE OF THE COMMITTEE

Publish the CPM official publication of “Certified Manager” recently upgraded as “Chartered Manager” Journal under different themes, identifying challenging problems on the role of management as well as highlighting future directions of research for the role of management regarding these issues.

### Members of the Committee

Mr. H.M. Hennayake Bandara	- Chairman
Mr. S. Vijayapala	- Alternate Chairman & Chief Editor
Mr. Upali Ratnayake	
Dr. Kumudini Heenatigala	
Dr. Michael Nirmal De Silva	
Mr. M.Z.M. Ashroff	
Ms. Anuruddika Senevirathne	
Dr. Pratheesh Pretheeba	
Mr. M.M.M. Rizley	
Mr. Dilshan Arsakularathna	- Secretary

## d) MEMBERS' ACTIVITIES COMMITTEE

### SCOPE OF THE COMMITTEE

Organize the social activities on behalf of the Institute in order to create opportunities to network & collaborate with members in a social atmosphere and identify the needs of the members and take necessary action.

### Members of the Committee

Mr. Kosala M. Dissanayake	- Chairman
Mr. Ruwan Sanjeewa	- Alternate Chairman/Head of the Committee
Mr. Gayan Gunawardana	
Dr. Dilhan S. Jayatilleke	
Mr. Amila Sanjeewa	
Mr. Dilhan Fonseka	
Mr. Anushka Budddhika	
Mr. Indunil Eranga Fernando	
Mr. Chathuranga Indunil	
Mr. Mohideen Mohamed Muzamil	
Mr. P.D.D. Namal	
Mr. M.P.A. Lakmal	
Mr. Dilshan Arsakularathna	- Secretary

## e) BRAND DEVELOPMENT COMMITTEE

### SCOPE OF THE COMMITTEE

To promote brand value of CPM Sri Lanka and position it as a reliable professional organization which mould and develop private and public sector managers in to far-sighed leaders through connecting with other academic institutions and professional associations.

### Members of the Committee

Mr. Kosala M. Dissanayake	- Chairman
Dr. Dilhan S. Jayatilleke	- Alternate Chairman/Head of the Committee
Ms. Ganga Fernando	
Ms. Darshika Wickramasinghe	
Mr. Udara Senevirathna	
Ms. Aruni Ranasinghe	
Mr. Mohamed Muzamil	
Mr. Dilshan Arsakularathna	- Secretary

## f) MEMBERSHIP COMMITTEE

### SCOPE OF THE COMMITTEE

The Committee will responsible for develop strategies and initiatives to help retain and grow the memberships of the Institute. It also helps to recruit new members to CPM Sri Lanka with an emphasis on supportive staff and effectively retain established members of CPM Sri Lanka.

### Members of the Committee

Mr. Kosala M. Dissanayake	- Chairman
Mrs. Primrose Mascarenhas	- Alternate Chairman/Head of the Committee
Mr. Ruwan Jayaratne	
Dr. Pathmanathan Niranjana	
Mr. M.Z.M. Ashroff	
Mr. Sinnathamby Vijayapala	
Mr. Arosh Yahampath	
Mr. Liyanaarachchige Sumith	
Mr. L.D. Chandralal	
Mr. A.S.A Fazly	
Mr. Dilshan Arakularathna	- Secretary

## g) SYLLABUS REVIEW COMMITTEE

### SCOPE OF THE COMMITTEE

The Committee is responsible for preparation, review and recommend courses and programs functioning under policies and procedures set by the Governing Council.

### Members of the Committee

Prof. Lakshman R. Watawala	- President of CPM Sri Lanka
Dr. Samantha Rathnayake	- Alternate Chairman/Head of the Committee
Mr. Ravi Bamunusinghe	
Mr. Hennayake Bandara	
Mr. Kosala Dissanayake	
Dr. Nirmal De Silva	
Ms. Ganga Fernando	
Mr. Roshan Collas	
Mr. Dilshan Arakularathna	- Secretary



# CONCLUSION

I wish to conclude by thanking the Patrons, the Governing Council and Advisory Council for their valuable advice and co-operation at all times, and our membership and the staff for their support and dedicated services for the success and growth of CPM Sri Lanka.

