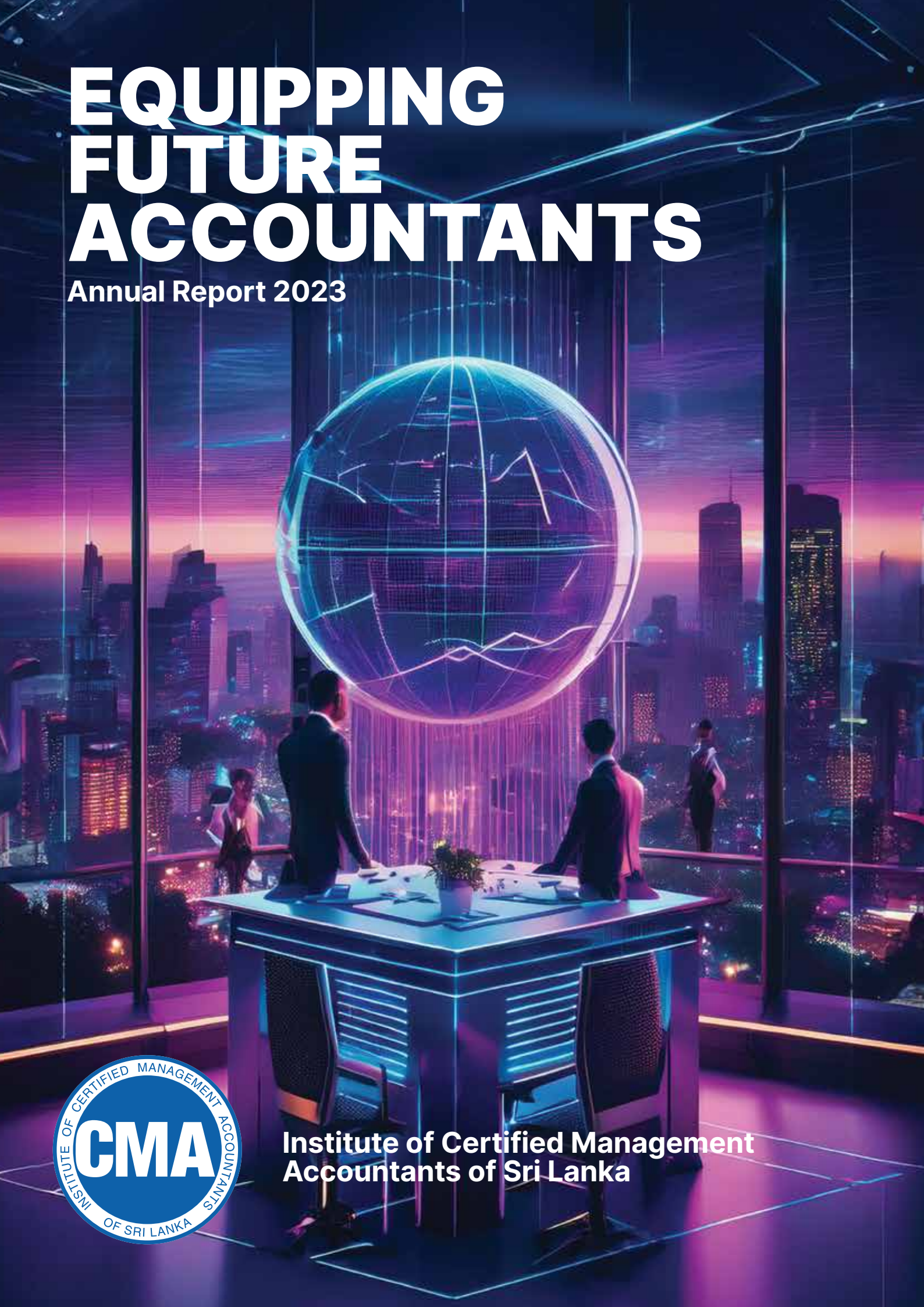
EQUIPPING FUTURE ACCOUNTANTS

Annual Report 2023



Institute of Certified Management Accountants of Sri Lanka

CMA Sri Lanka – Annual Report 2023

Theme: Equipping Future Accountants

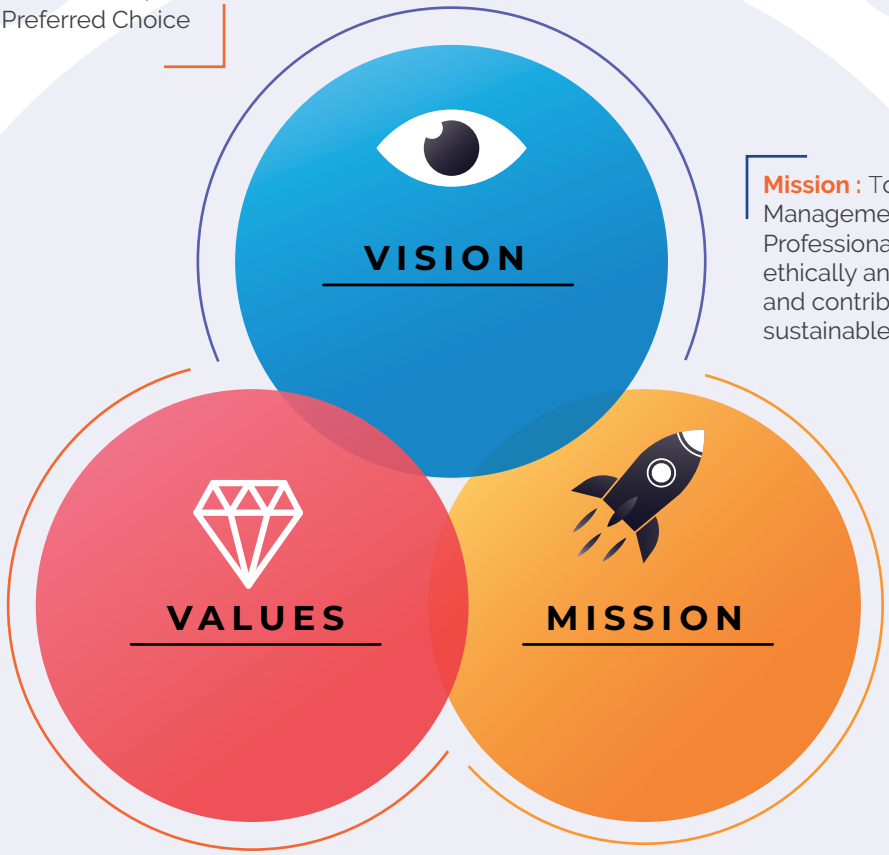
Cover Story:

As the world undergoes rapid transformation, the role of management accountants has evolved far beyond traditional boundaries. The demands of the digital economy, the increasing emphasis on sustainability, and the need for value-driven decision-making have reshaped the business landscape. Recognizing these shifts, CMA Sri Lanka is committed to equipping tomorrow's accountants with the skills and tools they need to thrive in this dynamic environment.

On our journey to becoming the preferred choice in management accounting education, CMA's mission remains unwavering: to develop management accounting professionals who are innovative, ethically grounded, socially responsible, and focused on sustainable value creation. Guided by our core values, we are shaping the future generation of accountants who will confidently lead their organizations through tomorrow's challenges.

At CMA, we are not just preparing accountants; we are creating future-ready, digitally empowered, solution- savvy and value-driven professionals, poised to lead with purpose, innovation, and integrity.

Vision: CMA, the Preferred Choice



Mission : To train and develop Management Accounting Professionals who are innovative, ethically and socially responsible, and contribute towards sustainable value creation.

Values

- Adaptability and Innovation
- Excellence in Everything we do
- Embrace of Diversity
- Openness, Honesty, and Transparency
- Professionalism
- Supportive and Responsive
- Trust and Integrity

Principal Objectives

- Provide a professional organisation for Management Accountants.
- Develop and promote the study of Management Accountancy.
- To register, educate and train any person wishing to become a member of the Institute.
- Establish and issue management accountancy standards, encourage the application of correct principles, techniques and practices of management accountancy.
- Take necessary steps to promote the profession of management accountancy in its practice to industry, commerce, education, finance and public service and IT.
- Conduct a certified management accountancy program leading to a professional management accounting qualification; encourage the publication of books and periodicals; maintain libraries; conduct examinations; undertake and regulate professional education and three year period of industrial practical training.

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ABOUT OUR REPORT

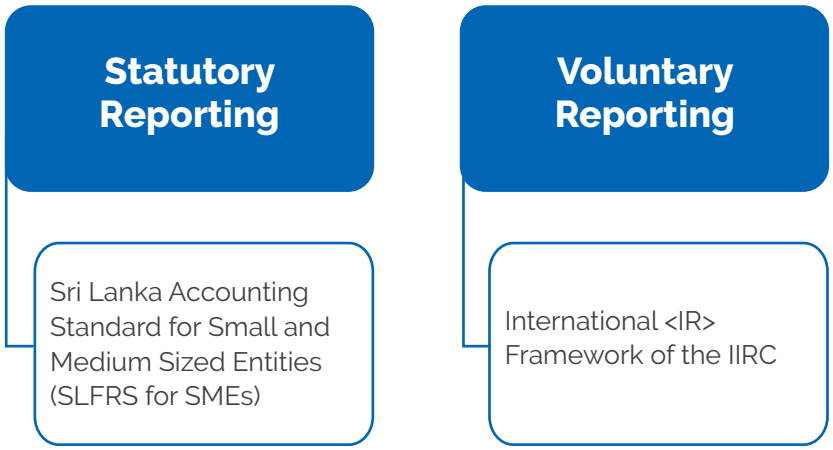
We are pleased to present the 2023 Annual Integrated Report of the Institute of Certified Management Accountants of Sri Lanka (CMA), prepared in line with the <IR> framework established by the International Integrated Reporting Council. In this report, we aim to clearly articulate how CMA's strategy, governance, performance, and future outlook—considering the external environment—have contributed to the creation, preservation, or erosion of value over the past year

Scope and Boundary

This Report covers CMA's operations for the period from 1st January 2023 to 31st December 2023. Material events occurring from that date up to the date of the Governing Council's sign off on 11th September 2024 are also included. Both financial and non-financial information presented are limited to CMA and comply with the reporting requirements of the relevant regulatory bodies.

Reporting Principles

This report was prepared in adherence to the following mandatory and voluntary reporting frameworks:



Assurance

The financial statements of CMA have been audited by Messrs. KPMG, Chartered Accountants.

Feedback

Your comments and questions are important to improve our Integrated Report. Please direct your feedback to Ms. Dhushianthy Nallathamby on 0772394029.

WHO WE ARE

CMA serves as Sri Lanka's national body for professional management accounting. Originally founded in 1999 as the Society of Certified Management Accountants of Sri Lanka, the organization was established by Professor Lakshman R Watawala, a former president of the Institute of Chartered Accountants of Sri Lanka and the founder of AAT Sri Lanka. CMA was officially launched as a professional body on 3rd June 2000 with technical support from CMA Canada (now CPA Canada) and the financial backing of the Canadian International Development Agency (CIDA). In 2009, it was incorporated by Act of Parliament No. 23 of 2009 and renamed as the Institute of Certified Management Accountants of Sri Lanka.

The CMA Professional Qualification

Upon successful completion, the CMA program awards candidates a professional qualification in strategic management accounting. The program is structured around a four-tier examination process, encompassing the Certificate, Operational, Managerial and Strategic levels with Integrated case study being the capstone of the programme. Along with passing these levels, candidates must also complete a three-year period of industrial training to be eligible for associate membership (ACMA).

Our Reach

Our program is offered by a network of 30 accredited educational providers. In line with our commitment to inclusivity, these providers are located across the island while the at the first two levels, the CMA program is offered in Sinhala, Tamil, and English, with the remaining levels conducted in English.

International Memberships

CMA is a member of the International Federation of Accountants (IFAC), the South Asian Federation of Accountants (SAFA), and the Confederation of Asian and Pacific Accountants (CAPA).

Local/Global Collaborations

The CMA professional qualification is widely recognized by numerous local and international accounting bodies, universities, and educational institutions. This recognition allows CMA students and members to enjoy global mobility and access a broad spectrum of professional and educational opportunities.

Continuing Professional Development

The annual calendar of events includes the CMA annual conference and sessions on current and emerging topics relevant to the profession, providing valuable opportunities for networking and skill enhancement. Members are also encouraged to participate in CMA committees, contributing their expertise and insights to advance the organization and the profession.

MEMBERSHIPS

IFAC International Federation of Accountants

CAPA Confederation of Asian and Pacific Accountants

SAFA South Asian Federation of Accountants

Members
2,319
(2022-2,207)

Students
18,632
(2022 - 17,464)

Training Partners
98
(2022-101)

Accredited Education Providers
30
(2022 – 34)

CPD Programs Held
23
(2022 - 37)

MILESTONES

1999

Incorporated as the Society of Certified Management Accountants

2000

Launch of Society of Certified Management Accountants of Sri Lanka

Commenced Enrollment of Members, Students, Education and Examinations

2001

Expansion of services to all geographical regions of Sri Lanka. First Exam held in March/ April 2001

2002

Publication of first Management Accounting Journal and launch of CMA website

2003

First Graduation Ceremony

MOU signed with Open University of Sri Lanka enabling students who have completed the Diploma stage of CMA to register for Level 5 of the BMS degree programme

2004

Launch of the CMA Computer Centre

2005

First CMA Business Excellence Awards to recognize professional accountants

2006

Conference on Business Performance and Value Creation

2007

Signed MoU with All-India Management Association New Delhi, India to set up the sponsored Professional Management Body

2008

Launch of e-learning courses for students of CMA. Signed an MOU with Distance Education Modernization Project of the Ministry of Higher Education

2009

Incorporation of the Institute of Certified Management Accountants of Sri Lanka by Act of Parliament, Act No. 23 of 2009

Obtained Membership of South Asian Federation of Accountants (SAFA)

2010

Achieved Associate Member of IFAC status – (International Federation of Accountants)

2011

MoU with the Association of Chartered Certified Accountants UK and Young Entrepreneurs of Sri Lanka (YESL)

2012

CMA Head Office set-up at new own location in Colombo 04

Inauguration of CMA Students' Guild

2013

Conducted State sector employees' empowerment programme for Samurdhi Authority

Appointment of committees by the Governing Council to undertake various activities

2014

Obtained Full-Membership of IFAC

CMA members recognized as on par with CIMA (UK), ACCA (UK) and CA (SL) for job opportunities in Government, State Corporations and Auditor General's Department

2015

Commencement of CMA Excellence in Integrated Reporting Awards

CMA Global Management Accounting Summit

CMA Sri Lanka Toastmasters' Club formed.

2016

Scholarship programme initiated to give 100 scholarships

Obtained Full Membership of Confederation of Asian & Pacific Accountants (CAPA)

2017

MoU signed with Pearson VUE for conduct of computer-based examinations

2018

Member Pathway Agreement signed CPA Australia at World Congress of Accountants – Sydney Australia

MoUs signed with Deakin University Australia, International Chamber of Commerce Sri Lanka (ICC), Sri Lanka Institute of Marketing (SLIM)

Launch of CMA Journal on Integrated Reporting

2019

MoUs signed with National Institute of Plantations Management (NIPM) and Open University of Sri Lanka to develop e-learning system for the Foundation Level 2018 – 2022.

Launch of Cost & Management Accounting Standard Board (CMASB).

MoU signed with Institute of Cost Accountants of India to assist the CMASB

2020

CMA took over the conduct of examinations from Department of Examinations

MoU signed with Human Resource Management Institute (HRMI) to grant exemptions for CMA exams to follow degree programme

Introduction of Digital Online lectures, CPD Programmes, ITA, CMA Management Accounting Conference and Speech craft Programmes
Introduction of Computer-based exams conducted online remote basis
Conducted Hybrid CMA Excellence in Integrated Reporting Award 2020 ceremony

2021

Partnered with Pearson VUE, USA to offer computer-based examinations for Operational Level and Managerial Level

Carried out its first ever Interim Syllabus Revision
Signed an MOU with the faculty of Management Studies of the Sabaragamuwa University of Sri Lanka (SUSL) to offer scholarships, exemptions, and a "GOLD MEDAL AWARD" to the most outstanding student

Signed MOU with Faculty of Management studies & Commerce((FMSC), University of Sri Jayawardenepura.

Signed MOU with Sri Lanka Technological campus (SLTC)

2022

2022 Launch of "CMA History Book 1999-2022"

Launch of a new Members' Portal for the benefit of its members.

