

World Vision



Years in Sri Lanka

ANNUAL REPORT 2017

Empowering Communities, Transforming Lives
40
YEARS IN SRI



Our Vision

For every child,
Life in all its fullness;
Our prayer for every heart,
The will to make it so.

World Vision is a Christian, relief, development and advocacy organization working with children, families and communities to overcome poverty and injustice. Inspired by our Christian values, World Vision is dedicated to working with the world's most vulnerable people regardless of their religion, caste, gender or ethnicity.

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**Empowering communities,
transforming lives...**

That's what we've been doing for
the past 40 years here in
Sri Lanka.

And that's what we are best at.

From the very first small-scale
Community Development
Projects to the 15-year
Development Programmes,
we invited communities to
participate in creating their own
story of development and we
invited the other stakeholders to
cheer and support as they walked
out of poverty.

To our fans and our critics...
thank you...

You've helped us re-evaluate all
we do and strengthen our work..

There's nothing more joyful than
to see a community walk out of
poverty.

There's nothing more rewarding
than seeing them empowered and
transformed.

That's been our experience and
our inspiration every day, for
forty years...



Dry rations are distributed to communities in border villages in Medirigiriya, Polonnaruwa and the East affected by the war.



Relief goods are provided for over 100 families displaced by the war.



World Vision responds to families affected in the East by a cyclone



1977



World Vision commences operations in Sri Lanka, led by B E Fernando, former Commissioner of Inland Revenue Sri Lanka.

1978



1979



Community Development Projects continue in 16 Districts.

1985



1986



Child Sponsorship, is launched for 1,000 needy children.

1990



Our Story

The first long-term Area Development Programme (ADP) commences in Lunugamvehera, Hambantota.

FRIENDS project is established with a hope to provide a safe shelter for 15 children living in the streets.



1996

World Vision commences a five-year response to those affected by the Tsunami



2004

The first Area Rehabilitation Programmes (ARP) commences in Jaffna



2010



Emergency medical assistance is provided for over 30 children (most of them undergo corrective heart surgery)



World Vision launches a relief response to assist over 288,000 people displaced by war.



It Takes A Nation campaign is launched to bring people together to end violence against children.

2000

2009

2017



Past ten years have been greatly rewarding for me as I've had the opportunity to see with my own eyes the transformation this organization has brought about in the lives of the most vulnerable.

MESSAGE FROM THE OUTGOING BOARD CHAIR

2017 has been another rewarding year for World Vision Lanka as the organization completes 40 long years of service to the most vulnerable children and their families in this country. As I conclude my term as the Board Chair, I feel so blessed to have been a part of this beautiful organization and its beautiful journey.

Past ten years have been greatly rewarding for me as I've had the opportunity to see with my own eyes the transformation this organization has brought about in the lives of the most vulnerable. I will always remember the smiles and the confidence of parents and communities as they finally find themselves free from the oppression of poverty. They are not only able to provide better for their own family but help others in their journey as well.

This year too, through its regular long-term programmes and emergency responses, World Vision has demonstrated such capacity and efficiency in reaching those in need and seeing them through their challenges. I've been touched by the commitment and the perseverance especially of our staff who work in the field.

It is encouraging to see the increasing interest of the corporates and private donors to partner with World Vision to bring a lasting change to the lives of children and families in challenging circumstances.

While the organization will go through changes and new challenges in the coming year as it realigns itself to the new Strategy and adapt to new structures, I am confident that the very competent Board and the Senior Leadership will guide the organization through a smooth transition.

I will continue to pray for World Vision Lanka as it continues to fulfill its vision to bring fullness of life to every child.



Rt. Rev. Dhiloraj Canagasabey
Outgoing Board Chair

MESSAGE FROM THE BOARD CHAIR

I share the work par-excellence of World Vision Lanka with gratitude and pleasure.

Since 2013, I have seen the tremendous dedication, faith and hard work in striving towards excellence of WVVL.