Prof. Lakshman R. Watawala  
President  
CPM Sri Lanka  
05<sup>th</sup> December 2019





**THE INSTITUTE OF  
CHARTERED  
PROFESSIONAL  
MANAGERS OF  
SRI LANKA**

(Formerly known as  
The Institute of Certified  
Professional Managers)



# **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**



KPMG  
(Chartered Accountants)  
32A, Sir Mohamed Macan Markar Mawatha,  
P. O. Box 186,  
Colombo 00300, Sri Lanka.

Tel : +94 - 11 542 6426  
Fax : +94 - 11 244 5872  
+94 - 11 244 6058  
Internet : www.kpmg.com/lk

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA (Formerly known as The Institute of Certified Professional Managers)

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of The Institute of Chartered Professional Managers of Sri Lanka, ("the Institute"), which comprise the statement of financial position as at 31 March 2019, and statements of income and expenditure, statement of changes in accumulated fund, 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 give a true and fair view of the financial position of the Institute as at 31 March 2019, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standard for Small and Medium-sized Entities ("SLFRS for SMEs").

##### 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 Institute 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.

##### Other Information

Governing council ("the Council") is responsible for other information. These Financial statements do not comprise other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

#### Responsibilities of the Council and Those Charged with Governance for the Financial Statements

Council is responsible for the preparation of financial statements that give a true and fair view in accordance with SLFRS for SMEs, and for such internal control as the Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

KPMG, a Sri Lankan partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

M.R. Mihular FCA	P.Y.S. Perera FCA	C.P. Jayatilake FCA
T.J.S. Rajakarier FCA	W.W.J.C. Perera FCA	Ms. S. Joseph FCA
Ms. S.M.B. Jayasekara ACA	W.K.D.C. Abeyrothne FCA	S.T.D.L. Perera FCA
G.A.U. Karunaratne FCA	R.M.D.B. Rajapakse FCA	Ms. B.K.D.T.N. Rodrigo FCA
R.H. Rajan FCA	M.N.M. Shameel ACA	Ms. C.T.K.N. Perera ACA

Principals - S.R.J. Perera FCMA(UK), LLB, Attorney-at-Law, H.S. Goonewardene ACA



### **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.

A further description of the auditor's responsibilities for the audit of the financial statements is located at Sri Lanka Accounting and Auditing Standards website at: <http://slaasc.com/auditing/auditorsresponsibility.php>. This description forms part of our auditor's report.


### **CHARTERED ACCOUNTANTS**

Colombo, Sri Lanka  
06 December 2019

**THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA**  
**(Formerly known as The Institute of Certified Professional Managers)**  
**STATEMENT OF FINANCIAL POSITION**

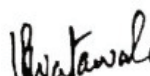
<i>As at 31 March ,</i>		<b>2019</b>	<b>2018</b>
	<b>Note</b>	<b>Rs.</b>	<b>Rs.</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Equipment	4	57,614	104,048
Deferred tax assets		-	79,933
		<b>57,614</b>	<b>183,981</b>
<b>Current assets</b>			
Receivable		8,000	49,500
Fixed deposit		4,987,850	4,287,393
Cash and cash equivalents	5	92,555	73,750
<b>Total current assets</b>		<b>5,088,405</b>	<b>4,410,643</b>
<b>Total assets</b>		<b>5,146,019</b>	<b>4,594,624</b>
<b>Funds and liabilities</b>			
<b>Funds</b>			
Accumulated fund		4,630,185	4,115,105
		<b>4,630,185</b>	<b>4,115,105</b>
<b>Current liabilities</b>			
Accrued expenses	6	515,834	410,761
Bank overdraft		-	68,758
		<b>515,834</b>	<b>479,519</b>
<b>Total liabilities</b>		<b>515,834</b>	<b>479,519</b>
<b>Total funds and liabilities</b>		<b>5,146,019</b>	<b>4,594,624</b>

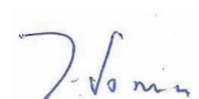
The financial statements are to be read in conjunction with the related notes, which form an integral part of these financial statement of the Institute.

  
M.B. Ismail  
Treasurer

The Governing Council is responsible for the preparation and presentation of these financial statements in accordance with SLFRS for SMEs.

