



**(Formerly AFLAC International)
Established in February 1995**

A Government Approved Charity
Incorporated as a Limited Liability Company
In Sri Lanka in April 1998

**TWENTY SIXTH ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

"It is better by far to light a solitary candle than to curse the darkness"

CANDLEAID LANKA
BOARD OF DIRECTORS

Founder President
Capt Elmo Jayawardena

| | | |
|-------------------|---|--------------------------------------|
| Dayantha De Mel | - | Vice President & Director/Finance |
| Priya Cooray | - | Vice President/Director |
| Dil Jayawardena | - | Executive Director |
| Razeen Sally | - | Director |
| Himali Senanayake | - | Director |
| Mevan Jayawardena | - | Director |

The Founder President and all Directors function in a voluntary and honorary capacity.

Bankers:

Hatton National Bank
Moratuwa Branch
143/1 New Galle Road
Moratuwa
Sri Lanka

Nations Trust Bank
Moratuwa Branch
89 New Galle Road
Moratuwa
Sri Lanka

Auditors:

B.R. De Silva & Co.
Chartered Accountants
22/4 Vijaya Kumaranatunga Mawatha
Colombo 5, Sri Lanka

Corporate Secretaries:

Corporate Services Ltd
216 De Saram Place
Colombo 10
Sri Lanka

Regd. Address : CandleAid Lanka, 45 Cornelius Place, Korlawella, Moratuwa, Sri Lanka

Office Address : 21/4 Dharmaratne Avenue, Rawathawatte, Moratuwa, Sri Lanka

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MESSAGE FROM THE PRESIDENT

The 2020-2021 period was probably the most demanding 12 months that CandleAid Lanka had to face in its life span of 27 years. We have swum upstream during the conflict years and survived. Then came the Tsunami. The devastation was so vast that CandleAid had to muster all the energy and resources it had to give comfort and reassurance to so many who suffered severe losses caused by the natural disaster that struck Sri Lanka and other Asian countries mercilessly on Boxing Day in 2004. The horrendous effects of the waves swallowed everything and everyone who stood on their way.

Corona was different. More contagious than anything the human race had ever seen, it affected the entire population of the world. It spared none. This was a pandemic that blasted the 'haves' and the 'have nots' in equal measures and left none untouched.

Countries locked down and offices closed, and life dragged from day to day or should I say moment to moment. It was that bad and strangely even as I write, it is still bad.

CandleAid Office had to be closed, but our hearts remained open.

We kept all our programmes running so that no one who was a beneficiary of CandleAid lost the assistance given to them. The going was rough with so many days of curfew which hampered movements. But, we managed to maneuver and reach those in need. Then came the funds. We never asked for donations as we knew everyone was hurting in some way or other due to the ramifications of Corona. But the generosity of many CandleAid sponsors and donors was so great that they voluntarily sent special donations to help victims affected by the devastation caused by the pandemic.

During the period 01 April 2000 to 31 March 2021, CandleAid distributed LKR 9 Million to nearly 1500 deserving families who were victims of the unrelenting Corona Virus one way or the other.

I must express my heartfelt gratitude to all the wonderful people from different parts of the world who placed their trust and confidence in CandleAid to ensure that their monies reached those in need.

Corona is still here, creating uber tragedies through its many tentacles that devour lives as well as the human spirit. CandleAid too is in the same viral bubble making its best attempts to patch up fragmented lives and livelihoods by wiping tears of desperation with words and acts that give hope. After all, isn't that what CandleAid is all about?

Thank you
Blue skies



Capt Elmo Jayawardena
Founder President
CandleAid Lanka

CANDLEAID REPRESENTATIVES

CandleAid is represented in thirteen cities overseas. The primary role of these representatives is to promote the cause of CandleAid in the regions/cities they represent and source donor funds for its humanitarian programmes and projects in Sri Lanka.

Amsterdam

Ms Carla Horn - Janter Gouwweg 22, 1412 DB Naarden, Netherlands

Calgary

Mr & Mrs Kithsiri Perera - 10647 Shillington Crescent SW, Calgary, Alberta T2W 0N8, Canada

California & Other US Cities

Mr Lakshan Fernando - 27110, Fond Du Lac Road, Ranch Palos Verdes, CA 90275, U.S.A.

