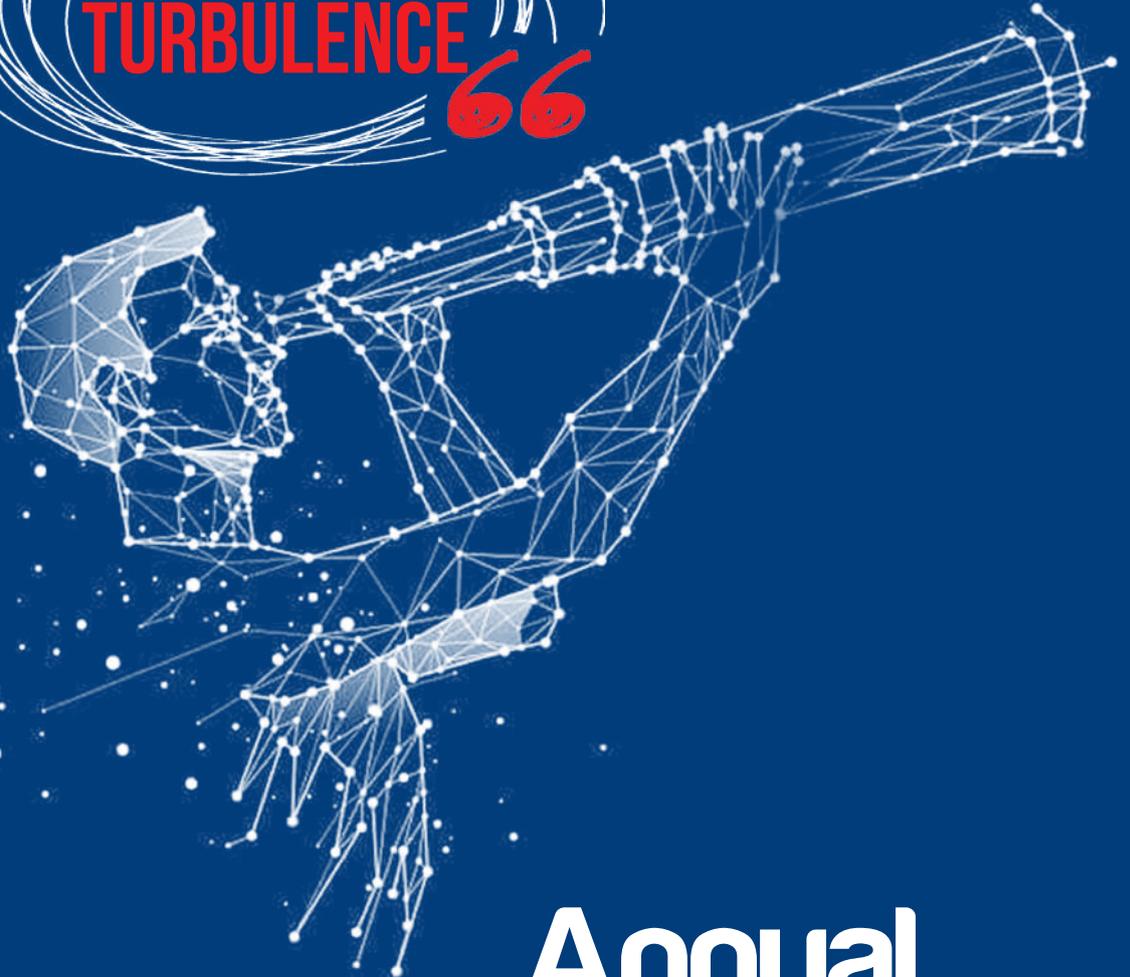
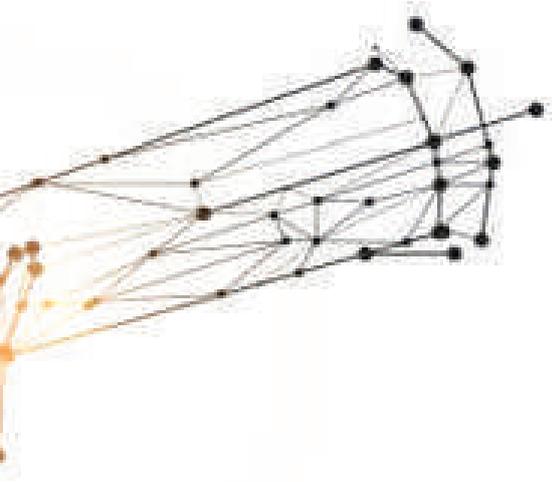


66
THRIVING IN
TURBULENCE
66



Annual Report 2019/20





thriving in turbulence

The year under appraisal, saw two major disruptors that dogged the entire business community and brought untold harm and loss. 2019 was wedged in between the April bombing and the Corona pandemic resulting in loss of trade and goods, loss of work and employment owing to lockdowns stoppages and illness.

Your Institute too had to go through this economic downturn. However, because of the resilience of our organisation, member support and our adaptability, we were able to come back stronger and with far greater traction than many others. If the annual finances are an indicator, we are pleased to state that we were able to contribute Rs. 7 million this year. This is more than the contribution we made for the entire 10 years of our existence. Last year we began with the promise that we would transform ourselves and be more adaptive resilient and futuristic. We are pleased we have kept our word and overreached our targets. Therefore, we present this year's Annual Report to you, our members, with great pride.

Moreover, it was in this year that we were honoured with the receipt of the necessary approvals for the change of name to The Institute of Chartered Professional Managers of Sri Lanka. This is a recognition by the Government of the work of the Institute over the past years in bringing Principles of good Management into our society through valid and relevant programmes which benefit not only our members but also their organisations. Our core values are to keep abreast the ever changing world and to present to our members the latest information of Good Governance and Practice so that they are at the cutting edge of Best Practice. Your Institute attempts to reignite the members so that they would not be redundant or obsolete in a technologically disruptive environment.

Secondly, those who read through the Report would find that we were able to deliver very successful multiple programmes with varying interest, which were able to create wide interest amongst members and their colleagues. In addition, we published the bi-annual magazine, The Chartered Manager, as usual.

Our promise to you this year is to take CPM Sri Lanka to new vistas and enable it to stand out among all Professional Bodies.

Notice of Annual General Meeting

Notice is hereby given that the Eleventh Annual General Meeting of The Institute of Chartered Professional Managers of Sri Lanka will be held on Monday, 28th December 2020 at 5.30 p.m. via Zoom to consider the following;

Agenda

01. To receive and adopt the report of the Governing Council for the year ending 31st March 2020.
02. To receive and adopt the audited accounts and the auditor's report for the year ending 31st March 2020.
03. To reappoint KPMG Chartered Accountants, as auditors of the Institute for the Financial Year 2020/2021 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
14th December 2020

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05 **Vision & Mission**

08 **Review of the President
Governing Council**

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 31st March 2020.

10 **Milestones**

12 **Report of the Governing Council**

The Governing Council of the Institute of Chartered Professional Managers of Sri Lanka have pleasure in presenting to the members this report, together with the audited financial statement for the year ended 31st March, 2020 and the auditor's report on the financial statements.

18 **Operational Highlights**

Despite several environmental setbacks, the Institute has been continuing its process of providing a service to the members. Of course, you will appreciate that we are doing this with great sacrifice, thanks to our members who are always ready to assist us in our journey...

20 **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...

26 **Natural Capital can be defined as
the world's stocks of natural assets
which include geology, soil, air, water
and all living things. It is the basis not
only of production but of life itself!**

28 **Human Capital Interaction of
CPM Sri Lanka**

CPM Sri Lanka greatly respects human capital and the local community in many ways and the positive influence we make on them create "Vistas of Prosperity" throughout our journey.

30 **Flashback of the year**

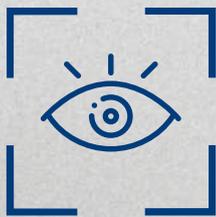
46 **Financial Statements**





vision & mission

Vision



To achieve excellence in Professional Management and be the leading organization for Professional Managers in Sri Lanka.

Mission



To promote the highest standards in Professional Management through excellence in ethics, governance and innovation.