Approved and signed for and on behalf of the Governing Council;

  
Prof.L.R.Watawala  
President

  
T.Someswaran  
Council Member

06 December 2019  
Colombo

**THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA**  
**(Formerly known as The Institute of Certified Professional Managers)**  
**STATEMENT OF INCOME AND EXPENDITURE**

<i>For the year ended 31 March,</i>	<b>2019</b>	<b>2018</b>
	<b><u>Rs.</u></b>	<b><u>Rs.</u></b>
<b>Income</b>		
Membership fee	5,481,500	3,903,500
Conference income	1,976,299	1,802,312
IIMA executive education program	150,000	5,622,870
Interest income	7 352,211	319,055
Other income	8 1,401,500	1,059,500
<b>Total income</b>	<b><u>9,361,510</u></b>	<b><u>12,707,237</u></b>
<b>Expenditure</b>		
Staff salaries	1,455,034	1,031,198
Staff allowances	155,600	117,694
EPF	154,800	113,632
ETF	38,700	28,408
Professional fee	29,726	44,168
Repair and maintenance	51,990	12,930
Travelling and transport	148,637	136,859
Rent	225,000	120,000
Postage and courier charges	155,993	96,659
Depreciation	46,434	53,000
Foreign travel expenses	135,670	37,449
Foreign memberships	16,516	15,623
Advertising	5,000	-
Audit fees	120,000	130,748
Accounting fees	95,000	65,000
AGM expenses	161,701	160,010
AMDISA board meetings	447,176	405,955
Telephone and internet	154,978	183,881
Members fellowship night	10,000	543,124
Expenses for members' journal	717,310	596,794
Printing and stationery	156,231	42,560
Sundry expenses	14,605	7,375
New members' induction program	365,740	116,778
Marketing and promotions	73,500	106,518
Governing council and committee meeting	20,349	20,030
IIMA executive education program	379,192	4,236,565
Database system	116,000	-
Website	59,183	36,739
Bank charges	19,764	10,305
Commission on credit cards	1,150	1,100
<b>Balance carried down</b>	<b><u>5,530,979</u></b>	<b><u>8,471,102</u></b>

**THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA**  
**(Formerly known as The Institute of Certified Professional Managers)**  
**STATEMENT OF INCOME AND EXPENDITURE**

<i>For the year ended 31 March,</i>	<b>2019</b>	<b>2018</b>
	<b><u>Rs.</u></b>	<b><u>Rs.</u></b>
<b>Expenditure (Continued)</b>		
<b>Balance brought forward</b>	<b>5,530,979</b>	<b>8,471,102</b>
Cricket challenge	-	666,057
EFM presentation	493,774	208,565
Regional management conference	2,636,544	1,965,831
Membership directory	-	351,751
Professional development programme	105,200	176,540
<b>Total expenditure</b>	<b><u>8,766,497</u></b>	<b><u>11,839,846</u></b>
<b>Surplus before tax expenses</b>	<b>595,013</b>	<b>867,391</b>
Tax (expense)/ refund	(79,933)	1,874
<b>Surplus for the year</b>	<b><u>515,080</u></b>	<b><u>869,265</u></b>

The financial statements are to be read in conjunction with the related notes, which form an integral part of these financial statement of the Institute.

**THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA**  
**(Formerly known as The Institute of Certified Professional Managers)**  
**STATEMENT OF CHANGES IN ACCUMULATED FUND**

*For the year ended 31 March,*

	<b>Accumulated fund Rs.</b>	<b>Total Rs.</b>
<b>Balance as at 01 April 2017</b>	3,245,840	3,245,840
Surplus for the year	869,265	869,265
<b>Balance as at 31 March 2018</b>	<b>4,115,105</b>	<b>4,115,105</b>
Surplus for the year	515,080	515,080
<b>Balance as at 31 March 2019</b>	<b>4,630,185</b>	<b>4,630,185</b>

The financial statements are to be read in conjunction with the related notes, which form an integral part of these financial statement of the Institute.

**THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA**  
**(Formerly known as The Institute of Certified Professional Managers)**  
**STATEMENT OF CASH FLOWS**

<i>For the year ended 31 March,</i>	<b>2019</b>	<b>2018</b>
	<b><u>Rs.</u></b>	<b><u>Rs.</u></b>
<b>Cash flows from operating activities</b>		
Surplus before tax expense	595,013	867,391
<i>Adjustments for:</i>		
Depreciation of equipment	46,434	53,000
Interest income	(352,211)	(319,055)
<b>Operating surplus before working capital changes</b>	<b><u>289,236</u></b>	<b><u>601,336</u></b>
<i>Changes in;</i>		
-Receivables from CMA Sri Lanka	41,500	(49,500)
-Accrued expenses	105,073	40,497
<b>Cash flow generated from operating activities</b>	<b><u>435,809</u></b>	<b><u>592,333</u></b>
Income tax paid	-	-
<b>Net cash generated from operating activities</b>	<b><u>435,809</u></b>	<b><u>592,333</u></b>
<b>Cash flows from investing activities</b>		
Net investments in fixed deposits	(700,457)	(1,202,622)
Interest income received	352,661	317,791
<b>Net cash used in investing activities</b>	<b><u>(347,796)</u></b>	<b><u>(884,831)</u></b>
Net increase / (decrease) in cash and cash equivalents	88,013	(292,498)
Cash and cash equivalents at the beginning of the year	4,542	297,040
<b>Cash and cash equivalents at the end of the year (Note 05)</b>	<b><u>92,555</u></b>	<b><u>4,542</u></b>

The financial statements are to be read in conjunction with the related notes, which form an integral part of these financial statement of the Institute.



**THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA**  
**(Formerly known as The Institute of Certified Professional Managers)**  
**NOTES TO THE FINANCIAL STATEMENTS**

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*For the year ended 31 March 2019,*

**1. REPORTING ENTITY**

**1.1 Domicile and legal form**

The Institute of Chartered Professional Managers of Sri Lanka (“the Institute”) (Formerly known as The Institute of Certified Professional Managers) has been registered as a specially authorized society under section 3 (b) of Societies Ordinance (Chapter 123), on 27 February 2009. The registered office of the Institute is situated at No.29/24, Visakha Lane, Colombo 04.

“With effect from 26 March 2019, the name of the Institute was changed from The Institute of Certified Professional Managers to The Institute of Chartered Professional Managers of Sri Lanka.”

**1.2 Principle activities and nature of operations**

The Institute was formed to provide a professional qualification in management, known as The Institute of Chartered Professional Managers of Sri Lanka (CPM), by conducting educational programs, providing practical training in private and public sector entities and establishing a link between the private and public sectors for the advancement of professional management.

**2. BASIS OF PREPERATION**

**(a) Statement of compliance**

The financial statements have been prepared in accordance with the Sri Lanka Accounting Standards for Small and Medium- sized Entities ( SLFRS for SMEs)

**(b) Basis of measurement**

The financial statements have been prepared on the historical cost basis. No adjustments have been made for inflationary factors in the financial statements.

**(c) Functional and presentation currency**

These financial statements are presented in Sri Lankan Rupees, which is the Institute’s functional currency.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies listed below have been applied consistently to all periods presented in these financial statements.

**(a) Equipment**

**(i) Recognition and measurement**

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Gains/losses on disposal of equipment are determined by comparing the proceeds from disposal with the carrying amount of the equipment and are recognized net within "Other Income" in the statement or income and expenditure

**THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA**  
**(Formerly known as The Institute of Certified Professional Managers)**  
**NOTES TO THE FINANCIAL STATEMENTS**

*For the year ended 31 March 2019,*

**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(a) Equipment (Continued)**

**(ii) Depreciation**

Depreciation is recognised in the statement of income and expenditure on a straight-line basis over the estimated useful lives of the asset as follows;

	<u>Years</u>
Furniture	5
Computers	5
Telephone	5

Useful lives of assets are reviewed at each reporting date. The Institute provides depreciation for the assets purchased and disposed of during the period on a straight-line basis.

**(b) Receivables**

Receivables are carried at anticipated realizable value.

**(c) Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, demand deposit and short-term highly liquid investments which are readily convertible to known amounts of cash and are subjected to insignificant risks of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks.

