



Sewalanka Foundation



Annual Report 2009/2010

# Sewalanka Foundation thanks our partners for their support to build more peaceful and prosperous communities in Sri Lanka.



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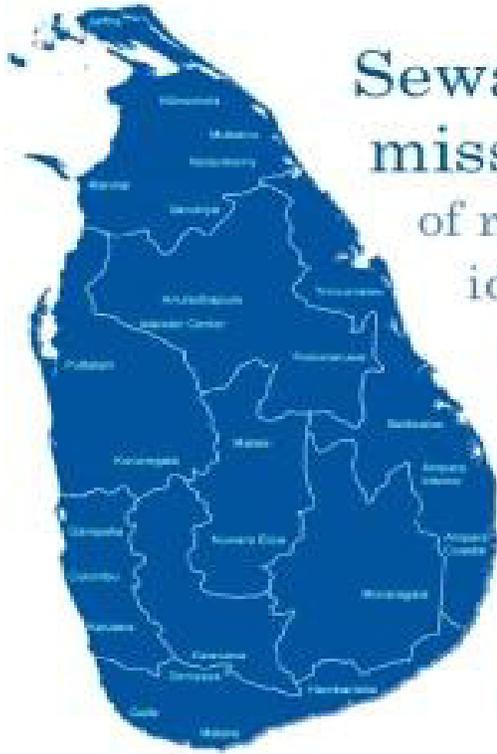
United States Agency for International Development (USAID)

Welthungerhilfe (WHH - formerly German Agro Action)

World Food Program (WFP)

World Health Organization (WHO)





Sewalanka Foundation's mission is to enhance the capacity of rural communities to democratically identify and address their own development needs and to provide services that contribute to the economically viable, socially just and ecologically sustainable development of Sri Lanka.



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# Chairman's Message



This past year, 2009/2010, was one of the most difficult periods I have experienced in more than 35 years of development work. The year started with hundreds of

thousands of people trapped in the war zone. All of the efforts by the government and the international community to evacuate these civilians had failed, and more than 50 of our full-time staff refused to leave the area when the communities they had worked with for so many years were suffering. After the humanitarian agencies left, they stayed behind as government volunteers to assist with shelter construction and food distribution. Every day was a waking nightmare of too little information and constant worry about our coworkers and the communities we have worked with for years.

Finally, after months that felt like years, they were able to move south towards the temporary shelters that had been established for the nearly 300,000 people that had been displaced by the fighting. From the first day, we worked with the government, our development partners, and local volunteers to provide water, food and shelter to these tired and hungry people. Many of our team worked day and night. The intensity brought memories of the tsunami, but the scale and length of displacement made this situation even more complex.

During the emergency period, it was particularly inspiring to see the involvement of the inter-religious alliance we have been working with for the last several years. They mobilized resources and assisted with logistics and emotional support. In a dark time, they provided a bright example of unity in diversity. This cooperation has continued as we have moved into the resettlement phase. We are now working closely with all stakeholders to support the rehabilitation process with a particular focus on reviving livelihoods.

While the end of war brought an enormous sense of relief, it was a very difficult time for all of us. All NGOs that had worked in the Vanni region were investigated, and there was a lot of negative media coverage throughout this process. The investigation was intense, but it clarified that we were there in the Vanni

at the request of the government and that we implemented projects and provided services with the necessary approvals and according to the proper procedures. During any conflict, there are people who remain committed to non-violent social change, and throughout the war, we were able to employ people from the area and work with the authorities according to these principles. There was one isolated incidence in which a former employee left the organization and chose a path inconsistent with our values, and we fully cooperated with the resulting investigation. For nearly 20 years, Sewalanka has survived and continued to provide services in a tense and violent political environment. We are deeply proud of the courage and commitment of our team.

In the world of politics, you can overcome almost anything by identifying with the most powerful group or restricting your involvement, but in development work, you need to maintain an independent identity and an active presence in the field. To balance these things is a very difficult task. It is even more difficult to walk this line as a national NGO. It would have been easier to withdraw and focus on our own project activities, but instead we have worked closely with the Consortium of Humanitarian Agencies to try and provide leadership to the NGO sector and ensure that all of the active, genuine agencies are able to work efficiently and effectively. We will continue our critical engagement with the government to try and find solutions to the remaining humanitarian issues. International concerns about these issues have dramatically reduced the resources available for the resettlement process, and we greatly appreciate the support of our long-term development partners during this challenging time.

Despite all of these difficulties, we remain optimistic. This is a golden opportunity for all Sri Lankans to get together to build our country. There are many examples of nations that have emerged from war, even civil war, to become stronger and more united. It's time to recognize everyone who was born on this island as part of our family and draw on all of our collective strengths and experiences to build a vibrant society where people can live in harmony. We cannot wait for external solutions. Each of us needs to take personal responsibility, maintain an open heart and mind, and actively participate in building a better Lanka.

Harsha Kumara Navaratne



## Program Highlights



their first full meal in many months. By May 2009, no people remained in the Wannu.

The displaced families stayed in closed camps for most of 2009 while security screenings and mine clearance work was completed. As a local organization, Sewalanka had direct access to the camps in both Vavuniya and Jaffna and coordinated closely with the government, United Nations and other humanitarian agencies to fill gaps in the emergency response and assist with food, water, shelter, sanitation, and psychosocial support.

Sewalanka constructed emergency shelters for the IDPs in partnership with UNHCR, WHH, ECHO and ACTED. Shelters were constructed from tarpaulin sheets or palm thatch depending on government and international agency specifications.

The World Food Program distributed emergency food rations of sugar, vegetable oil, white rice, white wheat flour, lentils and salt, Sewalanka worked with its partners to provide additional proteins and vegetables to meet the nutritional needs of the displaced families. The Nippon Foundation, WHH, ECHO, NRC, the Norwegian MFA, Oxfam Australia, JADE, and private donors provided invaluable support for emergency food aid during this difficult period.

Feeding such an enormous number of people was a nearly overwhelming task. Initially, staff and volunteers prepared cooked food parcels. Over the first 108 days, 484,294 warm meals were distributed. Within a few weeks, Sewalanka and other NGOs started to organize community kitchens within the centers. Sewalanka provided complementary food and coordinated community kitchens that served 64,665 families with 3 meals per day for 246 days.

As the situation stabilized and families received cooking utensils, the community kitchens were closed and Sewalanka provided complementary food rations for individual cooking. Finally, when the resettlement process started, Sewalanka provided warm meals at the transit camps that processed people as they moved back to their native village.

Emergency water and sanitation facilities were established in Menik Farm with support from the USAID-funded and UMCOR-managed Sub-grants for Humanitarian Assistance and Relief in Emergencies (SHARE) project. UNICEF, WHH, ECHO and ACTED also funded water and sanitation facilities, waste management, hygiene kits and hygiene promotion programs. In total, Sewalanka constructed 658 latrines, 322 drinking water tanks, 15 water platforms, 32 hand washing stations, and 72 bathing sites. For

## DISASTER MANAGEMENT

**Emergency Response:** Although Sewalanka was founded as a development organization, its mandate is to adjust its services to the needs and interests of the communities it supports. Since the early 1990s, Sewalanka has played a key role in assisting internally displaced people (IDPs) and conflict-affected communities in the north and east with basic emergency needs, resettlement, and rehabilitation. This past year marks a major turning point.

At the beginning of the year, the war was raging in the Wannu region and more than a quarter million people were trapped behind the front lines. As the government forces advanced, people fled by sea to Jaffna or through the Olanthai checkpoint to Menik Farm in Vavuniya. Sewalanka was there to meet them. Volunteers and staff cooked day and night and provided most of the IDPs with



most of 2009, Sewalanka ran six water bowzers continuously to transport an average of 120,000 liters of clean drinking water per day to the camps.

The Sewalanka Jaffna team worked with WHO to implement an emergency health program, rehabilitate and equip a health center, and provide kits for mothers and infants. At the request of the government, Sewalanka constructed one semi-permanent ward at Vavuniya general hospital, two at Mannar hospital, and three temporary clinics at Menik Farm Zone 3. Sewalanka also provided food and accommodation to volunteer medical doctors and aid workers.

Special efforts were made to fill gaps and look after the needs of the particularly vulnerable. Infant kits were provided to 5,541 families. Psychosocial activities were organized with children, and toys, drawing supplies and story books were distributed. 200 beds and mattresses were provided to the elderly and disabled. Sewalanka's trained psychosocial workers spent most of 2009 in the IDP camps working with those who were particularly traumatized and making referrals to medical professionals as needed.

While natural disasters are expected to increase with changing climatic conditions, everyone within Sewalanka hopes that the country never again faces an emergency situation of such an overwhelming scale and intensity. We expect 2009/10 to be the last year that Sewalanka services are dominated by emergency response.

**Rehabilitation:** Towards the end of 2009, the government began rapidly resettling the IDPs, and Sewalanka transitioned from providing emergency aid in the Vavuniya and Jaffna camps to providing early recovery support to returnees in Jaffna, Killinochi, Mullaitivu, Mannar, Vavuniya North and some parts of the east. In Jaffna this includes the "old case load" of families that were displaced from high security zones many years ago and are now resettling.

The main priorities during the early recovery phase of the rehabilitation process are to establish water, shelter and sanitation facilities, employ returnees to construct basic infrastructure on a 'cash-for-work' basis, and restore productive assets for livelihood recovery and food security.

The following early recovery projects were initiated in the 2009/10 financial year. In Jaffna, Sewalanka constructed semi-permanent shelters for 45 families with support from Oxfam GB. The Embassy of Jaffna provided funding for irrigation and road

rehabilitation, well construction, livelihood recovery, and preschool equipment in Puliyanakoodai. DRC supported the repair and construction of houses, toilets, and roads in Tellippalai, and DFID granted resources for well rehabilitation and livelihood recovery activities in the same area. In Velanai, BMZ and WHH funded an integrated program that included shelter, toilets, well cleaning, infrastructure repairs, livelihood recovery and complementary food for 1,050 people. Finally, Sewalanka constructed a pediatric ward at Chavakachcheri Base Hospital with funding from FIDR.

In Mannar, Sewalanka implemented a UNHCR Quick Impact Project to restore productive assets including agrowells, tractors, and other agricultural equipment in Musali and an IOM project for toilet construction and hygiene promotion. ECHO and WHH are



supporting an early recovery program for 600 families in Mannar and Vavuniya that includes transitional shelter, well rehabilitation and cleaning, livelihood recovery, and the distribution of the bicycles. In Trincomalee, JADE is funding the construction of semi-permanent shelters for 340 resettling families.

In addition to these early recovery programs for recent IDPs, Sewalanka provided rehabilitation support to communities that had been displaced and resettled before the final battles in the Wanni. In Batticaloa, for example, Sewalanka and DCA assisted a conflict-affected Vakarai school with a new well, toilets, library books, musical instruments, furniture and other equipment.

In partnership with WHH and the EC, Sewalanka worked with 30 conflict-affected communities in Mannar, Vavuniya and Anuradhapura to help them rebuild infrastructure, social



institutions and livelihoods and transition from rehabilitation to development. In October 2009, Sewalanka joined with a consortium of international partners—ACTED, WHH, and HI—to start a 4-year EC-funded project in Trincomalee, Batticaloa, Vavuniya and Mannar. This long-term rehabilitation project will assist 24,164 families in 85 communities with common infrastructure, social institutions and livelihood recovery. Special attention will be given to people with disabilities. In the 2009/10 financial year, Sewalanka completed the final phases of its rehabilitation projects for tsunami-affected communities. In Point Pedro Jaffna, WHH worked with Sewalanka to rebuild and equip schools and complete 87 permanent houses for tsunami-affected families. Sewalanka helped DCA and FCA complete their tsunami response programs in Batticaloa and Ampara through rehabilitation of water and sanitation infrastructure and livelihood development. In Batticaloa, a special exit program was designed to strengthen elders' societies and children's clubs with a focus on education, health and nutrition.

**Risk Reduction:** Although Sewalanka did not have any projects focused specifically on disaster risk reduction (DRR) in the past year, the district teams continued integrating DRR principles into all rehabilitation and community development programs. For example, disaster risks are taken into consideration during the community planning process. Drainage, bunds, water reservoirs and canals, and vegetation buffers are included in infrastructure planning to mitigate the risk of flooding or drought. Community savings systems, mixed cropping, and diversified livelihood strategies are encouraged to provide an economic buffer in the event of a disaster. In the coming years, Sewalanka plans to strengthen its DRR programs to help rural communities mitigate the expected impacts of climate change.

## ORGANIZATIONAL DEVELOPMENT

Sewalanka specializes in strengthening the institutional capacity of civil society organizations with a particular focus on community-based organizations (CBOs). In our experience, strong CBOs can reduce poverty, conflict, and environmental degradation, improve the living standards of disadvantaged groups, stimulate rural economies, and contribute to participatory, inclusive decision making and good governance.

Although it takes time to build effective, democratic and inclusive village institutions, the long-term impact of strengthening community organizations can be much greater than the short-term benefits of providing grants and services to individuals. Strong CBOs are able to contribute to a self-sustaining process of change that can result in unanticipated new initiatives, social services and businesses. Increasing the capacity of engaged community members to work together, solve problems, and meet their own goals can have a multiplier effect that expands the benefits of an intervention beyond its initial target group and time frame.