The Business School of CMA was launched with the purpose of conducting courses of a short-term nature.

Inauguration of Certificate Programme in Integrated Reporting.

Introduced Computer-based testing for the first 3 levels of the CMA Professional Programme both online and Centre-based.

CMA Sri Lanka obtained recognition for the Diploma in Accounting and Business Management course at NVQ Level 6 - Higher National Diploma level equivalent status from the Tertiary & Vocational Education Commission (TVEC).

2023

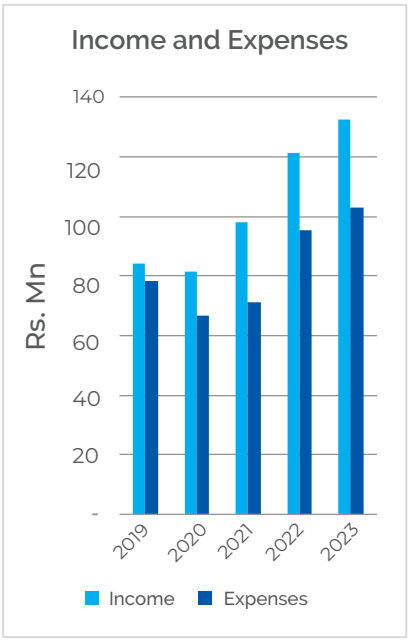
Launch of CMA Professional Program Syllabus 2023-2027

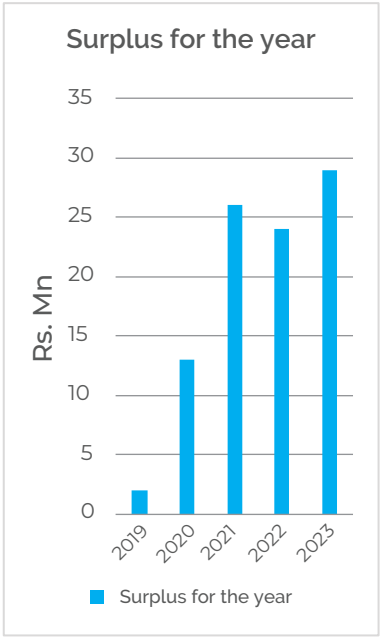
Launch of LMS (Learning Management System)

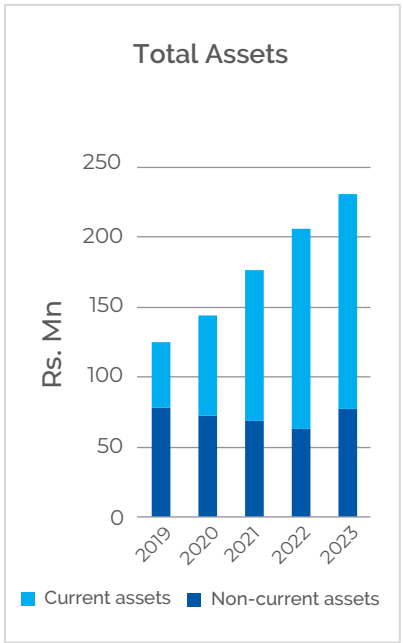
PERFORMANCE HIGHLIGHTS

Financial Indicators

Year Ended 31st December		2023	2022	Change %
Financial Performance				
Income	Rs. Mn	132.4	121.4	9.1
Surplus before tax	Rs. Mn	29.7	26.0	14.2
Surplus after tax	Rs. Mn	25.9	24.1	7.5
Financial Strength				
Non-current assets	Rs. Mn	77.1	62.9	22.6
Property, plant, and equipment	Rs. Mn	58.2	60.6	(3.9)
Current assets	Rs. Mn	153.1	142.5	7.4
Total assets	Rs. Mn	230.3	205.5	12.1
Total funds	Rs. Mn	178.1	149.8	18.9
Non-current liabilities	Rs. Mn	23.6	23.9	(1.2)
Current liabilities	Rs. Mn	28.6	31.8	(10.1)



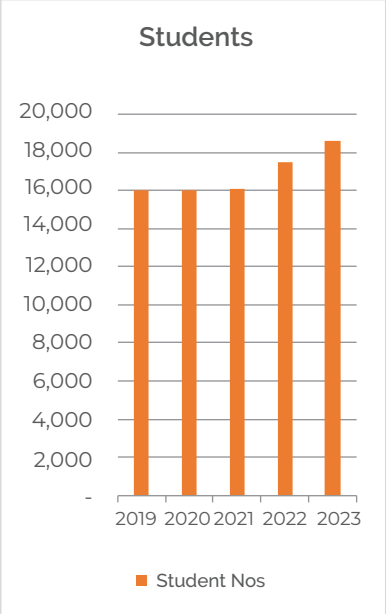


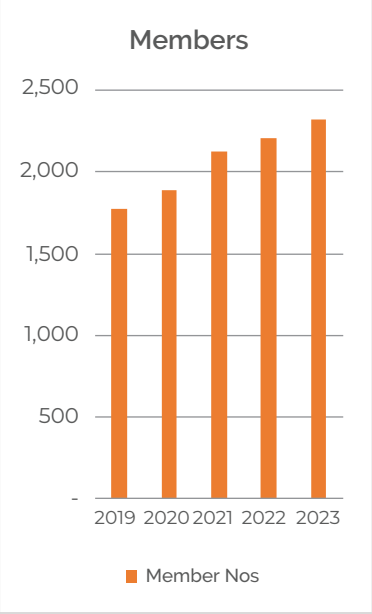


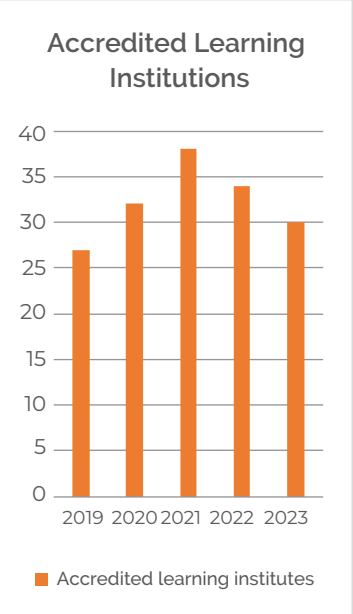
PERFORMANCE HIGHLIGHTS

Non-Financial Indicators

		2023	2022	Change %
Human Capital				
Employees	Nos	29	25	16
Social and Relationship Capital				
Students	Nos	18,632	17,464	7
Members	Nos	2,319	2,207	5
Passed finalists	Nos	93	83	12
Accredited educational centres	Nos	30	34	(11)
Training partners	Nos	98	101	(3)
Scholarships awarded	Nos	32	6	433
Intellectual Capital				
Knowledge and expertise programmes conducted	Nos	23	37	(37)
Publications	Nos	1	1	0
Natural Capital				
Energy consumption	Rs. Mn	1.8	1.1	64
Paper consumption	Rs. Mn	0.2	0.2	0







GOVERNANCE AND LEADERSHIP

Message from the Founder President

Sri Lanka welcomed 2023 after enduring prolonged socioeconomic shocks over the previous three years, and facing the impacts of soaring inflation, rising interest rates, unemployment, and the financial crisis of 2022. These conditions, along with unpredictable policies and escalating operational costs, created significant challenges for the economy. These pressures are likely to persist into 2024, demanding ongoing, careful management to ensure long-term economic stability.

In 2023, the government and the Central Bank of Sri Lanka extended the stabilisation measures introduced in 2022, including stricter monetary controls, increased taxation to address the budget deficit, and adjustments to energy prices to manage subsidies. The critical fuel shortages of 2022 were also brought under control. While these measures imposed short-term difficulties, they were effective in reducing inflation, improving foreign exchange reserves, and alleviating fiscal and external pressures, helping to stabilize the economy.

In March 2023, Sri Lanka reached agreement with the International Monetary Fund on a USD 3 Billion Extended Fund Facility (EFF) over a period of 48 months to support the government's structural reform programme providing the government a much-needed lifeline towards recovery. The conditions therein necessitated increasing taxes to enhance revenue and cost reflective utility pricing removing subsidies, state-owned enterprises reform to avoid losses and improve management, improve fiscal governance and restore macroeconomic stability. The first tranche of funding under this facility amounting to approximately $333 million, was released shortly thereafter.

Our Performance

CMA delivered a satisfactory performance in 2023 despite external challenges. The uncertainty of the period in the conduct of the O/L and A/L exams and results also had an impact on the student registrations. We increased member numbers by 5% while our student population grew by 7%. In terms of financial performance, total income increased by 9.06% to Rs. 132.4 million, driven by stable registration and examination fees, alongside a notable 94% surge in interest income from high-yield fixed deposits. Expenses grew by 7.8% to Rs. 102.8 million, due primarily to a 22.5% rise in staff costs, while administrative costs slightly decreased. Consequently, the surplus before tax rose by 13.85% to Rs. 29.6 million, reflecting sound operational efficiency.

The organization's financial position strengthened with a 12.1% growth in total assets, reaching Rs. 230.3 million. Cash from operations was strategically reinvested, boosting short-term investments by 10.75%. Liabilities decreased, particularly current liabilities, which dropped by 10%, contributing to a healthy financial outlook. However, net cashflows from operating and investing activities saw significant declines of 55% and 64%, respectively, leaving a reduced net cashflow of Rs. 0.5 million by year-end.

New syllabus 2023-2027

With the introduction of our new syllabus titled "Equipping Future Accountants" this year, CMA embraced a forward-thinking approach in redefining our qualification structure to meet the demands of an evolving business landscape. The new syllabus, details of which can be found elsewhere in this report, is structured to equip accountants for the future, and is designed to address both present and emerging industry needs.

This updated qualification framework incorporates a comprehensive range of subjects aligned with global and local business demands. Through modern and relevant coursework, alongside our rigorous examination process, combined with the skill programmes in technology and communication, we aim to create professionals who are agile, skilled, and capable of thriving in leadership and management roles across industries. Thus our clear value proposition is that we produce accountants who not only meet the technical requirements of the profession but also exhibit strategic leadership and decision-making abilities.

The accountant of the new age must navigate and reap the benefits of the new technologies available to them; that's why we embed AI, data analytics, and digital transformation within our curriculum. In parallel, ethics and professionalism remain core pillars, ensuring that our graduates are not only equipped with technical and digital skills but also uphold the highest standards of ethical practice.

The AI Disruption

I must address the important aspect of Artificial Intelligence and the inevitable disruption it is causing within the accounting profession. On one hand, the growing integration of AI in accounting threatens traditional roles, particularly in developing regions like Asia, where swift technological adoption can reshape entire economies. However, it is my

belief that this is an opportunity for accountants to shift their focus towards strategic advisory and analytical roles, which are vital to businesses.

We should not fear AI. Its strength lies in automating routine tasks, which can, in turn, enhance productivity. Accountants will continue to add value through their business acumen, especially by prioritizing ethical leadership in governance and regulatory compliance, where AI's capabilities fall short. Moreover, accounting professionals should leverage their emotional intelligence and relationship-building skills in client-facing roles, offering financial wellness advice alongside traditional services. Expertise in local tax regulations will also remain indispensable as businesses navigate increasingly complex tax landscapes.

To adapt to these changes, continuous learning—especially in AI and data analytics—is essential. Accountants must work closely with educational and professional bodies to ensure that future professionals are proficient in AI and digital tools.

Creating Value

CMA Sri Lanka's value creation strategy is a comprehensive effort to shape the future of management accountancy by focusing on membership development, education, and professional training. Through rigorous professional examinations, we ensure that members uphold the highest standards in cost and management accountancy. This commitment to excellence is complemented by initiatives aimed at building a strong CMA brand and enhancing both physical and digital infrastructure.

Our flagship event, the 19th CMA National Management Accounting Conference was held in September 2023. It explored the theme "Sustainability and Value Creation in an Economic Turmoil," attracting key speakers such as the Governor of the Central Bank, Dr. P. Nandalal Weerasinghe, and President's Counsel, Sarath Jayamanne. The conference addressed vital topics, such as Domestic Debt Optimization, AI, cost management and combatting corruption, and served as a significant forum for the exchange of knowledge and ideas in accounting, sustainability, and governance.

In October, CMA hosted the 9th CMA Excellence in Integrated Reporting Awards, which has grown to be a prestigious event recognizing organizations committed to transparency and value creation. This year, 53 companies participated, with Diesel & Motor Engineering PLC and Softlogic Life PLC jointly securing the top honor.

Further notable events include the COVID-19 SME Development Conference to celebrate United – Nations MSME Day on 27th June, focusing on the resurgence of micro, small, and medium enterprises with the participation of 10 commercial banks. The CMA's Founder's Day Oration delivered by Mr Supun Weerasinghe Managing Director/CEO Dialog Axiata, highlighting strategic management in turbulent times. CMA also recognized outstanding accounting professionals at its Business Excellence Awards and continued its mission to expand the CMA brand through various educational initiatives, exhibitions, and member events.

As always, the CMA calendar included a series of Continuing Professional Development (CPD) programmes, on current topics of debt restructuring, debt sustainability and taxation most of which were free of charge for members, corporates and students. The 23 programmes conducted during the year included 13 webinars and 10 short courses organized by the CMA Business School. These events were well-attended and carefully designed to address current knowledge needs, receiving positive feedback from participants.

IFAC President visits Sri Lanka

We were honoured to host Ms. Asmâa Resmouki, President of the International Federation of Accountants (IFAC), the the global organization for the accountancy profession with 180 members and associates in 135 jurisdictions, representing more than 3 million accountants in public practice, education, government service, industry, and commerce. Ms Resmouki was in Sri Lanka in October on our invitation to be Chief Guest at the CMA Excellence in Integrated Reporting Awards 2023. During the visit, she visited our Head Office for a networking event with CMA students with the participation of CMA governing council members and management. The gathering had an engaging session while interacting with IFAC President Ms. Resmouki on the accounting profession and the role of students. She also felicitated some of the outstanding students at this function.

International Partnerships

Through global recognition and accreditation by prominent accounting bodies such as IFAC, CAPA, and SAFA, and member pathway agreements with professional accounting bodies such as ACCA UK and CPA Australia, we ensure that CMA professionals remain global, competitive and relevant in their careers. Our strong affiliations with these international bodies provide our members with valuable global exposure and opportunities. Additionally, our partnership with Pearson Vue, a renowned computer based global examination provider, allows us to streamline our examination process by conducting it 4 times a year, further enhancing the credibility of our qualification. CMA is represented on the Board of Directors of the South Asian Federation of Accountants (SAFA) and we also encourage our members and students to be actively involved in SAFA initiatives, contributing to regional accounting development and strengthening their professional networks across South Asia. Conduct of the International Students Conference in Sri Lanka also had participation from students of our member bodies.

Being Inclusive

Our initiatives also focus on social responsibility and inclusivity. We provide scholarships to candidates from underrepresented backgrounds, those with excellent results at the A/L ensuring that a career in accounting is accessible to all, regardless of their circumstances. We provide a professional qualification at an affordable price and believe that diversity strengthens our profession and contributes to a more inclusive and responsible business environment.

The Way Ahead

We see clear potential to grow our student base and increase enrollments in the CMA program. To support this, we have several initiatives in place. One of the key efforts is strengthening our relationships with education partners who offer the CMA program. Given the limited university placements available in Sri Lanka for those completing their A/L examination, the CMA is positioned as an affordable, local qualification with pathways to international opportunities, making it an appealing option. We also support university undergraduates and graduates to obtain a professional qualification enabling them to fit into the private sector and progress in their career.

Upon completing the CMA program, our students are job-ready. We focus on producing accounting professionals who are both academically qualified and practically trained, addressing the needs of the private and public sector. Through a combination of academic learning and practical experience, including internships and real-world applications, our professionals possess the skills employers seek. This ensures they are well-prepared for the workforce and able to transition smoothly into their careers.

Celebrating 25 years

Next year, we celebrate 25 years since the establishment of CMA in 1999 with the technical assistance from CMA Canada currently CPA Canada and financial assistance from the Canadian Government, which was subsequently recognized by the government with the incorporation by an Act of Parliament in 2009. This milestone reflects a significant period of growth and achievement for the institution. Over the years, many CMA professionals with designation ACMA and FCMA have gone on to excel in the corporate sector, holding key positions and making notable contributions to their organisations and industries. To commemorate this milestone, we will host a series of special events throughout the year to honour the journey we have taken thus far and to reaffirm our commitment to shaping the next generation of leaders in cost & management accounting and finance.