Eastbourne

Mr. Christopher Perera - 166 Ringwood Road, Eastbourne, East Sussex, BN 22 8UD, U.K.

Frankfurt

Ms Claudia Frey - Normannenweg 18, D63128 Dietzenbach, Germany

Hong Kong

Mr. Jaliya Pilimalawwe - Flat A, Floor 11, Block 5, Caribbean Coast, 2 Kin Tung Road, Tung Chung, NT, Hong Kong

Melbourne

Ms Asha de Silva - 76 Monbrae Circuit, Narrewarren North, Victoria 3804, Australia

Perth

Ms Yolande de Silva - 318 Fish Street, 269 Hardy Road, Cloverdale, WA 6105, Australia

Singapore

Ms Heshani Nesfield - 99 Meyer Road, # 02-01 The Sovereign, Singapore 437920

Sweden

Mr & Mrs Harald Wessman - Sigurdvagen 9A, SE-182 54 Djursholm, Sweden

Sydney

Ms Betty Miranda - 04 Doulton Drive, Cherrybrook NSW 2126, Australia

Toronto

Mr. Godwin Fernandez - 551 Shipka Court, Mississauga, Ontario L5B 3T4, Canada

Vancouver

Capt. Wayne Dannhauer - 2038 Garibaldi Way, Whistler, BC V0N 1B2, Canada

REGIONAL REPRESENTATIVES

Middle East - Mr. Hareen Stembo - HSBC Bank Middle East, Dubai, U.A.E.

North America - Mr. Gerard Wijeyaratne - 927 S. 2nd Street, Philadelphia, PA

INTERNATIONAL COORDINATOR FOR HEALTH (CANCER PROGRAMME) - Ms. Sabine Dias

INTRODUCTION

CandleAid Lanka (formerly AFLAC International) is a non-profit charity that commenced operations on 6 February 1995 with the primary objective of alleviating poverty in Sri Lanka by providing financial assistance in the areas of education, food, shelter, health and community development.

CandleAid is modelled on the premise that most people are capable of assisting a disadvantaged person in some way or the other. In that context, it functions as the link between someone's basic need and another's generosity.

REGISTRATIONS

CandleAid Lanka was incorporated as a limited liability company in Sri Lanka on 2 April 1998 bearing Registration No. N (A) 671A under the Companies Act No. 17 of 1982.

CandleAid Lanka was also registered on 21 February 2000 as a Non-Governmental Organization, bearing Registration No. FL 03701 under Voluntary Social Service Organizations (Registration & Supervision) Act No. 31 of 1980 as amended by Act No. 8 of 1998 under the Ministry of Social Services in Sri Lanka.

CandleAid Lanka (formerly AFLAC International) was declared as an Approved Charity in Sri Lanka on 12 November 2001 under the Inland Revenue Act No. 38 of 2000.

The Companies Act No. 7 of 2007 required that all existing companies be re-registered and therefore CandleAid was re-registered on 21 January 2009 obtaining new Registration No. GA 201.

OFFICE LOCATION AND STAFFING

The office is located at 21/4 Dharmaratne Avenue, Rawathawatte, Moratuwa and these premises are made available to CandleAid on a rent-free basis.

At the beginning of FY20/21, CandleAid engaged ten employees on its permanent payroll and two senior staff on contract basis at a cost of LKR418,783 per month (including the statutory EPF and ETF payments). This translates to an average cost of LKR 34,898 per staff member. There were two permanent employee resignations during the year, including that of the Chief Operating Officer. The total number was kept in tact at 12 with the recruitment of one permanent employee and another senior on contract basis. By the date of this report, which is beyond the financial year-end, there were two senior staff retirements bringing the total down to 10. CandleAid has engaged a valuable human

resource at senior level on an honorary and volunteer basis. Currently staff requirements are being assessed to meet the evolving work demands.