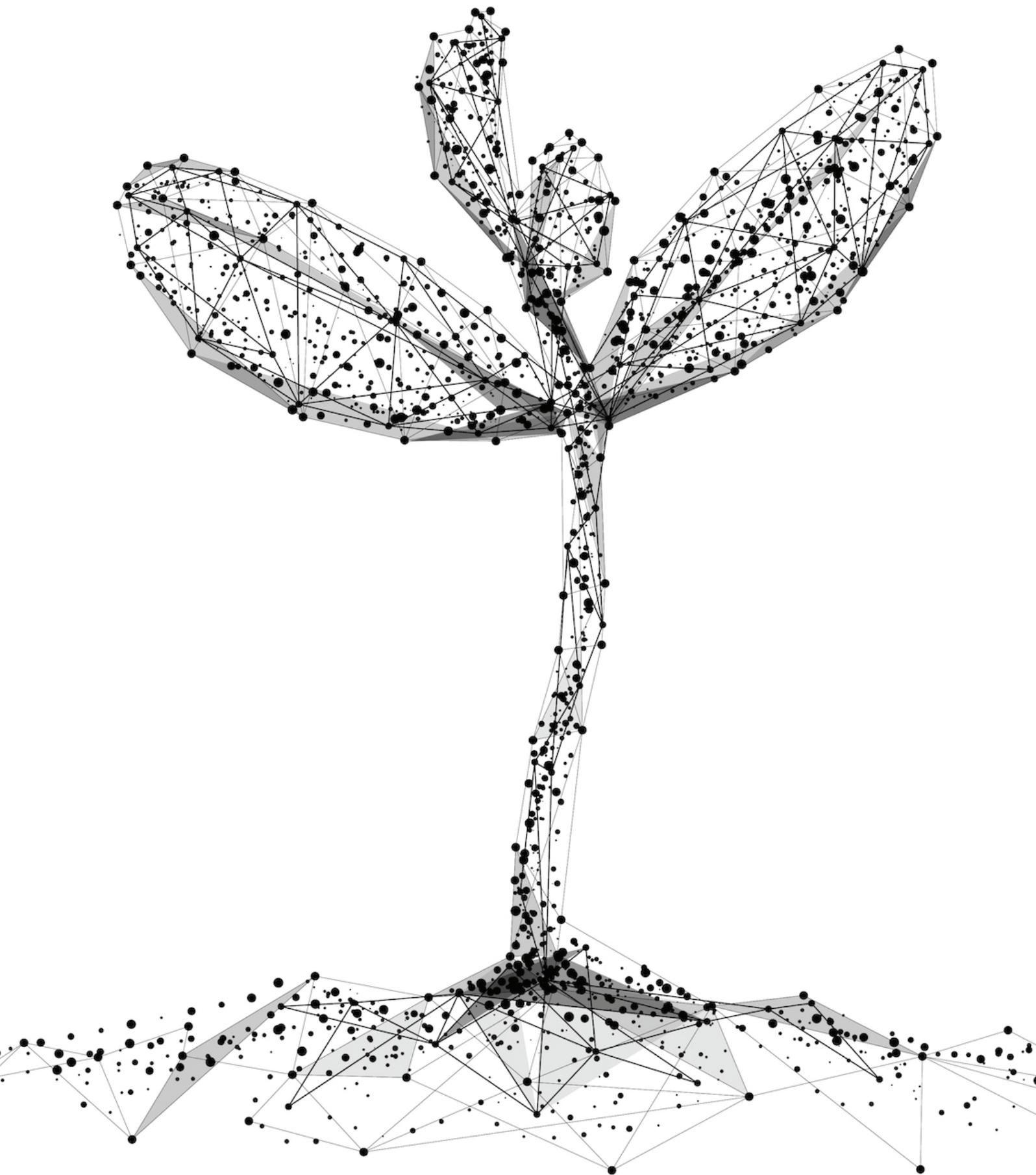
Objectives



To innovate, lead and sustain quality in Professional Management through integrity and accountability.

To facilitate networking and knowledge sharing among professionals at national and international levels.

To promote the study of management and to encourage research into the best means and methods of applying the principles and techniques of management.



paradigm shift

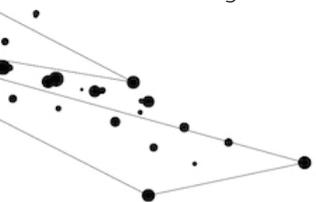
Since its inception 2009, CPM Sri Lanka has been predominant of Professional Management in Sri Lanka throughout the last decade with its best management practices and standards with copious achievement.

CPM Sri Lanka is a premier professional management organization in Sri Lanka which provides membership to qualified and experienced personalities at three levels, Associate (ACPM), Member (MCPM) and Fellow (FCPM). The Institute is engaged in the conduct of professional management diploma programmes, executive management development programs, knowledge sharing sessions, research symposiums, international management conferences, professional development programs, release of bi-annual management journals and organizing various other networking events for its members and well-wishers.

Strengthen the brand of the Institute with the momentum of new era, CPM Sri Lanka has been strengthened as The Institute of Chartered Professional

Managers of Sri Lanka (CPM Sri Lanka) is ready to be the most sought Professional Management qualification in Sri Lanka.

As a pioneer professional management institute in the Country, CPM Sri Lanka was able to join the elite band of chartered professional bodies in Sri Lanka.





review of the president governing council

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 31st March 2020.

Even though this is a year with two major setbacks, I am more than happy to announce that CPM Sri Lanka has stood strong, unswerving in the face of local and global issues.

CPM Sri Lanka continued to stay on course to delivering on our vision of being the leading organization for professional managers in Sri Lanka. We can be pleased with the many successes the transformation which we embraced and accepted this year gives CPM Sri Lanka the advantage to adapt easily to the violently disruptive environmental conditions.

Despite these challenges, CPM Sri Lanka has been able to exhibit its flexibility and persistence by posting a Rs.7.1 million surplus of income over expenditure a milestone, and enable over 500 new member enrolments to hit an all time high. As a professional institute we steer industry & commerce by taking initiatives which are innovative and continue our trail blazing work by organizing meaningful events like 'Evening for Managers – EFM', Professional Development programmes – PDP' providing value to the membership. Our journal, the 'Chartered Manager' and 'Regional Management Conference' were also highlighted in the past year. We launched the Management and Entrepreneurship Programme to be the spark of the future development required to provide high quality professional entrepreneurial managers.

I wish to invite you to the 11th Annual General Meeting on, Monday, 28th December 2020 at 5.30 pm via Zoom. I would also take this opportunity to extend a sincere appreciation of the valuable contribution made by members of the Governing Council, Patrons, Advisory Council, All Committee Chairmen and Members and Director and Staff of CPM Sri Lanka, for their unstinted support for the growth and development of the Institute.



Prof. Lakshman R. Watawala

Founder & President
CPM Sri Lanka

milestones

Launch of
**"Institute of
 Certified
 Professional
 Managers"**



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

2011



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

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

Formation of
 Conference
 Committee



Hosted 61st AM
 Board Meeting

2009

2012

2008

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

2010

Formation of
 Journal Committee

Launch of
**CHARTERED
 MANAGER**
 Journal

Release 01st
 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 01st
 international
 Management
 Conference in
 collaboration with
 Malaysian Institute
 of Management
 (MIM)

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

Lanka
n &

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 13th **South Asian Management Forum 2015**

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

Hosted 65th & 66th AMDISA Executive Board Meetings



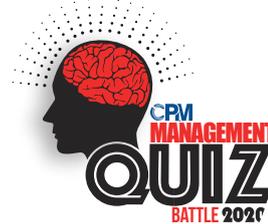
Conducted **"Executive Education Program"** in collaboration with Indian Institute of Management, Ahmedabad (IIMA)

Launch of CPM "Sahana" CSR Project



Formation of Syllabus Review Committee

Launch of Management and Entrepreneurship Professional Programme



Launch of CPM Management Quiz Battle

Organized 01st **CPM Regional Management Conference** in collaboration with AMDISA

AMDISA Executive

2013

2015

2017

2019

2014

2016

2018

2020

Hosted ACBSP Accredited Program Formation of E&T Committee

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

Hosted 63rd AMDISA Executive Board Meeting

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



Launch of CPM Cricket Challenge Series

Launch of **CPM Fellowship Night**

Launch of New Members Induction & Certificate Awarding Ceremony

Formation of Membership Committee

Signed MoU with Junior Chamber International Sri Lanka

Formation of Promotion & Brand Development Committee

report of the governing council

The Governing Council of the Institute of Chartered Professional Managers of Sri Lanka have pleasure in presenting to the members this report, together with the audited financial statement for the year ended 31st March 2020 and the auditor's report on the financial statements.



Financial Review

Rs.20,487,918/-

TOTAL
INCOME

Rs.7,165,272/-

INCOME OVER
EXPENDITURE

The total income for the period was Rs. 20,487,918/-. CPM Sri Lanka recorded a surplus of income over expenditure of Rs.7,165,272/- (after Taxes) for the period under review.



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

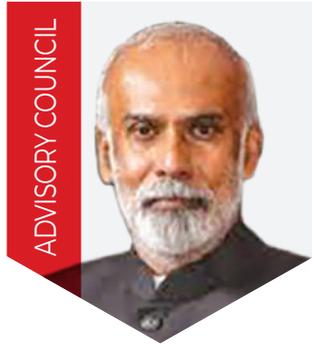
Former Chairman- Commercial Bank Plc. and United Motors Lanka PLC



ADVISORY COUNCIL

MR. PREMA COORAY

Chairman-The Rain Forest Eco Lodge Pvt. Ltd. & Citrus Leisure PLC
Former Chairman-Aitken Spence 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. PRIANTHA SERESINHE

Former Group Director-The Capital Maharaja Organisation Ltd.



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. ASOKA HETTIGODA
MD-Hettigoda Industries Pvt. Ltd.
Former Chairman-National Chamber of Commerce (SL)



MR. H.M. HENNAYAKE BANDARA
Former GM/CEO-National Savings Bank
Past President-AAT(SL), APBSL
Vice President- CMA (SL)



DR. SAMANTHA RATHNAYAKE
Faculty Member-PIM, Uni. of Sri J'Pura



MRS. PRIMROSE MASCARENHAS
Director - Administration / HR Consultant – RAMTOP Enterprise Management Consultant.



MR. ROSHAN COLLAS
AGM – Bancassurance & Alt. Distribution, Sri Lanka Insurance Corp.