Nearly all of Sewalanka's programs and projects include an institutional capacity building component. In the past year, Sewalanka provided organizational development services to 598 CBOs in 18 of Sri Lanka's 25 districts. CBO development activities in the Wannu region were suspended due to the conflict and resulting displacement.

In Jaffna, Trincomalee, and Batticaloa, Sewalanka was selected as the implementing partner for the social mobilization and CBO development component of several ADB-funded government projects. These included the North East Community Restoration and Development Project (NECORD), North East Coastal Community Development Project (NECCDEP), and Tsunami Affected Area Rebuilding Project (TAARP). CBOs were strengthened to plan and implement their own infrastructure and livelihood development initiatives.

With support from ICEIDA, Sewalanka worked with the Ministry of Fisheries to strengthen CBOs in 25 coastal fishing communities in Puttalam, Gampaha, Kalutara, Matara, Ampara, Batticaloa and Trincomalee. The CBOs developed savings and credit systems and sustainability strategies for fish landing site buildings that were constructed according to Ministry plans.

ICEIDA also provided core funding for Sewalanka to develop an online CBO database system to improve information management



and monitoring. The assessment and design process began in July 2009 and Force.com was selected as the best platform for the organization's needs. In October, Sewalanka qualified for a product donation from the Salesforce Foundation due to its non-profit status and social services. An American software designer with Force.com experience spent December developing a customized database with the Sewalanka IT team and senior management that incorporates Sewalanka's 5-level system for monitoring institutional capacity. The beta version launched in January 2010. Sewalanka is now in the process of entering information on its development partners and district CBOs.

Sewalanka worked on a number of new strategies in 2009/10 with support from its development partners. In Vavuniya, the "One Village, One Voice" approach was tested with WHH under the EC's EIDHR project. Most Sri Lankan villages have multiple CBOs that were formed under different government programs or projects. These CBOs may have overlapping functions and in some cases may reflect divisions within the village. The One Village, One Voice project focuses on introducing dispute resolution mechanisms and establishing village-level committees that include all civil society groups in the area. These committees improve planning, decision making, implementation, and coordination with government officials.

The EC and ACTED-funded Non-State Actors and Local Authorities project in Trincomalee, Batticaloa and Ampara also tested new strategies for improving links between CBOs and government officials. In addition to strengthening 54 CBOs in conflict-affected areas, the project provides training opportunities for local government officials and support for planning and coordination meetings. By April, each of the participating districts had

prepared, printed and distributed service provider handbooks with the contact details and services of governmental and non-governmental bodies in the area. Sewalanka plans to develop similar resources for other districts in the coming year.

In areas that are not directly affected by war, Sewalanka has been improving its systems for managing competitive grant funds and catalyzing grassroots initiatives. Supporting CBOs to prioritize, design, and implement their own initiatives strengthens institutional capacity and ensures that the program is demand-driven and sustainable. Sewalanka has developed simplified formats and guidelines in local languages, a transparent review process, and a participatory monitoring system suited to community-based organizations. Providing grant aid to a membership organization that is new or weak can create internal conflicts. Sewalanka mobilizers allow the CBO to take the lead, but provide guidance and support to help the CBO develop strong management systems and avoid common pitfalls.

In the past year, Sewalanka managed a competitive grant fund for Fisheries Cooperative Societies with ICEIDA, for youth leaders with WHH, and for youth leaders and strong 'Flower Village' CBOs with the Norwegian MFA. The approach will be expanded to the EC-funded NSA project with ACTED in 2010 and the EC-funded ACAP project with the consortium of WHH, ACTED and HI in 2011. As more CBOs transition from rehabilitation to development, Sewalanka plans to expand this approach even further by developing an online system for highlighting community projects so that private individuals have the opportunity to directly support these innovative grassroots initiatives.





## LIVELIHOOD SERVICES

Sewalanka's activities vary from village-to-village and district-to-district based on local needs and interests, but the basic approach remains the same. Experienced social mobilizers facilitate participatory group discussions and help people assess their situation, identify and prioritize challenges and opportunities, work collectively towards common goals, and access external information, services, and resources.

Depending on the issue being addressed, Sewalanka links community groups with government service providers, private companies, universities, and other non-profit NGOs. Since livelihood development is usually identified as a main priority, Sewalanka has built up internal livelihood specialists and services to focus on these issues.

**Sustainable Agriculture:** In the disadvantaged rural areas where Sewalanka works, the majority of people are directly dependent on small-scale agriculture for their livelihood. Sewalanka's agricultural specialists and district teams help small-scale farmers access information according to their needs and interests. In general, Sewalanka promotes low-external input sustainable agriculture (LEISA) techniques and helps innovative and motivated farmers transition to organic cultivation.

Since Sewalanka's main priority is local food security, home gardening programs are often used as an entry point. Home gardens can improve household nutrition, reduce food expenses, and, if a surplus is produced, provide a supplementary income. In many households, women take a leading role in home garden development. In the past year, the organic home garden program under the Norwegian MFA project was expanded to 1,265 families

in 45 CBOs in Moneragala, Hambantota and Nuwara Eliya. Organic home gardening activities were also initiated in Puttalam with support from IUCN.

Rather than duplicating agricultural services, Sewalanka tries to link small-scale farmers to available resources. Most training programs are organized in close coordination with government officers and other local resource people. Organic home garden training programs usually include practical demonstrations of bed preparation, compost preparation, liquid organic fertilizer and pesticide preparation and integrated pest management. Many families later expand these techniques to their commercial cultivation. The Islander Center works with a network of resource people to offer specialized courses to interested farmers.

In remote areas, access to quality productive materials is often identified as a main constraint. Farmers struggle with poor selection, late availability, low germination rates, and unexpectedly low-grade products. With support from the Norwegian MFA, Sewalanka is trying to improve

farmers' access to high quality and indigenous varieties of seeds, seedlings and livestock. In the first 18 months of the project, Sewalanka farms produced and distributed 53,303 seedlings, 15,000 kg of seeds and 7 animals. The Islander Center farm in Anuradhapura produced 11 varieties for distribution, Kalutara produced 27 and Batticaloa produced 7.

JTS supported a special appropriate technology program to test small-scale Korean farm machinery in Sri Lanka. In addition to sending machinery for the pilot initiative, they also sent a Korean technician to train local staff at the Islander Center how to use and maintain the equipment. JTS also mobilized resources to construct



agro wells and irrigation facilities for disadvantaged Anuradhapura communities that were dependent on rain-fed agriculture.

**Fisheries and Aquaculture:** Fishing is a vital source of income and nutrition for many Sri Lankan families. An estimated 70% of Sri Lanka's protein consumption comes from its 1,770 kilometers of coastline or its thousands of inland reservoirs. The north and east have some of the most productive coastal fisheries in the country, but during 2009, many areas were not being fished due to the displacement of coastal fishing communities or security restrictions on fishing boats. Sewalanka's fisheries specialists focused their attention on testing value-added, environmentally sustainable pilot initiatives that could be scaled up after resettlement. Cage systems of sea bass and tilapia aquaculture were tested in Trincomalee and Galle with support from ICEIDA and IUCN respectively. Sewalanka's fisheries specialist worked with the community to develop low-cost feed made from locally available ingredients and to minimize water pollution and nutrient loading through feeding management and cage maintenance. Community members quickly realized that they needed to organize security to prevent nighttime harvesting by neighbors.

IUCN also supported a seaweed pilot initiative in Ampara. Sewalanka tested a community-managed approach that used cages to protect the seaweed from herbivorous fish. Community members learned that without a systematic monitoring and harvesting systems, the seaweed plants would weigh down the cages. If the plants sank too far from the light, the mother plants would be lost. Based on these experiences, an alternative and more cost-effective approach was developed for calmer, shallower waters. Post-harvest value addition techniques were also tested. NISVA volunteers Mr. Murakami and Mr. Shibata trained women from



fishing communities in Trincomalee and Batticaloa in the preparation of high-quality Japanese-style dried fish. The vacuum-packed finished product has a lower salt content and fresher flavor than the dried fish available on the Sri Lankan market. At the end of the year, the dried fish was being tested by local retailers.

In early 2009, ICEIDA provided livelihood development grants to 25 coastal fishing communities in Puttalam, Gampaha, Kalutara, Matara, Ampara, Batticaloa and Trincomalee. Although ICEIDA closed its Sri Lankan office in June 2009, Sewalanka continued to provide livelihood services and institutional capacity building support to these CBOs through the end of the year. Activities included dried fish production, fishing gear and fuel shops, collective purchasing of inputs, collective marketing of dried and fresh fish, cafeteria facilities for fishermen, lobster tank development, refrigeration facilities, and an outboard engine repair center.

**Other Livelihood Services:** In 2009, media coverage of the conflict in the north limited the number of travelers to Sri Lanka. Tourism activities stagnated, and the members of the community-based tourism network focused on strengthening their individual initiatives. The program is expected to rebound in the coming year. Sewalanka assisted several responsible travelers with "voluntourism" activities and hopes to expand this program in the future. Sewalanka district teams continued to assist CBOs with community products. In Ampara, Sewalanka helped the handloom producing CBOs secure a government contract for handloom saris for school teachers. In Matale, production of handmade natural paper continued and new marketing channels were identified.

In order to have an impact on the regional economy, Sewalanka tends to focus on livelihood activities which are shared by the



majority of the rural poor in a particular area, for example, agriculture, fisheries, and community products. While these livelihood activities are collectively important, most rural households support themselves through a number of supplementary income generating activities. Depending on local interests, Sewalanka also provide specialized services to support microenterprise development and vocational training.

In Ampara, Sewalanka partnered with Indian social enterprise Technology and Action for Rural Advancement (TARA) under the Schwab Foundation's Leapfrog grant to promote local building material enterprises.

TARA helped transfer and adapt three technological innovations for affordable and environmentally sustainable construction supplies: compressed earth blocks, micro-concrete roofing tiles and flooring tiles. The project established a training and production center at Sewalanka's Ampara Coastal office, trained 50 youth in green building technologies and enterprise development, and developed marketing channels through local builders.

Trincomalee, Batticaloa, and Ampara all offered vocational training programs in the past year with support from FON, ILO and Swisscontact respectively. Training was based on local demand and included tailoring, computer and language skills, engine repair, masonry, plumbing, carpentry and electrical work. The WHH-supported Technical Training Center in Trincomalee was completed in December 2009. Sewalanka is in the process of equipping the center and expects to start classes in 2010.

In Hambantota and Matara, Sewalanka is working with ASB on an EC and UN-funded project to support returning migrant workers



and their family members with social and economic reintegration. The project provides migrant returnees with business development training and counseling, small grants for business start up, job application assistance, and other direct training and life skills development.

## CROSS CUTTING ISSUES

Sewalanka focuses on three core program areas—disaster management, organizational development, and livelihood support services—but recognizes that there are a number of key “cross-cutting issues” that must be considered in all of its programs: psychosocial wellbeing, gender, youth and children, peace and cultural awareness and environmental sustainability. Sector specialists are responsible for mainstreaming sound practices into Sewalanka's operations and program activities. They coordinate awareness and training programs related to these cross-cutting issues and help develop new initiatives based on requests from district offices or CBOs.

**Psychosocial Wellbeing:** The past year was a challenging one for Sewalanka's psychosocial workers. The year started with hundreds of thousands of men, women, and children trapped in the war zone in the north. By the time they reached safety, most had experienced severe physical and emotional trauma. Sewalanka's trained team worked with government mental health and the district psychosocial forum to provide basic psychosocial support services and referrals inside the IDP camps. When people began returning to their homes at the end of 2009, Sewalanka's team traveled to the newly resettling communities to





continue providing services. In January 2010, the government Mental Health Unit gave service awards to Sewalanka Foundation and 10 psychosocial workers in recognition of their dedication and contribution to mental health and psychosocial care during this difficult period. In order to provide effective, coordinated services, Sewalanka psychosocial workers actively participate in district-level psychosocial forums. Last year, the Sewalanka Mannar team partnered with UNICEF to facilitate psychosocial forum meetings, training programs, referrals, and exchange visits to improve psychosocial services for children affected by armed conflict.

In addition to these district-level networks, Sewalanka developed a new national-level partnership in 2009/10 with the Abhina Foundation. Founded by award-winning actress Anoja Weerasinghe, the Abhina Foundation uses the healing power of the performing arts as a catharsis for people affected by trauma. A select group of Sewalanka psychosocial workers have been trained in Abhina techniques, and they are now assisting the Abhina team with programs in the conflict-affected areas.

The “Our Home” centers in Jaffna, Trincomalee, Batticaloa, Ampara, Hambantota and Galle continued to provide community-based psychosocial services in 2009/10. The centers, which were developed with support from Force of Nature Aid Foundation, include a play area for children, a resource center with books, computers and television, a meeting room and a befriending room. Our Home center volunteers and staff organize special events like international day celebrations, awareness programs, professional referrals, career guidance and skill development services. Many district teams have also organized special awareness programs on community health issues in

coordination with government health officials and international partners. For example, tuberculosis awareness programs were conducted with support from the Global Fund for AIDS, Tuberculosis and Malaria.

**Gender, Youth and Children:** Although Sewalanka has a ‘community development’ approach to poverty reduction, its development practitioners recognize that communities are not homogenous. Men, women and children face different issues and sometimes require different interventions.