Appreciations

I would like to express my sincere gratitude to the members of the Governing Council for their invaluable support and contributions throughout the year. Their efforts, along with the dedication of our management and staff, consultants who have been instrumental in ensuring that CMA remains a self-sustaining institution, committed to excellence in all its operations.

I wish to extend my sincere thanks to the eminent professionals and resource persons who have readily supported our programmes throughout the year. The high quality of the CMA Calendar of events is a direct result of their valuable contributions, and my team and I deeply appreciate your ongoing support.

I want to thank our members and students for their continued trust in the CMA qualification, especially through the challenges of recent years. We remain committed to providing you with the highest standards of education and professional training, ensuring you are fully equipped to achieve your aspirations in management accountancy

Prof. Lakshman R. Watawala
FCA, FCMA, FCMA (UK), CGMA, FCPM..

REPORT OF THE GOVERNING COUNCIL

Despite ongoing economic challenges in Sri Lanka, CMA demonstrated a commendable performance in 2023. Revenue for the year saw a year-on-year increase of 9%, reaching Rs. 132.4 million, while costs rose by 7.7%, totaling Rs. 102.8 million. As a result, the pre-tax surplus stood at Rs. 29.7 million, with a post-tax surplus amounting to Rs. 25.9 million.

Throughout the year, the institute hosted a wide range of events aimed at engaging members and students while promoting professional development. Our Continuing Professional Development (CPD) webinar series and in-person events continued to attract strong participation, generating enthusiastic feedback from attendees.

The Business School, launched last year, has also garnered a positive reception, not only from our members and students but also from the broader public seeking to enhance their knowledge in tax, data analytics and integrated reporting. Furthermore, the Speechcraft Programme proved to be a highlight, with participants showing great interest and actively taking part in this highly engaging initiative.

The 19th CMA National Management Accounting Conference focused on "Sustainability and Value Creation in Economic Turmoil." Keynote speaker Dr. P. Nandalal Weerasinghe discussed Domestic Debt Optimization (DDO), while guest of honour Mr. Sagala Rathnayake addressed recovery strategies. The event featured four expert-led sessions on sustainable value creation and combating corruption, and drew strong participation.

We hosted the 9th Annual Excellence in Integrated Reporting Awards, celebrating the most outstanding report preparers in corporate Sri Lanka. It has been a pleasure to witness the remarkable progress in the quality of reports over the past nine years, reflecting the positive impact this award has had on elevating reporting standards.

CMA is committed to making its qualifications affordable and accessible across Sri Lanka, ensuring that anyone with the ambition can join the accounting profession. By offering qualifications that are both cost-effective and globally recognised, CMA opens the door for aspiring accountants to become part of a respected and internationally acknowledged community.

CMA-qualified professionals are well-represented in various sectors, including government, private enterprises, state-owned organisations, exports, banking, and financial services. Their expertise in Strategic Cost and Management Accounting contributes significantly to enhancing value and efficiency within these industries.

As a self-sustaining, non-profit organisation, CMA places great importance on the long-term sustainability of its operations. This principle is embedded in every decision, from strategic choices to the positive impact the institute strives to have on society.

KPMG (Chartered Accountants) conducted the audit of CMA's financial statements for the year ending 31st December 2023. The auditor's report, along with the full financial statements, is included in this annual report.

GOVERNING COUNCIL 2023/2025

The new CMA Governing Council for 2023-2035, was installed by Founder President Prof. Lakshman R. Watawala at the Founder's Day Oration. The new Council was nominated/elected on 03, May 2023 – the sixth election to the Council since the incorporation of CMA by an Act of Parliament in 2009.

CMA Sri Lanka Governing Council 2023/2025
L-R: Ms. Sureka Ketawala, Senior Prof. Kennedy Gunawardana, Mr.Manil Jayesinghe, Prof. Lakshman R. Watawala (President), Mr. H M Hennayake Bandara (Vice President), Mr. M. R. A. Perera, Mr. Puvendran Gajendra and Mr. Asanga. I. Wimalaratne.

The new Act No 23 of 2009 provided for a President, Vice President, three council members to be elected and three to be nominated by designated institutions from the Central Bank of Sri Lanka, Department of Accounting University of Sri Jayewardenepura, and the Institute of Chartered Accountants of Sri Lanka.

The sixth CMA Governing Council thus comprises

President
Prof. Lakshman R Watawala
FCMA, FCA, FCMA(UK),
CGMA, FCPM , FMAAT

Vice President
Mr. H M Hennayake Bandara
FCMA, FCA, FMAAT, BCom(Sp), Dip.in Acc., FCPM

Council Member
Mr. M .R. A, Perera
FCMA, FCMA(UK), CGMA, BSc(ACC.), MBA(PIM)

Council Member
Mr. Puvendran Gajendra
FCMA, FCA, FCPM, FMAAT

Council Member
Mr. Asanga I Wimalaratne
FCMA, FCA, ACCA, ACMA (UK), CGMA, FCPM, MSLIM, B.B.Mgt (KLN), PGDBFA, MFE(Col)

Council Member
Mr. Manil Jayesinghe
FCMA, FCA, FCMA(UK), CGMA
Nominee - CA Sri Lanka

Council Member
Senior Prof. K. D. Gunawardana
B.Sc. (Bus. Admin.) (SJP); M.B.A. (Colombo);
CMA (Au), FIPA (SL), Ph.D.(Computer Engineering Mgt)
Nominee: University of Sri Jayawardenapura

Council Member
Ms. Sureka Ketawala
FCA, ACCA, MICA (UK)
BSc (Accountancy, USJP), MBA (UOB, UK)
Nominee – CBSL

PATRONS AND ADVISORY COUNCIL

Patrons

- Hon. Prof. G.L. Peiris; Member of Parliament
- Hon. Dr. Bandula Gunawardena; Member of Parliament and former Cabinet Minister
- Mr. Ravi Karunanayake; Former Member of Parliament and former Cabinet Minister
- H/E David McKinnon, Canadian High Commissioner in Sri Lanka

Advisory Council

Provides a supportive and advisory role and comprised of leading academics/professionals of local and international repute.

Mr. H. D. S. Amarasuriya
FCMA, FCA, FCMA(UK), CGMA
Former Chairman, Singer Sri Lanka and
Former Chairman, Sri Lanka Insurance Corporation Ltd.

Mr. Gordan Beal
FCPA, FCA, M Ed
CPA Canada Vice President, Research, Guidance and Support

Prof. John O Miller
AO, BA, B Com, PhD, FCPA, FAICD, FCMA
Former Head, Graduate School of Management, Swinburne University of Technology Australia; Former Professor Monash University; Past President,
Confederation of Asian and Pacific Accountants (CAPA).

Prof. Ho Yew Kee
PhD, FCA (S'pore), FCPA (Aust), CFA
Associate Provost (Skills Future & Staff Development) Singapore Institute of Technology, Former Head, Department of Accounting & Vice Dean of NUS Business School, The National University of Singapore

Ms. Deborah Leung
Executive General Manager International – CPA Australia

Mr. A. N. Raman
FCMA, FCMA (India), ACA, CPA (Aus.)
Management Consultant, Former Central Council Member, ICWA India; Past President, SAFA; and Former Member, Financial and Management Accounting Committee (FMAC) and Former PAIB, Committee of the International Federation of Accountants (IFAC)

Prof. P.R. Mather
MA, PhD, FCA (E&W), FCPA
Professor of Accounting and Corporate Governance and Former Head, School of Accounting La Trobe University, Australia; Former Assoc. Dean (Higher Research Degrees), Faculty of Business and Economics, Monash University, Australia

Mr. S.E. Satharasinghe
FCMA, FCA, BSc.
Financial Advisor; Former Chairman, Brooke Bond, Former Council Member CMA

Mr. F.H. Puvimanasinghe
FCMA, FCA
Former Senior Partner Puvimanasinghe and Company, Former council Member

CORPORATE GOVERNANCE

CMA Sri Lanka is governed by a Governing Council consisting of eight members. Among them, the President, Vice President, and three additional members are elected by the CMA membership. The remaining three positions are held by the Governor of the Central Bank or their nominee, the President of the Institute of Chartered Accountants of Sri Lanka or their nominee, and the Head of the Department of Accounting at the University of Sri Jayawardenapura or their nominee. The Governing Council is further supported by an Advisory Council.

CMA's various activities are overseen by specialized committees appointed by the Governing Council. Each committee is led by a member of the Governing Council, with additional members volunteering from the broader CMA membership.

The day-to-day operations of CMA are managed by a dedicated management team, that ensures a smooth and efficient functioning and service delivery.

Committees	Chairperson
1. Conference and Seminars, Research Symposium, IR Awards & Sustainability, Business School, SME Development Committee	Prof. Lakshman R Waawala
2. Education, Training and Membership, Accounting and Sustainability Accounting Standards Committee	Mr. Asanga Wimalaratne
3. Finance and Administration Committee	Prof. Lakshman R Watawala
4. Forensic Accounting & Auditing and Anti Money laundering committee	Mr. Manil Jayasinghe
5. Women Leadership Committee	Ms. Darshini Watawala
6. Corporate Governance, Ethics and Disciplinary Committee.	Mr. M B Ismail
7. Examination Committee	Mr. Hennayake Bandara
8. Taxation and Law. Banking, Finance, and Insurance Committee.	Mr. S P Gajendra
9. Digital Business, Data Analytics and AI committee	Snr Prof. Kennady Gunawardana
10. Journal Committee	Mr. Kosala Dissanayake
11. Members, PAIB, CPD & Students Activities & Entrepreneurship Committee	Mr. Ruchira Perera
12. Public Sector Financial and Cost & Expenditure Management Committee	Ms. Sureka Ketawala
13. Cost & Management Accounting Standards Board	Mr. Mahendra Jayasekara

Management Team

Acting Chief Executive Officer
Mr. Kosala Dissanayake

Director – Member Services
Ms. Shanthi Maheswaran

Director – Examinations
Ms. M.P. Ginigaddarage

Director - Finance
Ms. D. Nallathamby

Consultants
Mr. L.B. Wattegedara
Mr. B.M. Premaratne

Secretary/HR Administration Manager
Ms. Ramyani Wickramasinghe

Assistant Director – Education, Training & Research
Ms. K. Gunasekara (Resigned w.e.f. 31/12/2023)

Assistant Director - Marketing
Mr. N. Thilakaratne (Resigned w.e.f. 20/04/2024)

Senior Manager – Computer Centre
Ms. S. Jayatilaka

Manager – Marketing
Mr. J.R.A. Indika Kumara

Manager – Student Affairs
Ms. Oshadi Weerasekera

STRATEGY

The CMA strategy for the year was governed by CMA's Strategic Corporate Plan for 2022-2026 launched last year.

The Strategic Corporate Plan outlines our vision to become the Centre of Excellence in Management Accountancy Education. The Plan was developed through an extensive process involving in-depth stakeholder consultations and a thorough SWOT analysis, which identified six key thrust areas that now shape the plan. These are:

- Education, Training, and Development
- Assessments and Professional Examinations
- Membership and Membership Development
- Standards on Cost and Management Accounting
- Brand Building
- CMA – Centre of Excellence

We will continue to periodically assess the strategies outlined in the plan to ensure their effectiveness in light of the external challenges impacting both our country and the profession.

RISK MANAGEMENT

This report highlights the key risks faced by CMA and the mitigation strategies we have pursued in light of the rapid changes in the professional education landscape. CMA continues to adapt its risk management framework to safeguard its operations, enhance student and member support, and maintain the global relevance of its qualifications.

Key Risk	Risk	Mitigation Strategy
Strategic Risks		
Supporting Students' Progression	Challenges in ensuring student progression and employability, especially in the face of dynamic syllabus updates and corporate expectations	Regular progress reviews with educational providers to ensure alignment with syllabus. Monitor student progression. Strategic partnerships with corporate and public sectors for mandatory training. Maintain a job bank to improve employability for both students and members.
Retaining the Value of the CMA Credential	The CMA credential may lose its perceived value if not consistently updated and promoted	CPD programs to update members skills and knowledge. Thought leadership initiatives Opportunities for participation in CMA committees to support professional growth. Strengthen recognition of the CMA credential through global partnerships, improving members' mobility and career opportunities.
Educational Strategy Alignment	Misalignment between the syllabus and evolving global standards in management accountancy may undermine the credibility of the qualification.	Regular syllabus revisions every five years to meet IFAC requirements, with interim updates to maintain relevance. Steering educational strategy via a dedicated Education and Training Committee, supported by external consultants.

Relevance of the Profession	The growing preference for short-term courses and qualifications for migration could lead to a decline in long-term professional registrations.	CMA promotes the long-term value of accountancy and enhances global mobility through international collaborations and partnerships.
Operational Risks		
Digital Transformation	Lagging digital infrastructure could hamper student services, and there are increasing risks associated with cybersecurity threats.	Expansion of e-learning platforms and digitization of member services, with future plans to fully digitize student and exam services. Development of an IT governance framework to mitigate cybersecurity risks and enhance overall digital resilience.
Employee Attrition	Rising migration trends may result in high employee turnover, negatively impacting organizational operations	Implement competitive remuneration, ongoing training, and engagement activities to retain talent.
Technological Disruptions	Failure to update technological infrastructure could hinder the delivery of exams and digital student services	Implement a comprehensive IT upgrade strategy, focusing on automation and student experience improvement, while bolstering cybersecurity protocols.
Financial Risks		
Economic Challenges	Economic pressures may cause students to delay their studies, reducing enrollment and revenue.	Provide online learning facilities and recorded lectures at affordable prices to ease the financial burden on students.
Currency Fluctuations	Global currency fluctuations may impact the organization's financial performance	Build financial reserves to protect against volatility.
Reputational Risks		
Ethical and Compliance Failures	Failure to maintain ethical standards or comply with global regulations could damage the organization's reputation.	Enforce strict ethical standards for students and members, alongside a robust compliance framework aligned with global regulations.
Regulatory Risks		
Changes in Professional Standards	Regulatory changes in various countries may affect the recognition and value of certifications.	Engage with regulatory bodies worldwide and regularly update qualifications to align with legal and industry standards.

Our approach to risk mitigation:

CMA is committed to addressing the key risks identified in this report through comprehensive mitigation strategies. Our proactive approach includes –

- Continuous Monitoring: Regular risk assessments to identify emerging threats and ensure timely intervention.
- Partnerships: Strengthening collaborations with external stakeholders, including regulators, employers, and educational institutions, to mitigate industry-specific risks.
- Training and Development: Ongoing staff and member training programs to ensure adherence to risk management protocols.
- Crisis Management: Developing comprehensive crisis management plans to respond swiftly to potential disruptions.

By fostering adaptability, enhancing global relevance, and promoting continuous professional development, CMA will continue to meet the needs of its students, members, and stakeholders.

	How we added/preserved/ eroded value during the year	Capital Trade-offs
Financial Capital	● Increase in revenue ● Increase in costs ● Cashflow management including negotiation of foreign exchange payments with service providers	+/- Financial Capital +/- All Other Capitals
Manufactured Capital	● Investments in digital infrastructure to digitise our services and programme delivery	- Financial Capital + Manufactured Capital + Social and Relationship Capital
Human Capital	● Training opportunities for employees ● Financial support for employees ● Revision of salaries and benefits ● Continuation of flexible work arrangements ● Expertise obtained from consultants and volunteers for CMA activities	- Financial Capital +Social and Relationship Capital +Human Capital
Intellectual Capital	● Monthly webinars and the annual conference ● Annual Excellence in IR Awards competition ● Development of the new syllabus 2023-2027 ● Launch of business school	+/- Financial Capital +Intellectual Capital +Social and Relationship Capital
Social & Relationship Capital	● Student engagement activities ● Increased frequency of examinations for operational and managerial levels ● Enhancing relationships with international accountancy bodies	-/+ Financial Capital +Social and Relationship Capital +Intellectual Capital
Natural Capital	● Shift to online channels has reduced paper consumption	+Financial Capital +Natural Capital

Operating Context

In the first half of 2023, Sri Lanka's economy began to show tentative signs of modest stabilization. Key reforms such as adjusting utility prices to reflect actual costs, adopting new revenue measures, introducing a floating exchange rate, and enforcing stricter monetary policies were central to this stabilization. By July, inflation had fallen to single digits for the first time in 19 months.

The tighter economic policies and lower demand contributed to a sharp 7.9% year-on-year contraction in real GDP for the first half of 2023, reflecting ongoing external trade challenges. The third quarter of 2023 recorded a 1.6% year-on-year expansion, the first signs of growth after six consecutive quarters of decline.