DR. NIRMAL DE SILVA
Board Director, Entrepreneur, Strategy Consultant, Start up Mentor & Associate Professor in Business



MS. GANGA FERNANDO
Senior Lecturer
Dept. of Finance, Faculty of Mgt. & Finance, University of Colombo



DR. DILHAN S. JAYATILLEKE
Non-Executive Director of Northwood Consulting Private Limited,
Head – Business Development and Marketing at Arogya Life Systems Lanka Private Limited

committees

In order to make the services and activities of the CPM Sri Lanka more effective, the Governing Council is supported by seven 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 Sri Lanka assuring compliance with CPM Sri Lanka 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. Roshan Collas	- Chairman
Dr. Nirmal De Silva	- Alternate Chairman
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
Dr. Samantha Rathnayake	- Alternate Chairman
Mr. Dilshan Arsakularathna	- Secretary

c) JOURNAL COMMITTEE

SCOPE OF THE COMMITTEE

Publish the CPM Sri Lanka 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. M.Z.M. Ashroff	- Alternate Chairman
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
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. Asoka Hettigoda	- Chairman
Dr. Dilhan Jayatilleke	- Alternate Chairman
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

Mrs. Primrose Mascarenhas	- Chairman
Mr. Sunil W Gamage	- Alternate Chairman
Mr. Dilshan Arsakularathna	- 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	- Chairman
Dr. Samantha Rathnayake	- Alternate Chairman
Mr. Dilshan Arsakularathna	- Secretary

operational highlights

Despite several environmental setbacks, the Institute has been continuing its process of providing a service to the members. Of course, you will appreciate that we are doing this with great sacrifice, thanks to our members who are always ready to assist us in our journey.

We are continuing as best we can and we are grateful to our membership for their good wishes and encouragement.

Operational Highlights

10TH
ANNIVERSARY
 A Decade of Excellence

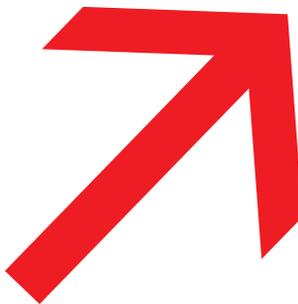
Celebrating its 10th Anniversary, the Institute has been strengthened with the receipt of the necessary approvals for the change of name to **The Institute of Chartered Professional Managers of Sri Lanka (CPM Sri Lanka)**

2019/20

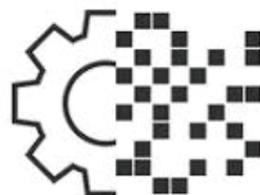
Rs.7,165,272/-
 INCOME OVER EXPENDITURE

2018/19

Rs.515,080
 INCOME OVER EXPENDITURE



+513
 Highest ever Member Enrolment



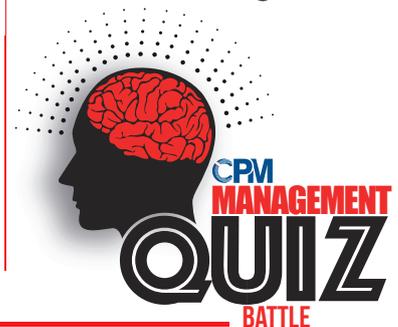
Transform the Membership Process to a Digital Platform

Inauguration of educational programme marking the 10th anniversary.

“Management & Entrepreneurship Professional Programme”

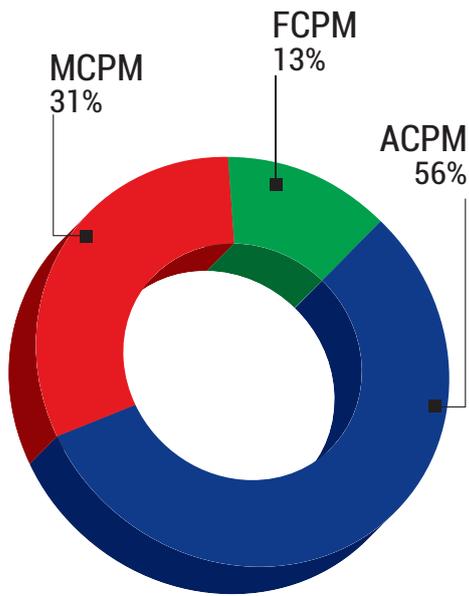


Launching of

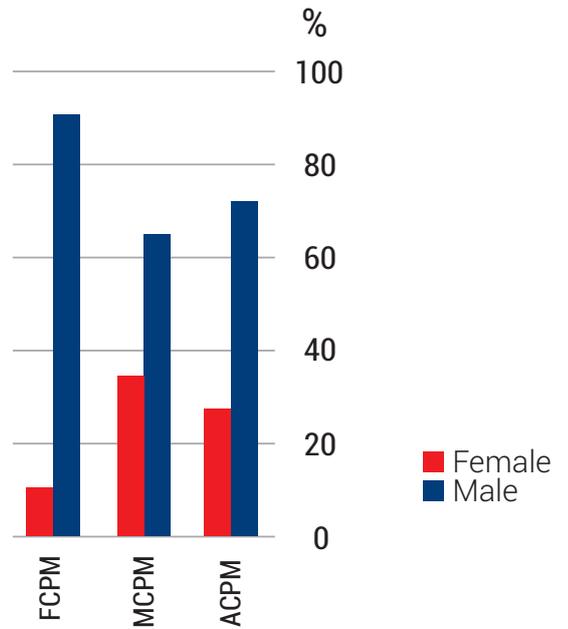


membership

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.



CPM MEMBERSHIP DELEGATION



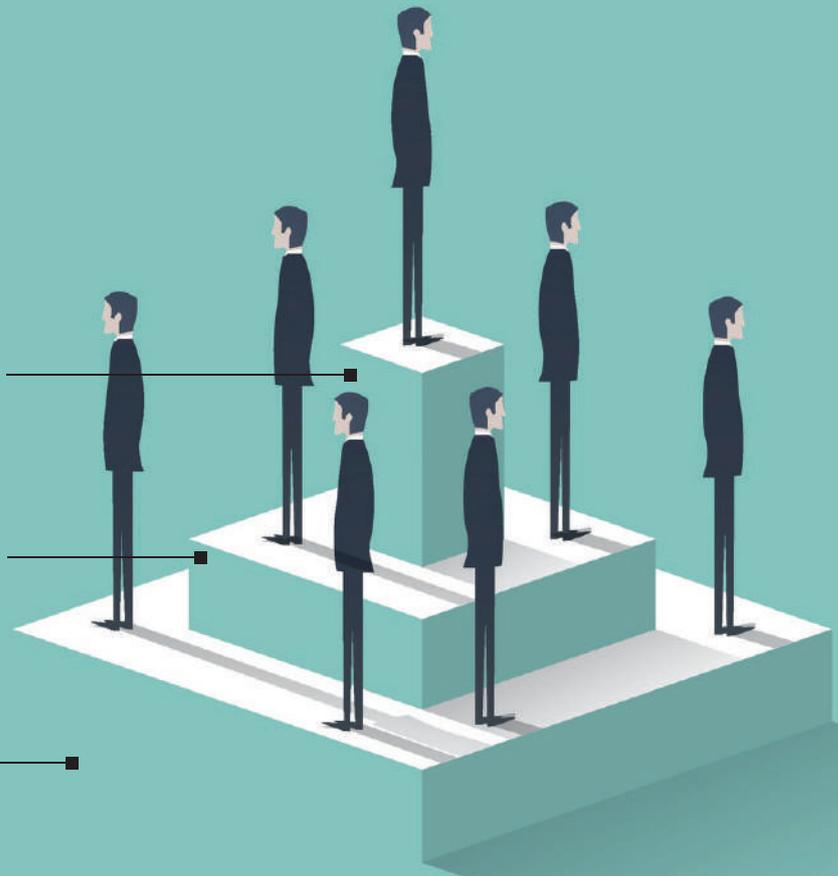
CPM MEMBERSHIP (Gender wise)