The Executive Director functioning in an honorary and voluntary capacity as the de facto Chief Executive Officer, assumes overall executive responsibility for office administration and all operations of CandleAid. This will continue until such time a suitable full time Chief Executive Officer or Chief Operation Officer is engaged by CandleAid.

BANKING ARRANGEMENTS

Donations:

All incoming donor funds are received through the following Sri Lanka Rupee Current Accounts;

- 🏦 Hatton National Bank, Moratuwa Branch - Account No. 022010223682
- 🏦 Nations Trust Bank, Moratuwa Branch - Account No. 014100008377

Donations through Credit Card payments:

CandleAid has established a 'Payment Gateway' at HSBC, Colombo to facilitate Donors opting to make payments by credit card. Proceeds are credited to the abovementioned current account at Nations Trust Bank.

Disbursement of financial assistance to beneficiaries:

CandleAid has also established a relationship with Peoples Bank, Moratuwa to channel the greater proportion of disbursements to beneficiary bank accounts through the SLIP system.

Investment of CandleAid Funds:

Accumulated funds since inception in 1995 are currently invested in DFCC Bank in the form of fixed deposits.

Short-term funds required for disbursement within a one-year time frame are invested in the form of Repurchase Agreements (Repos) at Nations Trust bank.

Audited Accounts:

CandleAid has consistently maintained high standards of transparency and accountability in all its operations. The annual accounts are audited by B.R. de Silva & Co., a reputed Firm of Chartered Accountants since inception and displayed in CandleAid's website www.candleaid.org

The detailed Audited Accounts for the year ended 31 March 2021 forms part of this report.

SUMMARY OF OPERATIONS

During the year under review, total receipts mainly in the form of donations aggregated to LKR59,112,006 compared to LKR46,349,800 in the previous year. This included donations for the three on-going sponsorship programmes: Education, Health and Gift-A-Meal, as well as donations/contributions for other projects, administration levy recoveries and interest earned on investments.

Total payments amounted to LKR55,965,565 compared to LKR44,097,712 in the previous year. This included disbursements to sponsored beneficiaries in the three sponsorship programmes and other projects, administrative expenses, taxation, and bank charges.

REVIEW OF OPERATIONS

A review of CandleAid's operations and a description of on-going projects carried out by the organization during the year under review are as follows.

1.0 EDUCATION PROGRAMME

The student sponsorships, library project, book project and other education related projects come within the purview of the education programme. Total donations received for the education programme during FY20/21 amounted to LKR19,511,132 compared to LKR18,361,697 in the previous year.

1.1 Student Sponsorships

This is CandleAid's flagship programme where financial assistance is extended to students from low-income families. Monthly disbursements under this sponsorship programme are credited directly to students' bank accounts.

The cumulative total number of students sponsored under this programme from inception to 31 March 2021 is 3908. This included 984 active sponsorships as on 31 March 2021, of which 384 were university students. Local and foreign sponsors numbered 366, with several individuals and institutions sponsoring multiple students. There were 1078 student coordinators supporting the programme.

CandleAid received sponsorship donations aggregating to LKR18,534,881 (FY 19/20 - 17,271,916). Disbursements to students amounted to LKR17,079,100 (FY 19/20 - 16,120,500). The excess of donations received over disbursements represent donations received during the financial year and are due for disbursement in the following year.

1.2 Library Project

CandleAid launched this programme in 1998 to supply books and other items required in setting up libraries in schools and community centres, mostly in rural areas. A number of individuals and corporate entities have funded these libraries. Such donations have amounted to LKR 342,386 during FY20/21.

During the year under review, CandleAid opened eight libraries at a cost of LKR 452,183 bringing the total number of libraries since commencement of programme to 213. Out of this 136 have been General libraries, 38 are libraries in the North and East, 21 are Maths laboratories and 18 are English Books Only (EBO) libraries.

1.3 Book Project

Donations for book project amounted to LKR340,638. This has been an annual event where exercise books and stationery items are distributed to students in Moratuwa and a few other locations. A sum of LKR282,588 was disbursed in FY 20/21 to 159 students from Moratuwa, 114 from Udugama, 51 from Panadura, 60 from Mathugama and 26 from Hatton. A further LKR59,834 received from an anonymous donor funded similar student needs of St Mary's College, Katukurunda. Thus, the total disbursed under the Book project is LKR342,422.