Despite a drop in the primary deficit during the first four months of 2023 compared to the previous year, rising interest payments kept the overall fiscal deficit elevated. Reserves improved due to a mix of factors such as stronger trade, a recovery in tourism and remittances, and financial assistance from development partners, while several import restrictions remained in force and external debt repayments were suspended.

Increased personal and corporate taxes, VAT hikes, import duties, and the introduction of the Social Security Levy put pressure on consumption and corporate profitability, tempering the broader economic recovery. In March 2023, the IMF approved a US$2.9 billion Extended Fund Facility to be disbursed over 48 months; the IMF facility, which came with strict conditions, helped unlock development funding from institutions such as the World Bank and Asian Development Bank. Debt restructuring talks with China, India, and the Paris Club were also in progress as the year closed.

Higher Education Landscape

Sri Lanka's higher education sector is characterized by a blend of state and private institutions. The state system includes 38 universities overseen by the University Grants Commission, along with various other universities and institutes governed by different ministries. On the private side, higher education is delivered through a range of degree-awarding institutions, cross-border entities affiliated with international universities, and private institutions such as CMA. These private institutions, established under Acts of Parliament, operate on a not-for-profit basis and receive support from the state. They offer students specialized training and professional certifications that cater to industry-specific needs.

The state university system accommodates only about one-fifth of students eligible for entry after their Advanced Level examinations, a long-standing limitation that has driven significant demand for alternative higher education options. Institutions like CMA have stepped in to fill this gap, offering students a pathway to obtain a professional qualification that is highly regarded by employers. Furthermore, the global recognition of the CMA qualification by international professional bodies and educational institutions enhances the mobility and career prospects of our students and members, making it a valuable asset both locally and internationally.

Technical and Vocational Education and Training (TVET) has also gained significant popularity. By the end of 2022, there were 1,136 registered providers of vocational and technical training across the country, with 117,954 students obtaining National Vocational Qualifications (NVQ) that same year. This reflects the growing demand for practical, skills-based education to meet the needs of various industries.

As job markets evolve, new opportunities and challenges continue to emerge. One significant challenge is the digital literacy gap, while there is also a growing demand for skills like creativity, adaptability, problem-solving, and resilience, alongside technical expertise and certifications. The key challenge for educational institutions is to ensure their curricula address these evolving needs. CMA, for example, has responded by placing a strong emphasis on developing essential soft skills, such as communication and collaboration, to better equip students to succeed in the modern workforce.

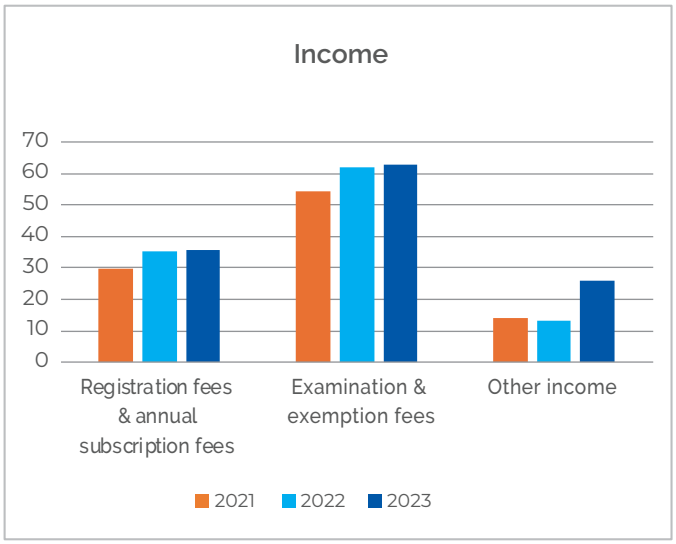
Financial Performance

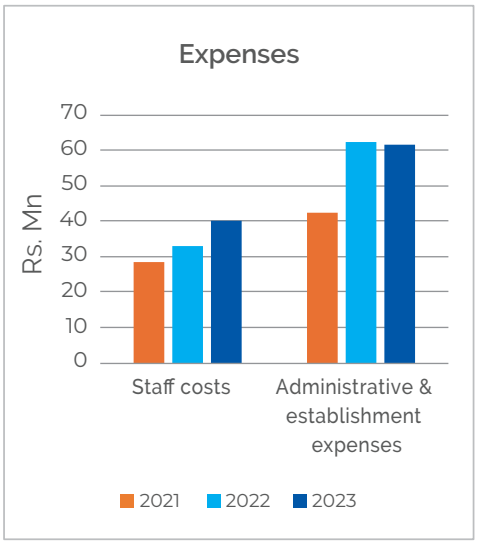
CMA recorded a satisfactory performance during the year, given the external circumstances of the period. In 2023, our income grew by 9.1% to Rs 132.4 million while costs increased by 7.7% to Rs. 102.8 million. The surplus before tax was Rs 29.7 million, a year-on-year gain of 14.2%. Our total assets grew by 12.1% to Rs 230.3 million while total liabilities stood as Rs. 52.2 million as at year end.

Income

Total income for the year grew by 9.1%, reaching Rs. 132.4 million. Registration fees and annual subscriptions remained stable at Rs. 35.7 million, showing little change from Rs. 35.4 million in 2022. Similarly, examination and exemption fees saw modest growth, rising to Rs. 62.7 million from Rs. 62.1 million the previous year.

A significant boost came from surplus funds invested in high-yield fixed deposits, generating Rs. 26.6 million in interest income, marking a substantial 94% year-on-year increase.





Expenses

Total expenses for 2023 reached Rs. 102.8 million, marking a 7.7% rise compared to the previous year. Staff costs, which represented 39.2% of total expenses, saw a significant increase of 22.5%, driven by annual increments and bonuses. In contrast, administrative and establishment expenses experienced a slight reduction, decreasing to Rs. 61.7 million from Rs. 62.3 million in the prior year.

Operational Surplus

CMA recorded a surplus before tax of Rs. 29.7 million, reflecting a 14.2% increase compared to the previous year. The tax expense, primarily from the taxation of interest income, amounted to Rs. 3.7 million, driven by an increase in interest earnings during the year. As a result, the surplus after tax stood at Rs. 25.9 million.

Financial Position

Total assets saw a 12.1% increase, reaching Rs. 230.3 million, with non-current assets amounting to Rs. 77.1 million and current assets at Rs. 153.1 million.

We strategically reinvested cash generated from operations into high-yield short-term investments, which grew by 10.8%, closing the year at Rs. 138 million. As a result, total funds rose to Rs. 178 million, up from Rs. 149.8 million in the previous year, with the accumulated fund increasing to Rs. 172 million, driven by the year's surplus.

On the liabilities front, non-current liabilities decreased slightly by 1.3% to Rs. 23.6 million, while current liabilities saw a more significant drop of 10%, closing at Rs. 28.6 million.

Cashflows

CMA maintained a positive cashflow position during the year. However, net cashflows from operating activities declined by 55% to Rs. 9.8 million, while net cashflows used in investing activities dropped by 64% to Rs. 7.1 million. By the end of the year, CMA recorded a net cashflow of Rs. 6.6 million, reflecting an 166% increase from Rs. 2.5 million in 2022.

VALUE CREATION MODEL

Our Capitals	How We Create Value to Achieve our Vision, Mission and Objectives
Human Capital ● Skilled and talented employees ● Consultants ● Volunteer members	**Overall Objective** To be the Centre of Excellence in Management Accountancy Education
Social and Relationship Capital ● Students and passed finalists Members ● Accredited learning providers ● Training partners ● Employers ● Accountancy & other professional bodies ● The public ● Suppliers	1. Function as a professional body dedicated to management accountants. 2. Advance the field of management accounting and serve the public interest in its practice. 3. Facilitate and promote the study and development of management accountancy. 4. Set and issue standards for management accountancy, while encouraging the adoption of best practices, principles, and techniques in the profession. 5. Advocate for the practice of management accounting across sectors such as industry, commerce, education, finance, IT, and public service. 6. Encourage research and studies in management accounting and support the publication of books, periodicals, and articles to facilitate the dissemination of new knowledge 7. Grant degrees, including postgraduate and doctoral levels, and offer professional development courses through the Business School. 8. Foster networking and collaboration with professional management accounting institutions globally. 9. Promote professional education in management accounting in partnership with universities and other institutions. 10. Advocate for and ensure adherence to standards of professional conduct and ethics. 11. Support and ensure Continuous Professional Education (CPE) for management accountants. 12. Offer diploma-level qualifications in management accounting.
Intellectual Capital ● Our Brand ● The CMA professional programme ● Thought leadership	
Financial Capital ● Fees & subscriptions ● Accumulated Fund	
Manufactured Capital ● Property, plant & equipment including the CMA building in Colombo 4 and digital infrastructure	
Natural Capital ● Consumption of energy & water Paper usage	**Core Functions** Attract students to pursue a career in management accountancy Support student progression to membership & employment Enhance value of membership through external linkages and CPD Promote adoption of sound management accounting practices Deliver a world class qualification for management accounting

Value Created for Our Stakeholders

Members and students

- An internationally recognized professional qualification that equips individuals with skills sought by today's employers, supporting career growth.
- Opportunities for global mobility.
- Access to a wide network of professionals and academics.

Employees, consultants, and volunteers

- A meaningful and supportive work environment that fosters diversity and promotes employee well-being.

Training partners, educational institutions and employers

- Strong management accounting functions that drive sustainable business growth.
- Opportunities to collaborate with a well-established brand.

The Government, regulators and the public

- Development of a robust management accountancy profession in Sri Lanka to support sustainable businesses and economic growth

National and international accounting organisations

- Building strong partnerships

STAKEHOLDER ENGAGEMENT

We actively engage with our stakeholders to ensure their insights are integrated into the development and implementation of our strategy. This approach helps align our priorities more closely with theirs. Guided by the principles of transparency, timeliness, clarity, and inclusiveness, we use both formal and informal communication channels to facilitate this engagement.

Stakeholder	How we engage
Members and students	● Annual conference ● Webinars on topics of importance to the profession ● Social media ● CMA website and online portal ● Publications such as the Management Accounting Journal ● CMA e-newsletter
Employees, consultants and volunteers	● Weekly management meetings ● Performance appraisals ● Committee meetings ● CMA events
Training partners and employers	● One to one meetings ● CMA events ● Publications ● CMA website and online portal
Accredited education providers	● One to one meetings ● Periodic progress meetings ● CMA website and online portal
Governments, regulators, and the public National and international accounting organisations	● Annual report ● CMA events ● Publications

VALUE CREATION REPORT

Our approach to creating value is multifaceted, focusing on several key areas that drive our mission forward. We are committed to attracting and developing the next generation of CMA professionals through innovative membership development, education, and training initiatives. Our rigorous professional examinations uphold the highest standards in cost and management accountancy, ensuring our members remain at the forefront of the profession.

We also emphasize the importance of building the CMA brand, and enhancing both physical and digital infrastructure to better serve our stakeholders. Furthermore, we invest in the development of our employees, consultants, and volunteers, recognizing that their growth is essential to the sustainable success of our organization.
Thought leadership

As the national body for management accounting, CMA plays a pivotal role in fostering innovative discussions on industry trends and best practices. Our calendar of thought leadership events is curated to provide a platform for professionals to exchange insights and drive advancements in accounting, management and strategy. These events also offer valuable networking opportunities, enabling peers to connect and collaborate within the industry, strengthening the professional community in Sri Lanka.

Thought leadership

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CMA Sri Lanka National Management Accounting Conference 2023

The 19th edition of our annual flagship event, the CMA National Management Accounting Conference, was held from 11 to 12 September under the theme **'Sustainability and Value Creation in an Economic Turmoil.'**

Governor of the Central Bank Dr. P. Nandalal Weerasinghe was the keynote speaker at the conference, delivering an address on Domestic Debt Optimization (DDO), emphasizing its potential impact on Economic Turmoil. The Guest of Honour was Chief of Staff of the President Mr. Sagala Rathnayake, who spoke of "Recovery and the way forward in an Economic Turmoil". Mr. Duminda Hulangamuwa, the Managing Partner of Ernst & Young Sri Lanka and the Maldives, and a fellow member of both Chartered Accountancy and Management Accountancy, spoke on "Private Sector Role in Sustainable Value Creation" while Mr. Sarath Jayamanne in his presentation highlighted the "Importance of combatting corruption through accountability, transparency, and good governance".

The technical sessions conducted by panels of domain experts, consisted of four sessions on the topics of 'Sustainable Value Creation through Expenditure & Cost Management in Government, SOEs, Private Sector', 'Sustainable Value Creation by the Private Sector in Promoting Exports and AI', 'Sustainability, Value Creation and Overcoming Economic Turmoil – Viewpoint of the Accounting Profession', and 'Sustainable Value Creation Fighting National Corruption and overcoming Economic Turmoil'. The conference drew excellent participation. It offered attendees 15 CPD Accredited Hours.

Prof. Lakshman R. Watawala -
Founder President, CMA -Sri Lanka

Dr. P. Nandalal Weerasinghe -
Governor Central Bank of Sri Lanka

Mr. Sagala Ratnayake - Chief of Staff and National Security Advisor to the President

Mr. Duminda Hulangamuwa - Chairman, Ceylon Chamber of Commerce Country Managing Partner of Ernst & Young Sri Lanka and the Maldives

Mr. Sarath Jayamanna - President's Counsel, Former Director General Commission to Investigate Allegations of Bribery or Corruption (CIABOC)

Session 2- Sustainable Value Creation through Expenditure & Cost Management in Government, SOEs, Private Sector

L-R: *Mr. Hennayake Bandara, Mr. A.N. Raman, Prof Lakshman R Watawala, Mahinda Siriwardena (Secretary- Ministry of Finance), Mr. Reyaz Mihular, Senior Prof Buddhi Marambe.*

Session 3 - Sustainable Value Creation by the Private Sector in Promoting Exports and AI

L-R: *Ms. Radika Obeysekera, Mr. Hasitha Premaratne, Mr. Jehan Perinpanayagam, Ms. Sureka Ketawala, Dr Kingsley Bernard. (Chairman, EDB)*

Session 4 - Panel Discussion – Sustainability, Value Creation and Overcoming Economic Turmoil – Viewpoint of the Accounting Profession

L-R: *Mr. Susantha Silva, Mr. Conrad Dias, Mr. Aseem Bhargave, Mr. Suresh Gooneratne, Mr. Ruchira Perera, Dr. Nuwan Gunarathne, Mr. P Gajendra, Mr. Supun Weerasinghe, Mr. Manil Jayesinghe Prof. Paul Mather.*

Session 5 - Panel Discussion – Sustainable Value Creation Fighting National Corruption and overcoming Economic Turmoil

L-R: *Dr. Harsha de Silva (MP), Dr. Harini Amarasuriya (MP), Prof. Lakshman R. Watawala, Prof G L Pieris (MP), Mr. Asanga Wimalaratne, Mr. Hennayake Bandara.*

Participants

Token of appreciation presented to Dr,Harini Amarasuriya (MP) By Prof. Lakshman R Watawala, President- CMA, also present Mr Hennayake Bandara, Vice President CMA

CMA Business Excellence Awards

CMA Business Excellence Awards were presented to ten eminent accounting professionals at the inauguration of the National Management Accounting Conference. This year's recipients recognized for their outstanding contributions to the accounting profession and their exceptional careers were Ms. Jeevani Abeyratne, Mr. Russel Fonseka, Mr. Priyanka Jayatilake, Mr. Janaka Karunaratne, Mr. Kusal Nissanka, Mr. Ruchira Perera, Mr. K. Sivanesan, Mr. Nishtar Sulaiman, Mr. Mohan Thanthirige, and Mr. Supun Weerasinghe. distinguished accounting professionals in Sri Lanka.

CMA Excellence in Integrated Reporting Awards 2023. The CMA Excellence in Integrated Reporting Awards 2023 marked its 9th consecutive year, with the grand finale held on 6th October. The event was honored by the presence of Ms. Asmâa Resmouki, President of the International Federation of Accountants (IFAC), the global authority for the accounting profession.

Since its inception in 2015, the competition has gained significant prominence, drawing an increasing number of entries from both listed and unlisted companies, as well as state-owned enterprises. This year, 53 organizations participated, reflecting the widespread recognition and acceptance of these awards within Sri Lanka's business community.

Sri Lanka remains at the forefront of integrated reporting in the South Asian region. This practice encourages businesses to provide a comprehensive view of how they create, preserve, or erode value over the short, medium, and long term. The awards recognize the voluntary efforts of both private and public sector organizations in adopting integrated thinking to deliver sustained value to a broad range of stakeholders.