**Statement of cash flow**

Statement of cash flow has been prepared using the indirect method.

**(d) Liabilities and provisions**

Liabilities are recognized in the statement of financial position when there is a present obligation as a result of past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits. Obligations payable on demand or within one year of the reporting date are treated as current liabilities in the statement of financial position. Liabilities payable after one year from the reporting date are treated as non-current liabilities in the statement of financial position.

A provision is recognized if, as a result of a past event, the Institute has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

**(e) Taxation**

**(i) Income taxation**

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

**THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA**  
**(Formerly known as The Institute of Certified Professional Managers)**  
**NOTES TO THE FINANCIAL STATEMENTS**

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*For the year ended 31 March 2019,*

**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(f) Employee benefits**

**(i) Defined contribution plans**

Obligations to defined contribution plans are recognized as an expense in the statement of income and expenditure when incurred. The Institute contributes 12% and 3% of gross emoluments of employees as Provident Fund and Trust Fund respectively.

**(g) Revenue recognition**

Revenue from annual subscriptions from members, registration fee, CPM conference income, seminar income, membership directory income, advertisement income, interest income, and sale of journals are measured at the fair value of the consideration received and to the extent that it is possible that the economic benefits will flow to the Institute and that it can be measured reliably.

**(h) Expenditure**

All expenditure incurred in the operations of the Institute and in maintaining the capital assets in a state of efficiency has been charged to income when arriving at the Institute's surplus for the year.

**(i) Comparative information**

Where necessary, comparative figures have been rearranged to conform to the current year's presentation.

**(j) Events occurring after the reporting date**

All material post reporting events have been considered and where appropriate adjustments or disclosures have been made in respective notes to the financial statements.

**(k) Commitments and contingencies**

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

Contingent liabilities and commitments are disclosed in notes to the financial statements.



**THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA**  
**(Formerly known as The Institute of Certified Professional Managers)**  
**NOTES TO THE FINANCIAL STATEMENTS**

*As at 31 March,*

**4 Equipment**

	<b>Computer Rs.</b>	<b>Furniture Rs.</b>	<b>Telephone Rs.</b>	<b>Total Rs.</b>
<b>Cost</b>				
Balance at the beginning of the year	314,814	196,078	4,255	515,147
Additions during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>314,814</b>	<b>196,078</b>	<b>4,255</b>	<b>515,147</b>
<b>Accumulated depreciation</b>				
Balance at the beginning of the year	273,421	134,645	3,033	411,099
Charge for the year	20,042	25,541	851	46,434
<b>Balance at the end of the year</b>	<b>293,463</b>	<b>160,186</b>	<b>3,884</b>	<b>457,533</b>
<b>Carrying value</b>				
<b>As at 31 March 2019</b>	<b>21,351</b>	<b>35,892</b>	<b>371</b>	<b>57,614</b>
As at 31 March 2018	41,393	61,433	1,222	104,048

	<b>2019 Rs.</b>	<b>2018 Rs.</b>
<b>5 Cash and cash equivalents</b>		
Cash at bank	82,555	68,750
Cash in hand	10,000	5,000
	92,555	73,750
Less: Bank overdraft	-	(68,758)
Cash and cash equivalents for the purpose of cashflows	<b>92,555</b>	<b>4,992</b>

**6 Accrued expenses**

Audit fees	230,000	110,000
Income tax	10,514	8,640
Accounting fees	7,500	10,000
EPF	43,000	39,000
ETF	6,450	5,850
PAYE	-	540
Annual General Meeting	200,000	200,000
Telephone and internet	10,452	21,393
Professional fee	7,918	6,598
Regional management conference	-	8,200
Cricket challenge	-	540
	<b>515,834</b>	<b>410,761</b>

**THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA**  
**(Formerly known as The Institute of Certified Professional Managers)**  
**NOTES TO THE FINANCIAL STATEMENTS**