2.0 HEALTH PROGRAMME

The Health programme consists of the Cancer Patient Assistance Programme, R&D Special Fund, Sigiri Trust Fund, the Lunawa Hospital Project and Kidney dialysis programme. There were a few other health related disbursements outside these four segments. Donations received for the health programme during FY 20/21 amounted to LKR9,306,615.

Details of the different initiatives are outlined below:

2.1 Cancer Patient Assistance Programme

This programme identifies and assists poor cancer patients to procure at least some of their essential needs through a monthly donation of LKR 2,000. The scale of the programme has expanded progressively over the years, to include 1477 cancer patients since inception.

During FY 20/21, 361 patients received assistance from 92 local and foreign donors. The programme was successfully carried out with the assistance of 342 coordinators.

During FY 20/21, LKR7,828,03 was received as donations for the Cancer Patient Assistance programme. Disbursements to patients amounted to LKR7,396,500. The excess of donations over disbursements represents the quantum of donations that are due for disbursement in FY 21/22.

2.2 R & D Special Fund

Established in 2015, the fund constitutes special donations aggregating to LKR4,427,663 received from a family closely associated with CandleAid since inception. The donors wished the funds to be utilised to serve the needs of cancer patients and in special cases their immediate family members, over and above the Cancer Patient Assistance Programme. Total fund utilization up to 31 March 2021 is LKR3,951,288 for 186 persons. During FY 20/21 inflows to the Fund amounted to LKR449,910 while disbursements to beneficiaries aggregated to 511,782.

2.3 Sigiri Trust Fund

CandleAid in partnership with Sigiri Trust, carries out a project aimed at financially assisting selected patients receiving treatment in government owned/operated medical institutions for the more serious illnesses.

Total donations received into the fund from inception to 31.03.2021 amounts to LKR7,488,658. This includes LKR2,777,634 being donations received during FY 20/21. During the same period, financial assistance aggregating to LKR5,944,118 has been disbursed to 55 patients. This includes 23 patients receiving assistance totalling LKR2,777,634 during FY 20/21, based on recommendations of medical specialists. These patients underwent lifesaving medical procedures such as heart bypass and organ transplantation. Some patients requiring prostheses and assistive equipment needed to lead an active life were also accommodated.

2.4 Lunawa Hospital Project

Lunawa Hospital Project was launched in April 2019 for patients seeking treatment at Lunawa Hospital to obtain prescribed X-Rays and medical tests from private laboratories. A sum of LKR75,220 was disbursed for 21 patients since inception. During FY 20/21 only 8 patients were assisted at a cost of LKR27,150, mainly because this hospital was commissioned to house COVID 19 patients.

2.5 Kidney Dialysis Assistance Programme

This is a new initiative that was launched in January 2021 to assist chronic kidney disease patients (CKD) needing regular dialysis. Patients are compelled to get dialysed in the private sector hospitals over and above the free quota given by Government hospitals. CandleAid donates the cost of one round of dialysis per month per patient for a period of six months at a cost of LKR7,000 - LKR 9, 000 per session. The feasibility of continuing beyond 6 months for any patient will be reviewed on a case-by-case basis based on several factors. CandleAid has disbursed LKR 57,750 for 6 patients up to now out of LKR1,297,700 received by way of donations. The allocation for 6 patients is LKR 297,000 for a period of 6 months each.

3.0 FOOD PROGRAMME

3.1 Gift-A-Meal (GAM) Sponsorships

Selected destitute families lacking nutrition are given a monthly basic food supplement valued at LKR2,000. A total of 742 families have been assisted from inception of the programme up to 31 March 2021.

During FY20/21, 190 families received assistance from CandleAid on a monthly basis. There were 80 local and foreign donors, and 148 coordinators supporting the programme.

During FY 20/21 CandleAid received donations totalling LKR5,305,599 for the Food Programme, and disbursed LKR4,594,554.