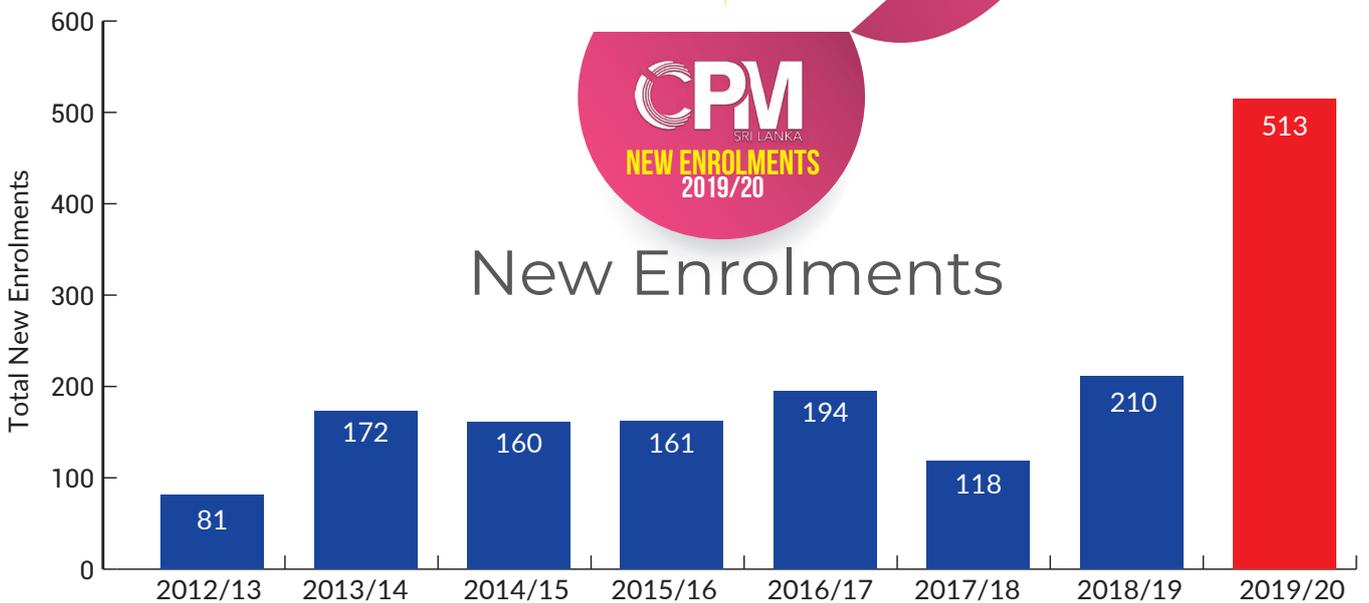
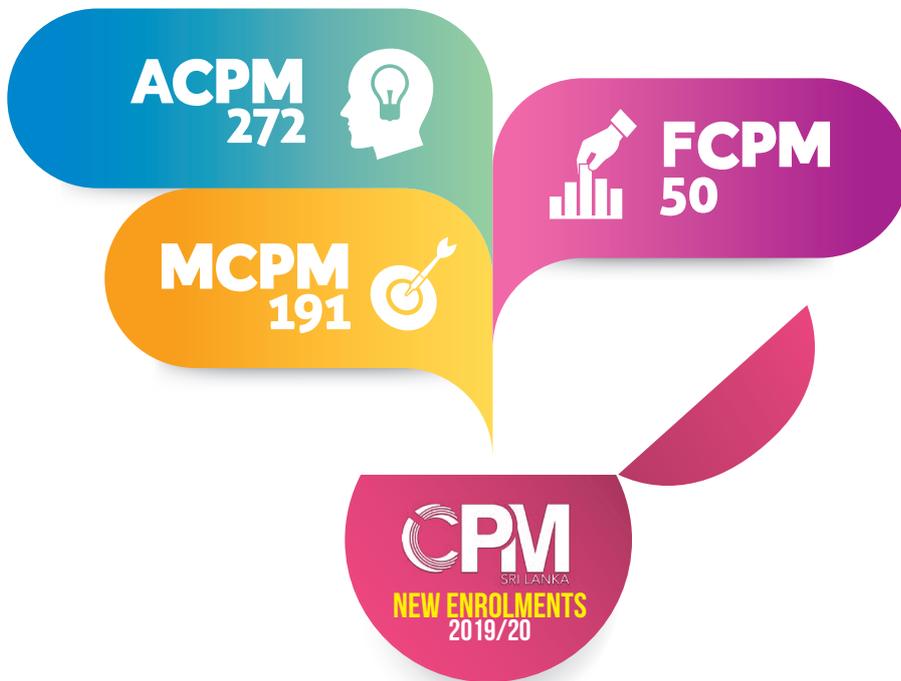
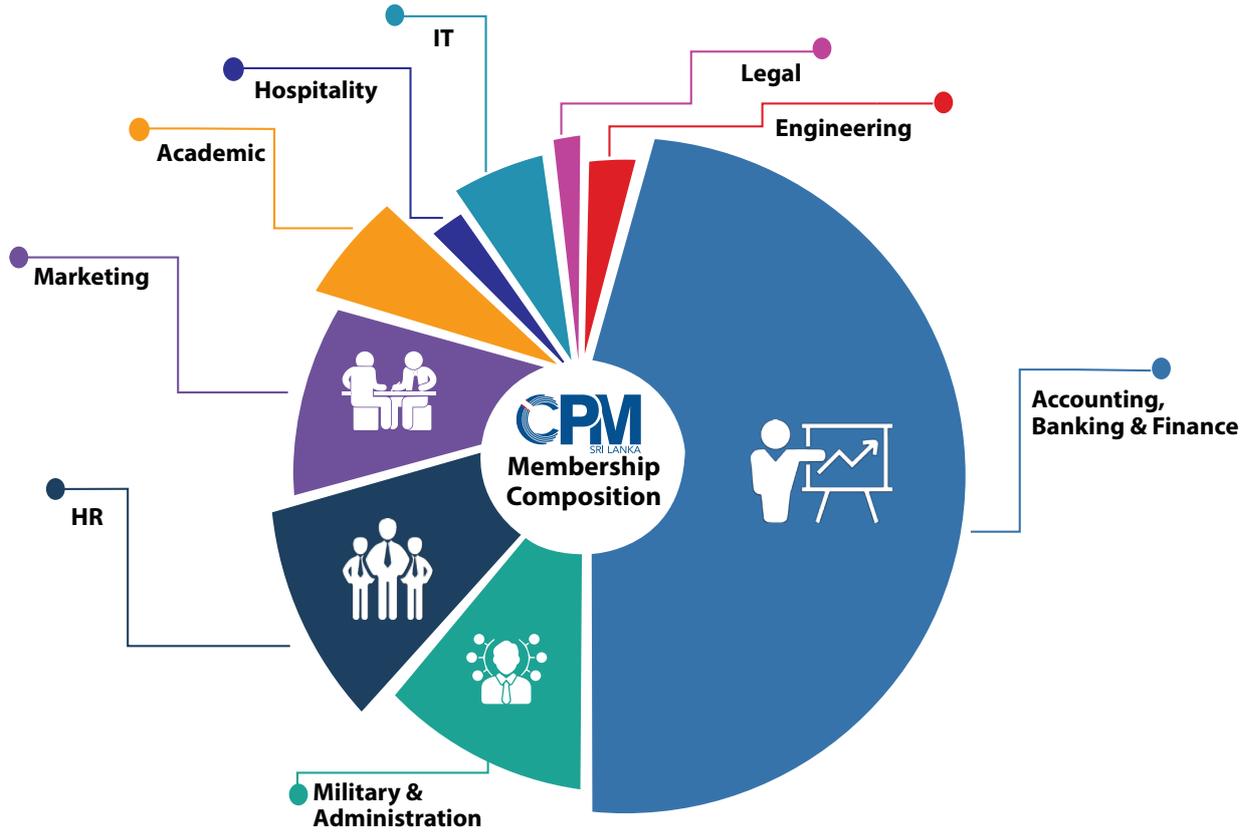
Fellow Membership
Chairman, GM, CEO, CFO, Director
DGM, AGM, Consultant, Proprietor

Full Membership
Senior Manager to AGM, DGM,
Asst. Director,
Div. Head, Proprietor

Associate Membership
Jr. Executive to Manager
Accountant, Supervisor



A UNIQUE feature of CPM Sri Lanka

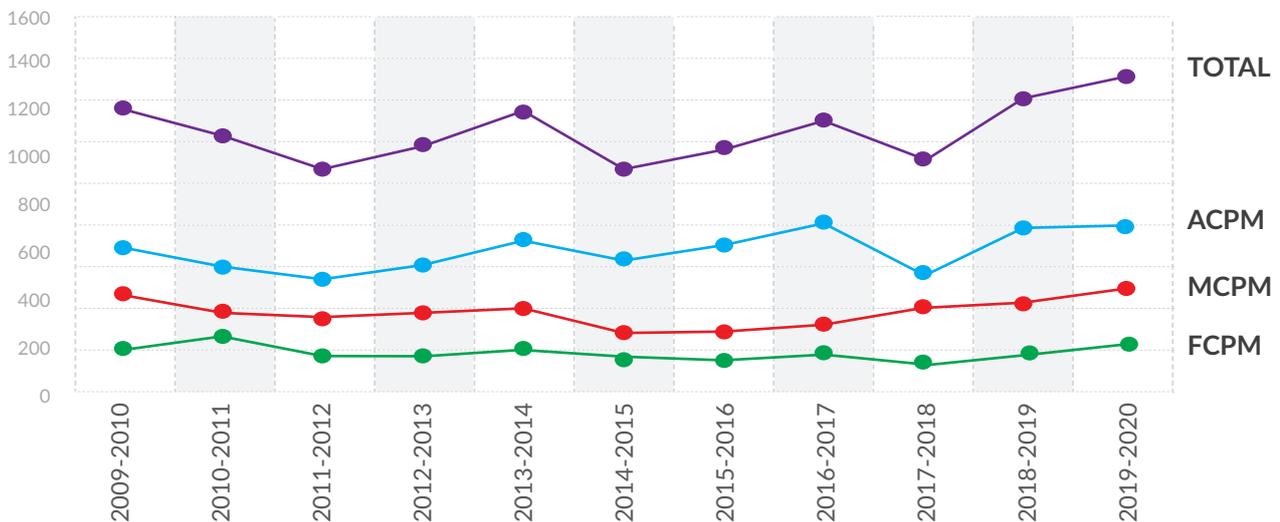




Total Active Members



Total Active Membership as at 31.03.2020



management & entrepreneurship programme

Creating a professional business manager with Entrepreneurial Competency

Programmes Scope

The Certificate in Management and Entrepreneurship (CME), Diploma in Management and Entrepreneurship (DME) & Advanced Diploma in Management and Entrepreneurship (ADME) are suitable for management and entrepreneurship development or business development career minded candidates seeking to acquire specific competencies to differentiate themselves from the rest. This programme would appeal to those already in the business or business development intending to enhance their competencies in management at different levels. These unique study programmes offer prospective candidates and practitioners of business development an opportunity to learn and apply sound conceptual learning to their diverse business situations. The Diploma programmes will give participants management competencies from multiple dimensions whereas Certificate programme provides flavor and taste of management and entrepreneurship.