<i>For the year ended 31 March,</i>		<b>2019</b>	<b>2018</b>
		<b><u>Rs.</u></b>	<b><u>Rs.</u></b>
<b>7 Interest income</b>			
Interest on fixed deposits	348,280	314,347	
Interest on saving account	3,931	4,708	
	<b>352,211</b>	<b>319,055</b>	
<b>8 Other income</b>			
Advertisement income-Journal	280,000	-	
Cricket challenge	-	588,000	
EFM presentation	797,000	20,500	
New Members' Certificate Awarding Ceremony -Income	324,500	-	
Members fellowship night	-	346,000	
Membership directory	-	105,000	
	<b>1,401,500</b>	<b>1,059,500</b>	
<b>9 Income tax</b>			
<b>9.1 Current tax expense</b>			
Deferred tax (utilisation)/ origination during the year	-	1,264	
Total income tax expense	79,933	(3,138)	
	<b>79,933</b>	<b>(1,874)</b>	
<b>9.2 Tax reconciliation statement</b>			
Surplus before income tax expense	-	867,391	
Net (allowable)/ disallowable expenses	-	(292,460)	
Surplus after net (allowable)/ disallowable expenses	-	574,931	
Interest income	-	213,751	
Total statutory income	-	788,682	
Less: Deduction of loss	-	(276,039)	
Tax free allowance	-	(500,000)	
Tax surplus / (deficit) during the year	-	12,643	
Income tax	-	<b>1,264</b>	
<b>9.3 Deferred taxation</b>			
Deferred tax liabilities	-	2,277	
Deferred tax assets	-	(82,210)	
Net deferred tax asset	-	<b>(79,933)</b>	
<b>10 Related party transactions</b>			
<b>10.1 Transactions with key management personnel</b>			

The Institute considers the management of its Governing Council as the "Key Management Personnel" of the Institute. Compensation paid to key management personnel of the Institute during the year as follows:

	<b>2019</b>	<b>2018</b>
	<b><u>Rs.</u></b>	<b><u>Rs.</u></b>
Defined contribution plan	Nil	Nil

**THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA**  
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**NOTES TO THE FINANCIAL STATEMENTS**

*For the year ended 31 March,*

**10.2 Transactions with related parties**

Mr. M.B. Ismail, Treasurer of the Institute, is also a Partner of SJMS Associates and a Director of Accounting Systems Secretarial (Pvt) Ltd.

The aggregate value of transactions and outstanding balances relating to entities in which a member of the Governing Council of the Institute is also a Member of the Governing Council is as follows:

Name of the Institute/ Society	Nature of transaction	Transactions during the year (2018/19)	Balance outstanding as at 31 March 2019	Transactions during the year (2017/18)	Balance outstanding as at 31 March 2018
		<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
SJMS Associates	Professional fees	-	-	6,000	-
Accounting Systems Secretarial Service (Pvt) Ltd	Professional fees	30,351	-	26,393	-

**11 Number of employees**

The number of employees of the Institute as at 31 March 2019 is 2. (2018 : 2)

**12 Commitments**

There were no commitments outstanding as at the reporting date.

**13 Contingent liabilities**

The Institute has no any significant contingent liabilities as at the reporting date.

**14 Events occurring after the reporting date**

There are no events occurring after the reporting date which require adjustments to or disclosure in the financial statements.

**15 Litigation and claims**

There are no litigation and claims as at the reporting date.

**16 Approval of financial statements**

These financial statements were approved by the Governing council and authorised for issue on 06 December 2019.



## CORPORATE INFORMATION

NAME	The Institute of Chartered Professional Managers of Sri Lanka
LEGAL FORM	Specially authorised Society under Section 3 (b) Societies Ordinance (Chapter 123)
REGISTERED OFFICE	No. 29/24, Visakha Lane, Colombo 04, Sri Lanka.
TELEPHONE	+94 11 2590995 (Direct)   +94 11 2506391 (Ext. 133, 144)
FAX	+94 11 2507087 (Ext. 118)
E-MAIL	directorcpm@cpmsrilanka.org   info@cpmsrilanka.org
WEBSITE	<a href="http://www.cpmsrilanka.org">www.cpmsrilanka.org</a>
AUDITORS	KPMG (Chartered Accountants) 32A, Sir Mohamed Macan Markar Mawatha, PO Box 186, Colombo 03.
BANKERS	People's Bank   Sampath Bank



THE INSTITUTE OF  
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PROFESSIONAL MANAGERS  
OF SRI LANKA



Professional  
Partners



Institutional  
Member

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