4.0 COVID -19

As a first response to the Covid 19 pandemic in Sri Lanka, CandleAid commenced an additional payment of LKR 2,000 to the families of the Gift A Meal programme (GAM) in April 2020. With more donations pouring in, the scope of CandleAid assistance was substantially expanded in the months of April, May and June 2020 to progressively accommodate almost all beneficiary families of the three sponsored programmes i.e. GAM, Cancer and Education numbering approximately 1400 families. Donations received for COVID assistance in FY 20/21 in addition to what was received towards the end of previous financial year, was LKR 7.9 million. Disbursements aggregated to LKR 8.3 million. These payments were phased out with the easing of the COVID situation in the country in July.

However, another wave of Covid occurred around October 2020. CandleAid resumed its assistance in November with fresh donations amounting to LKR726,000. This exact amount was disbursed once again to 242 families in November 2020.

5.0 MOTHER & CHILD PROGRAMME

This is a new initiative launched in March 2021 to assist financially handicapped single parent (mother) families. They receive LKR 5,000 per month to uplift their impoverished lives initially for a period of one year. During this period CandleAid will also look out for ways to empower the mother to generate a livelihood through a homegrown initiative under its Self-Empowerment of Women programme. Donations of LKR 928,439 have been received for this programme. Commencing February 2021, LKR 90,000 has been disbursed among 15 families. A sum of LKR 900,000 has been allocated to support the 15 families for one year.

6.0 BLIND COLONY KATUBEDDE

With the demise of the majority of blind elders in this colony over the years, the programme has got phased off leaving only two elders living with their families. During FY 20/21, donations of LKR14,137 was received and disbursements amounted to LKR15,640. The programme will not continue beyond March 2021.

7.0 SELF-EMPOWERMENT OF WOMEN (SEW) PROGRAMME

This holistic programme is aimed at empowering women carrying the responsibility of being the sole breadwinner to sustain themselves and their families with financial independence. CandleAid extends multifaceted assistance to set up and manage a home-based income generating micro business. Though, 38 such women were assisted in the past with LKR 830,577 disbursed, FY 20/21 experienced a dry pipeline with only one woman receiving assistance. The struggles with Covid and the impact on even small businesses dulled the climate for any initiatives under this programme.

8.0 SECRET SANTA

This is an annual programme executed in December where selected beneficiary families with children are gifted their essential needs that may range from food, clothing and repairs to houses to medical needs and settlement of debts.

Donations amounting to LKR1.7 million from 61 donors were gifted to 170 families in December 2020, the highest number reached through this initiative. The disbursement per family amounted to LKR10,000.

9.0 OTHER GENERAL PROJECTS

Broadly grouped together under this category are several small projects that do not warrant special mention except the two with considerable per beneficiary disbursements that are described more fully in section 2.2.

9.1 Village of Impacholei

“Love Jaffna” is an outfit that carries out reconciliation and compassionate projects in war affected villages. One of its initiatives was aimed at bringing much needed relief to selected war affected families in a backward village named Impacholei. On a proposal made by them, donors in the UK volunteered to fund a project to construct 4 temporary shelters with 3 toilets, repair 5 houses and construct 5 toilets and to do major repairs to existing structures and houses in this village. The cost estimate was LKR 4,875,000.

The village consists of mostly people who have faced severe hardship during the 30-year civil war that raged in the Northern province of Sri Lanka. Some of the families have no fathers, some have lost their sons and the young people in this village were noted to be rather backward, without a sense of hope for the future. Their dwellings were found to be totally inadequate to shelter them from the vagaries of the weather.

The 1st stage of the above project was estimated to cost LKR 2,185,000. A sum of LKR 2,185,000 was remitted by the donors in the UK and the entire sum of LKR 2,185,000 was disbursed for project utilisation during the FY 20/21. All relevant invoices, bills and receipts have been received and filed.

Another instalment of LKR 999,900 was received in March 2021 and the total amount was disbursed to “Love Jaffna” on 26 March 2021 as per their requisition. Due to the severe restrictions that were in place to combat the pandemic, the project had to be temporarily suspended to re-commence as and when conditions improve.

31 July 2021