Programme Structure and Assessment

As per the Sri Lanka Qualification framework benchmarks course covers:

Diploma in Management and Entrepreneurship (DME)	– 30 credits
Advanced Diploma in Management and Entrepreneurship (ADME)	– 60 credits

Mode of learning: Class Room Learning/studying of a running Business/start-up/Studying of an entrepreneurial business personality

For Diploma and Advanced Diploma programmes

An Integrated Assignment (Individual)	: 30%
A Presentation of the report (Presentation)	: 10%
Four (4) compulsory workshops	: 20%
Written Examination (Open Book)	: 40%

(80% of General attendance is compulsory for assessments)

For the Certificate Programme

An Integrated Assignment (Individual)	: 30%
A Presentation of the report (Presentation)	: 20%
Written Examination (Open Book)	: 50%

(80% of General attendance is compulsory for assessments)

Programme Objectives

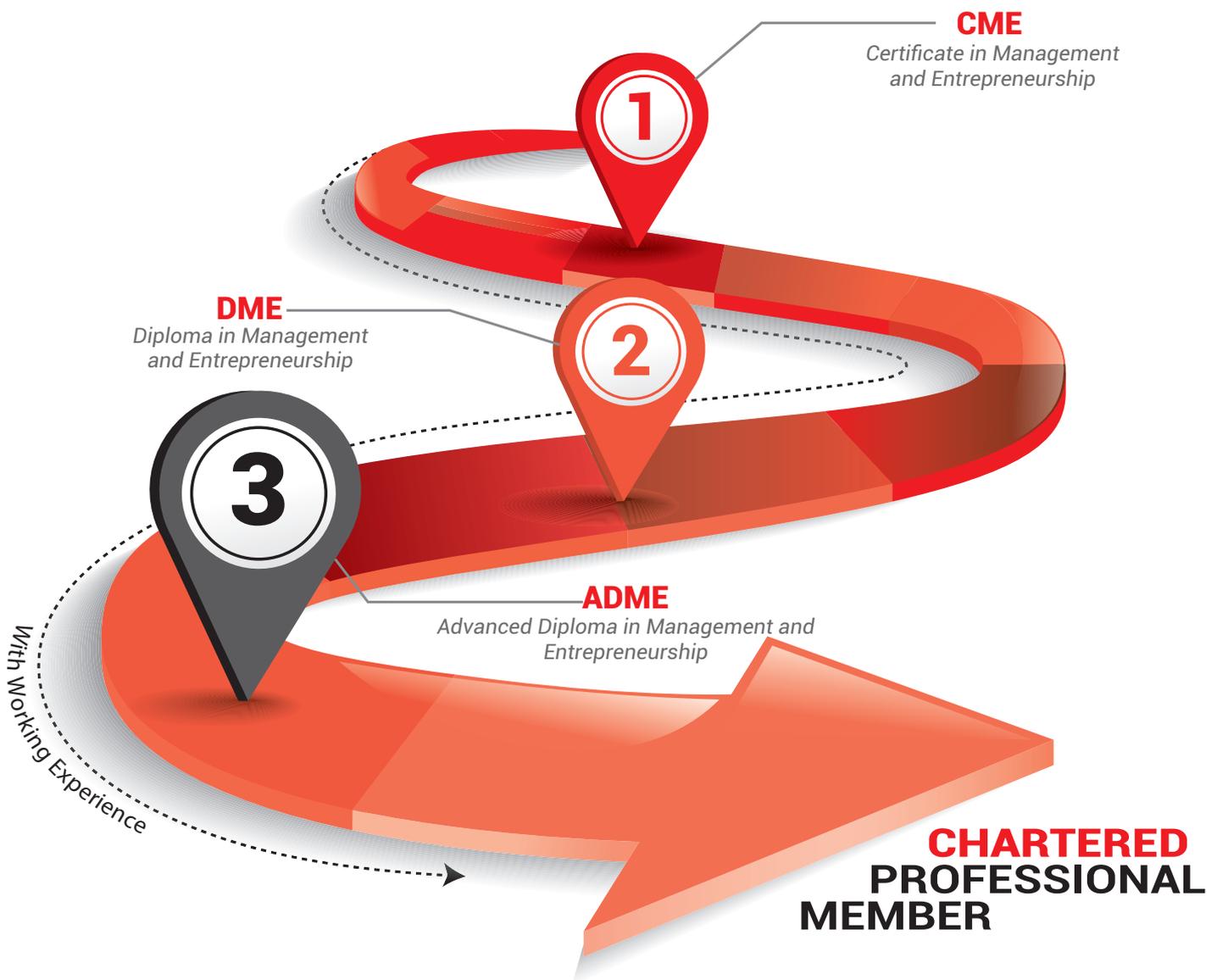
The objective of the programme/s is to develop candidates with sound conceptual and practical knowledge in management/development with exposure to different business and entrepreneurial contexts. Thereby they should be able to consolidate, develop, and demonstrate core competencies which underpin effective management skills from functional level to strategic delivery level of their career.

On completion of the DME/ADME Course/s, participants should be able to:

- Apply a sound knowledge of theories and applications of management from functional level
- Analyse principles of management process and environmental dynamics
- Analyse a business or entrepreneurial personality in different contexts
- Apply the competencies in building, measuring, and managing business practices in their career

On completion of the Certificate Course, participants should be able to:

- Understand theories and some applications of management from functional level
- Understand principles of management process and environmental dynamics
- Understand the competencies in management and entrepreneurial practices in their career



**NATURAL CAPITAL
CAN BE DEFINED
AS THE WORLD'S
STOCKS OF NATURAL
ASSETS WHICH
INCLUDE GEOLOGY,
SOIL, AIR, WATER
AND ALL LIVING
THINGS. IT IS THE
BASIS NOT ONLY OF
PRODUCTION BUT
OF LIFE ITSELF!**

While reaching remarkable milestones and adding more value to the professionals, We CPM Sri Lanka take natural capital management seriously. For the betterment of the environment, we pursue our strategies in alignment with green concepts.



Digital Transformation will end the unnecessary paper work and will promote the well-being of the environment. It also helps us to save storage space, time and money through an agile system. A recent study shows if we reduce font size by one point when we get paper prints can save up to 20.7 billion paper usage as a country in a year. So as a responsible Institute we always encourage our professionals to use smaller fonts and limit taking printouts or take fewer of them which eventually leads to reforestation.



Adapting to the great three rules of protecting the environment we are able to improve the environmental impact of our day to day operations. The staff believe that this is a great way to join the eco-conscious revolution. Taking steps to reduce our carbon footprint and protect natural resources through recycling help us to draw a considerable number of new members who are environmentally minded.

- Reduce
- Reuse
- Recycle



Tons of Polythene and Plastic waste litter our coastline every year. When it ends up in the ocean, it leads to oxygenless dead zones. We CPM Sri Lanka, resist marine pollution, determine not to throw waste in to the ocean and act as an example for accountable organizations which can help protect and restore our oceans for our next generations. We use themes like 'Save the Nature' and 'Protect the Oceans; Our Source of Oxygen' in our annual conferences to share these messages and which will gather more individuals around us to make this world a better place.

Human Capital Interaction of CPM Sri Lanka

CPM Sri Lanka greatly respects human capital and the local community in many ways and the positive influence we make on them create "Vistas of Prosperity" throughout our journey

Stakeholders

Effective relationship with our Patrons, Advisory Council, Governing Council and Committee Members.



Society

Enhance our interaction with the society by taking part in CSR's, conducting sporting and other competitions in a significant way.

Students

Empower skillful youth to be successful managers by Conducting Professional Education and development programmes.

Partners

Engage with Partners to build strong understanding and good interrelation for mutual benefits.

Members

Enable Professional managers to extend their quality by contribute them to our valuable Events.

Employees

Encourage our employees to uplift their career to the next level as well as enjoy their working time.

FLASHBACK OF THE YEAR



professional development program (PDP)

CPM Sri Lanka's Professional Development Program ends on a high note

This half day programme was held on 7th April 2019, at Renuka City Hotel and was attended by diverse professionals. Dr. Nirmal de Silva, Social Entrepreneur and CEO & Co-Founder of Paramount Realty Co and Mr. Ravi Bamunusinghe, Faculty Member and Management Consultant of Postgraduate Institute of Management (PIM), University of Sri Jayewardenepura facilitated the programme.

Participants were shown processes for innovation and evaluation and changes leading to efficiencies and improvement in the business model. This programme was organised as a forerunner to the Entrepreneurial and Management course that is to be inaugurated later. Prof. Watawala, said "this is a new initiative aimed at educating professionals on the importance of entrepreneurial thinking."



CPM management quiz battle 2019

With the intention of creating a fine platform for the purpose of testing the competency level of Corporate Managers, The Institute organized the “CPM Management Quiz Battle 2019” on 07th June 2019.

This was the inaugural quiz competition organized by the Institute. There were 05 rounds which comprised 10 questions in each round. The question format also included visuals/video clips-based questions and covered General Management, Integrative Management, Innovation & Entrepreneurship, General Knowledge and Current Affairs.

The contestant teams were provided with Audience Response System Clickers and it was not paper based.

Dialog Axiata PLC clinched the Champion Trophy with a cash price of Rs.99,999/-. South Asia Gateway Terminals Pvt. Ltd (SAGT) was the 01st Runner-up with cash price of Rs.66,666/- and Hemas Manufacturing (Pvt) Ltd was the 02nd Runner-up with cash price of Rs.33,333/-.

The Institute also recognized round winners, team/s who scored the highest marks in each round.