Sewalanka’s gender specialists are responsible for ensuring that gender sensitivity is mainstreamed and incorporated into all programs. During the emergency response in the north, they helped identify specialized needs and gaps in humanitarian aid packages. For example, they coordinated with WHO and private donors to provide special kits to nursing mothers and infants, and ensured that hygiene packages considered the special needs of women.

Gender considerations were also mainstreamed into livelihood development programs. For example, the Norwegian MFA program focuses on environmentally sustainable livelihood activities. Women were encouraged to participate in training programs on organic agriculture techniques and many decided to establish their own organic home gardens to provide safe and nutritious food for their children. The women tested these organic techniques in their home gardens and in some cases they’ve expanded them to the family’s commercial cultivation. Some Sewalanka district teams have developed programs that specifically focus on the specialized needs of different age groups. The Batticaloa team is partnering with DCA and FCA to support elders’ societies and children’s clubs.





These groups are helping to organize programs and events like mobile clinics, reading facilities, nutrition campaigns, educational support and play activities

In Mannar, Sewalanka has developed children's programs with UNICEF and Save the Children that reach more than 3,000 conflict-affected children. Activities include clubs, camps, street dramas, awareness campaigns, training programs, and exhibitions. Special awareness programs and exhibitions were organized with Mannar school teachers and children to celebrate World Water Day.

**Peace and Cultural Awareness:** The absence of war is not peace. Peace is a continuous, dynamic and participatory process. Peace means encouraging dialog, honouring human dignity, rights and equality, and solving problems in a spirit of respect, mutual understanding, and cooperation. Sewalanka's peace specialists work with social mobilizers to integrate these principles into all operations and programs. Together they provide training on non-violent communication skills, facilitation, mediation, participatory decision-making, community conflict analysis, and conflict sensitivity.

These skills can be applied even at the household or village level. For example, under the EC-funded EIDHR project, Sewalanka is working with WHH to develop dispute mechanisms through village committees. A second EIDHR project is being implemented with Oxfam GB to address issues between conflict-affected communities and local authorities.

Sewalanka's peace team also organizes programs to help bring people from different cultural, religious and language backgrounds together around issues of common interest. Sewalanka's Islander Center has organized residential training programs and

workshops for youth leaders and civil society leaders from around the country with support from WHH, the Norwegian MFA, and the Sasakawa Peace Foundation. In addition to developing new skills, participants have an opportunity to share experiences with each other and build new friendships across conventional divides.

The Sasakawa Peace Foundation has also provided support to develop a network of socially active Buddhist, Hindu, Muslim, Christian and Baha'i religious leaders. While these clergy have very different religious beliefs, they are united by their commitment to human understanding and love for all beings. Over the past 4 years, this inter-religious network has expanded to engage new members and catalyze new initiatives. The Religious Action Alliance, for example, visited the IDP camps and mobilized resources for the men, women and children affected by the war. Members of the inter-religious clergy network also took a visible role in the 2010 Presidential and Parliamentary elections under the name Inter-Religious Coalition for Prevention of Election Violence. With financial assistance from Saferworld, they organized street dramas and a national media campaign and asked political leaders to make a pledge for violence free elections.

The senior clergy that initiated the network recognize the importance of engaging the next generation of religious leaders. In early 2009, they began to identify ordained and lay youth with a strong commitment to non-violent social change for training programs and workshops at the Islander Center. In November, the Sasakawa Peace Foundation supported a study visit to Thailand so that these young religious leaders could share experiences with groups working on similar issues. The participants returned to Sri Lanka with new ideas, a sense of shared identity, and a new perspective on the Sri Lankan context.





In mid-2009, Sewalanka began working with the Norwegian MFA and Concerts Norway to organize a musical exchange program. The program focuses on exchange between countries, but it has also created opportunities for exchange within Sri Lanka. The 2009 Galle Music Festival was organized under this partnership. Emerging new bands from all over the island were invited to submit applications and perform in audition events in Kandy, Negombo, Galle, Batticaloa and Colombo. In addition to performing in the two day festival, the winning bands had the opportunity to participate in a series of pre-festival workshops with international artists and technical experts. Members of different bands may not have been able to speak with one another, but music served as a universal language and new bonds formed quickly.

A highlight of the festival was the performance of the band from the northern Jaffna peninsula. Before the festival, there was some uncertainty about how they would be received by the southern audience, but once again, music helped cross conventional barriers. The southern bands began to cheer them on, and before long, the entire crowd was dancing. The Jaffna band was deeply touched by this warm reception and said it was a moment they would never forget.

**Environmental Sustainability:** Sewalanka's environmental specialists are responsible for increasing environmental awareness and ensuring that principles of environmental sustainability are integrated into all internal operations and all programs. For example, if a Sewalanka team is implementing a rehabilitation project, environmental considerations should be incorporated into infrastructure design, renewable, locally available materials should be procured, soil

erosion and topsoil loss should be minimized, and vegetation and tree cover should be maintained.

In addition to mainstreaming environmental best practices, Sewalanka environmental specialists help communities resolve environmental challenges by linking them with appropriate resource people. Sewalanka focuses on strengthening the management capacity of community organizations. Rather than duplicating the services of environmental agencies, Sewalanka partners with them and tries to provide complementary services. Sewalanka is a member of the International Union for the Conservation of Nature (IUCN) and works very closely with the Sri Lankan Nature Forum, a network of more than 100 Sri Lankan environmental organizations. Sewalanka environmental specialists and district teams also partner with university and government researchers on environmental issues.

An example of this approach is Sewalanka's environmental program with the Norwegian MFA. Sewalanka focuses on building "strong rural leaders, organizations and social networks" that are committed to environmental sustainability and helps link these leaders and organizations with technical specialists as needed. While the rural leaders come from all over the island, the organizations are concentrated in Nuwara Eliya, Moneragala and Hambantota, which means the impacts can be observed more quickly in these districts. As of December 2009, 1,265 families were sorting their waste and producing compost, 31 CBOs had organized community clean-up *shramadana* to remove waste from roads, canals, and common areas and 15 communities in Nuwara Eliya made arrangements to have their soil and water tested.



In 2009, the lessons learned from past mangrove restoration programs in Ampara were applied to the Kalpitiya lagoon in Puttalam district with support from the IUCN's Mangroves for the Future Program. Environmental specialists and social mobilizers worked with community volunteers to select degraded areas, establish community nurseries of mangrove seedlings, and organize planting and monitoring programs according to best practices. The selected sites have now been planted and the monitoring process is ongoing.

Sewalanka continues to work with communities that border national protected areas. In the areas surrounding the Knuckles Range and the Sinharaja Forest Reserve, the main issues are encroachment and the need for alternative livelihood activities. In the areas bordering the dry zone parks, like Wilpattu National Park and Yala National Park, the main issue is human elephant conflict. According to the villagers, the problem is being exacerbated by changing climatic patterns. When the rains are late, the elephants move outside of the parks in search of water. Sewalanka is working with technical resource people to try and find strategies to address these challenges.

### ISLANDER CENTER

Sewalanka's Islander Center was established to help scale-up Sewalanka's village-level initiatives to a regional and national level. Islander provides a neutral space for youth, civil society leaders, and Sewalanka staff from all over the island to meet, discuss new ideas, share experiences, work and learn together.

In 2009/10, the Islander Center offered three three-month residential training programs for rural youth leaders with support from the Norwegian MFA and WHH. Generally, the trainees come from all regions of Sri Lanka, but in 2009, there were no participants from war-affected Wannu region. This is expected to change in 2010.

In addition to these long-term courses, the Islander Center team organized specialized training workshops for interested civil society leaders with support from the Norwegian MFA. Topics included organic agriculture techniques, seed selection and saving, food and nutrition, home gardening, disaster risk reduction, System of Rice Intensification (SRI), beekeeping, organizational management, credit appraisal, financial management, business development and proposal writing. All programs were offered in both Sinhala and Tamil.



The Center also hosted several strategic planning retreats and external programs. In February, for example, the Sandhi Institute brought in international trainers to offer a 10-day residential program on Non-Violent Communication (NVC) at Islander. The Religious Action Alliance, an inter-religious network of socially engaged Buddhist, Hindu, Christian and Muslim leaders also organized programs at the Islander Center with support from the Sasakawa Peace Foundation.

A highlight of the past year was the first annual Islander Festival from March 26 to 29, 2010. The Festival, which was supported by the Norwegian MFA and the Sasakawa Peace Foundation, brought together more than 300 youth leaders, religious leaders and CBO leaders from all over Sri Lanka to interact, share their ideas and experiences, and celebrate the achievements of the past year. The Festival included morning spiritual sessions, a broad range of "learning sessions," and an evening market fair and cultural exchange. The East 2 Region won the award for best market stall, and the award for best product was given to the Ekamuthu Farmer Organization of Kadiragoda, Hambantota for its packaged neem preparations.



## Project List

District	Locations		Project name	Project start	Project end	Sources of funding	Activities		No. of Beneficiaries
Jaffna	Point Pedro, Maruthankerny		North East Coastal Community Development Project (NECCDEP)	Dec-05	Jun-09	ADB / GOSL	CBO development, infrastructure, livelihoods, awareness	16 villages	
Jaffna	Point Pedro		Our Home psychosocial project	Feb-07	Jan-10	Force of Nature	Construction of Our Home Center, psychosocial activities, mobile campaigns, skill development	12,500 individuals	
Jaffna	Savakacheri, Thellipalai, Kayts, Koimpedro, Karavetti, Nallur, Changanai		Supporting emergency health initiatives in Jaffna and Wanni	Nov-08	Jun-09	WHO	Health center rehabilitation, base hospital equipment, kits for mothers and infants, reproductive health awareness	25,000 individuals	
Jaffna	Point Pedro		Construction of permanent houses for tsunami-affected families-phase 4	Jul-08	Dec-09	WHH	Permanent houses	87 families	
Jaffna	Chavakacheri		Provision of emergency shelters for IDPs from the war affected zones of Vanni accommodated in welfare centers.	May-09	Dec-09	UNHCR	Emergency shelters	IDPs from Vanni	
Jaffna	Chavakacheri, Kopay		Emergency WASH response for IDPs fleeing from war-torn areas in the north of Sri Lanka	May-09	Feb-10	UNICEF	Water and sanitation facilities, waste management, hygiene promotion	IDPs from Vanni	
Jaffna	Velanai		Emergency response in conflict affected district of north Sri Lanka	Jun-09	Jan-10	Oxfam	Semi-permanent shelters	45 families	
Jaffna	Point Pedro		Rebuilding of schools in the north after tsunami	Jun-09	Nov-09	WHH	School building and facilities, school materials	150 students	
Jaffna	Velanai		Early recovery of resettlers in the north of Sri Lanka	Nov-09	Sep-10	BMZ / WHH	Semi-permanent shelters and toilets, well cleaning, infrastructure repairs, livelihood recovery, complementary food	300 families and 1,050 IDPs	
Jaffna	Puliyankoodai		Project for supporting socio-economic needs of returning communities in Puliyankoodai	Jan-10	Dec-10	Embassy of Japan	Irrigation and road rehabilitation, well construction, livelihood recovery, preschool equipment	478 families	
Jaffna	Chavakacheri		Pediatric ward construction project at Chavakacheri Base Hospital	Jan-10	Jul-10	FIDR	Hospital ward construction		

District	Locations		Project name	Project		Sources of funding	Activities	No. of Beneficiaries
				Project start	Project end			
<b>Jaffna</b>	Tellippalai		Supporting livelihoods of the returnee IDPs for early economic recovery in Jaffna	Feb-10	Apr-10	DFID	Well rehabilitation, livelihood recovery	316 families
<b>Jaffna</b>	Tellippalai		IDPs/Refugees - integrated community durable solution program	Feb-10	Apr-10	DRC	CBO development, toilet construction, repair of houses, toilets and roads	153 families
<b>Mannar</b>	Nanattan, Manthai West		A holistic psychosocial approach to ensure quality psychosocial services for children affected by armed conflict in Mannar District	Mar-08	Feb-10	UNICEF	Common guidelines for psychosocial training, projects, and referrals, training of psychosocial forum members, exchange visits to other forums, psychosocial forum meetings	31 NGOs and government agencies
<b>Mannar</b>	Mannar, Nanattan, Madhu		Children's Clubs	Mar-08	Feb-10	UNICEF	Formation and training of Children Clubs	2,000 parents, 3,000 children
<b>Mannar</b>	Mannar, Nanattan		Poverty reduction and reinforcement of participatory development process in rural communities resettled in former conflict areas of northern Sri Lanka.	Oct-08	Mar-10	EC / WHH	CBO development, toilet, agro-well and road construction, livelihood recovery, skill development and awareness programs	2,219 families
<b>Mannar</b>	Madhu		Protecting children from all forms of abuse and creating a peaceful and healthy environment for their future	Nov-08	May-09	SCISL	Awareness, skill development, supplies and facilities for Children Clubs, school kits, exhibitions, camps	380 children, 344 families
<b>Mannar</b>	Mannar, Madhu		Strengthening civil society for the protection of rights of conflict-affected communities (EIDHR)	Jan-09	Dec-11	EC / Oxfam GB	Civil society strengthening through awareness programs, workshops, trainings	38,000 families
<b>Mannar</b>	Madhu		Socio-economic empowerment of conflict affected communities in Vavuniya, Mannar, Batticaloa, and Trincomalee (ACAP)	Aug-09	Sep-13	EC / ACTED / WHH / HI	CBO development, infrastructure, livelihood development, support for people with disabilities, psychosocial, legal aid, and conflict mitigation	24,164 families
<b>Mannar</b>	Musali		Quick Impact Projects	Dec-09	Jan-10	UNHCR	Rural supply scheme to Saveriyapuram, agrowells, 2-wheel tractors and sprayers	16,666 families