WVVL faced a challenging year with changes in the Senior Leadership Team and the Board of Directors. The Senior Management was innovative in carrying out their tasks and developing strategies in overcoming the obstacles. New avenues of funding, forging partnerships with corporates for specific projects are some noteworthy efforts of the superlative work of the SLT.

I thank Jan De Wal and Norbert Hsu for providing leadership at the regional level. We bid farewell to the outgoing Board Chair Rt. Rev. Dhiroraj Canagasabey Bishop of Colombo, Mr. Ravi Algama, Ms. Suzette de Alwis and Mr. Ramesh Schaffter. Their expertise and meritorious service will be missed.

At Board meetings, the Senior Leadership took the arduous task of presenting detailed synopsis of the programs. The informative presentations shed light to the five technical programmes, focused on health and nutrition, education, water, sanitation and hygiene, livelihood and economic development and child protection. Programmes are aimed at improving child nutrition and promoting

healthy living, advocating age appropriate competencies and life skills, strengthening community and household resilience, empowering communities and civil society in advocating the protection of children and enabling the participation of children. I congratulate the Senior Leadership Team for fulfilling the aspect of accountability towards stakeholders.

Children are the greatest asset in any community. It is my duty to thank the staff, my fellow Board members, donors, well-wishers and stakeholders of WVVL for investing towards a better future for those who are voiceless and under privileged.

As Board Chair, I made it my priority to visit the development areas to get a clear understanding of the mechanism of WVVL. I witnessed the dedication of the staff at the field level. They have engaged in building trust and confidence within the community and in forging strong alliances. They have lived by the mission statement of WVVL that is embedded in my heart;

“World Vision is dedicated to working with the world’s most vulnerable people regardless of their religion, caste, gender or ethnicity.”



Chandimal Mendis

Board Chair



The most important lesson I learnt is the dedication of the staff at the field level. They have invested their time in building trust and confidence within the community and in forging strong alliances at the grass root level.



Looking back, our journey has been one that is extraordinary, filled with challenges, learnings but more victories.

MESSAGE FROM THE NATIONAL DIRECTOR

2017 is a special year for World Vision Lanka as we celebrate 40 years of our presence here in the country, serving the most vulnerable communities. Looking back, our journey has been one that is extraordinary, filled with challenges, learnings but more victories. We've had the privilege to see children return to school; infants recovering from undernutrition; health improving with clean water and sanitation; parents finding stable livelihoods; homes becoming food-secure and communities walking out of poverty into sustainable development. What a reward!

We also had a unique situation with regard to natural disasters this year with one half of the country being affected by a drought and the other half affected by floods and landslides. World Vision responded to both disasters, bringing life-saving support for the affected population. World Vision also concluded its response in Aranayake empowering the community and the local government authorities to be more disaster-ready and resilient.

Over one billion children in the world are affected by violence every year. Responding to this disturbing rise of violence against children across the globe, World Vision launched a new five-year global campaign - 'It takes a world to end violence against children' - to battle this issue.

As Sri Lanka is one of twelve 'pathfinder' countries to end violence including abuse, neglect and exploitation against children by 2030, we adopted the campaign for Sri Lanka with a special focus on ending sexual and physical violence against children. The coming year will catalyse a national movement to change attitudes, raise awareness and drive courageous and effective action to end violence against children.

We would not be where we are today, if not for the grace of God, the unstinting support of our Chair and the Board members who motivate and guide us. Heartfelt appreciation should also go out to our committed staff who work tirelessly, so that children may have life in all its fullness.

We acknowledge most sincerely, all our communities, stakeholders and partners, government authorities, sponsors, donors, regional offices, support offices and World Vision International for their support and encouragement. I would also like to thank the outgoing Board Chair Rt. Rev. Dhiloraj Canagasabay for his leadership and guidance to the Board during the past three years and outgoing Board Members Ravi Algama, Suzette de Alwis and Ramesh Schaffter for their dedicated service.