CPM Management Quiz Battle 2019 was an opportunity for upcoming young managers to pit their professional knowledge against one another and to renew and widen their reach.



Inauguration of educational programme marking the 10th anniversary:

“Management & Entrepreneurship Professional Programme”

Celebrating its 10th Anniversary, CPM Sri Lanka launched the “Management and Entrepreneurship Programmes” with a fully-fledged syllabus and a practical training background. Qualifying at these examinations will lead participants to membership of CPM which includes Associates (ACPM), Member (MCPM) and Fellow (FCPM) and are valuable 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,

former Speaker of 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 welcomed the participants and Dr. Samantha Rathnayake, Head of Syllabus Review Committee and Governing Council Member explained the highlights of the programme. Mr. Prema Cooray Senior Governing Council Member made the concluding remarks.



**CHARTERED
MANAGER**

chartered manager journal

The purpose behind the 'Chartered Manager' Journal is twofold; it gives members to express valid points of view and an opportunity to update themselves on current and relevant information.

The June 2019 edition of our journal was published and sent to our members. The cover story was by Dr. Kulatunga Rajapakse Emeritus Group Chairman, DSI on 'Sri Lanka must develop and Entrepreneurial Culture to achieve Sustainable Development'. There were also five other areas startups and capital, enterprise risk management, banking, micro finance and solar energy.

We were fortunate that we were able to put together our March 2020 Journal before the imposition of the

lockdown and attendant health restrictions. However we were unable to go into print. Yet despite severe restrictions we circulated the Journal online.

The main feature was a special interview with Mr. Merrill J. Fernando, Founder of Dilmah fame. He spoke to us on empowering youth, something he and his sons are engaged in. In addition we featured articles on the shortage of skilled workers, readying for the fourth industrial revolution, tertiary education and the future of tea.

In addition, the e-versions of both Journals were uploaded to our official media sites (LinkedIn, Facebook and website; www.cpmsrilanka.org).



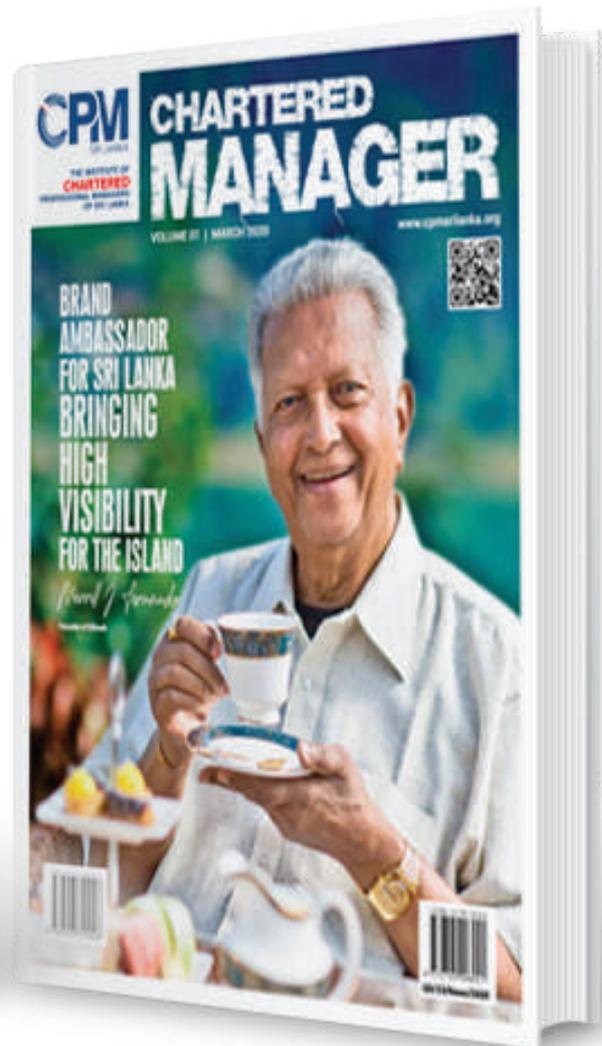
CHARTERED MANAGER_JUNE 2019

Featuring Interview

Sri Lanka must develop and Entrepreneurial Culture to achieve Sustainable Development

***-Mr. Kulatunga Rajapaksa,
Group Chairman, DSI Samson Group***

- Startups and Raising Capital: An Inevitable Challenge-4 Factors that every Entrepreneur needs to keep in mind!
- Enterprise Risk Management-Preparing for the Unthinkable
- New Challenges & Opportunities in the Banking Sector
- Influence of Micro Financial Institution's initiatives in Rural Villages of North of Sri Lanka
- Success (Failures) of Implementation of Solar Energy in Sri Lanka: A Case Study



CHARTERED MANAGER_MARCH 2020

Featuring Interview

Brand Ambassador for Sri Lanka bringing high visibility for the Island.

***-Mr. Merrill J Fernando,,
Founder of Dilmah Tea***

- Empowering the Youth in Sri Lanka – A Catalyst for Developing the Nation
- SHORTAGE OF SKILL WORKERS IN CONSTRUCTION INDUSTRY IN SRI LANKA
- Youth Career Readiness for the Fourth Industrial Revolution
- Transforming Higher Education System in Sri Lanka: Towards a “Knowledge-based” economy
- Future of Sri Lankan Tea Industry and Plantation Sector in Development Arena



Evening For Managers (EFM) presentation series

The Evening For Managers programmes have proved very popular with the members because we have been consistently able to invite high profile presenters with

something valuable to say. Much thought goes into the planning at the committee stage especially about who addresses us.

14th Session

'Are you in the right direction?'

The Institute held its 14th successive evening presentation discussed on "How do you ensure that your "STRATEGY" is aligned to the "PURPOSE" of your business?" which was a top up programme on the main theme of "Are you in the Right Direction?" on 06th August 2019.

Mr. Suranga Herath, Chief Executive Officer-The English Tea Shop UK & Amazon Trading delivered the key presentation at the event held at The Kingsbury Hotel.

Mr. Suranga discussed how to ensure that your strategy and its execution is aligned to deliver results and sustainability, when you have a

compelling purpose for your business and whether that purpose will guide you in designing a uniquely competitive strategy.

The key presentation was followed by a panel discussion which was moderated by Dr. Samantha Rathnayake, who is a faculty member of PIM, and Fellow Member and Governing Council Member of CPM Sri Lanka.

Mr. Susantha Silva, Group Chief Executive Officer, Dreamron Group of Companies and Mr. Eranda Amal Godage, General Manager-Marketing, Kanrich Finance Ltd. shared their expert views as the panelists of this evening session.



15th Session

'Rational Decision Making; Diligence of a decision on Reasons and Facts'

The Institute held its 15th Evening for Managers session on 26th September 2019, with a presentation and discussion on 'Rational Decision Making; Diligence of Decisions on Reasons and Facts'. The keynote at the event was delivered by Advisor on Military Intelligence to Ministry of Defense Dr. Ajith Colonne, who is also a former Trade Commissioner at the Australian High Commission, Chairman of the National Apprenticeship and Industrial Training Authority and Director of the Institute of Policy Studies.

Dr. Colonne stressed that in making rational decisions it is important to leave emotions out, however unpopular they may seem. The process for sound decision-making entails understanding the situation, defining the problem, objectives, diagnosing the problem, evaluating alternatives to choose the best alternative and then implementation.

Delivering an engaging presentation, Dr. Colonne drew from his wide-ranging experience in State, military and private machinery, sharing several anecdotes to better illustrate his reasoning. He also pointed out that rational decision-making is impacted by culture, circumstances and expectations, whereby what might seem an obvious fit somewhere would not be relevant elsewhere. Dr. Colonne remarked how in Sweden persons arriving early for forums would park furthest from the building in order to allow late comers to gain quicker access to the building. Such rationalisation does not exist in Sri Lankan culture.

"Young people and young executives are more often very emotional, whereby their decisions and actions are 70% from the heart and 30% from the head. This usually changes the further they go in life, and I believe that rational decisions usually require a certain degree

of maturity. Decisions must always bring long-term benefits, do not think only of the short-term; justify everything you do before you do it," he added.

Drawing from his military background with parallels to the corporate world, Dr. Colonne stressed the importance of brutal decisions for situations that require decisions beyond rationality. He defined these as conscious executions of rational decisions concerning human beings employing power or authority, such as during law enforcement or when the interests of a majority need to be safeguarded. "Certain situations demand brutal decisions, so certain positions you cannot hold if you are weak and you cannot take brutal decisions," he stressed.

However, unpopular these are, if they are thought out with purpose it will eventually turn out right for the organisations and people affected, he said. He also reminded the audience the importance of learning to frame communications appropriately based on the group of people it is targeting and their rank and file.

A panel discussion was held soon after the keynote which also featured Riscor Consultants Director, Mr. Chris Corea, who underscored the need to take into account long-term considerations before arriving at decisions. He pointed out that executives must first identify the time that is presented to arrive at a decision, and to try to obtain as much information as possible during that period from as many learned sources available. He also reminded the importance of engaging people in decision-making to administer the implementation of said projects or actions. The panel discussion was moderated by Mr. Roshan Collas, Head of CPM Education & Training Committee and AGM, Bancassurance & Alternate Distribution Sri Lanka Insurance Corporation.



16th Session

Advances in Technology and Leadership Transformation'

The Institute held its 16th successive evening presentation discussed on how the nature of work will drastically be affected as technology will strengthen the human potential to yield exceptional levels of efficiency and effectiveness. Transform leadership and will increase exponentially a leader's ability to overcome challenges and opportunities, and so achieve real future prosperity.