District	Locations	Project name	Project start	Project end	Sources of funding	Activities	No. of Beneficiaries
<b>Mannar</b>	Parapankandal	Humanitarian assistance for the IDPs in the north of Sri Lanka	Feb-10	Jul-10	ECHO / WHH	Transitional and semi-permanent shelters, well rehabilitation and cleaning, livelihood recovery, bicycle supply	600 families
<b>Mannar</b>	Manthi west	World Water Day	Feb-10	Mar-10	EU	World Water Day awareness programs and celebrations	1,800 students
<b>Mannar</b>	Kanthankulam, Karukandal, Parapankandal	Hygiene promotion	Mar-10	May-10	IOM	Toilet construction	283 families
<b>Vavuniya</b>	Vavuniya South, Cheddikulam	Poverty reduction and reinforcement of participatory development process in rural communities resettled in former conflict areas of northern Sri Lanka	Oct-08	Mar-10	EC / WHH	CBO development, toilet, agro-well and road construction, livelihood recovery, skill development and awareness programs	3,614 families
<b>Vavuniya</b>	Vavuniya	Integrated humanitarian aid for the conflict affected communities in the north	Oct-08	Jul-09	ECHO / WHH	Emergency shelter, water facilities, and complementary food	1,082 families (basic shelter) and 22,477 individuals (food)
<b>Vavuniya</b>	Vavuniya, Cheddikulam (originally planned for Wann)	Emergency relief intervention for conflict affected populations of Sri Lanka	Nov-08	Jun-09	ECHO / ACTED	Emergency water and sanitation facilities, hygiene kits and promotion, tarpaulin sheets	1,000 families
<b>Vavuniya</b>	Vavuniya, Cheddikulam	Strengthening civil society for the protection of rights of conflict affected communities (EIDHR)	Jan-09	Dec-11	EC / Oxfam GB	Civil society strengthening through awareness programs, workshops, trainings	38,000 families
<b>Vavuniya</b>	Vavuniya South, Cheddikulam	One Village, One Voice (EIDHR)	Feb-09	Feb-11	EC / WHH	Village committees, government linkages, dispute resolution mechanisms	1,778 families
<b>Vavuniya</b>	Cheddikkulam	Emergency response to food needs of influx of IDPs in north	May-09	Jun-09	NRC	Cooked meals and dry food rations	10,552 individuals
<b>Vavuniya</b>	Cheddikkulam	Response to emergency wash needs	May-09	Aug-09	USAID / UMCOR	Emergency water and sanitation facilities	12,000 individuals

District	Locations	Project name	Project start	Project end	Sources of funding		Activities	No. of Beneficiaries
Vavuniya	Cheddikkulam	Emergency food aid for IDPs from the conflict area	May-09	Jun-09	WHH		Cooked meals and dry food rations	4,189 individuals
Vavuniya	Cheddikkulam	Emergency assistance for IDPs from former LTTE controlled areas	Jun-09	Sep-10	ECHO / WHH		Drinking water facilities, hygiene kits, infant kits	4,875 individuals
Vavuniya	Cheddikkulam	Emergency response to address food security of IDP influx in north of Sri Lanka	Jun-09	Jul-09	Norwegian MFA		Emergency complementary food	8,740 individuals and 2,772 families
Vavuniya	Cheddikkulam	Securing the daily food needs of IDPs in Vavuniya District	Aug-09	Sep-10	Oxfam Australia		Emergency complementary food	9,779 individuals
Vavuniya	Vavuniya South	Socio-economic empowerment of conflict affected communities in Vavuniya, Mannar, Batticaloa and Trincomalee (ACAP)	Aug-09	Sep-13	EC / ACTED / WHH / HI		CBO development, infrastructure, livelihood development, support for people with disabilities, psychosocial, legal aid, and conflict mitigation	24,164 families
Vavuniya	Cheddikkulam	Securing the daily food needs of the recent influx of IDPs	Nov-09	Jan-10	Nippon Foundation		Community kitchens, complementary food for individual cooking	10,000 individuals and 15,000 families
Vavuniya	Cheddikkulam	Humanitarian assistance for the IDPs in the north of Sri Lanka	Jan-10	Jun-10	ECHO / WHH		Transitional and semi-permanent shelters, well rehabilitation and cleaning, livelihood recovery, bicycle supply	600 families
Puttalam	Kalpitiya, Wennapuwa	CBO strengthening and livelihood development at fish landing sites	Jul-07	Dec-09	ICEIDA		CBO development, fisheries building management plans, fish handling and processing training, support for livelihood initiatives	2 villages
Puttalam	Kalpitiya	Improving the Kalpitiya lagoon ecosystem	Jan-09	Dec-09	IUCN		Kalpitiya lagoon mangrove restoration, organic home gardens	30 families
Anuradhapura	Kabathigollewa, Nochchiyagama	Poverty reduction and reinforcement of participatory development process in rural communities resettled in former conflict areas of northern Sri Lanka	Oct-08	Mar-10	EC / WHH		CBO development, toilet, agro-well and road construction, livelihood recovery, skill development and awareness programs	234 families

District	Locations	Project name	Project start	Project end	Sources of funding	Activities	No. of Beneficiaries
Anuradhapura	Nochchiyagama	Agriculture inputs and infrastructure development in rural farming villages	Jan-09	Apr-09	JTS	Agro-well construction, appropriate farm machinery	32 families
Trincomalee	Kuchchavelli, Muthur, Kinniya, Town & Gravets	North East Coastal Community Development Project (NECCDEP)	Mar-05	Jun-09	ADB / GOSL	Infrastructure development, village planning, CBO development, gender and environmental awareness, livelihood support services	8,903 individuals
Trincomalee	Kuchchavelli	Technical Training Center	Sep-05	Dec-09	WHH	Construction of Technical Training Center to provide training on boat and engine repair, computers, mechanics, agricultural production and processing	
Trincomalee	Kinniya, Seruvilla, Kuchchavelli, Thambalagamam	Our Home psychosocial project	Feb-07	Jan-10	Force of Nature	Construction of Our Home Center, psychosocial activities, mobile campaigns, skill development	12,500 individuals
Trincomalee	Kuchchavelli, Muthur, Kinniya, Town and Gravets	CBO strengthening and livelihood development at fish landing sites	Oct-07	Dec-09	ICEIDA	CBO development, fisheries building management plans, fish handling and processing training, support for livelihood initiatives	2,066 individuals, 8 CBOs
Trincomalee	Vellor, Gopalapuram, Iqbalnagar, Palaiuttru, Adambodai, Katchunai kall and Nilaveli	Community based livelihood security initiatives for sustainable development of Tamil speaking communities in Trincomalee district.	May-08	Apr-09	Force of Nature	Capacity building, psychosocial support, youth empowerment, and cross-cutting issues	1,800 families
Trincomalee	Kuchchavelli, Kinniya, Muthur, Town and Gravets, Gomarangadewela, Morawewa, Seruvilla	Institutional capacity building of state and non-state actors (NSA)	Jan-09	Sep-10	EC / ACTED	CBO development, support for local government officials, linking CBOs and local authorities, inter-community exchange	54 CBOs
Trincomalee	Kinniya, Gomerankadawela, Morawewa, Town & Gravets, Muthur Kuchchavelli, Seruvilla	Socio-economic empowerment of conflict affected communities in Vavuniya, Mannar, Batticaloa, and Trincomalee (ACAP)	Aug-09	Sep-13	EC / ACTED / WHH / HI	CBO development, infrastructure, livelihood development, support for people with disabilities, psychosocial, legal aid, and conflict mitigation	24,164 families

District	Locations	Project name	Project start	Project end	Sources of funding	Activities	No. of Beneficiaries
Trincomalee	Morawewa, Gomarankadawala, Kuchchavelli	Emergency return semi-permanent house project	Dec-09	Mar-10	JADE	Semi-permanent shelters	340 families
Batticaloa	Eravurpattu	North East Coastal Community Development Project (NECCDEP) for tsunami areas	Nov-06	Jan-10	ADB / GOSL	CBO development, infrastructure, livelihoods, environmental awareness	1,427 families
Batticaloa	Manmunai North, Kaluwanchikudy, Chenkalady, Vaharai, Eravurpattu, Eruvil Koralaipattu	Implementation of sustainable livelihood improvement and resource management in the special management areas (TAARP)	Nov-06	Jun-09	ADB / GOSL	CBO development, infrastructure, livelihoods	28,520 individuals
Batticaloa	Eravurpattu	North East Coastal Community Development Project (NECCDEP) for conflict areas	Jan-07	Jun-10	ADB / GOSL	CBO development, infrastructure, livelihoods, environmental awareness	97 CBOs
Batticaloa	Manmunai North	Our Home psychosocial project	Feb-07	Jan-10	Force of Nature	Construction of Our Home Center, psychosocial activities, mobile campaigns, skill development	15,000 individuals
Batticaloa	Koralaipattu Central, Koralaipattu North	CBO strengthening and livelihood development at fish landing sites	Apr-08	Dec-09	ICEIDA	CBO development, fisheries building management plans, fish handling and processing training, support for livelihood initiatives	741 families, 4 CBOs
Batticaloa	Vellaveli, Pattipalai, Koralaipattu North	North East Community Restoration and Development Project (NECORD)	May-08	Oct-09	ADB / GOSL	CBO development, infrastructure, women and youth programs, handicrafts	1,808 Families
Batticaloa	Vavunativu, Vaharai	Technology solutions for the poor	May-08	Apr-09	Leapfrog	Technology transfer, product awareness, enterprise training	9,850 individuals
Batticaloa	Vakarai	Rehabilitation of conflict affected areas PHS 2525	May-08	May-09	DCA	Construction of well, toilets, distribution of library books, music instruments, furniture and equipment	10,592 individuals
Batticaloa	Kiran, Chenkalady	Vocational training for women	Nov-08	Dec-09	ILO	Vocational training for women, sewing machine distribution	25 individuals

District	Locations	Project name	Project start	Project end	Sources of funding	Activities	No. of Beneficiaries
<b>Batticaloa</b>	Valachchenai, Kattankudy, Kiran, Vellavelly, Vaharai, Chenkalady, Koralaipattu North, Eravurpattu	Institutional capacity building of state and non-state actors (NSA)	Jan-09	Sep-10	EC / ACTED	CBO development, support for local government officials, linking CBOs and local authorities, inter-community exchange	54 CBOs
<b>Batticaloa</b>	Mannunai North, Kattankudy, Kiran	Batticaloa Tsunami Exit 2009-10	Jun-09	Feb-10	DCA	Support for elders' societies and children's clubs, mobile clinics, reading facilities, nutrition programs, educational support and play activities	1,800 individuals
<b>Batticaloa</b>	Vellavelly, Pattipalai, Vaharai, Vavunatheevu, Kiran, Chenkalady	Socio-economic empowerment of conflict affected communities in Vavuniya, Mannar, Batticaloa, and Trincomalee (ACAP)	Aug-09	Sep-13	EC / ACTED / WHH / HI	CBO development, infrastructure, livelihood development, support for people with disabilities, psychosocial, legal aid, and conflict mitigation	24,164 families
<b>Ampara</b>	Thirukkivil, Alayadivembu, Addalaichenai	Our Home psychosocial project	Feb-07	Jan-10	Force of Nature	Construction of Our Home Center, psychosocial activities, mobile campaigns, skill development	12,500 individuals
<b>Ampara</b>	Coastal	Vocational training business recovery	Apr-07	Apr-09	Swisscontact	Vocational training	200 individuals
<b>Ampara</b>	Addalachenai, Kalmunai, Pottuvil, Lahugala	CBO strengthening and livelihood development at fish landing sites	Jun-07	Dec-09	ICEIDA	CBO development, fisheries building management plans, fish handling and processing training, support for livelihood initiatives	6 CBOs
<b>Ampara</b>	Pottuvil, Ninthavur, Thirukkivil, Addalaichenai,	Rehabilitation of tsunami and conflict affected areas	May-08	May-09	DCA	Education, water and sanitation, and livelihood activities	1,690 families
<b>Ampara</b>	Komari, Pottuvil	North East Community Restoration and Development (NECORD) project	Jun-08	Aug-09	NECORD	CBO development, construction of multi-purpose building, wells, gravel roads, revolving loan funds, training	600 families
<b>Ampara</b>	Mahaoya	Institutional capacity building of state and non-state actors (NSA)	Jan-09	Sep-10	EC / ACTED	CBO development, support for local government officials, linking CBOs and local authorities, inter-community exchange	18 CBOs