The judging panel, comprised of distinguished local and international experts, was chaired by Prof. Ho Yew Kee, who has led the panel since the competition's inception. The local evaluation panel headed by senior experts ensured a rigorous evaluation process that incorporated the evolving global standards of integrated reporting.

The 2023 competition was proudly supported by the Colombo Stock Exchange, whose ongoing partnership has driven many publicly listed companies to participate and excel. The event also garnered support from the Securities and Exchange Commission of Sri Lanka, further reinforcing the significance of these awards.

This year, the Overall Winner – Gold was jointly awarded to Diesel & Motor Engineering PLC and Softlogic Life PLC. LB Finance PLC secured the overall Silver, while John Keells Holdings PLC won the Bronze. In addition, sector-specific awards, special recognitions, and certificates of merit were presented to outstanding performers across multiple industries.

As CMA Sri Lanka continues to champion integrated reporting, we extend our heartfelt congratulations to all participating organizations, including public, private, state-owned enterprises, and SMEs, for their dedication to transparency, accountability, and value creation.

WINNERS LIST

Overall joint Winner: Gold Award –
Diesel & Motor Engineering PLC,
Softlogic Life Insurance PLC
First Runner-up: Silver Award –
L B Finance PLC
Second Runner-up: Bronze Award –
John Keells Holdings PLC

Ten Best Integrated Reports (In alphabetical order):
Alumex PLC
Ceylinco Life Insurance Limited
Diesel & Motor Engineering PLC
Dipped Products PLC
Haycarb PLC
JOHN KEELLS HOLDINGS PLC
L B Finance PLC
National Development Bank
People's Leasing & Finance PLC
Softlogic Life Insurance PLC
Talawakelle Tea Estates PLC

Sector Awards:
Apparel : Teejay Lanka PLC
Banking : National Development Bank
Banking – State : National Savings Bank
Diversified Holdings : John Keells Holdings PLC
Educational Institutes - Non Profit : AAT Sri Lanka
Educational Institutes -Private :
Oxford College of Business (Pvt) Ltd
Energy : Lanka Ioc PLC
Finance & Leasing : L B Finance PLC
Finance & Leasing – State :
People's Leasing & Finance PLC
Hotels & Travels : Hayleys Leisure PLC
Insurance : Softlogic Life Insurance PLC
Manufacturing – Joint : Dipped Products PLC
Manufacturing – Joint : Haycarb PLC
Other (Trade And Commerce) : Singer (Sri Lanka) PLC
Plantations : Talawakelle Tea Estates PLC
Power/Electricity : Vallibel Power Erathna PLC
Small & Medium Enterprises : Ceylon Tea Brokers PLC
Telecommunications : Sri Lanka Telecom PLC
Other (Materials) : Alumex PLC

Special Awards:
Best Concise Integrated Report : Diesel & Motor Engineering PLC
Best Disclosure On Capitals : L B Finance PLC
Best Disclosure On Materiality : Softlogic Life Insurance PLC
Best Disclosure On Value Creation : Haycarb PLC
Best Disclosure On Strategic Focus : John Keells Holdings PLC
Integrated Thinking : Diesel & Motor Engineering PLC
Diversity Reporting : John Keells Holdings PLC

Overall Winners - Gold Award - Diesel & Motor Engineering PLC, Softlogic Life Insurance PLC

Diesel & Motor Engineering PLC

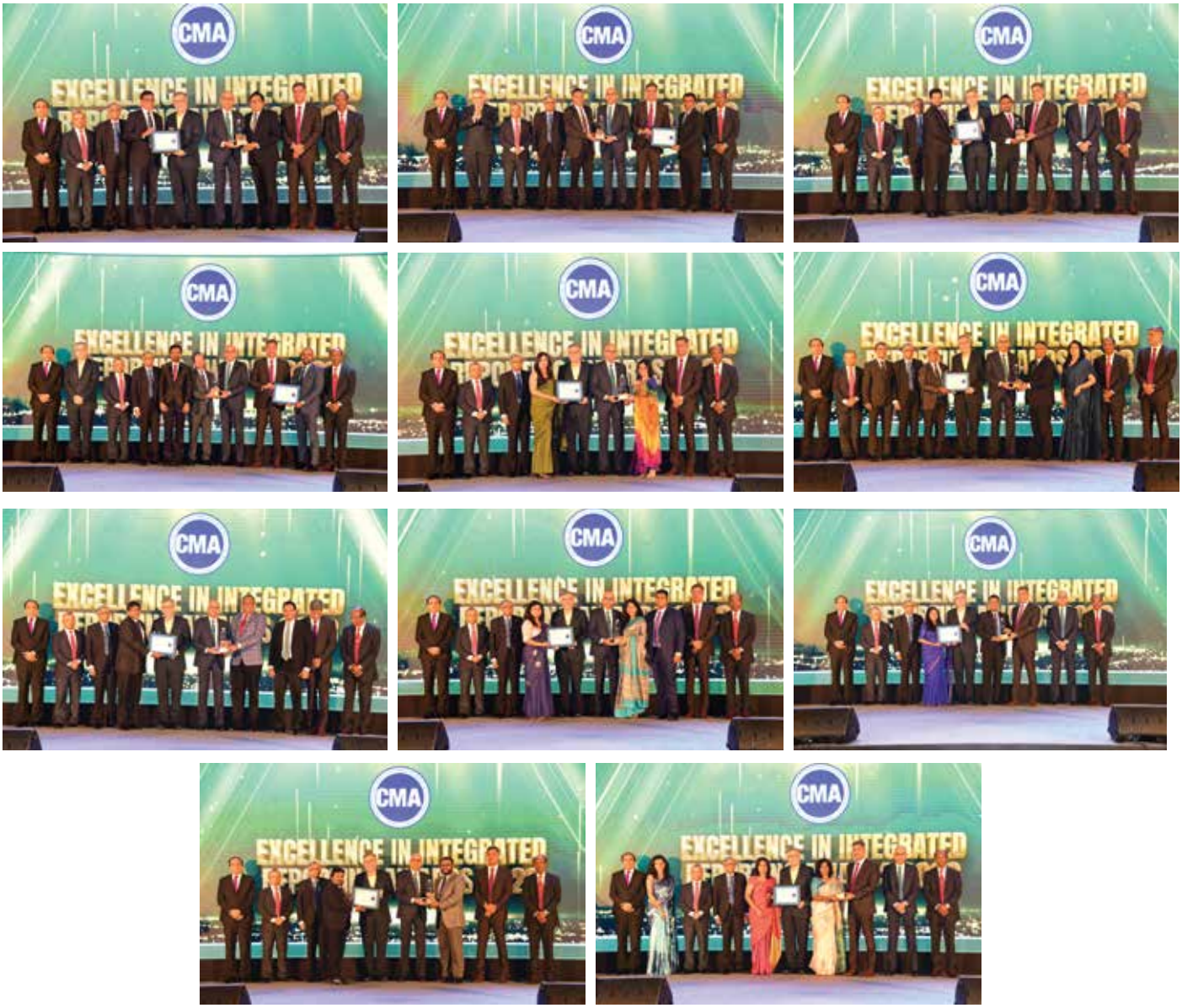
Softlogic Life Insurance PLC

Overall Winners

Overall Winner-1st Runner-up - (Silver Award)
L B Finance PLC

Overall Winner-1st Runner-up - (Silver Award)
L B Finance PLC

Ten Best Integrated Reports Award Winners



L-R *(Alumex PLC, Ceylinco Life Insurance PLC, Diesel & Motor Engineering PLC, Dipped Products PLC, Haycarb PLC, John Keels Holdings PLC, L B Finance PLC, National Development Bank PLC, People's Leasing & Finance PLC, Softlogic Life Insurance PLC, Talawakelle Tea Estates PLC)*

COVID19 SME Development Conference

Inauguration of UN MSME Conference

Technical Session 1 – Role of Banking Sector in Supporting MSME Sector

Technical Session 2 – Entrepreneurship to Accelerate Economic Growth and Development

Panel Discussion

Technical Session 3 – Success Stories of MSME Entepreneurs (Bank Customers)

In celebration of the United Nations' Micro, Small and Medium-Sized Enterprises Day, we organised the CMA Sri Lanka COVID 19 SME Development Conference 2023 on the theme 'Resurgence of Micro, Small, and Medium Enterprises and Entrepreneurship Development'. The conference was designed to raise public awareness of the contribution made by micro, small and medium-sized enterprises to sustainable development and the global economy. The event held on 27 June 2023 saw the active participation of commercial banks and their MSME customers.

The conference was inaugurated by the Chief Guest Hon Shehan Semasinghe Acting Minister of Finance. Introductory remarks were delivered by Prof Lakshman R Watawala, who also chairs the CMA Sri Lanka COVID 19 SME Development Committee.

Guest of Honour Acting Director ILO Country Office for Sri Lanka and Maldives Mr. Thomas Kring delivered his address on the 'Significance of United Nations - Micro, Small and Medium-Sized Enterprises (MSME) Day'. The Keynote Address on 'Sri Lanka Credit Guarantee Institution and its role in supporting MSME Sector' was delivered by Mr. R M P Ratnayake, Deputy Secretary to Treasury and Treasury Representative on NCGI. Guest Speaker CMA Mr. Ramachandran Venkataramani, Director Westcott Electricals Private Limited of Chennai, India spoke on the 'Success of Indian MSME Development Act to promote, facilitate development and competitiveness of Micro, Small and Medium Enterprises (MSMEs)'.

The day-long conference had three technical sessions with the final session seeing nine customers of the participating banks sharing their success stories as MSME Entrepreneurs.

The vote of thanks was delivered by Mr. Bandara Rekogama, Head of Refinance Schemes & Special Lending Products at Hatton National Bank PLC, who is a Committee Member of the CMA Sri Lanka COVID 19 SME Development Committee.

Founder's Day Oration 2023 'Strategic Management in Turbulent Times'

The CMA Founder's Day Oration was held on 8th June 2023 at the BMICH. The Oration on the theme of 'Strategic Management in Turbulent Times' was delivered by Mr. Supun Weerasinghe, Director/Group Chief Executive Officer, Dialog Axiata PLC. His words resonated deeply, providing invaluable insights and guidance for navigating challenging landscapes. Addresses by Founder President Prof. Lakshman R. Watawala and Vice President Mr. H M Hennayake Bandara both traced the remarkable journey of CMA since inception.

11th Volume of CMA Journal

The 11th volume of the CMA Journal was published in July 2023, featuring Ms. Asmaa Rimouski, President of the International Federation of Accountants, on its cover. Ms. Rimouski contributed a key article titled "The Role of the Professional Accountant in Corruption, Accountability, and Transparency." The theme of this edition "Corruption, Accountability, Transparency, and Good Governance" was closely aligned with her article's focus. The journal was officially launched at the CMA Excellence in Integrated Reporting Awards 2023, where Ms. Rimouski served as Guest of Honor.

In addition to Ms. Rimouski's article, the journal featured several other notable contributions. Among them was an insightful piece titled "Fighting National Corruption through Transparency, Accountability, and Good Governance" by President's Counsel Mr. Sarath Jayamanna, who was a Guest Speaker at the CMA National Conference in June 2023. Another key article, "Sustainability Accounting with Social Governance and ESG: Navigating the Complexities of Modern Corporate Responsibility" was penned by Mr. Asela Naranpanawa. With its collection of thought-provoking articles, this edition of the CMA Journal was expected to provide invaluable guidance to management accountants in Sri Lanka, who are leading efforts to foster economic growth and accountability in the aftermath of the country's recent economic challenges, contributing to a brighter future for Sri Lanka.

Developing the Sri Lanka Cost Accounting Standards

The CMA Standard Board (CASB) is currently developing the Sri Lankan Cost Accounting Standards (CASs). During the year, the Board made substantial progress through several meetings of both the Board and its Technical Committee, resulting in the development and review of key documents that will serve as a precursor to the Standards.

The CASs will act as a vital framework for cost management practices in both the private and public sectors of Sri Lanka. These standards are being modeled on the Indian Cost Accounting Standards, with the patronage of the Indian Institute of Cost Accountants, and guided by the technical expertise of Messrs. AN Raman and M Gopala Krishnan, alongside secretary to the Board Mr. B.M.Premaratne.

Upon finalizing the preliminary documents, the formal preparation of the CASs will begin in earnest next year.

Student and Member Events

We take pride in fostering a vibrant community through events that celebrate the achievements of students and members. These events not only mark milestones in professional journeys but also offer opportunities for learning, networking, and collaboration. From graduation ceremonies recognizing academic and professional accomplishments to international conferences that discuss the latest trends and innovations in the accounting profession, CMA ensures its students and members are well-prepared for the challenges of the future. With a focus on leadership, technology, and sustainability, these events are integral to CMA's mission of developing skilled, innovative, and socially responsible management accountants. Each event brings the CMA family together, strengthening ties and contributing to the continuous development of the profession.

19th Graduation Ceremony 2022

The 19th Graduation Ceremony of CMA Sri Lanka was held on 12th January 2023 at the BMICH in Colombo. Mr. Supun Weerasinghe, Group Chief Executive Officer of Dialog Axiata PLC, was the Chief Guest.

At the event, CMA Sri Lanka conferred membership on 73 Fellow and Associate Management Accountants. Certificates were presented to those attaining the AMA designation, and awards were presented to students who passed the CMA examinations in November 2021 and May 2022. There were 68 Prize Winners and the Founder President Prof. Lakshman R. Watawala Gold Medal was awarded to Mr. M. T. M. Asik, the most outstanding student at the Final Examinations.

20th Graduation Ceremony 2023

The 20th Graduation Ceremony of the CMA was held on 5th December 2023 at the BMICH, Colombo. His Excellency Eric Walsh, Canadian High Commissioner in Sri Lanka, was the Chief Guest at the ceremony, while the keynote address was delivered by Dr. A. D. Nuwan Gunarathne, a Senior Lecturer at the University of Sri Jayewardenepura.

At the graduation, CMA Sri Lanka conferred membership on a total of 112 Fellow and Associate Management Accountants. Certificates were presented to those who received the AMA designation, 101 Passed Finalists, and 127 CABM qualification holders. Awards were also presented to students who passed the CMA examinations in November 2022 and May 2023. A total of 56 Prize Winners were recognized, and the Founder President Prof. Lakshman R. Watawala Gold Medal was awarded to Mr. M. N. M. Althaf, the most outstanding student at the Final Examinations.

International Women's Day Celebrations

Women's Day was celebrated on 08th March under the theme, **'Innovation and Technology for Gender Equality'. The event was** organized by the CMA Sri Lanka Women Development Activities Committee, headed by Committee Chairperson Ms. Darshini Watawala.

The keynote address was delivered by Ms. Annie Mathew, an advocate for a more inclusive and humane tech industry. Ms. Mathew is Director Developer Relations and Digital Natives at Microsoft Asia Pacific, with the mission of empowering. In her home state in India, Ms. Mathew has received the Chief Minister's recognition for her work with startup ecosystem and has been nominated for the Sthree Shakthi award for women in Science and Technology.

The keynote presentation was followed by a panel discussion, which was moderated by Ms. Chamila Cooray, General Manager -Operations, WNS Global Services (Pvt) Ltd. The panelists were Ms. Pulani Ranasinghe, Founder & CEO, Loons Lab, Dr. Chaminda Ranasinghe, Founder and CEO, Ideahub (Pvt) Ltd and Mr. Conrad Dias, CEO/Managing Director, LOLC Technologies Limited.

Recognition of contributions towards the development of CMA

Four founder members and those who have made significant contributions towards the development of CMA were recognized at the Founder's Day Oration. Prof. Lakshman R. Watawala honoured Mr Nandika Buddhipala, Mr. D Jeevanadan, Mr. Priyantha Punchihewa and Mr. Chandana Samaraweera by presenting them with the CMA History Book 'In the Interest of our Nation'.