Mr. Mano Sekaram, Chief Executive Officer and Co-Founder of 99x Technology Pvt. Ltd. delivered the key presentation and Mr. Aloka Jayawardena, Chief Information Officer, Sri Lanka Insurance Corporation and Mr. Sanjeewa Samarasinghe, Consultant-Sales and Business Management and Former Senior General Manager, Dialog Axiata PLC were the panelists at the event held at The Kingsbury Hotel.





CPM Business Connect Program

The Institute conducted a brainstorming session on 28th May 2019, at Bimpuh Finance PLC for their executive staff on how to overcome the challenges facing the economy after the recent tragic incidents in the Country.

It was a very interactive session which discussed the ground challenges and possible solutions for specific problems through a consensus of ideas proposed by the

participants and resource panel.

Dr. Samantha Rathnayake, Governing Council Member of CPM Sri Lanka and Faculty Member of PIM, University, of Sri Jaywardenepura and Mr. Ravi Bamunusnghe, Faculty Member of PIM, Sri Jaywardenepura conducted this session.



Convocations

In line with the new recognition received by the Institute as the "Institute of Chartered Professional Managers of Sri Lanka", two back to back convocations organized by the Institute with the participation of approximately 1032 Managers, Academia and Professionals representing Industry, Commerce, Banking & Finance,

Universities & Business Schools and the Service Sector receiving Associate, Member and Fellow memberships at these convocations. We are pleased that the Management Community appreciates our professional activities.

Annual Convocation 2019



Annual Convocation 2019 of the Institute was successfully held on 11th October 2019, BMICH Colombo Sri Lanka with the participation of approximately 534 Managers, Academia and Professionals representing Industry, Commerce, Banking & Finance, Universities & Business Schools and the Service Sector receiving Associate, Member and Fellow memberships at this convocation.

It however was not this number who were eligible for membership. There were 500 more and since it was beyond our capability to invite all 1000 recipients for a single convocation, we had to divide them into two batches. The second batch was invited in February 2020. We are pleased that the Management Community appreciates our

professional activities.

We chose as our theme, " Save the Nature" the aim being to draw the busy manager's attention to preserving nature and ultimately our livelihood.



The Chief Guest was Senior Professor Chandrika N. Wijeyaratne, Vice Chancellor, University of Colombo. In her address she congratulated the recipients and encouraged them to be the vanguard of professionals in a country that will soon be developed.

On special features, participants were witnessed a video on the theme was developed for wider circulation. A unique folder which manufactured using plastic & polyurethane wastes was distributed among the members. The Institute expects to encourage professionals to adapt with environmental friendly works in their day to day life.



Annual Convocation 2020



Annual Convocation 2020 of the Institute was successfully held on 14th February 2020, BMICH Colombo Sri Lanka with the participation of approximately 498 numbers of Managers, Academia and Professionals representing Industry, Commerce, Banking & Finance, Universities & Business Schools and the Service Sector on whom were conferred Associate, Member and Fellow memberships at this convocation.

The theme of the convocation was "Protect the Oceans; Our source of Oxygen" drawing attention to sea pollution and the harmful effects of the vast amount of polythene found in the sea. The background theme focusing on the sea was to make today's manager of the dangers of paying attention to our environment and the

oceans which provide us with oxygen and an important source of Protein.

M/s Gishani Heaton an expert underwater photographer very generously allowed us to use some of her photographic work. A video on the theme was developed for wider circulation. To highlight the value of the oceans, a special folder made of marine vegetation was given to the members.

The Chief Guest was Senior Professor Malik Ranasinghe, Chairman of Sampath Bank, Former Vice Chancellor, University of Moratuwa. In his address, he referred to the value of continual education, the role of management and the responsibility of professionals in driving the economy.





Regional Management Conference 2019 was a Rich Exploration of “Management 4.0: Readiness and Strategy”

The Institute organized the CPM Regional Management Conference 2019 (CRMC 2019) in grand style in collaboration with the Association of Management Development Institutions in South Asia (AMDISA) at the Marin Beach Hotel, Colombo on 30th October 2019. Participants were from the AMDISA member countries in the South Asian Region and from the 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 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 made a special speech at the forum. President of CPM Sri Lanka, Prof. Lakshman R. Watawala and the 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 handled the technical design of the conference and the summing up.



Management 4.0 explored what the Fourth Industrial Revolution means to the management profession and what new competencies we need to be adopting and sharing with both current and future leaders. This revolution is attributed to 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.

Further, it 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 whereas 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.



CPM digital outreach

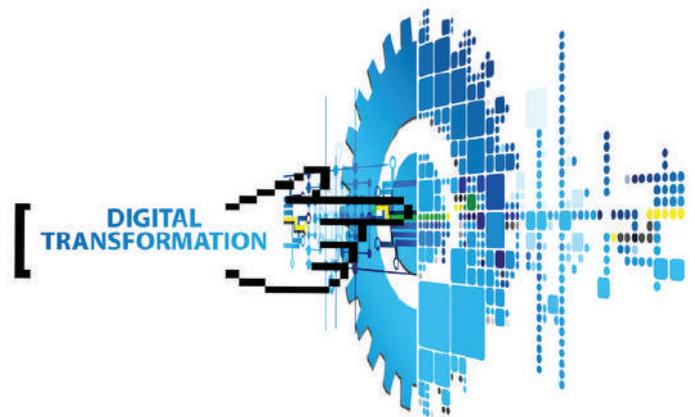


The CPM Digital Outreach has been introduced to fulfil CPM Sri Lanka Members' CPD requirements during the pandemic which also enables members to get maximum use from their lockdown period. This project consists of Video Assignments and Strategy Competitions of "COVID19 for our members on FUTURE READINESS"

These activities will continue eliminating time spent on going to meetings and releasing members from time bound limitations.

digital transformation of membership

Understanding the timely needs, CPM Sri Lanka implemented an online system by transforming the membership process to a digital platform which is integrated into four main clusters thus: (i) Online Membership Application (ii) Online Members' Database (OMD) (iii) Online Member Profile Management System (OPMS) and Online Membership Directory (OMD). (Please refer annexure II and III). This will have ease of access quick verification, and members will be able to contact their colleagues and meet them virtually. We expect a closer contact among members.



virtual lectures of management and entrepreneurship programme



In preparation for the 'New Normal', it is important to have the right navigation for the entrepreneurs to re-align their businesses as well as their managers and to re-skill their workforce to meet upcoming new challenges. In catering to these aspects, CPM Sri Lanka launched a "Management & Entrepreneurship Programme" with a fully-fledged syllabus and a practical experience component which consists of Certificate, Diploma and Advanced Diploma qualifications. We now have the initial batch of young managers already in training with their classes on Zoom. We received very encouraging responses from them.

With this course a new chapter in the future of the Institute will be inaugurated. There will very soon be members qualifying from our own office. Your Institute will then be an organisation providing acceptable qualifications.

online membership directory

A member directory can be of tangible benefit because it grants access to information of other members, a vital resource for assistance and networking opportunities. CPM Sri Lanka as a professional body encourages collaboration amongst multidisciplinary managers, and for this reason our Online Membership Directory isn't just helpful, it's essential. Our Online Membership Directory will showcase strong career profiles, advertise membership levels, and profile successful members and their accomplishments.



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.

A handwritten signature in black ink, appearing to read 'Watawala'.

Prof. Lakshman R. Watawala
President
CPM Sri Lanka
05th December 2020

financial statements for the year ended 31st march 2020

THE INSTITUTE OF
CHARTERED
PROFESSIONAL
MANAGERS OF
SRI LANKA

(Formerly known as
The Institute of Certified
Professional Managers)





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

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 2020, 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 2020, 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	D.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. Abeyaratne 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. Sharmee ACA	Ms. C.T.K.N. Perera ACA
A.M.R.P. Alahakoon ACA		
Principals - S.R.J. Perera FCMA(UK), LL.B., Attorney-at-Law,	H.S. Goonewardene ACA,	
Ms. P.M.K. Sumanasekara FCA		



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.

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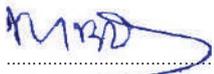
CHARTERED ACCOUNTANTS

Colombo, Sri Lanka

09 September 2020

STATEMENT OF FINANCIAL POSITION As at 31 March ,	Note	2020 Rs.	2019 Rs.
Assets			
Non-current assets			
Equipment	4	388,627	57,614
Deferred tax asset		-	-
		388,627	57,614
Current assets			
Receivable		28,025	8,000
Fixed deposit		12,220,880	4,987,850
Refundable deposit		25,000	-
Cash and cash equivalents	5	338,478	92,555
		12,612,383	5,088,405
TOTAL ASSETS		13,001,010	5,146,019
Funds and liabilities			
Funds			
Accumulated fund		11,795,457	4,630,185
		11,795,457	4,630,185
Current liabilities			
Accrued expenses	6	789,146	515,834
Bank overdraft	5	416,407	-
		1,205,553	515,834
Total liabilities		1,205,553	515,834
Total funds and liabilities		13,001,010	5,146,019

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

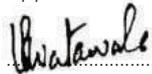


M.B. Ismail

Treasurer

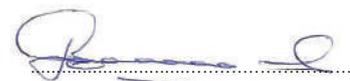
The Governing Council is responsible for the preparation and presentation of these financial statements in accordance with SLFRS for SMEs.