District	Locations	Project name	Project start	Project end	Sources of funding	Activities	No. of Beneficiaries
<b>Ampara</b>	Pottuvil, Lahugala	Pilot project for introducing sea weed farming ( <i>Eucheuma sp.</i> ) as an alternative livelihood activity among coastal communities	Jan-09	Sep-09	IUCN	Cage-based seaweed cultivation	2 CBOs
<b>Nuwara Eliya</b>		Building social institutions for food security and environmental sustainability	Jul-08	Dec-11	Norwegian MFA	CBO development, support for waste management and organic agriculture, environmental activities	45 CBOs
<b>Monaragala</b>		Building social institution for food security and environmental sustainability	Jul-08	Dec-11	Norwegian MFA	CBO development, support for waste management and organic agriculture, environmental activities	45 CBOs
<b>Hambantota</b>	Tangalle, Hambantota	Our Home psychosocial project	Feb-07	Jan-10	Force of Nature	Construction of Our Home Center, psychosocial activities, mobile campaigns, skill development	12,500 individuals
<b>Hambantota</b>	Tangalle, Ambalantota	Building social institution for food security & environmental sustainability	Jul-08	Dec-11	Norwegian MFA	CBO development, support for waste management and organic agriculture, environmental activities	45 CBOs
<b>Hambantota</b>	Tangalle, Katuwana, Weereketiya, Suriyawewa, Wallasmulla	Migrants ACCESS Programme (MAP)	Oct-10	Mar-11	EC / UN / ASB	Livelihood training, counseling and support services for migrant returnees	350 individuals
<b>Matara</b>	Weligama, Dondra, Dickwalla	Towards sustainable livelihoods project extension	Jul-09	Dec-09	CHF	Support for sustainable livelihoods, establishment of marketing centers and rural knowledge centers	2,000 Families
<b>Matara</b>	Dickwella	CBO strengthening and livelihood development at fish landing sites	Jul-07	Dec-09	ICEIDA	CBO development, fisheries building management plans, fish handling and processing training, support for livelihood initiatives	2 villages
<b>Matara</b>	Dikwella, Devinuwara, Devundara, Diyagoda, Hamburupitiya	Migrants ACCESS Programme(MAP)	Oct-10	Mar-11	EC / UN / ASB	Livelihood training, counseling and support services for migrant returnees	350 individuals
<b>Galle</b>	Ambalangoda, Habaraduwa, Galle Hikkaduwa, Baddegama, Balapitiya	Our Home psychosocial project	Feb-07	Jan-10	Force of Nature	Construction of Our Home Center, psychosocial activities, mobile campaigns, skill development	2,000 individuals

District	Locations		Project name	Project start	Project end	Sources of funding	Activities		No. of Beneficiaries
<b>Galle</b>	Balapitiya		Aquaculture project	Feb-09	Dec-09	IUCN	Sea bass and tilapia cage culture pilot initiative		8 families
<b>Galle</b>	Habaraduwa, Ambalangoda		Towards sustainable livelihoods project extension	Jul-09	Dec-09	CHF	Support for sustainable livelihoods, establishment of marketing centers and rural knowledge centers		2,000 individuals
<b>Kalutara</b>	Beruwela		CBO strengthening and livelihood development at fish landing sites	Jul-07	Dec-09	ICEIDA	CBO development, fisheries building management plans, fish handling and processing training, support for livelihood initiatives		1 village
<b>Kalutara</b>	Kalutara		Building social institutions for food security and environmental sustainability	Jul-08	Dec-11	Norwegian MFA	Production of high quality planting materials, demonstration nursery and farm, environmental center		1000 families
<b>Gampaha</b>	Negombo		CBO strengthening and livelihood development at fish landing sites	Jul-07	Dec-09	ICEIDA	CBO development, fisheries building management plans, fish handling and processing training, support for livelihood initiatives		2 villages
<b>All Island</b>			Tuberculosis awareness through small group approach	Jan-08	Dec-12	GFATM	Tuberculosis awareness programs		6,120 Individuals
<b>All Island</b>			Building social institutions for food security and environmental sustainability	Jul-08	Dec-11	Norwegian MFA	Islander Center training and exchange programs for youth and CBO leaders, support for environmentally sustainable livelihood initiatives, development of organic agriculture network, seed, seedling and livestock production		
<b>All Island</b>			Participatory leadership training program for non-violent social change	Aug-08	Nov-10	WHH	Leadership training, conflict analysis, social fund for community activities that reduce social conflict.		
<b>All Island</b>			Engaging youth and clergy in peace and development in Sri Lanka	Apr-09	Mar-10	Sasakawa Peace Foundation	Support for coordination meetings, training programs, workshops, and international exchange programs		

District	Locations	Project name	Project start	Project end	Sources of funding	Activities	No. of Beneficiaries
All Island		Music cooperation program	Jun-09	Jul-11	Norwegian MFA	Mapping of musical performers capacity building, workshops, concerts, and festivals	
All Island		Violence free election campaign	Jan-10	Feb-10	iCEC	Inter-religious awareness and advocacy programs for violence-free Presidential elections	
All Island		Violence free election campaign - Phase 2	Mar-10	Mar-10	Saferworld / iCEC	Inter-religious planning and orientation workshops for violence-free Parliamentary elections, national media conferences, national public conference, mass publicity campaign, national steering	

# SEWALANKA FOUNDATION

## ANNUAL REPORT OF THE BOARD ON THE AFFAIRS OF THE COMPANY

The Board of Directors (also referred to as the members of the Executive Council since the adoption of the new Articles of Association on 31<sup>st</sup> March 2008) of Sewalanka Foundation has pleasure in presenting their Annual Report together with the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March 2010.

This Annual Report on the affairs of the Company contains the information required in terms of the Companies Act, No. 7 of 2007.

### General

Sewalanka Foundation is a Company which was incorporated under the Companies Act, No.17 of 1982 under the name Sewalanka (Guarantee) Limited as a Company limited by guarantee on 19<sup>th</sup> February 1992, changed its name to the present name on 11<sup>th</sup> June 1996 and re-registered as per the Companies Act, No.7 of 2007 on 16<sup>th</sup> February 2009 with GL 41 as the new number assigned to the Company.

### Principal activities of the Company and review of performance during the year

The Company's principal object, as per the Articles of Association adopted on 31<sup>st</sup> March 2010, which remained unchanged during the year, is "to enhance the capacity of rural communities to democratically identify and address their own development needs and to provide services that contribute to the economically viable, socially just, and ecologically sustainable development in Sri Lanka".

### Financial Statements

The complete Financial Statements of the Company duly signed by two Directors on behalf of the Board (being two members of the Executive Council as per the Articles of Association) and the Auditors are given on pages 29 - 38 of the Annual Report.

### Auditors' Report

The Report of the Auditors on the Financial Statements of the Company is given on page 28 of the Annual Report.

### Accounting Policies

The accounting policies adopted by the Company in the preparation of Financial Statements are given on pages 39 and 40 of the Annual Report, which are, unless otherwise stated, consistent with those used in previous periods.

### Directors

The names of the Directors (also referred to as the members of the Executive Council since the adoption of the new Articles of Association on 31<sup>st</sup> March 2008) who held office as at the end of the accounting period are given on page 41 of the Annual Report.

Mr. Ananda Praneeth Kariyawasam resigned from the Company with effect from 06<sup>th</sup> January 2010.

### Interests Register

The Company maintains an Interests Register as stipulated by the Companies Act, No. 7 of 2007.

In terms of the Articles of Association of the Company "no member of the Executive Council shall be appointed to any salaried office of the Organization or any office of the Organization paid by fees, and

that no remuneration or other benefit in money or moneys worth shall be given by the Organization to any member of such Council except repayment of out of pocket expenses and interest at the rate aforesaid on moneys lent or reasonable and proper rent for premises demised or let to the Organization;”. The Company had not made any borrowings from Directors (referred to as members of the Executive Council as per the Articles of Association).

Accordingly, no entries had been made in the Interests Register during the relevant period.

### **Directors’ Remuneration**

In compliance with the provisions of the Articles of Association, the Company has not made any payments on account of Directors’ remuneration.

### **Auditors**

Messrs K S Karunadasa & Company, Chartered Accountants served as the Auditors during the year under review. The Auditors do not have any interest in the Company or its subsidiaries other than that of Auditor.

A sum of Rs.300,000/- is payable by the Company to the Auditors as Audit Fees for the year under review.

The Auditors have expressed their willingness to continue in office. A resolution to re-appoint the Auditors and to authorise the Directors (Executive Council) to determine their remuneration will be proposed at the Annual General Meeting.

### **Donations**

The Company did not make any donations during the period under review.

### **Events occurring after the Balance Sheet date**

No material events have taken place after the Balance Sheet date up to the date of the Report of the Auditors which require adjustment to, or disclosure in the Financial Statements.

This Annual Report is signed for and on behalf of the Board of Directors by two members of the Executive Council

  
Director

  
Director

**P W Corporate Secretarial (Pvt) Ltd**

**Secretaries**

2010

Colombo

**TO THE MEMBERS OF**  
**SEWA LANKA FOUNDATION**

***Report on the Financial Statements***

We have audited the accompanying financial statements of Sewa Lanka Foundation, which comprise the balance sheet as at March 31, 2010, and the statement of financial activities, statement of changes in accumulated fund and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and make accounting estimates that are reasonable in the circumstances.

***Scope of Audit and Basis of Opinion***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Sri Lanka Accounting Standards and Sri Lanka Statement of Recommended practice for Not-for-Profit Organizations. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. We therefore believe that our audit provides a reasonable basis for our opinion.

***Opinion***

In our opinion, so far as appears from our examination, the Foundation maintained proper accounting records for the year ended March 31, 2010 and the financial statements give a true and fair view of the Foundation's state of affairs as at March 31, 2010 and its Surplus and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards and Sri Lanka Statement of Recommended practice for Not-for-Profit Organizations.



**Chartered Accountants**  
No. 6 A, Perera Mawatha,  
Panadura.  
Date : 06<sup>th</sup> October 2010



## Statement of Financial Activities

For the year ended 31st March

	Note	2010 Rs.	2009 Rs.
<b>Income Received</b>			
Incoming Resources	3.1	875,035,197.02	1,343,431,726
<b>Project Expenditure</b>	3.2		
Staff		83,698,451.43	98,081,229
Direct costs		668,551,954.02	1,017,618,944
Indirect expenditure		48,424,260.91	82,888,164
<b>Total Project Costs</b>		<u>800,674,666.36</u>	<u>1,198,588,338</u>
<b>Net Surplus on Projects</b>	3.3	74,360,530.66	144,843,388
Revenue earned	3.4	2,570,901.01	2,788,537
		76,931,431.67	147,631,925
Administrative expenses		96,761,709.53	99,481,914
<b>Net Surplus /(deficit) on Operating Activities</b>	3.5	<b>(19,830,277.86)</b>	<b>48,150,012</b>
Finance costs	3.6	2,861,423.46	5,070,464
<b>Net Surplus /(deficit) before tax</b>		<b>(22,691,701.32)</b>	<b>43,079,548</b>
Income tax expenses	3.7	1,415,483.03	1,146,173
<b>Net Surplus after tax</b>		<u><b>(24,107,184.35)</b></u>	<u><b>41,933,375</b></u>



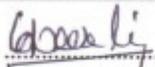
## Balance Sheet

As at 31st March

	Note	<u>2010</u> Rs.	<u>2009</u> Rs.
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant & Equipment	3.8	391,649,192.82	405,386,968
Investment in subsidiaries	3.9	55,345,470.00	82,894,817
		<u>446,994,662.82</u>	<u>488,281,785</u>
<b>Current Assets</b>			
Receivables, Deposits & Advances	3.10	24,201,026.12	37,211,470
Short Term Deposits	3.11	24,336,788.41	21,765,887
Cash at Bank and in Hand	3.12	169,030,015.58	95,475,960
		<u>217,567,830.11</u>	<u>154,453,317</u>
<b>Current Liabilities</b>			
Creditors	3.13	27,443,715.61	17,633,068
Bank overdrafts	3.14	19,426,593.04	21,838,740
		<u>46,870,308.65</u>	<u>39,471,807</u>
<b>Current Assets less Current Liabilities</b>		170,697,521.46	114,981,510
<b>Total Assets less Current Liabilities</b>		<u>617,692,184.28</u>	<u>603,263,294</u>
<b>FUNDING AND LIABILITIES</b>			
<b>Accumulated Fund</b>			
Unrestricted Funds	3.15	421,916,084.39	473,572,616
Restricted Funds	3.16	175,389,313.88	107,928,101
<b>Total Accumulated Fund</b>		<u>597,305,398.27</u>	<u>581,500,717</u>
<b>Non Current Liabilities</b>			
Deferred Liabilities	3.17	20,386,786.01	21,762,577
<b>Total Non Current Liabilities</b>		<u>20,386,786.01</u>	<u>21,762,577</u>
<b>Total Accumulated Fund and Liabilities</b>		<u>617,692,184.28</u>	<u>603,263,294</u>



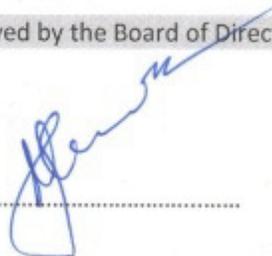
These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007

  
.....  
Finance Officer

The financial statements as appear on pages 02 to 21 were approved by the Board of Directors on 01st October 2010.

