CandleAid Lanka

(Government Approved Charity – Reg.No.GA 201)
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20.03.2025

To: All CandleAid Sponsors & Donors & Well-wishers

VERY IMPORTANT FOLLOW-UP COMMUNICATION FROM THE BOARD OF DIRECTORS

Our last communication on 20 October 2024 was all about the future plans of our charity, bearing in mind that Capt. Elmo Jayawardena, our President, and Dil Jayawardena, our Executive Director, will turn 80 and 74 respectively in 2027. In that letter we explained in detail our intention to wind down operations and ultimately close CandleAid, and to convert it into a Trust Fund to take effect on 01 January 2027. The new Trust would operate our Education Programme, back other well-established charities engaged in education-related programmes, and consider supporting other worthy projects on a case-by-case basis.

After careful thought and detailed discussion, culminating in a Board meeting on 27 February 2025, CandleAid Directors decided unanimously to revise their decision to transition to a Trust, and to continue with a downsized CandleAid from 01 January 2027. This demands a full, transparent explanation to all our loyal sponsors and well-wishers.

Following legal advice, it is clear that there are two potential disadvantages to the Trust option. First, the process of closing down a Government-Approved Charity would be rather involved, for instance needing the services of a liquidator. And second, the tax liability on Trusts may be significantly more than what is levied on an Approved Charity.

The first advantage of continuing with a downsized CandleAid is that we will not require any legal changes and the financial and other burdens that will entail. CandleAid will continue to operate with its present Approved Charity status. It will manage its own funds as currently done, consisting of funds held in the bank and hypothecated funds from sponsors. A downsized CandleAid will concentrate on a slimmed down Education programme. This will be focused on university and GCE A level students rather than younger students. A level students will be selected on their O level results and university students on their family financial circumstances. Education-related projects, such as the Library Project, the Book Project and the Modern English Programme, will be given due consideration depending on fund availability, manpower resources and demand.

The Special Food Fund to feed the hungry will continue as its operating system is well established and it runs with minimum administrative inputs. A General Project Fund will continue to serve any ad hoc humanitarian and emergency commitments CandleAid may wish to make in the future. The CandleAid website will continue to operate with the necessary content changes. Other programmes such as Gift A Meal, Cancer Patients' Assistance, Kidney Dialysis Assistance etc will be wound down and concluded by 30 June 2026. The downsized operation will no longer require a full-fledged office and will move to a virtual platform, retaining the services of a few staff who will work remotely in collaboration with two Directors. Other existing staff will be discontinued, with priority given to appropriate compensation for their service to CandleAid. All staff have been made aware of this, and were given the choice to continue with Candle Aid until discontinuation or find alternative employment.

The Board also decided to review the downsized CandleAid after two years of operation (from 01 January 2027) to see if it is indeed viable or needs to move to a different model.

We will keep you updated and provide further details about these changes in due course.

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We are convinced this is the most realistic and efficient way forward to sustain the work CandleAid does for the next few years.

Thank you all for what you have done during CandleAid's thirty-year journey and for what you will do by holding hands with us and looking out for people who most need help.

With kind regards



Capt. Elmo Jayawardena
On behalf of CandleAid Lanka Board of Directors

Vice President Mr Priya Cooray
Executive Director Mrs Dil Jayawardena
Director Mrs Himali Senanayake
Director Mr Mevan Jayawardena
Director Professor Razeen Sally
Director Mrs Yasmin Weerasuriya
Director Mr Aruna Fernando

Cc: Branch Representatives