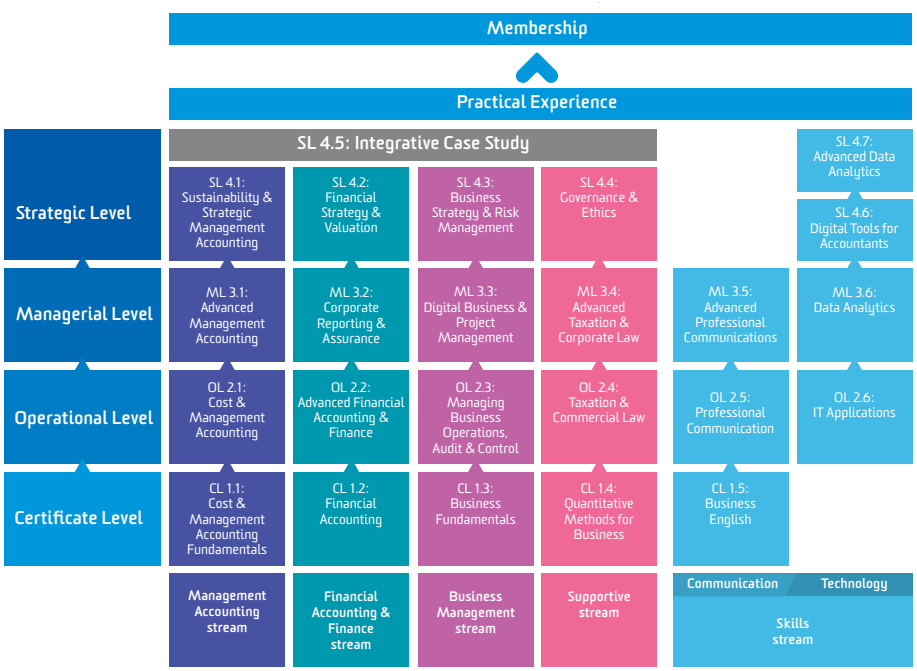
Prof. Lakshman R. Watawala presenting the CMA History book to Mr. Nandika Buddhipala, Mr. D. Jeevanadan, Mr. Priyantha Punchihewa & Mr. Chandana Samaraweera

Members' Fellowship Night 2023

The inaugural Members Fellowship Night was held on 18 December at the CMA Auditorium to promote camaraderie and provide networking opportunities for members. The event was inaugurated by Prof. Lakshman R. Watawala, Founder President, and attended by notable guests including Prof. G.L. Peiris MP (CMA Patron), Dr. Harsha De Silva MP, Mr. H. M. Hennayake Bandara (Vice President-CMA), CMA Council Members, and other distinguished invitees. The evening featured lively fellowship, festive entertainment, and Christmas carols, creating a joyful and engaging atmosphere for all attendees.

EDUCATION, TRAINING & DEVELOPMENT, PROFESSIONAL EXAMINATION

Pioneering Progress through CMA Sri Lanka's Professional Program 2023-2027



As the world evolves rapidly, the role of accountants is expanding beyond traditional accounting and financial stewardship, now incorporating rapidly advancing technology and changing market dynamics. In response to this critical need for adaptation, CMA Sri Lanka introduced its 5th syllabus in 2023, which came into effect from the December 2023 Examination onwards. The transformative initiative was led by a team of dedicated experts led by Dr. Nuwan Gunarathne. The team of experienced consultants was entrusted with the mandate to integrate contemporary trends and emerging paradigms while ensuring relevance and rigor.

The comprehensive syllabus revision encapsulates the objective of "Equipping future accountants." It encompasses modern accounting and finance but also incorporates key skills, digital enablement, value-driven insights, and solution-savvy expertise – which have been identified by corporate leaders as quintessential for future-ready accountants.

The 2023-2027 professional program comprises four levels and five streams, which comprehensively cover the subject areas of management and financial accounting, strategic management, risk management, project management, legal compliance, taxation, audit, and assurance, while adhering to ethical and corporate governance principles, while the skills stream develops expertise in communication and digital technology relevant to the qualification.

The syllabus is supported by meticulously curated study texts which forms the foundation of the educational resources provided by CMA. Crafted with careful consideration of new syllabi, industry trends and emerging practices, these study materials serve as invaluable tools in preparing aspiring accountants to excel in their professional journeys.

In tandem with the rollout of the new syllabus, we provided transitional arrangements, enabling existing students to continue their programs without any disturbance.

CMA Sri Lanka Examination

The first examination under the new syllabus was held in December 2023 for the Certificate, Operational, and Managerial levels. The first Strategic Level examination under the new syllabus held in May 2024.

Ensuring a smooth transition to our 5th syllabus was a priority for 2023; therefore, we strictly adhered to the published examination timetables throughout the year. Our new Learning Management System (LMS) facilitated practice exams for all subjects under the new syllabus, including those in the Sinhala medium. Special arrangements were made for the skill subjects in the new syllabus, with monthly examinations offering more opportunities to improve the completion rate of CMA Examinations.

Students outside Sri Lanka were given the opportunity to take their CMA Certificate, Operational, and Managerial level exams at overseas Pearson Vue centers, while the Strategic level exams were offered online.

In our endeavor to leverage technology to better serve the student community, we implemented a new information system to manage examinations. This system has streamlined the application process, significantly reducing processing times and improving the overall student experience. With its digitalized and user-friendly interface, students can now easily apply for exams, track their progress, and access essential resources. By automating various administrative tasks, the system not only enhances efficiency but also ensures that students receive timely updates and support throughout their examination journey.

Examinations Committee

CMA Sri Lanka's examination framework is central to maintaining the highest professional standards in management accountancy. Our examinations, guided by a rigorous syllabus and conducted multiple times a year, assess students across key areas such as accounting, strategy, and digital skills. Developed by expert committees, the exams ensure both relevance and quality. In addition to our core CMA qualification, we also offer specialized programs, such as the Certified Hospitality Finance and Management Accountant (CHFMA), to cater to diverse industry needs. These efforts, combined with modern examination methods and robust support systems, ensure a comprehensive and fair assessment process for all candidates.

The Examinations Committee is tasked with creating examination papers for every tier of the CMA qualification. The committee, chaired by a seasoned professional, selects its members based on their subject expertise and practical experience, drawing from both academic and professional backgrounds. The development of exam papers involves a comprehensive, multi-stage review process to ensure quality and accuracy. Throughout 2023, all examinations proceeded as scheduled without any disruptions. Both online and in-person exams were conducted under strict supervision. Results were published promptly, within two weeks for computer-based tests and within 40 days for traditional, paper-based exams.

CMA Practical Experience Requirement (PER)

The Practical Experience Requirement (PER) framework is the cornerstone of CMA Sri Lanka's commitment to nurturing future-ready professionals. To become a CMA member, students must complete both the CMA examinations and the PER. CMA Sri Lanka hosts monthly awareness sessions to guide students. Additionally, recognizing the need for accessibility and personalized assistance, an anytime hotline is available for those seeking instructions and mentorship throughout their PER journey. Following the implementation of these proactive measures in 2023, a significant improvement has been noted in the number of students who engaged in PER and went on to receive ACMA Membership.

Revision Programme

Ahead of every examination, we have conducted revision programs the operational, managerial and strategic levels, while recorded lectures are available for the revision of those sitting certificate level examinations. This extensive revision programme provides students with learning support based on the new syllabus. The Institute ensures such revision classes are offered at an affordable price or free of charge.

Furthermore, the CMA Learning Management System (CMA LMS) was introduced to provide students with a comprehensive range of learning resources. These include practice tests, mock exams, recorded lectures, revision sessions, and reading materials, all tailored to enhance exam preparation.

Certified Hospitality Finance and Management Accountant (CHFMA)

The Certified Hospitality Finance and Management Accountant (CHFMA) program, inaugurated in 2017, is a professional qualification offered jointly by CMA Sri Lanka and the Sri Lanka Institute of Tourism and Hotel Management (SLITHM). The program aims to develop specialized accounting professionals for the hospitality industry. In 2023, the program saw two intakes, with 54 students successfully completing the rigorous examinations. Additionally, three individuals were awarded memberships to the prestigious Certified Hospitality Finance and Management Accountants (CHFMA).

Building the CMA Brand

CMA Sri Lanka is dedicated to expanding its presence and impact by actively engaging with schools, universities, and public institutions through initiatives that help to build a strong foundation for the future of management accounting. By conducting awareness sessions at universities and participating in prominent exhibitions, CMA connects with students, educators, and professionals, promoting the value of its qualifications. These efforts reflect CMA's ongoing commitment to nurturing the next generation of management accountants while enhancing the visibility and reputation of the CMA brand across Sri Lanka.

National Competition for the Best School Commerce Society 2022

The National Competition for the Best School Commerce Society 2022 was organized by the Ministry of Education in collaboration with the Institute of Certified Management Accountants of Sri Lanka. The Awards ceremony was held on 30th May 2023 at the BMICH with Minister of Education Dr. Susil Premjayantha as chief guest and Education Secretary Mr. M. N. Ranasinghe and the Chairman of CMA Prof. Lakshman R. Watawala being the guests of honor. The CMA governing council as well as senior officials of Ministry of Education also participated at the event.

Samurdhi Officers Training and Awards Ceremony

CMA Sri Lanka, in its commitment to enhancing public service, initiated a national effort to empower officers of the Samurdhi Department. In collaboration with the Samurdhi Development Department, we launched the "Accounting and Business Studies Residential Professional Training Program." A total of 700 Samurdhi Bank officers successfully completed the training and were awarded certificates at a ceremony held at the Bishop's College Auditorium.

University and SLIATE Visits for Awareness Sessions

During the year, we conducted a series of guest lectures and programs on the CMA qualification across the island, targeting university students and SLIATE students.

Dehiwala SLIATE

Naiwala SLIATE

Rajarata University

Kegalle SLIATE

Promoting CMA among university students

CMA Sri Lanka organized a some of virtual seminars for university students through Zoom.

Virtual Seminar for Wayamba University

Southeastern University

Our presence at Exhibitions

We participated in the Future Mind Exhibition and the Investment Week 2023 Exhibition at the University of Kelaniya. This provided a valuable opportunity to engage with a diverse audience, ranging from prospective students to industry professionals.

Seminars for Advanced Level students

Several seminars were conducted for A/L students in schools to introduce and provide insights into the CMA course.

Continuing Professional Development (CPD)

CMA provides its members with opportunities for Continuing Professional Development (CPD) through a range of profession-relevant programs.

In 2023, thirteen virtual webinars were offered free of charge, delivering a total of 14 CPD hours to CMA members. These webinars covered a broad spectrum of topics, allowing members to enhance their knowledge and were well-received with strong participation.

No.	Programme	Total Participants	CPD Allocation for the program	Number of ACMAs attended	Number of FCMAs attended	Facilitators
1	Sri Lanka's Current Economic Outlook	429	1	127	56	**Dr P K G Harischandra** Director Economic Research Central Bank of Sri Lanka
2	New Tax Changes and Impact on Professionals and Employees	702	1	154	84	Announcing and Introductions by: **P. Gajendra** Chairman Taxation Committee & Council Member-CMA Sri Lanka Introduction & Welcome Address by: **Prof Lakshman R Watawala** Founder President-CMA Sri Lanka Presentations were delivered by: **Nishtar Sulaiman** Partner Tax Ernst & Young Moderator **Nishtar Sulaiman** Partner Tax Ernst & Young Panel discussion and Q & A Session Panelists were: **N.R. Gajendran** Senior Partner-Gajma & Co. **Athula Ranaweera** Managing Partner Ranaweera Associates (Chartered Accountants) **Suresh Perera** Principal Tax & Regulatory KPMG **Prof. Anil Fernando** Professor in Accounting University of Sri Jayewardenepura **Senior Prof. Buddhi Marambe** Weed Science, Department of Crop Science, Faculty of Agriculture, University of Peradeniya **Mr. K. Sivanesan** Tax Consultant /Senior Partner - Amerasekera & Co (Chartered Accountants)
3	Sri Lanka's Economic Crisis and what is the way forward?	277	1	112	35	Mr. Talal Rafi Economist and a member of the Deloitte Global Economist Network. He is an expert Member of the World Economic Forum and a regular columnist for the International Monetary Fund
4	Effect of Recent Tax Changes to SME Sector 2023	504	1	91	42	**Athula Ranaweera** Managing Partner Ranaweera Associates (Chartered Accountants
5	International Women's Day 2023 - Innovation & Technology for Gender Equality	200	1	68	24	Introduction & Welcome Address by: **Ms. Darshini Watawala** Chairperson - CMA Sri Lanka Women's Development Activities Committee Associate Director - PricewaterhouseCoopers Address by: **Prof Lakshman R Watawala** Founder President-CMA Sri Lanka

No.	Programme	Total Participants	CPD Allocation for the program	Number of ACMAs attended	Number of FCMAs attended	Facilitators
						Keynote Presentation was delivered by: **Ms. Annie Mathew** Director - Developers and Digital Natives at Microsoft Asia Pacific Moderator **Ms. Chamila Cooray** General Manager – Operations WNS Global Services (P) Ltd Panel discussion and Q & A Session Panelists were: **Ms. Pulani Ranasinghe** Founder & CEO - Loons Lab **Dr. Chaminda Ranasinghe** Founder & CEO - Ideahub (Pvt) Ltd **Mr. Conrad Dias** CEO/Managing Director - LOLC Technologies Limited Closing remarks was delivered by: **Ms. Darshini Watawala** Chairperson - CMA Sri Lanka Women's Development Activities Committee Associate Director - PricewaterhouseCoopers
6	After Approval of EFF by IMF – What Next for Sri Lanka?	478	1	117	52	Introduction to Extended Fund Facility (EFF) of the IMF Programme **Dr P K G Harischandra** - Director Economic Research After approval of EFF by IMF – What Next for Sri Lanka? **Dr W A Wijayawardena** - Member, Board of Studies of Faculty of Graduate Studies, University of Sri Jayewardenepura Former Deputy Governor- Central Bank of Sri Lanka The role of Professional Accountants **Prof Lakshman R Watawala** Founder President CMA Sri Lanka
7	Domestic Debt Restructuring – Handle with Care	514	1	125	62	Announcing and Introductions by: **Mr. Ruchira Perera** Council Member-CMA Sri Lanka Introduction & Welcome Address by: **Prof Lakshman R Watawala** Founder President-CMA Sri Lanka Presentations were delivered by: **Dr. W A Wijewardena** Member, Board of Studies of Faculty of Graduate Studies University of Sri Jayewardenepura Former Deputy Governor- Central Bank of Sri Lanka **Prof Udara Peiris** Associate Professor Department of Economics Oberlin College and Conservatory based in the USA. Moderator **Mr. Talal Rafi** Talal Rafi is an Economist and a member of the Deloitte Global Economist Network. He is an expert Member of the World Economic Forum and a regular columnist for the International Monetary Fund

No.	Programme	Total Participants	CPD Allocation for the program	Number of ACMAs attended	Number of FCMAs attended	Facilitators
8	Founder's Day Oration 2023 – 'Strategic Management in Turbulent Times'	207	2	48	50	Welcome Address was delivered by: **Mr. H.M. Hennayake Bandara** Vice President - CMA Founder's Day Oration – 'Strategic Management in Turbulent Times' was delivered by: **Mr Supun Weerasinghe** Director/Group Chief Executive Officer - Dialog Axiata PLC Installation of CMA Governing Council – 2023-2025 by **Prof. Lakshman R Watawala** Founder President CMA Sri Lanka CMA history book was handover to: New Council Members, Recognition of Founder Members and those who have contributed for the Development of CMA Address by Founder President **Prof. Lakshman R Watawala** Vote of Thanks **Mr. Ruchira Perera** Council Member – CMA
9	Recent Developments to the Tax Landscape	494	1	149	84	Announcing, Introductions and Moderation by: **Mr. Puvendran Gajendra** Council Member and Chairman Tax Committee CMA Sri Lanka Council Member-CMA Sri Lanka Introduction & Welcome Address by: **Prof Lakshman R Watawala** Founder President-CMA Sri Lanka Presentations were delivered by: **Mr. Nishtar Sulaiman** Partner Tax Ernst & Young **Mr. Athula Ranaweera** Managing Partner Ranaweera Associates (Chartered Accountants)
10	Domestic Debt Optimization (DDO) and its Impact on Stakeholders	426	1	127	66	Announcing and Introduction **Mr. Ruchira Perera** Council Member-CMA Sri Lanka Introduction & Welcome Address **Prof Lakshman R Watawala** Founder President-CMA Sri Lanka Speaker **Dr W A Wijewardena** Former Deputy Governor Central Bank of Sri Lanka Q & A Session Moderator **Prof Lakshman R Watawala** President CMA Sri Lanka
11	Impact of the Indian Rupee Convertibility on the Economy	293	1	117	55	Announcing and Introduction **Mr. Ruchira Perera** Council Member-CMA Sri Lanka Introduction & Welcome Address **Prof Lakshman R Watawala** Founder President-CMA Sri Lanka Speakers: **Dr W A Wijewardena** Former Deputy Governor Central Bank of Sri Lanka Mr. Shiran Fernando Chief Economist - Ceylon Chamber of Commerce

No.	Programme	Total Participants	CPD Allocation for the program	Number of ACMAs attended	Number of FCMAs attended	Facilitators
						Mr. R M N Jeewantha Deputy General Manager -International, Treasury & Investment Bank of Ceylon Q & A Session Moderator **Prof Lakshman R Watawala** President CMA Sri Lanka
12	Impact of Domestic Debt Optimization (DDO) on Superannuation Funds	262	1	97	42	Introduction & Welcome address **Prof. Lakshman R Watawala** Founder President CMA Sri Lanka Presentations: **Mr. Rajith Perera Partner** - Financial Accounting Advisory Services EY Sri Lanka Financial Implications to superannuation funds on the DDO **Mr. R A Ananda Jayalath** Former Assistant Governor Central Bank of Sri Lanka Practical Implications of DDO on Superannuation Funds **Mr. Suresh Perera** Principal Tax & Regulatory KPMG Tax Implications for Superannuation Funds and Individual Members
13	VALUE ADDED TAX (VAT) AMENDMENT ACT 2023 Impact on Industry, Commerce and Society	449	1	119	63	Announcing and Introduction /Moderator **Mr. Ruchira Perera** Council Member-CMA Sri Lanka Introduction & Welcome Address **Prof Lakshman R Watawala** Founder President-CMA Sri Lanka Presentation **Mr. Athula Ranaweera** Managing Partner, Ranaweera Associates Panelists **Mr. N. R. Gajendran** Senior Partner – Gajma & Co. **Mr. Suresh Perera** Principal Tax & Regulatory – KPMG **Mr. Jehan Perinpanayagam** Chairman SLASSCOM and CEO Infomate (Pvt) Ltd **Dr. Kulatunga Rajapakse** Emeritus Managing Director – DSI Group **Mr. Rohana Wijebandara** Group Financial Controller – Dialog Axiata PLC **Prof. Anil Fernando** Professor in Accounting – University of Sri Jayewardenepuara
	Total	5235	14	1451	715	

CMA Business School

The primary function of the CMA Business School is to offer programs designed to benefit its members. In 2023, the Business School organized a series of short courses for members, students, and non-members, collectively providing 134 CPD hours. These courses aim to help members meet the mandatory requirement of completing 20 CPD hours annually.