Signed on behalf of the Board by  
Directors

Date : 06.10.2010

  
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## Statement of Changes in Accumulated Fund

During the year ended 31st March 2010

	<u>Restricted Fund Rs.</u>	<u>Unrestricted Fund Rs.</u>	<u>Total Rs.</u>
Balance as at 01st April 2008	198,300,530.68	431,639,240.72	629,939,771.40
Funds trfd. to Statement of Financial Activities (Note 03.16)	(90,372,429.12)	-	(90,372,429.12)
Net Surplus for the year	-	41,933,375.02	41,933,375.02
Balance as at 31st March 2009	<u>107,928,101.56</u>	<u>473,572,615.74</u>	<u>581,500,717.30</u>
Balance as at 01st April 2009	107,928,101.56	473,572,615.74	581,500,717.30
Funds trfd. to Statement of Financial Activities (Note 03.16)	67,461,212.42	-	67,461,212.42
Amount written off MFI Loan	-	(27,549,347.00)	(27,549,347.00)
Net Surplus /(deficit) for the year	-	(24,107,184.35)	(24,107,184.35)
Balance as at 31st March 2010	<u>175,389,313.98</u>	<u>421,916,084.39</u>	<u>597,305,398.37</u>



## Cash Flow Statement

for the year ended 31st March

	Note	2010 Rs.	2009 Rs.
<b>Cash flow from project activities</b>			
Incoming Resources		767,107,095.69	1,145,131,195
Interest Income Received		2,570,901.01	2,788,537
Cash paid out for project activities		(783,715,107.68)	(1,197,850,223)
Administrative expenses		(46,939,932.76)	(36,813,812)
Finance costs		(2,861,423.46)	(5,070,464)
Gratuity Paid		(1,375,791.28)	-
<b>Net cash flow from project activities</b>		<b>(65,214,258.48)</b>	<b>(91,814,766)</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant & equipment		(36,084,001.84)	(96,831,706)
<b>Net cash flows used in investing activities</b>		<b>(36,084,001.84)</b>	<b>(96,831,706)</b>
<b>Cash flows from financing activities</b>			
Cash received from donors not used for projects		175,389,313.88	107,928,101
Income Tax		(2,770,226.00)	(266,683)
Proceeds from interest bearing borrowings		10,979,107.00	3,040,013
Re-payment of interest bearing borrowings		(3,762,830.88)	(10,722,861)
<b>Net cash flows used in financing activities</b>		<b>179,835,364.00</b>	<b>99,978,570</b>
<b>Net increase in cash and cash equivalents</b>		<b>78,537,103.68</b>	<b>(88,667,902)</b>
Cash and cash equivalents at beginning of the year	(a)	95,403,107.27	184,071,009
<b>Net change in cash and cash equivalents</b>		<b>173,940,210.95</b>	<b>95,403,107</b>
Cash and cash equivalents at end of the year	(b)	173,940,210.95	95,403,107
		<u>173,940,210.95</u>	<u>95,403,107</u>
<b>Note (a)</b>			
Cash in hand at beginning of the year		622,107.48	1,207,397
Balance at bank at beginning of the year		73,015,112.39	161,596,300
Short term deposits at beginning of the year		21,765,887.40	10,000,000
		<u>95,403,107.27</u>	<u>172,803,696</u>
<b>Note (b)</b>			
Cash in hand at end of the year		1,338,050.77	622,107
Balance at bank at end of the year		148,265,371.77	73,015,112
Short term deposits at end of the year		24,336,788.41	21,765,887
		<u>173,940,210.95</u>	<u>95,403,107</u>



## Notes to the Financial Statements

For the year ended 31st March

2010  
Rs.2009  
Rs.**(03.1) INCOMING RESOURCES**

Grants - Restricted Fundings		
Brought forward balance	107,928,101.46	198,300,531
Donations	880,661,940.08	1,193,536,281
Unspent funds	<u>(175,389,313.88)</u>	<u>(107,928,101)</u>
	813,200,727.66	1,283,908,710
Grants - Unrestricted Fundings	61,834,469.36	59,523,016
Funds used for Activities	<u>875,035,197.02</u>	<u>1,343,431,726</u>

**(03.2) PROJECT EXPENDITURE**

Staff	83,698,451.43	98,081,229
Direct costs	668,551,954.02	1,017,618,944
Indirect expenditure	<u>48,424,260.91</u>	<u>82,888,164</u>
	<u>800,674,666.36</u>	<u>1,198,588,338</u>

**(03.3)** Net surplus on profits is shown in Project activity summary which is given in page 12 to 17.**(03.4) REVENUE EARNED FROM OTHER ACTIVITIES**

Interest received on unrestricted funds	2,570,901.01	2,788,537.22
	<u>2,570,901.01</u>	<u>2,788,537.22</u>

**(03.5) NET SURPLUS ON OPERATING ACTIVITIES  
is stated after charging**

Auditors fees	300,000.00	275,000
Defined benefit plan cost - Gratuity	1,249,541.28	6,205,604
Defined contribution cost - E.P.F. & E.T.F.	2,686,113.18	2,449,200
Staff remuneration - Local	19,474,344.72	26,852,329
Depreciation	49,821,776.77	56,462,498
Rent, Electricity & Water	6,280,006.64	5,345,849

**(03.6) FINANCE COST**

Interest expense on short term borrowings	2,861,423.46	5,070,464
	<u>2,861,423.46</u>	<u>5,070,464</u>



## Notes to the Financial Statements (contd.)

For the year ended 31st March

2010  
Rs.2009  
Rs.**(03.7) INCOME TAX EXPENSES**

Total grant received	942,496,409.44	1,253,059,297
Deduct : Grants received for exempt activities	785,220,517.07	1,125,706,755
Net funding received liable to Tax	<u>157,275,892.37</u>	<u>127,352,541</u>
3% thereof	4,718,276.77	3,820,576
Tax Payable thereof at 30%	<u>1,415,483.03</u>	<u>1,146,173</u>
Interest received (10% W.H.T. deducted)	2,570,901.01	2,788,537
Tax Payable thereof	<u>Nil</u>	<u>Nil</u>
Total Tax Payable	1,415,483.03	1,146,173
Income tax paid	839,769.00	266,683
Balance Tax payable	<u><b>575,714.03</b></u>	<u><b>879,490</b></u>

**(03.8) PROPERTY , PLANT AND EQUIPMENT**

Item	Balance as at 01.04.2009 Rs.	Additions during the year Rs.	Balance as at 31.03.2010 Rs.
<b>At Cost</b>			
Land & Buildings	270,763,434.45	17,926,955.04	288,690,389.49
Plant & Machinery	29,234,414.00	-	29,234,414.00
Motor Vehicles	291,883,473.10	15,427,772.00	307,311,245.10
Furniture & Fittings	13,778,120.21	100,709.80	13,878,830.01
Office Equipment	23,555,781.53	657,450.00	24,213,231.53
Computer Equipment	10,667,472.55	1,283,650.00	11,951,122.55
Sundry Equipment	8,731,727.25	687,465.00	9,419,192.25
<b>Total</b>	<u>648,614,423.09</u>	<u>36,084,001.84</u>	<u>684,698,424.93</u>

Item	Balance as at 01.04.2009 Rs.	Charged for the year Rs.	Balance as at 31.03.2010 Rs.
<b>Depreciation on Written down value</b>			
Land & Buildings	14,762,320.42	12,800,055.70	27,562,376.12
Plant & Machinery	16,012,242.58	3,305,542.85	19,317,785.43
Motor Vehicles	187,863,325.10	26,005,037.11	213,868,362.21
Furniture & Fittings	5,751,071.56	2,006,762.18	7,757,833.74
Office Equipment	12,187,618.74	2,842,040.73	15,029,659.47
Computer Equipment	4,172,622.18	1,298,970.06	5,471,592.24
Sundry Equipment	2,478,254.76	1,563,368.14	4,041,622.90
<b>Total</b>	<u>243,227,455.34</u>	<u>49,821,776.77</u>	<u>293,049,232.11</u>

	Cost	Accumulated Depreciation	Net Book Value
Balance as at 31.03.2010	<u><b>684,698,424.93</b></u>	<u><b>293,049,232.11</b></u>	<u><b>391,649,192.82</b></u>



## Notes to the Financial Statements (contd.)

For the year ended 31st March

	2010 Rs.	2009 Rs.
<b>(03.9) INVESTMENT IN SUBSIDIARIES</b>		
Sewa Lanka Community Financial Services Limited		
5,064,547 of Ordinary Shares of Rs. 10/- each	50,645,470.00	-
Investment	4,700,000.00	82,894,817
	<u>55,345,470.00</u>	<u>82,894,817</u>
<b>(03.10) RECEIVABLES AND ADVANCES</b>		
SEDCO Loan	9,196,772.34	9,196,772.34
Advances & Receivables	10,931,382.22	26,133,512
Staff loan	1,409,216.48	1,881,186
Projects fund receivables	2,663,655.08	-
	<u>24,201,026.12</u>	<u>37,211,470</u>
<b>(03.11) SHORT TERM DEPOSITS</b>		
Fixed Deposits - Nation Trust Bank	22,039,788.32	21,765,887
- Hatton National Bank	2,297,000.09	-
	<u>24,336,788.41</u>	<u>21,765,887</u>
<b>(03.12) CASH AT BANK AND IN HAND</b>		
Cash at Bank	167,691,964.81	94,853,852
Cash in Hand	1,338,050.77	622,107
	<u>169,030,015.58</u>	<u>95,475,960</u>
<b>(03.13) CREDITORS</b>		
Accrued Expenses	15,653,618.42	11,704,504
Income Tax Payable	575,714.03	1,930,457
Lease Rental Payable ( a, b)	11,214,383.16	3,998,107
	<u>27,443,715.61</u>	<u>17,633,068</u>
<b>(a). Rental Payable under finance leases</b>		
Amounts falling due within one year	4,321,430.28	2,784,489
Amounts falling due after one year	6,892,952.88	1,213,618
	<u>11,214,383.16</u>	<u>3,998,107</u>
<b>(b). Rental payable classified under lender</b>		
HNB Leasing Co. Vehicle Leasing	4,835,390.24	1,874,896
People's Leasing Vehicle Leasing	2,823,437.36	-
Ceylinco Leasing Vehicle Leasing	-	200,795
Central Finance PLC Vehicle Leasing	-	757,299
Hatton National Bank Bank Loan	3,555,555.56	1,165,117
	<u>11,214,383.16</u>	<u>3,998,107</u>



## Notes to the Financial Statements (contd.)

For the year ended 31st March

	<u>2010</u>	<u>2009</u>
	Rs.	Rs.
<b>(03.14) BANK OVERDRAFTS</b>		
Hatton National Bank	14,613,690.21	14,503,987
People's Bank	1,479,315.89	4,483,419
Sampath Bank	2,187,648.94	2,094,359
Nation Trust Bank	58,271.93	224,440
Bank of Ceylon	418,909.03	389,206
Panasia Bank	-	143,329
Commercial Bank	668,757.04	-
	<u>19,426,593.04</u>	<u>21,838,740</u>
<b>(03.15) UNRESTRICTED FUNDS</b>		
Balance at the beginning of the year	473,572,615.74	431,639,241
Amount written off MFI Loan	(27,549,347.00)	-
	446,023,268.74	
Unrestricted surplus /(deficit) in operating activities	(24,107,184.35)	41,933,375
Balance at the end of the year	<u>421,916,084.39</u>	<u>473,572,616</u>
<b>(03.16) RESTRICTED FUNDS</b>		
Balance at the beginning of the year	107,928,101.46	198,300,531
Additional funds received during the year	880,661,940.08	1,193,536,281
Transfer to Statement of Financial Activities	(813,200,727.66)	(1,283,908,710)
	67,461,212.42	(90,372,429.12)
Balance at the end of the year	<u>175,389,313.88</u>	<u>107,928,101</u>
<b>(03.17) DEFERRED LIABILITIES</b>		
<b>Retirement Benefit Obligation - Gratuity</b>		
Balance as at 01.04.2009	21,762,577.29	15,556,973
Add: Provision made during the Year	-	6,205,604
	21,762,577.29	21,762,577
Less : Paid for the year	(1,375,791.28)	-
Balance as at 31.03.2010	<u>20,386,786.01</u>	<u>21,762,577</u>
<b>(03.18) CAPITAL EXPENDITURE COMMITMENTS</b>		
There were no material capital expenditure commitments as at the Balance Sheet date.		
<b>(03.19) CONTINGENT LIABILITIES</b>		
There were no known contingent liabilities as at the Balance Sheet date.		
<b>(03.20) POST BALANCE SHEET EVENTS</b>		
No material events have taken place after the Balance Sheet date which require an adjustment to or a disclosure in the Financial Statements.		
<b>(03.21) COMPARATIVE INFORMATION</b>		
Comparative figures have been reclassified where necessary in line with the presentation requirements for the current year.		
<b>(03.22) DIRECTORS' INTEREST IN CONTRACTS</b>		
According to the information made available to us, the Directors of the Foundation were not directly or indirectly interested in contracts with the Foundation during the year ended March 31st 2010.		