2018, will bring in new changes as we continue to work towards fulfilling Our Promise to the most vulnerable children and their families. Our work will continue till the world becomes a better place for every child, especially the most vulnerable.


Dr. Dhanan Senathirajah
National Director

BOARD OF DIRECTORS



Chandimal Mendis

Chandimal Mendis is an Attorney-at-Law who has an Independent practice in the field of Civil Law. He has been a member of the Board of World Vision Lanka from 2013 and serves as the current Board Chair.

Felicia Adhietty

Felicia Adhietty is the Founder and Managing Director of B-Connected (Pvt) Ltd., an event management company which also offers Human Resource services. Felicia is a Board Member of the Sri Lanka Association of Professional Conference, Exhibitions and Event Management (SLAPCEO), and also a member of the resource training panel of the Sri Lanka Convention Bureau, Sri Lanka Tourism Development Authority. Felicia joined the Board of World Vision Lanka in December 2014, and is the current Vice Chair of the Board.



Dr. Dhanan Senathirajah



Dhanan Senathirajah is the National Director of World Vision Lanka. He is an Attorney At Law and Fellow of the Chartered Institute of Management Accountants, United Kingdom as well as a Chartered Global Management Accountant. He also possesses a doctorate in Missiology. He joined World Vision, after a career spanning 30 years of which 18 years were with the National Development Bank, where he was last Vice President - Finance and Planning. He has been closely associated with World Vision Lanka as a Goodwill Ambassador since 2011, and as a Board Member of Vision Fund Lanka (the micro finance arm of World Vision) since 2011.

Brigadier (Retd) Rizvy Zacky

Brigadier Rizvy Zacky joined the Sri Lanka Army and was commissioned to a Rifle Regiment as a 2nd Lieutenant. He has held various appointments including Company Commander, Brigade Commander and Military Coordinating Officer for Batticaloa, Defense Attaché for Sri Lanka in Pakistan and Director Appointments at the Army Head Quarters.

Taking early retirement for professional reasons in 2006, he joined the logistics and supply chain management in the private sector as a CEO / Director of three Small and Medium Enterprises. He has also served as board member and Executive Secretary of the Board of Social Responsibility, Methodist Church Sri Lanka, and is a board member of Back to the Bible Sri Lanka. Zacky joined the Board of World Vision Lanka in 2017.

Norbert Hsu

Norbert Hsu is World Vision's current Vice President and Regional Leader for The East Asia Region. He formerly led WV's Global Office of Strategy for over five years and had much to do with WV's new global strategy - Our Promise 2030.

Before his involvement with WV he served the private sector as Vice President of International Strategy for global retailers - Walmart. He holds an MBA from the MIT Sloan School of Business, a Masters in Public Administration from Harvard Kennedy School of Government and a BSc in Economics and a BA in International Relations from the Wharton School, University of Pennsylvania.



Prof. Dr. Ariarane Gnanathan



Ariarane Gnanathan is currently a professor of Medicine at the Department of Clinical Medicine in the University of Colombo. She is also a consultant physician and the present warden of the De Saram's Women's Medical Hostel in the University. She is actively involved in training, RITA assessment and appraisal and evaluation of the MD Medicine Programme of the Post Graduate Institute of Medicine (PGIM).

Professionally, Ariarane has served as the Honorary Secretary for the Ceylon Medical Association, Ceylon College of Physicians and the council of the National Stroke Association and the National Toxicology Society. Ariarane joined the Board of World Vision Lanka in 2018.

Anusha Alles

Anusha Alles heads the Corporate Social Responsibility and the Corporate Communications Division of Brandix Lanka Limited - Sri Lanka's largest apparel company. Anusha is a passionate supporter and an advocate of women's empowerment. Anusha joined the Board of World Vision Lanka in 2018.