- The course on Practical Application of Income Tax was conducted by Mr. Athula Ranaweera, Managing Partner Ranaweera Associates and Mr. Saman Dissanayake, Senior Deputy Commissioner Dept. Inland Revenue
- The courses on Advanced Excel Tools for Data Analysis, Visualization and Dynamic Interactive Dashboards, Professional Business/Marketing Infographic Presentations with Advanced PowerPoint, Mastering Power Analytics with Advanced Excel & Power BI, Mastering Advanced Excel + for Data Analysis, Visualization, Transformation and Dynamic Dashboards were conducted by Ms. Nilanthi Jayawardena, Data Analytics Specialist, Effusions Learning Solutions.
- The course on Practical Application of VAT & RAMIS was conducted by Mr. Saman Dissanayake, Senior Deputy Commissioner Dept. Inland Revenue, Mr. Thusitha Gamage, Sr. Deputy Commissioner Department of Inland Revenue and Mr. Athula Ranaweera, Managing Partner Ranaweera Associates.

Infrastructure : Physical and Digital

To support our growth and the evolving needs of our stakeholders, we maintain and invest in both physical and digital infrastructure. By enhancing our physical facilities and expanding our digital capabilities, we aim to provide a seamless and modern experience for our members, students, employees and consultants. These improvements not only facilitate better access to resources and services but also strengthen our ability to deliver education, training, and professional development in an increasingly digital world.

Computer Center

During the year, we upgraded the CMA computer centre to support students to follow selected modules and workshops, to facilitate computer-based examinations and to provide further learning for professionals. Accordingly, skill modules relevant to the CMA professional program, Data Analytics workshops, ITA workshops, Advanced Data Analytics workshops and Digital Tools for Accountants program are conducted for students on hybrid basis by connecting to the well-equipped CMA Computer Centre. In addition, the Centre also offers an Advanced Excel course designed for professionals in Finance, Human Resource, and Analytics who already have sound knowledge in handling basic excel functions and features.

Student Engagement

CMA Sri Lanka is committed to providing a well-rounded experience for its students, offering opportunities for both professional and personal growth. Through various initiatives, including leadership development programs, soft skills workshops, and sports events, we create platforms for students to engage, network, and enhance their skills beyond the classroom. These activities are driven by the CMA Students Guild, which takes leadership in helping the student body to build confidence, foster teamwork, and gain insights into the accounting profession.

International Students' Conference

The International Students Conference, organized by the Students' Guild, was held on 19th August 2023 at the Center for Banking Studies (CBS) in Rajagiriya, under the theme "Impact of Technology & AI on the Accounting Profession".

The event was attended by international students representing The Institute of Chartered Accountants of Nepal, The Institute of Cost Accountants of India, The Institute of Chartered Accountants of India, and the Institute of Cost and Management Accountants of Bangladesh.

The conference included three technical sessions, covering three aspects of the theme. The first technical session centered on the theme of "Adoption of Technology in Various Sectors", and was chaired by Mr. Asanga Wimalaratne, Council Member, and co-chaired by Mr. Kosala Dissanayake, Acting CEO of CMA Sri Lanka.

The 2nd Technical Session was themed "Opportunities Beyond Boundaries"; it was presided over by Mr. Tishan Subasinghe as Session Chairman while Mr. Puvendran Gajendra, CMA Council member was the Co-Chair.

The third session was titled "Country Perspective in Embracing Technology in the Accounting Profession"; it was designed to showcase the global outlook on how technology has been integrated with accounting. This session was guided by session chairman Mr. Ruchira Perera and his co-chair Ms. Sureka Ketawala, both members of the CMA Governing Council. The highlight of the session was a series of presentations by students from various countries, who provided insights into their respective countries' approaches to integrating technology within the accounting profession.

IFAC President Ms. Asmâa Resmouki meets with CMA Students

Ms. Asmâa Resmouki, President of the International Federation of Accountants (IFAC) was hosted by the Institute of Certified Management Accountants at the CMA Auditorium on the 6th October, 2023. The event brought together members of the CMA governing council and directors, professionals and industry leaders as well as about CMA 50 students for meaningful discussions and networking.

The focal point of the event was Ms. Asmâa Resmouki's insightful address, where she discussed IFAC's future plans for developing purposeful accounts and the direction of the accounting profession.

The event provided an opportunity for the CMA Students' Guild to engage with the IFAC President; they showcased events held since the inception of the Guild and shared their views on the accounting profession and the role of the CMA professional programme in shaping their careers. The CMA Students Journal, recognising outstanding student performance in examinations, was launched at the event while the CMA Learning Management System was introduced as a cutting-edge tool to enhance the learning experience for future accounting professionals.

Speech Craft Program

The Speechcraft Program, conducted by CMA Sri Lanka in collaboration with the CMA Sri Lanka Toastmasters Club, follows the renowned Toastmasters International framework, designed to enhance students' communication and leadership skills. Over the year, 181 students participated across eight Speechcraft batches and successfully completed the program.

Batch 33

Batch 34

Batch 35

Batch 36

Batch 37

Batch 38

Batch 39

Batch 40

CSG Cricket Fiesta 2023: A Day of Sportsmanship and Achievement

Every year, the CMA Students Guild organizes the 'CSG Cricket Fiesta 2023' – a day of sportsmanship and fellowship that brings together teams from a number of invited organisations and institutions. The annual event got underway on the 19th of February this year at the Thurstan College Grounds. 19 high calibre teams took part in the competition, which was conducted in the true spirit of camaraderie and sportsmanship.

The ultimate champions, "Online Accounting.lk," showcased their teamwork, skill, and strategic brilliance. In a closely contested final, "The Institute of Chartered Professional Managers of Sri Lanka" secured the runner-up position.

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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 INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA (INCORPORATED BY PARLIAMENT ACT NO. 23 OF 2009)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Institute of Certified Management Accountants of Sri Lanka ("the Institute"), which comprise the statement of financial position as at 31 December 2023, and the statement of Income and expenditure, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, comprising a summary of material accounting policies.

In our opinion, the accompanying financial statements of the Institute give a true and fair view of the financial position of the Institute as at 31 December 2023, and of their 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 and 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 for professional Accountants (including Sri Lanka Independence Standards) 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

The Governing Council is responsible for the 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 Governing Council and Those Charged with Governance for the Financial Statements

The Governing 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 Governing 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 Governing 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 the Governing Council 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.

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C.P. Jayallake FCA
Ms. S. Joseph FCA
R.M.D.S. Rajapakse FCA
M.N.M. Shameel FCA
Ms. P.M.K. Sumanasekara FCA
T.J.S. Rajakarier FCA
W.K.D.C. Aboysthire FCA
Ms. B.K.D.T.N. Rodrigo FCA
Ms. C.T.K.N. Perera ACA
R.W.M.O.W.D.B. Rathnadiwakara FCA
W.W.J.C. Perera FCA
G.A.U. Karunaratne FCA
R.H. Rajan FCA
A.M.R.P. Alahakoon ACA

Principals: S.R.I. Perera FCMA(UK), LLB, Attorney-at-Law, H.S. Goonewardene ACA, Ms. F.R. Ziyard FCMA (UK), FCIT, K. Somasundaram ACMA(UK), R.G.H. Radcella ACA

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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
13 September 2024

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
STATEMENT OF FINANCIAL POSITION

As at 31 December,	Note	2023 Rs.	2022 Rs.
Assets			
Non-current assets			
Property, plant and equipment	2	58,230,487	60,555,585
Intangible assets	3	18,940,660	2,387,960
Total non-current assets		**77,171,147**	**62,943,545**
Current assets			
Inventories	4	320,394	3,374,367
Deposits and prepayments	5	229,650	294,450
Other receivables	7	1,175,336	1,276,988
Short term investments	8	138,018,109	124,629,601
Cash and cash equivalents	9	13,419,537	12,940,233
Total current assets		**153,163,026**	**142,515,639**
Total assets		**230,334,173**	**205,459,184**
Funds and liabilities			
Funds			
Accumulated fund	10	171,789,262	145,839,778
Other funds		3,292,436	1,562,264
CMA members benevolent fund		2,835,146	2,180,569
Common wealth association		204,233	204,233
Total funds		**178,121,077**	**149,786,844**
Non-current liabilities			
Defined benefit obligations	11	4,183,000	3,780,000
Government grant	12	19,444,448	20,138,892
Total non-current liabilities		**23,627,448**	**23,918,892**
Current liabilities			
Accrued expenses and other payables	13	12,020,445	16,753,435
Advance receipt income	14	14,415,426	13,480,111
Income tax payable	6	2,149,777	1,519,902
Total current liabilities		**28,585,648**	**31,753,448**
Total liabilities		**52,213,096**	**55,672,340**
Total funds and liabilities		**230,334,173**	**205,459,184**

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.

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:

.....
President

.....
Vice President

11 September 2024
Colombo

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
STATEMENT OF INCOME AND EXPENDITURE

For the year ended 31 December,		2023	2022
		Rs.	Rs.
Income			
Registration fees and annual subscription	**15**	35,707,127	35,445,728
Direct membership		526,618	129,500
Examination and exemption fees	**16**	62,687,031	62,174,696
Net surplus from seminars and other activities	**17**	5,680,698	9,300,333
Other income	**18**	26,576,446	13,675,290
Amortization of government grant	**12**	694,444	694,444
Transferred from restricted funds		577,394	11,050
Total income		**132,449,758**	**121,431,041**
Expenses			
Staff cost	**19**	40,321,776	32,929,866
Administrative and establishment expenses	**20**	61,696,674	62,331,683
Finance cost	**21**	183,728	109,464
Utilization of restricted funds		577,394	11,050
Total expenses		**102,779,572**	**95,382,063**
Surplus before tax expense		**29,670,186**	**26,048,978**
Tax expense	**22**	(3,720,702)	(1,914,540)
Surplus for the year		**25,949,484**	**24,134,438**

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.

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
STATEMENT OF CHANGES IN FUNDS

For the year ended 31 December,

	Accumulated fund	Other funds	CMA members benevolent	Common wealth association	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 01 January 2022	**121,705,340**	**804,042**	**1,610,612**	**204,233**	**124,324,227**
Surplus for the year	24,134,438	-	-	-	24,134,438
Funds received during the year	-	769,272	569,957	-	1,339,229
Funds utilized during the year	-	(11,050)	-	-	(11,050)
Balance as at 31 December 2022	**145,839,778**	**1,562,264**	**2,180,569**	**204,233**	**149,786,844**
Surplus for the year	25,949,484	-	-	-	25,949,484
Funds received during the year	-	2,307,566	654,577	-	2,962,143
Funds utilized during the year	-	(577,394)	-	-	(577,394)
Balance as at 31 December 2023	**171,789,262**	**3,292,436**	**2,835,146**	**204,233**	**178,121,077**

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.

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
STATEMENT OF CASH FLOWS

For the year ended 31 December,	2023 Rs.	2022 Rs.
Cash flows from operating activities		
Surplus before taxation	29,670,186	26,048,978
Adjustments for:		
Depreciation on property, plant and equipment	3,274,728	3,796,792
Provision for gratuity	1,362,925	957,250
Amortization of intangible assets	2,801,880	5,185,890
Amortization of government grant	(694,444)	(694,444)
Interest income from fixed deposits	(26,576,446)	(13,675,290)
Operating cash flows before working capital changes	**9,838,829**	**21,619,176**
Changes in:		
Inventories	3,053,973	(2,657,973)
Deposits and prepayments	64,800	(42,575)
Other receivables	101,652	(85,693)
Accrued expenses and other payables	(4,732,990)	1,817,178
Advanced receipts	935,315	1,202,781
Cash flows generated from operating activities	**9,261,579**	**21,852,894**
Gratuity paid	(959,925)	(480,000)
Tax paid	3,090,827	(697,301)
Net cash flows generated from operating activities	**11,392,481**	**20,675,593**
Cash flows from investing activities		
Acquisition of property, plant and equipment	(949,630)	(1,087,550)
Acquisition of intangible assets	(19,354,580)	(2,171,500)
Investments in short term investments	(13,388,508)	(29,921,917)
Interest income received	26,576,446	13,675,290
Net cash flows used in investing activities	**(7,116,272)**	**(19,505,677)**
Cash flows from financing activities		
Cash receipt for CMA members benevolent fund	654,577	569,957
Net cash receipts for other funds	1,730,172	758,222
Net cash flows generated from financing activities	**2,384,749**	**1,328,179**
Net increase in cash and cash equivalents	**6,660,958**	**2,498,095**
Cash and cash equivalents at the beginning of the year	12,940,233	10,442,138
Cash and cash equivalents at the end of the year (Note 9)	**19,601,191**	**12,940,233**

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.

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023,

1. Accounting policies

1.1 Reporting entity

The Institute of Certified Management Accountants of Sri Lanka ("the Institute") was incorporated under Act of Parliament No 23 of 2009 on the 20 of April 2009 as the successor to the society of Certified Management Accountants of Sri Lanka ("the Society"). The Society has ceased to function with effect from 20 April 2009. The Society of Certified Management Accountants of Sri Lanka was incorporated on 29 June 1998 as an Institute in accordance with the provisions of the Societies Ordinance.

The registered office and the principal place of business of the Institute is located at 29/24, Visakha Private Road, Colombo 04.

Principal activities

The principal activities of the Institute are as follows:

- To provide membership to those accountants engaged in the profession of Management Accountancy;
- To promote the study of the theory and practice of Management Accountancy in all aspects;
- To register, educate and train any person who is contemplating to become a member of the Institute; and complied with practical training requirements.
- To conduct examinations and to grant membership to those who have passed all the examinations and complied with practical training requirements.

1.2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Sri Lanka Accounting Standard for Small and Medium Sized Entities (SLFRS for SMEs). The financial statements of the Institute comprise the statements of financial position, statement of income and expenditure and accumulated fund and cash flow, and notes to the financial statements.

(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.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with Sri Lanka Accounting Standard for Small and Medium-sized Entities (SLFRS for SMEs) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgment about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only the financial year or in the period of the revision and future periods if the revision affects both current and future financial years.