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



Prof. L.R. Watawala

President



Kosala M. Dissanayake

Secretary

09th September 2020
Colombo

STATEMENT OF INCOME AND EXPENDITURE For the year ended 31 March,	Note	2020 Rs.	2019 Rs.
Income			
Membership fee		14,859,150	5,481,500
Conference income		1,057,325	1,976,299
Interest income	7	638,585	352,211
Other income	8	3,932,858	1,551,500
TOTAL INCOME		20,487,918	9,361,510
Expenditure			
Staff salaries		1,757,115	1,455,034
Staff allowances		218,163	155,600
Employees' provident fund		192,520	154,800
Employees' trust fund		48,130	38,700
Professional fee		103,011	29,726
Repair and maintenance		40,175	51,990
Travelling and transport		204,110	148,637
Rent		366,000	225,000
Postage and courier charges		84,861	155,993
Depreciation		47,607	46,434
Foreign travel expenses		459,481	135,670
Foreign memberships		73,883	16,516
Audit fees		120,000	120,000
Accounting fees		95,000	95,000
AGM expenses		381,659	161,701
AMDISA board meetings		664,308	447,176
Telephone and internet		134,382	154,978
Members fellowship night		-	10,000
Expenses for members' journal		448,420	717,310
Printing and stationery		498,502	156,231
Sundry expenses		14,038	14,605
Annual convocation		3,047,816	365,740
Marketing and promotions		575,427	78,500
Governing council and committee meeting		29,125	20,349
IIMA executive education program		-	379,192
Database system and website		624,594	175,183
Bank charges		25,035	19,764
Commission on credit cards		77,322	1,150

STATEMENT OF INCOME AND EXPENDITURE (CONTINUED) For the year ended 31 March,	Note	2020 Rs.	2019 Rs.
Cricket challenge		130,820	-
EFM presentation		599,724	493,774
Regional management conference		903,451	2,636,544
Professional development programme		-	105,200
Management quiz battle		694,801	-
M&E programme		622,782	-
Total expenditure		13,282,262	8,766,497
Surplus before tax expenses		7,205,656	595,013
Tax expense	9	(40,384)	(79,933)
SURPLUS FOR THE YEAR		7,165,272	515,080

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.

STATEMENT OF CHANGES IN ACCUMULATED FUND For the year ended 31 March,	Accumulated fund Rs.	Total Rs.
Balance as at 01 April 2018	4,115,105	4,115,105
Surplus for the year	515,080	515,080
Balance as at 31 March 2019	4,630,185	4,630,185
Surplus for the year	7,165,272	7,165,272
Balance as at 31 March 2020	11,795,457	11,795,457

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.

STATEMENT OF CASH FLOWS For the year ended 31 March,	2020 Rs.	2019 Rs.
Cash flows from operating activities		
Surplus before tax expense	7,205,656	595,013
Adjustments for:		
Depreciation of equipment	47,607	46,434
Interest income	(638,585)	(352,211)
Income tax expense	(40,384)	-
Operating surplus before working capital changes	6,574,294	289,236
Changes in;		
Receivables from CMA Sri Lanka	(20,025)	41,500
Refundable deposit	(25,000)	-
Accrued expenses	273,312	105,073
Cash generated from operating activities	6,802,581	435,809
Income tax paid	-	-
Net cash generated from operating activities	6,802,581	435,809
Cash flows from investing activities		
Acquisition of equipment	(378,620)	-
Net investments in fixed deposits	(7,152,811)	(700,457)
Interest income received	558,366	352,661
Net cash used in investing activities	(6,973,065)	(347,796)
Net (decrease) / increase in cash and cash equivalents	(170,484)	88,013
Cash and cash equivalents at the beginning of the year	92,555	4,542
Cash and cash equivalents at the end of the year (Note 05)	(77,929)	92,555

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.

1. REPORTING ENTITY

1.1 DOMICILE AND LEGAL FORM

The Institute of Chartered Professional Managers of Sri Lanka (“the Institute”) 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 Sri Lanka), 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

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.

(ii) Deferred tax

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates that have been enacted at.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Taxation (continued)

Deferred tax (continued)

the reporting period end date and are expected to apply when the related deferred tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

(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, Regional management conference income, seminar income, advertisement income, interest income, and sponsorship income 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.

NOTES TO THE FINANCIAL STATEMENTS As at 31 March,		Computer Rs.	Furniture Rs.	Telephone Rs.	Total Rs.
4	Equipment				
	Cost				
	Balance at the beginning of the year	314,814	196,078	4,255	515,147
	Additions during the year	332,810	45,810	-	378,620
	Balance at the end of the year	647,624	241,888	4,255	893,767
	Accumulated depreciation				
	Balance at the beginning of the year	293,463	160,186	3,884	457,533
	Charge for the year	25,297	21,939	371	47,607
	Balance at the end of the year	318,760	182,125	4,255	505,140
	Carrying value				
	As at 31 March 2020	328,864	59,763	-	388,627
	As at 31 March 2019	21,351	35,892	371	57,614
				2020 Rs.	2019 Rs.
5	Cash and cash equivalents				
	Cash at bank			260,478	82,555
	Cash in hand			78,000	10,000
				338,478	92,555
	Less: Bank overdraft			(416,407)	-
	Cash and cash equivalents for the purpose of cashflows			(77,929)	92,555
6	Accrued expenses				
	Audit fees			127,507	230,000
	Income tax			50,898	10,514
	Accounting fees			15,000	7,500
	Employees' Provident Fund			59,433	43,000
	Employees' Trust Fund			8,915	6,450
	Annual general meeting			200,000	200,000
	Telephone and internet			19,743	10,452
	Professional fee			-	7,918
	Cricket challenge			46,920	-
	Office rent			33,000	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)		2020	2019
As at 31 March,		Rs.	Rs.
Expenses for members' journal		25,000	-
Staff salary		133,540	-
Artworks designing charges		69,190	-
		789,146	515,834
7 Interest income			
Interest on fixed deposits		630,829	348,280
Interest on savings account		7,756	3,931
		638,585	352,211
8 Other income			
Advertisement income-Journal		25,000	280,000
Cricket challenge		136,000	-
EFM presentation		638,020	797,000
Annual convocation		3,133,838	324,500
IIMA executive education program		-	150,000
		3,932,858	1,551,500
9 Income tax			
9.1 Current tax expense (Note 9.2)		40,384	-
Deferred tax (utilisation)/ origination during the year		-	79,933
Total income tax expense		40,384	79,933
<p>The Institute is a charitable Institution as per Section 195[1] where they are not carrying out any Business and liable only on Investment Income and as per the Section 88 [ii] [b] 'Interest paid to or treated as being derived by a charitable organization shall be the final WHT payment up to 31 December 2019.</p>			
9.2 Tax reconciliation statement			
Business income		-	-
Interest income		258,280	-
Receipt of final withholding payments		84,501	-
Investment income		342,781	-
Total assessable income		342,781	-

NOTES TO THE FINANCIAL STATEMENTS (Continued) As at 31 March,	2020 Rs.	2019 Rs.
Deduction from Assessable Income		
Qualifying payments	-	-
Taxable income	342,781	-
Tax on interest income at 14%	36,159	-
Tax on receipt of final withholding payments at 5%	4,225	-
Total income tax payable	40,384	-
9.3 Deferred taxation		
Deferred tax liabilities	-	-
Deferred tax assets	-	-
Net deferred tax asset	-	-

10 Related party transactions

10.1 Transactions with key management personnel

The Institute considers 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:

	2020 Rs.	2019 Rs.
Defined contribution plan	Nil	Nil

10.2 Transactions with related parties

Mr. M.B. Ismail, Treasurer of the Institute, is also the Managing Partner, SJMS Associates, an affiliate Deloitte Touche Tohmatsu India LLP and a Director of Accounting Systems Secretarial Service (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 (2019/20) Rs.	Balance outstanding as at 31 March 2020 Rs.	Transactions during the year (2018/19) Rs.	Balance outstanding as at 31 March 2019 Rs.
SJMS Associates an affiliate Deloitte Touche Tohmatsu India LLP	Professional fees	-	-	39,300	-
Accounting Systems Secre- tarial Service (Pvt) Ltd	Professional fees	29,336	-	30,351	-

11 Number of employees

The number of employees of the Institute as at 31 March 2020 is 2. (2019 : 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 were no material events that occurred after the reporting date except below event which require adjustments to or disclosures in these financial statement.

15 Other matters: Impact of Covid-19 Pandemic

The corona-virus outbreak since early 2020 has brought about additional uncertainties in the Institute's operating environment. The Institute has been closely monitoring the impact of the developments on the businesses and has put in place contingency measures.

The Institute understands the importance of the safety measures implemented by world leaders and implemented all the precautionary measures advised. We are aware of the unpredictable nature of the current situation of the country and the globe, therefore the Institute wishes to further observe the impacts and take proactive measures to ensure the smooth functioning of the business. While, abiding by the health guidelines to ensure health and safety.

16 Litigation and claims

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

17 Approval of financial statements

These financial statements were approved by the Governing council and authorised for issue on 09 September 2020.

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	www.cpmsrilanka.org
AUDITORS	KPMG (Chartered Accountants) 32A, Sir Mohamed Macan Markar Mawatha, PO Box 186, Colombo 03.
BANKERS	People's Bank Sampath Bank



29/24, Vishaka Private Lane, Colombo 04, Sri Lanka.
Tel: +94 (11) 259 0995 | Fax: +94 (11) 250 7087

www.cpmsrilanka.org