# PROJECT ACTIVITY SUMMARY

Identified Project	Transferred from Restricted Funds Note 3.1		Received during the year from unrestricted funds and other sources Rs.	Total amount expended Note 3.2				Net Surplus / Deficit on project Rs.
	Organisation	Amount Rs.		Staff cost Rs.	Direct project cost Rs.	Indirect project cost Rs.		
Agricultural Project - Anuradhapura	Islandar	-	2,830,480.79	-	2,169,449.34	810,532.91	(149,501.46)	
Livelihood Development - Puttalam	IUCN	441,172.00	-	82,500.00	321,531.00	41,207.83	(4,066.83)	
Rehabilitation - Ampara	DCA	3,058,276.49	-	90,000.00	2,541,659.00	377,746.66	48,870.83	
Vocational Training - Ampara	Swiss Contact	340,344.05	-	-	92,120.00	-	248,224.05	
Infrastructure Development - Ampara	North East Provincial Council	1,139,461.94	-	-	1,035,525.50	141,075.00	(37,138.56)	
Vocational Training - Ampara	Swiss Contact	3,731,050.88	-	76,700.00	3,621,683.11	34,201.50	(1,533.73)	
Vocational Training - Ampara	NLRC	6,619,887.72	300,000.00	530,868.75	6,056,474.16	318,251.92	14,292.89	
Rehabilitation - Ampara	DCA	1,067,594.71	120,000.00	476,550.00	398,903.00	8,000.00	304,141.71	
Vocational Training - Ampara	ZOA	870,203.34	-	235,105.00	632,165.00	-	2,933.34	
Infrastructure Development - Ampara	North East Provincial Council	-	-	-	194,915.39	-	(194,915.39)	
Vocational Training - Ampara	TARA	1,922,599.55	-	-	1,920,355.30	-	2,244.25	
Livelihood Development - Batticaloa	NECCDEP	27,357,245.03	-	4,020,000.00	22,794,172.87	497,568.77	45,513.39	
Rehabilitation - Batticaloa	DCA	1,419,735.05	-	126,000.00	222,500.00	95,656.01	975,579.04	
Infrastructure Development - Batticaloa	North East Provincial Council	458,424.16	-	-	146,228.61	-	312,195.55	
Relief & Re-settlement - Batticaloa	DCA/FA	5,618,854.50	-	1,015,000.00	5,225,359.00	40,341.00	(661,845.50)	
Peace & Reconciliation - Batticaloa & Trinco	ACAP - ACTED	8,872,931.11	-	5,782,277.42	651,176.00	2,434,077.29	5,400.40	
Peace & Reconciliation - Batticaloa	ACTED NCA	22,138,349.64	-	2,889,685.63	17,767,953.70	2,066,523.27	(585,812.96)	
Vocational Training - Galle	Peace Boat	-	-	-	-	1,238,541.02	(1,238,541.02)	
Livelihood Development - Galle	IUCN	299,510.00	-	28,000.00	402,520.45	-	(131,010.45)	
Livelihood Development - Gaale	IUCN	458,350.00	-	48,000.00	449,441.22	-	(39,091.22)	
Livelihood Development II - Galle	CHF	2,397,887.09	-	1,701,642.50	-	681,720.31	14,524.28	
Migrants Access Project - Hambantota	UNDP	1,876,438.76	-	1,350,860.00	145,440.00	377,887.24	2,251.52	
General Administration - H.O.	-	-	51,195,673.02	-	-	-	51,195,673.02	
Leadership Training Project - Anuradhapura	German Agro Action	10,158,860.43	-	938,800.00	9,069,309.28	150,751.15	(665.74)	
Peace & Reconciliation - All Island	Sasakawa	656,834.26	-	607,500.00	50,000.00	-	190,775.78	
Vocational Training - Galle	Trans Rural Trust	248,250.00	-	45,000.00	1,423.22	11,051.00	546,517.60	
Vocational Training - Galle	Peace Boat	660,477.60	-	75,000.00	38,960.00	-	1,970.13	
Agricultural Project - Anuradhapura	JTS Korean	2,408,913.74	-	-	2,393,137.50	13,806.11	13,135.69	
Infrastructure Development P II - Batticaloa & Trinco	ICEDA	11,519,703.93	41,965.00	1,488,000.00	8,164,428.24	1,896,105.00	5,773.49	
Community Health - Country Level - Phase I - "	GFATM	5,915,764.34	-	310,500.00	4,988,990.85	630,500.00	6,563.23	
Emergency Relief Project - Country Level	German Agro Action	2,004,726.23	-	-	1,998,163.00	-	172,133.73	
Livelihood Development - Batticaloa, Trinco	Force of Nature	5,298,483.97	-	786,225.00	4,135,159.00	204,966.24	7,559.99	
Agricultural Project - Batticaloa	BSIFSES Norwegian	54,223,982.40	-	14,026,876.22	32,068,561.60	8,120,984.59	(540,642.80)	
Peace & Reconciliation - All Island	Sasakawa	13,175,800.00	-	2,097,900.00	9,902,342.80	1,716,200.00	(9,522.98)	
Relief & Rehabilitation - Galle	DRR	1,681,778.48	-	-	1,691,301.46	-	(1,760,587.75)	
Administration - New - Vavuniya	German Agro Action	2,653,042.34	-	665,690.00	3,044,839.91	703,100.18	(72,924.53)	
Livelihood Development - Batticaloa & Trinco	Force of Nature	12,004,177.90	-	4,864,150.00	6,003,005.34	1,209,947.09	(57,584.08)	
Livelihood Development - Galle & Matara	CHF - CIDA	4,141,455.81	-	1,335,761.17	586,865.00	2,276,413.72	28,243.02	
Community Mobilization - Batticaloa, Trinco	ICIDA	5,615,095.75	-	-	5,316,090.36	270,762.37	-	
Peace & Reconciliation - All Island	IMCSLN	14,232,025.74	-	-	14,232,025.74	-	-	
Peace & Reconciliation - All Island	Election	3,324,366.89	-	170,000.00	3,048,860.00	105,506.89	-	
Peace & Reconciliation - All Island	Election	3,078,958.03	-	226,000.00	2,723,067.50	130,017.60	301,461.80	
Vocational Training - All Island	Election	-	595,761.00	28,000.00	198,246.72	68,052.48	4,860.22	
Infrastructure Development - Jaffna	NECCDEP	800,696.62	-	85,000.00	591,704.40	119,132.00	973.04	
Infrastructure Development - Jaffna	German Agro Action	14,638,600.00	-	-	14,274,883.70	362,743.26	260,849.27	
Relief & Rehabilitation - Jaffna	IOM	3,173,312.24	-	-	2,912,462.97	-	1,329,359.95	
Relief & Rehabilitation - Jaffna	WHO	1,343,213.00	5,000.00	-	-	18,853.05	1,968,999.75	
Infrastructure Development - Jaffna	German Agro Action	43,596,632.95	-	5,685,464.30	32,849,805.72	3,092,363.18	-	

# PROJECT ACTIVITY SUMMARY

Identified Project	Transferred from Restricted Funds Note 3.1		Received during the year from unrestricted funds and other sources Rs.	Total amount expended Note 3.2				Net Surplus / Defect on project Rs.
	Organisation	Amount Rs.		Staff cost Rs.	Direct project cost Rs.	Indirect project cost Rs.		
Housing Project - Jaffna	German Agro Action	-	-	-	165,061.06	-	(165,061.06)	
Relief & Rehabilitation - Jaffna	UNHCR	11,230,802.12	-	348,250.00	10,688,805.00	184,196.96	9,550.16	
Livelihood Development - Jaffna	OXFAM	6,319,400.00	-	217,000.00	6,036,130.50	62,342.31	3,927.19	
Relief & Rehabilitation - Jaffna	UNICEF	4,241,900.00	-	210,000.00	3,920,450.50	111,449.50	-	
Relief & Rehabilitation - Jaffna	HOPE	1,369,300.00	-	-	1,341,450.00	18,900.00	8,950.00	
Relief & Rehabilitation - Jaffna	UNICEF	23,280,484.16	537,816.00	3,369,600.00	19,271,322.72	1,107,853.96	69,523.48	
Relief & Rehabilitation - Jaffna	UNICEF	5,560,276.81	238,058.00	180,000.00	5,025,705.57	354,571.24	238,058.00	
Relief & Rehabilitation - Jaffna	FIDR	307,673.52	29,556.48	213,000.00	74,960.00	49,270.00	-	
Livelihood Development - Jaffna	Japan Grant	1,848,551.15	25,403.35	243,000.00	1,584,950.00	45,142.00	862.50	
Relief & Rehabilitation - Jaffna	FAO	174,000.00	-	-	-	35,904.09	138,095.91	
Livelihood Development - Jaffna	DFID	-	-	-	-	-	-	
Relief & Rehabilitation - Mannar	UNHCR QIPAS	11,131,345.85	-	538,000.00	10,062,396.00	530,949.85	(700,000.00)	
Community Health - Mannar	OXFAM	-	-	-	-	700,000.00	-	
Child Rehabilitation - Mannar	Save the children	1,861,309.94	-	420,500.00	1,301,913.00	135,408.97	3,487.97	
Relief & Rehabilitation - Mannar	UNICEF	893,193.75	-	210,000.00	580,128.00	103,065.75	-	
Vocational Training - Trincomalee	German Agro Action	17,429,970.04	-	-	-	201,636.10	17,228,333.94	
Relief & Rehabilitation - Trincomalee	EU Peace	1,800,763.04	-	-	-	-	1,800,763.04	
Infrastructure Development - Trincomalee	NECCDEP	7,901,668.32	-	395,908.14	7,233,465.99	356,715.72	(84,421.53)	
Infrastructure Development - Trincomalee	North East Provincial Council	4,844,819.78	-	-	2,915,971.06	1,397,584.79	531,263.93	
Relief & Rehabilitation - Vavunia	JADE	19,909,818.00	-	332,925.00	19,024,066.81	17,935.05	534,891.14	
Relief & Rehabilitation - Vavunia	German Agro Action	54,640,324.16	-	4,447,022.76	47,258,197.50	2,624,554.95	310,548.95	
Relief & Rehabilitation - Vavunia	OXFAM	15,960,000.00	840,000.00	-	16,794,750.00	-	5,250.00	
Emergency Relief Project - Vavunia	UNICEF	-	930.72	-	958,160.01	-	(958,160.01)	
Infrastructure Development - Vavunia	North East Provincial Council	3,481,680.89	-	-	2,926,004.67	294,956.35	261,648.59	
Infrastructure Development - Kalmadu - Vavunia	North East Provincial Council	1,407,607.89	100,000.00	-	1,355,570.51	104,579.92	47,457.46	
Infrastructure Development - Vavunia	German Agro Action	-	-	-	-	39,141.18	(39,141.18)	
Relief & Rehabilitation - Vavunia	- do -	76,549,454.58	-	7,486,003.50	64,450,384.53	4,613,066.55	320.00	
Relief & Rehabilitation - Vavunia	SLF NRC	3,600,000.00	894,770.00	-	4,494,450.00	-	4,968.50	
Relief & Rehabilitation - Vavunia	IRC	7,956,045.00	3,979,055.00	181,700.00	11,736,421.50	12,010.00	404.00	
Relief & Rehabilitation - Vavunia	UNICEF	198,200.00	-	51,000.00	146,796.00	-	1,900.00	
Relief & Rehabilitation - Vavunia	German Agro Action	55,000.00	-	-	40,500.00	12,600.00	49,213.00	
Relief & Rehabilitation - Vavunia	Nippon	35,522,150.00	-	1,183,062.00	34,205,250.00	84,625.00	-	
Relief & Rehabilitation - Vavunia	NRC	12,814,669.05	-	-	12,392,749.05	421,920.00	-	
Relief & Rehabilitation - Vavunia	JADE	574,000.00	-	-	574,000.00	-	-	
Infrastructure Development - Valavaiyakulam - Vavunia	North East Provincial Council	6,220,838.86	100,000.00	-	5,447,404.43	407,473.02	465,961.41	
Relief & Rehabilitation - Vavunia	JADE	12,523,750.00	-	254,150.00	12,249,600.00	20,000.00	-	
Relief & Rehabilitation - Vavunia	German Agro Action	7,163,343.68	-	5,398,950.00	1,639,047.23	125,346.45	-	
Relief & Rehabilitation - Vavunia	- do -	34,894,465.34	-	800,286.15	33,756,637.50	308,918.55	28,623.14	
Emergency Relief - Vavunia	UMCOR	19,464,790.87	-	1,048,800.00	17,364,778.09	849,592.50	201,620.28	
Relief & Rehabilitation - Vavunia	German Agro Action	5,774,340.38	-	1,509,950.00	3,521,732.00	734,887.05	7,771.33	
Relief & Rehabilitation - Vavunia	- do -	37,799,856.33	-	2,031,154.15	34,283,958.30	543,293.88	941,450.00	
Emergency Relief - Vavunia	- do -	40,564,807.00	-	739,133.74	38,576,473.92	722,773.22	526,426.12	
Emergency Relief - Vavunia	- do -	8,092,500.00	-	-	7,845,770.00	238,782.23	7,947.77	
Emergency Relief - Vavunia	EIDHR - OXFAM	1,090,570.74	-	-	448,251.00	393,319.74	249,000.00	
Livelihood Development - Vavunia	German Agro Action	103,587.74	-	-	-	-	103,587.74	
		813,200,727.66	61,834,469.36	83,698,451.43	668,551,954.02	48,424,260.91	74,360,530.66	

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March 2010

## 01. General information

1.1 Sewa Lanka Foundation is a non government organization as per the definition provided in the Sri Lanka Statement of Recommended Practice for Not-for-Profit Organizations issued by the Institute of Chartered Accountants of Sri Lanka.