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023,

1. 3 Material accounting policies

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

(a) Property, plant and equipment

(i) Recognition and measurement

All items of property, plant and equipment are measured at cost less accumulated depreciation. The cost of property, plant and equipment is the cost of purchases or construction together with any expenses incurred in bringing the asset to its working condition for its intended use.

(ii) Depreciation

Items of property, plant and equipment are depreciated on a straight- line basis over the estimated useful lives of each component.

	Years
Building	40
Computers	5
Office equipment	5
Furniture	5

The estimated useful lives for the current and comparative periods are as follows:

All assets are depreciated from the month of the asset is available for use up to the month of disposal.

(b) Intangible assets

(i) CMA Curriculum

Costs that are directly attributable to the development of curriculum and study materials of the CMA qualifications are recognized as intangible assets. When it is feasible to implement the new curriculum, the investment attributable to the project during the development period can be reliably measured and it can be demonstrated that it will generate probable future economic benefits to the Institute.

These costs are amortized over the effective period of the new curriculum and the remaining useful life is reviewed at least at each financial reporting year end.

(ii) Accounting software and the ERP system

Costs that are directly attributable to the acquisition of Sage 50 accounting software and the ERP system are recognized as intangible assets. when it is technically feasible to implement the new accounting software and ERP system and can be reliably measured and it can be demonstrated that will generate probable future economic benefits for the institute.

(c) Inventories

Inventories are stated at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated selling expense. Cost is determined on a weighted average basis.

(d) Short term investments

Investments in money market instruments with a maturity period of over three months are treated as short term investments and are recognized at amortized cost.

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023,

1.3 Material accounting policies *(Continued)*

(e) Other receivables
Debtors and receivables are carried at anticipated realizable value. An estimate is made for bad and doubtful receivables based on a review of all outstanding amounts at the year end.

(f) Cash and cash equivalents
Cash and cash equivalents comprise cash in hand, deposits held at call with bank, and investments in money market instruments with a maturity period of less than three months.

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash in hand and cash with bank, and investments in money market instruments, net of bank overdraft. In the statement of financial position, bank overdrafts are included with borrowings under current liabilities.

Statement of cash flows
The statement of cash flows has been prepared using the indirect method.

(g) 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.

(h) Taxation

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

(i) Employee benefits

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

Defined benefit plan
Provision for retirement gratuity has been made for employee who have completed one year of service with the Institute. However, under the payment of Gratuity Act No. 12 of 1983, the liability for gratuity arises only on completion of five years continued service.

(j) Government grant

Grants are recognized in the financial statements at their fair value. When the grant or subsidy relates to an expense, it is recognized as an income over the period necessary to match it with costs, which is intended to compensate for on a systematic basis.
Grants and subsidies related to assets are generally deferred in the statement of financial position and credited to the statement of income and expenditure over the useful life of the asset.

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023,

1.3 Material accounting policies *(Continued)*

(k) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the institute and the revenue can be reliably measured on an accrual basis. Revenue is measured at the fair value of the consideration received or receivable. The following specific criteria are used for the purpose of recognition of revenue.

Interest income is recognized as interest accrues, taking into account the effective interest rate (EIR) of the investments.

However, subscription income from members and students, and examination fee income are recognized on accrual basis.

Surplus / deficit on examination, seminars, courses and other educational and members' activities are taken to the statement of income and expenditure based on the year of completion of such activity.

(l) Other non- operating expenses

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

(m) Comparative information

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

(n) 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.

(o) 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.

Commitments and contingencies are disclosed in Note 24 to the financial statements.

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS
As at 31 December,

2 Property, plant and equipment

Cost	Freehold land	Building	Computers	Furniture and fittings	Office equipment	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 01 January 2023	32,625,000	29,036,151	17,375,737	4,585,457	7,357,587	90,979,932
Additions during the year			553,500	200,630	195,500	949,630
Balance as at 31 December 2023	**32,625,000**	**29,036,151**	**17,929,237**	**4,786,087**	**7,553,087**	**91,929,562**
Accumulated depreciation						
Balance as at 01 January 2023	-	6,714,412	13,069,710	4,284,126	6,356,099	30,424,347
Charge for the year	-	727,954	1,922,260	195,286	429,228	3,274,728
Balance as at 31 December 2023	**-**	**7,442,366**	**14,991,970**	**4,479,412**	**6,785,327**	**33,699,075**
Written down value as at 31 December 2023	**32,625,000**	**21,593,785**	**2,937,267**	**306,675**	**767,760**	**58,230,487**
Written down value as at 31 December 2022	32,625,000	22,321,739	4,306,027	301,331	1,001,488	60,555,585

3 Intangible assets

Cost	Deferred Expense - syllabus revision	Deffered Expense - CHFMA syllabus	Sage 50 accounting package	ERP System	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at 1 January 2023	17,598,975	1,440,000	2,558,595	921,500	22,519,070
Additions during the year	17,488,980	-	-	1,865,600	19,354,580
Write off	(16,348,975)	(1,440,000)	-	-	(17,788,975)
Balance as at 31 December 2023	**18,738,980**	**-**	**2,558,595**	**2,787,100**	**24,084,675**
Accumulated amortization					
Balance as at 1 January 2023	16,348,975	1,440,000	2,137,357	204,778	20,131,110
Charge for the year	1,710,849	-	377,205	713,826	2,801,880
Write off	(16,348,975)	(1,440,000)	-	-	(17,788,975)
Balance as at 31 December 2023	**1,710,849**	**-**	**2,514,562**	**918,604**	**5,144,015**
Written down value as at 31 December 2023	**17,028,126**	**-**	**44,033**	**1,868,494**	**18,940,660**
Written down value as at 31 December 2022	**1,250,000**	**-**	**421,238**	**716,722**	**2,387,960**

This is the cost that is directly attributable to the development of curriculum and study materials of the CMA qualifications which is recognized as intangible assets.

	2023	2022
	Rs.	Rs.
4 Inventories		
Study packs	320,394	3,374,367
	320,394	**3,374,367**
5 Deposits and prepayments		
Deposit - ANCL	17,250	17,250
Deposit - CEB	165,000	165,000
Festival advances	47,400	112,200
	229,650	**294,450**
6 Income tax payable		
At the beginning of the year	1,519,902	302,663
Income tax expense for the year	3,720,702	1,914,540
Self assessment payments for the year	(1,914,540)	(697,301)
WHT sett off	(1,176,287)	-
	2,149,777	**1,519,902**
7 Other receivables		
Advance payment	374,002	1,101,987
Receivables - Seminar / workshops / conference	5,750	10,000
Rent - deposit and advance	705,000	165,000
Refundable deposit - BMICH	90,584	-
	1,175,336	**1,276,987**

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

As at 31 December,	2023 Rs.	2022 Rs.
8 Short term investments at amortized cost		
Fixed deposits - People's Bank	128,850,726	117,925,087
Fixed deposits - National Savings Bank	6,918,927	5,610,635
Fixed deposits- CMA members benevolent fund	2,248,456	1,093,879
	138,018,109	**124,629,601**
9 Cash and cash equivalents		
Current account - People's Bank	9,686,883	8,347,471
People's Bank- Examination	48,225	33,117
SPV collection - People's Bank	500,000	500,000
CHFMA - People's Bank	1,328,255	1,689,868
CMA members benevolent fund - current account	586,690	1,086,690
Common Wealth Association	204,233	204,233
Commercial Bank	895,571	1,028,854
Petty cash	50,000	50,000
Cash in hand	119,680	-
Cash and cash equivalent for the purpose of the statement of cash flows	**13,419,537**	**12,940,233**
10 Accumulated fund		
Balance at the beginning of the year	145,839,778	121,705,340
Surplus for the year	25,949,484	24,134,438
Balance at the end of the year	**171,789,262**	**145,839,778**
11 Defined benefit obligations		
Balance at the beginning of the year	3,780,000	3,302,750
Provision for the year	1,362,925	957,250
Payment made during the year	(959,925)	(480,000)
Balance at the end of the year	**4,183,000**	**3,780,000**
12 Government grant		
Balance at the beginning of the year	20,138,892	20,833,336
Charge for the year	(694,444)	(694,444)
Balance at the end of the year	**19,444,448**	**20,138,892**

A grant of Rs.25 Mn was received on 30 March 2016 as an assistance for purchase of the Building at Visaka Road. This is amortized over the remaining useful life time of the building.

13 Accrued expenses and other payables		
Telephone	158,177	277,723
Audit fee	400,000	345,000
EPF and ETF	463,625	380,406
APIT	150,261	-
WHT	120,305	-
Stamp duty	16,725	7,075
Overtime	13,903	2,649
Security service	109,624	109,624
Sundry creditors	4,607,105	4,585,472
Provision - Examination	5,180,650	9,416,355
Provision for bonus	80,000	-
Payments received in advance	720,070	1,629,131
	12,020,445	**16,753,435**

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

As at 31 December,	2023 Rs.	2022 Rs.
14 Advance receipt income		
Member subscription	8,235,514	6,863,671
Student subscription	6,094,287	6,616,440
Exam payment	85,625	-
	14,415,426	**13,480,111**

For the year ended 31 December,	2023 Rs.	2022 Rs.
15 Registration fees and annual subscription		
Students - CMA	16,185,434	15,271,751
Members - CMA	16,599,874	17,017,803
Students - AMA	238,338	229,305
Students - CBA and ITA	2,683,481	2,926,869
	35,707,127	**35,445,728**
16 Examination and exemption fees		
Exam and exemption income - CMA	61,980,090	61,154,557
Exam and exemption income - IT	706,941	1,020,139
	62,687,031	**62,174,696**
17 Net surplus from seminars and other activities		
Surplus on study packs and CMA publications	3,432,399	4,764,438
Pre examination seminar	375,501	322,656
Graduation ceremony	(1,944,302)	(716,969)
Toastmasters and speechcraft program	678,687	539,565
Others - seminars and conferences	187,400	(497,100)
BMS program	67,000	33,000
CMA founder's day	(1,225,132)	(10,000)
CHFMA program	1,581,370	1,132,376
CMA conference	269,813	528,109
CMA student's conference	(1,179,737)	(504,135)
Education institute - registration	4,000	23,935
Cost and management account standards	(162,000)	-
Data analytics workshop	165,000	352,564
Seminar on budget	(296,308)	-
MS excel workshop	11,890	77,810
Members night	(372,793)	-
Virtual learning	(745,584)	206,871
Samurdhi officers' training program	2,041,818	1,152,370
CMA business school	2,791,676	1,894,843
	5,680,698	**9,300,333**

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December,	2023 Rs.	2022 Rs.
18 Other income		
Fixed deposit interest	26,576,446	13,675,290
	26,576,446	**13,675,290**
19 Staff cost		
Staff salary	24,173,589	20,436,400
EPF/ETF	3,626,038	3,065,460
Consultancy fee	1,535,000	1,126,667
Bonus	2,693,219	2,138,700
Overtime	116,479	39,943
Gratuity provision	1,362,925	957,250
Staff welfare	1,115,125	677,238
Staff training and recruitment	78,325	129,500
Travelling allowance	4,463,783	3,446,583
Incentives and allowances	1,135,893	885,725
Mobile allowance	21,400	26,400
	40,321,776	**32,929,866**
20 Administrative and establishment expenses		
Advertising	647,136	1,377,605
Printing and stationery	1,177,315	1,560,444
Expenses for exhibition	791,873	35,000
Promotion expenses	6,972,739	5,901,964
Depreciation	3,274,728	3,796,792
Examination expenses	15,923,995	22,002,623
Postage	168,501	233,223
Computer centre expenses	1,469,242	1,850,166
Telephone	1,655,382	1,677,271
Office maintenance	840,122	973,441
Electricity	1,898,748	1,119,923
Professional services	1,254,710	614,476
Travelling	291,611	273,627
Audit fee	430,154	406,273
Office equipment maintenance	1,296,601	506,906
Water	198,439	120,703
Insurance	135,941	119,217
SAFA board meeting and foreign travel	3,722,013	5,372,581
Management accounting journal	47,961	(58,321)
Student news letter	8,035	16,894
Committee meeting and discussion	906,904	781,330
Donations	9,000	10,000
AGM expenses	256,210	459,622
Agreements and annual charges	2,897,277	1,199,038
Subscription IFAC/ CAPA/ SAFA	3,789,897	3,083,556
Subscription - others	30,625	30,625
Study text and syllabus revision	2,215,679	4,106,117
CMC assessment tax	256,687	158,004
Security service	1,297,804	1,218,694
CMA staff activities	661,690	821,684
CMA oratorical competition	1,076,932	64,705
Council election expenses	351,100	-
Syllabus launch	3,641,623	-
Coffee table book	-	517,500
Rent	2,100,000	1,980,000
	61,696,674	**62,331,683**

INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December,		2023	2022
		Rs.	Rs.
21	**Finance cost**		
	Bank charges	183,728	109,464
		183,728	**109,464**
22	**Taxation**		
	Current tax expense **(Note 22.1)**	(3,720,702)	(1,914,540)
		(3,720,702)	**(1,914,540)**
	Taxable income **(Note 22.2)**	26,576,446	13,675,290
		26,576,446	**13,675,290**

22.1 The Institute of Certified Management Accountants of Sri Lanka established by the Institute of Certified Management Accountants of Sri Lanka Act No.23 of 2009 and it is not carrying out any business activates and carrying out only statutory activities.

22.2 According to Inland Revenue Act, No 24 of 2017, in hands of charitable institutions, interest income is taxable @ 14%.

23 Related party transactions

23.1 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 is as follows:

	2023	2022
	Rs.	Rs.
Short term employee benefits	Nil	Nil
Post employee benefits	Nil	Nil

23.2

Transactions with related parties Name of the Institute	Nature of the Transaction	Transaction Amount 2023	Transaction Amount 2022	Balance as the year end 2023	Balance as the year end 2022
		Rs.	Rs.	Rs.	Rs.
Mr.H.M.Hennayake Bandara	Contribution towards the establishment of prize fund	20,000	Nil	5,000	5,000

24 Commitments and contingencies

The Institute does not have any significant contingent liabilities and commitments outstanding as at the reporting date which require adjustments to or disclosure in the financial statements.

25 Number of employees

Number of employees of the Institute as at 31 December 2023 is 24 (2022: 24).

26 Litigation and claims

There were no pending litigation or claims against the Institute as at the reporting date.

27 Events occurring after the reporting date

There were no material events occurring after the reporting date which require adjustments to or disclosures in the financial statements.

28 Approval of financial statements

These financial statements were approved by the Governing Council and authorized for issue on 11 September 2024.

Notice of Annual General Meeting

Notice is hereby given that the 24th Annual General Meeting of the Institute of Certified Management Accountants of Sri Lanka will be held at the CMA Auditorium, No 29/24, Visakha (Private) Road, Colombo 04 on Friday 25th October 2024 at 5.30 p.m. to consider the matters outlined in the following agenda.

Agenda

1. To receive and adopt the report of the Governing Council for the year ended 31st December 2023.

2. To receive and adopt the audited accounts and auditors report for the year ended 31st December 2023.

3. To re-appoint M/S KPMG, Chartered Accountants as auditors for the ensuing year and to fix their remuneration.

4. Any other business of which prior notice had been given.

By order of the Council.
Institute of Certified Management Accountants of Sri Lanka

K. M. Dissanayake
Acting Chief Executive Officer
10-10-2024
Colombo 04

CORPORATE INFORMATION

Legal form
The Institute of Certified Management Accountants of Sri Lanka has been incorporated by the Act of Parliament No.23 of 2009

Office

Address:	29/24, Visakha Private Road, Colombo 04, Sri Lanka
Phone:	+94 (0)11 2506391, +94 (0)11 2507087, +94 (0)11 4641701-3, +94 (0)11 2596696
Fax:	Ext. 118
Email:	secretariat@cma-srilanka.org
Website:	www.cma-srilanka.org

External Auditors
KPMG – Chartered Accountants

Lawyers
V. W. Kularatne Associates
Attorneys-At-Law & Notaries Public

Bankers
Commercial Bank of Ceylon PLC
People's Bank
Sampath Bank PLC

NOTE

NOTE

Incorporated by
Act of Parliament No. 23 of 2009

Institute of Certified Management Accountants of Sri Lanka
29/ 24, Visakha Private Road
Colombo 04, Sri Lanka.

Tele: +94(0) 11 250 6391, 250 7087, 464 1701-3 Fax: Ext 118
E-mail: secretariat@cma-srilanka.org

www.cma-srilanka.org