The Foundation was incorporated on 19<sup>th</sup> February 1992 under the Companies Act No. 17 of 1982, with the name of Sewa Lanka Foundation (Guarantee) Limited. Subsequently the foundation has got the approval to use the name without Guarantee Limited. It was re-registered under the new companies Act No. 7 of 2007 with a new number GL 41.

Sewa Lanka presently works in social mobilization, institutional capacity building, micro enterprise development, sustainable agriculture and environment conservation, inland fisheries, psychosocial support, peace building, micro finance, health, vocational training and providing shelter and sanitary facilities for the poor. The Foundation aims to enhance the capacity of disadvantage communities to self reliance state by building institutional structure and coordinating community based organizations and providing training, external resource and supporting services to them.

Sewa Lanka has a decentralized structure, working in 22 districts in the country. At the end of the year there were 556 staff members. While district offices are responsible for coordinating with community based organizations and engaging in internal activities of districts, Colombo based head office provides coordination with Donors and administrative and financial supervision of the entire organization.

The names of the Members of the Board of the Foundation are provided in page 41.

1.2 It is domiciled in Sri Lanka. The principle place of activity of the organization is located at No. 432 A, Colombo Road, Boralesgamuwa.

Except for certain activities that will conclude on the realization of their relevant activities in accordance with the relevant terms of reference, the financial statements have been prepared on a going concern basis.

1.3 The notes to the Financial Statements on page 39 to 40 are an integral part of the financial statements.

1.4 All values presented in the financial statements are in Sri Lankan Rupees unless otherwise indicated.

## 02. Summary of significant accounting policies

### 2.1 General Policies

#### 2.1.1 Basis of Preparation

The balance sheet, statement of financial activities, statement of changes in accumulated fund and the cash flow statement, together with the Accounting Policies and Notes to the financial statements as at 31<sup>st</sup> March 2010 for the year then ended comply with the Sri Lanka Statement of Recommended Practice for Not-for-Profit Organizations (including Non Governmental Organizations) issue by the Institute of Chartered Accountants of Sri Lanka. The Financial Statements have been prepared on historical basis. The

Accounting Policies have been consistently applied, unless otherwise stated, and are consistent with those used in previous years.

#### 2.1.3 Translation of Foreign Currency

All foreign currency transactions have been converted in to Sri Lankan Rupees, which is the reporting currency, at the rates of exchange prevailing at the time that the transaction was effected.

#### 2.1.4 Taxation

##### a. Current Taxation

Income tax is provided in accordance with the provisions of the Inland Revenue Act No. 10 of 2006, and is based on the elements of income reflected in the statement of financial activities and on the elements of grants received, subject to exemptions.

## 2.2 Accounting for the receipt and utilization of Funds

### 2.2.1 Funds

a. Unrestricted Funds: Unrestricted funds are those that are available for use by the organization at the discretion of the board, in furtherance of the general objectives of the organization and which are not designated for any specific purpose.

Surplus funds are transferred from restricted funds to unrestricted funds in terms of the relevant Donor Agreements or with the subsequent approval of the Donor.

b. Restricted Fund: Where grants are received for use in an identified project or activities, such funds are held in a restricted funds account and transferred to the statement of financial activities account to match with expenses incurred in respect of the identified project. Unutilized funds are held in their respective fund accounts and included under accumulated fund in the balance sheet until such time as they are required.

Where approved grant expenditure exceeds the income received and there is certainty that the balance will be received such amount is recognized through receivable in the balance sheet. The activities for which these restricted funds may and are being used are identified in the notes to the financial statements.

c. Other income: Investment income and other gains realized from funds available under each of the above categories are allocated to the appropriate funds, unless the relevant agreement or minute provides otherwise.

### 2.2.2 Grants

Grants are recognized in the financial statements at their fair value. When the grant relates to an expenses it is recognized as income over the period necessary to match it with the costs, which it is intended to compensate for on a systematic basis.

## 2.3 Valuation of assets and their based of measurement

### 2.3.1 Receivables

Receivables are stated at the amounts they are estimate to realize.

### 2.3.2 Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, short term investments, readily convertible to identified amount to cash and which are not subject to any significant risk of change in value. For purpose of the cash flow statement, cash and cash equivalents consist of cash in hand and bank deposits, net of outstanding bank overdrafts.

### 2.3.3 Property, Plant and Equipment

- a. Cost and Valuation: All items of property, plant and equipment are initially recorded as cost.

Buildings owned are used for purpose of the organization and is therefore do not fall under the definition of investment property.

- b. Restoration costs: Expenditure incurred on repairs or maintenance of property, plant and equipment to restore or maintain the economic benefits to be obtained at original levels of performance is recognized as an expense as and when incurred.
- c. Depreciation: Depreciation is provided for an all assets on the reducing balance method and is calculated on the cost or revalued amount of all property, plant and equipment other than land, in order to write such amounts less any terminal value over the estimated useful lives on such assets. Depreciation is not provided in the year of purchase while a full year's depreciation is charged in the year of disposal.

The annual rates of depreciation currently being used by the organization are :

Assets	Rate pa.
Land and Building	5%
Plant and Machinery	25%
Motor Vehicles	25%
Computer Equipment	20%
Other Equipment	25%
Furniture & Fittings	25%

### 2.3.4 Leases

- a. Finance Leases: Property, plant and equipment on finance leases, which effectively transfer to the organization substantially all of the risk and benefit incidental to ownership of the lease items, are capitalize and disclosed as Finance Lease at their cash price and depreciated over the period the organization is expected to benefit from the use of the lease assets.

The corresponding principal amount that is payable to the lesser is shown as a liability. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the outstanding balance of the liability. The interest element of the rental obligation pertaining to each financial year is charged to the statement of financial activities over the period of the lease.

## 2.4 Liabilities and Provisions

### 2.4.1 Retirement Benefit Obligations

- a. Defined Benefit Plan – Gratuity: Retirement Gratuity is a Defined Benefit Plan. The organization is liable pay gratuity in terms of the relevant statute. In order to meet this liability, a provision is carried in the balance sheet that is based on a half-month's salary as of the last months of the financial year for all employees for each completed year of service commencing from the first year of service. The difference between the provision

that is brought forward at the beginning of the year and the provision that is required to be carried forward at the end of the year is adjusted through the statement of financial activities.

This provision is not externally funded. However, in accordance with the payment of gratuities Act No. 12 of 1983, this liability arises only on the completion of five years of continued service of any employee.

- b. Defined contribution plans: All employees are eligible to contribute to the employees' provident fund and the employee's trust fund in accordance with the relevant statute and regulations. The organization contribute 12 percent of the gross emoluments of the employees to the Employee's Provident Fund and 3 percent to the Employee's Trust Fund.

## 2.5 Statement of Financial Activities

### 2.5.1 Income Recognition

- a. Incoming Resources: Income realized from restricted funds is recognized in the statements of financial activities only when there is certainty that all conditions for receipt of the funds have been complied with and the relevant expenditure that it is expected to compensate has been incurred and charged to the statement of financial activities. Unutilized funds are carried forward as such in the balance sheet.

All other income is recognized when the organization is legally entitled to the use of such funds and the amount can be quantified. This would include income receivable through donations.

- b. Revenue: Income earned including interest is recognized on a actual basis.

### 2.5.2 Expenditure recognition

Expenses in carrying out the project and other activities of the organization are recognized in the statement of the financial activities during the period in which they are incurred.

Other expenses incurred in administering and running the organization and in restoring and maintaining the property, plant and equipment to perform at expected levels are accounted for on an accrual basis and charged to the statement of financial activities.

The organization has adopted the "Function of expenses" method to present fairly the element of organization activities in its statement of financial activities.

## 2.6 Segment Information

The organization's internal management and reporting formats are structured and based on activities and service that are similar in nature and where the risk and obligation are similar. The primary segments represent this structure.

The secondary segments are determined on the organization geographic spread of operations. The activities of each of the reported activity based segments are reported on page 37 to 38.

Segments information has been prepared in accordance with the accounting policies set out in the Sri Lanka statement of recommended practice for not-for-profit organization (Including Non Government Organization).

# Our Team

## Executive Council

Dr. Harsha Kumara Navaratne, Chairman  
Mr. Wasantha P. Ramanayake, Vice Chairman  
Ms. Lakshi S. Abeyasekera, Vice Chairman  
Dr. Lionel Weerakoon  
Mr. Srimewan Weraduwa  
Ven. G. Pematratana  
Ms. D.A. Kanthi Navaratne  
Mr. M.I.M. Iqbal  
Ms. S. Sivapackiyam  
Ms. A.M.R.K. Adikarinyake  
Mr. Deepal Chandrathilake  
Mr. T.N. Newton  
Dr. Amanda J. Kiessel  
Ms. Kaushalya Navaratne  
Mr. T. Thamilalagan  
Ms. Kumari Bandara  
Mr. Sampath Wijesinghe  
Mr. Ajith Tennakoon  
Ms. Annet Royce



## Management Committee

Vice Chairman  
VC / Special Projects Director  
Special Projects North  
Special Projects East  
Senior Program Consultant  
Program Director  
Program Director  
Research and Learning Director  
Field Director North  
Coordinator East 1  
Field Director East 2  
Field Director / Islander Director  
Field Director Central  
Field Director South  
Finance Director  
HR and Admin Director  
Asst. Director Administration  
Sewa Finance CEO

Mr. Wasantha Ramanayake  
Ms. Lakshi Abeyasekera  
Ms. Annet Royce  
Mr. Aruna Samaranyaka  
Mr. Mahinda de Silva  
Ms. Kaushalya Navaratne  
Dr. Amanda Kiessel  
Mr. N. Newton  
Mr. T. Thamilalagan  
Mr. M.I.M. Iqbal  
Mr. Deepal Chandrathilake  
Ms. Jinadari Wedamulla  
Ms. S. Sivapackiyam  
Mr. Ajith Tennakoon  
Mr. Sampath Wijesinghe  
Ms. Kumari Bandara  
Mr. Aruna de Alwis  
Ms. Renuka Rathnawage

## District Program Coordinators

Ampara - Inland  
Ampara - Coastal  
Anuradhapura  
Batticaloa  
Galle  
Gampaha  
Hambantota  
Jaffna  
Kalutara  
Killinochi  
Kurunegala / Puttalam  
Mannar  
Matara  
Moneragala  
Mullaithivu  
Nuwara Eliya  
Polonnaruwa  
Trincomalee  
Vavuniya

Mr. Harshana Hegodagamage  
Mr. S.A. Robin  
Mr. Deshan Silva  
Mr. J. Sairajan  
Mr. Y.W.J. Jagath  
Mr. G. Ariyapala  
Mr. Jayantha Wijesinghe  
Mr. V. Kesavan  
Ms. Chamari Lakmali  
Mr. S. Yogarajah  
Mr. N.M.J.B. Nimbulyadda  
Mr. S. Joy Prathevan  
Ms. Nishamalie Devinie  
Ms. Nayana Maligaspe  
Mr. S. Sukunraj  
Ms. S. Sivapackiyam  
Mr. Bandula Rajapakse  
Mr. Samantha Kalyanawansa  
Ms. K. Kalatharshani

## Program Development Team

Community Development  
Community Development  
Community Development  
Community Devt. / Livelihoods  
Community Devt. / Livelihoods  
Sustainable Agriculture  
Sustainable Agriculture  
Fisheries and Aquaculture  
Fisheries  
Tourism  
Handicrafts  
Enterprise Development  
Enterprise Development  
Livelihoods / Environment  
Gender / Psychosocial  
Psychosocial  
Psychosocial  
Psychosocial / Peace  
Community Peace  
Community Peace  
Community Peace  
Engineer  
Engineer

Mr. T.N. Newton  
Mr. P. Nanthakumar  
Mr. K.L. Priyankara  
Mr. Mahinda de Silva  
Mr. M.I.M. Iqbal  
Dr. Lionel Weerakoon  
Ms. Maduka Sajani  
Ms. Maheeni Samarakoon  
Mr. K. Mugunthan  
Mr. Harshana Hegodegamage  
Ms. Vinitha Senevirathne  
Mr. Steve Francone  
Mr. T. Subaskaran  
Dr. Amanda Kiessel  
Ms. Kaushalya Navaratne  
Mr. Prasad Jayasinghe  
Ms. Ashanthi Edirisinghe  
Mr. S. Arivalagan  
Mr. Niroshion Perera  
Ven. Balangoda Manjusri  
Rev. Jegatheesan Kurukkal  
Mr. S. Vigneswaran  
Mr. N. Rupan

**REGISTRATION NUMBER:** GL41

**BANKERS**

Hatton National Bank  
Commercial Bank  
Nations Trust Bank  
People's Bank  
Seylan Bank  
Sampath Bank

**AUDITORS**

K.S.Karunadasa & Company  
Chartered Accountants  
6A, Perera Mawatha  
Panadura

**COMPANY SECRETARY**

P.W. Cooperate Secretarial (pvt) Ltd.  
No 3/17, Kynsey Road  
Colombo 08



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