Romesh Moraes

Romesh Moraes has been an Executive Director since 1991 with Finlays Colombo PLC, Colombo and now retired, serves as a Senior Advisor at Finlays. He was also a member of the Tea Council of Sri Lanka. He is currently a visiting Lecturer at the National Institute of Plantations Management and the Sri Lanka Export Development Board. He is a Chartered Marketer of the Chartered Institute of Marketing – UK. Romesh has been a Goodwill Ambassador of World Vision Lanka since 2013 and joined the Board of Directors in 2018. He is also a lay preacher and a Bible teacher.

SENIOR LEADERSHIP TEAM



Dr. Dhanan Senathirajah
National Director



Sulochana Ganeshwaran
Director - Finance



Nilanka Wijayanayake
Director - Operations



Sutharsan Clarence
Director - Marketing
& Engagement



Amal De Silva
Director - Corporate
Solutions



Rachel Stredwick
Director - Grants Acquisition
& Management



Jayantha Gunasekera
Director - Effectiveness,
Evidence & Impact



Sithmini Perera
Director - Strategy Management,
Governance & Enterprise Risk
Management

OUR WORK

For the past 40 years, we've been partnering with governments, corporates, donors, sponsors and individuals like you, to help children and communities in Sri Lanka break free from poverty.



▶ Advocacy is also an essential element of our work. We empower communities to identify and address challenges in the policies, systems, structures, practices and attitudes that hinder their children's development.



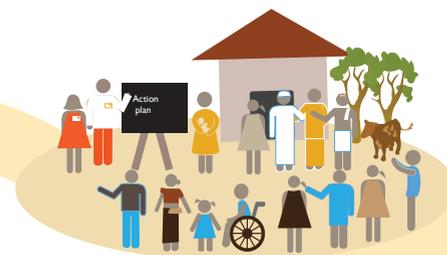
▶ We work with communities not just to improve life now, but to increase their resilience in possible disaster situations. We bring life-saving support in times of disaster and stay with the community through the rebuilding.



▶ Children are the best indicator of a community's social health. When children are fed, sheltered, schooled, protected, valued, and loved, a community thrives. We empower communities to protect their children and support their development.



▶ When we begin working with a community, we sit down with children, families and community leaders and listen to their unique challenges and needs such as the need for clean water, better schooling, a dependable supply of food, basic health care and a stable income. We also find out what opportunities they see.



▶ We work with them to develop a five-year action plan that will address the root causes of their challenges. Once the plan is drafted we help them put it into action. In all of this, we give equal opportunity for the participation of men, women, girls and boys and those with disability in planning and decisions making.



▶ When the community has grown healthier, safer and more self-sustaining, we transition out and move on to the next community in need. By now the community is a better place for children to live and grow and they're more equipped to handle emergencies and can even turn around and help their neighbours.



▶ If something in the action plan isn't quite working as well as it should, we go back and change it so it does. We review the plans every year with the community and other stakeholders who are a part of this process.



▶ But it doesn't stop there. We don't just help a community get the things they need, we train them so they know how to best care for and grow these new resources so that they will continue to have them for years to come.



▶ We help them network and work with service providers and other stakeholders to address the needs they've identified. We equip them to envision, plan, implement, monitor and evaluate their plans together.



Structure and Governance

World Vision consists of numerous national entities around the world, grouped in what is informally referred to as the World Vision 'Partnership'.

World Vision Lanka is part of this World Vision International Partnership which is made up of over 95 offices worldwide, most of which are governed by local boards or advisory councils. We are bound together in interdependence through a common mission statement and shared core values.

By signing the World Vision International Covenant of Partnership, each partner agrees to abide by common policies and standards. Each national office, regardless of the size of its programmes, has a voice in the Partnership.

World Vision Lanka Organisational Structure and Governance

World Vision Lanka applies the policies and standards of the World Vision International Partnership in accordance with the local context.

While it is a member of the World Vision International Partnership, World Vision Lanka is also a distinct legal entity with its own Board of Directors whose role is to provide overall strategic direction and ensuring that risk is effectively managed. The Board is involved with the approval of the overall country strategy and strategic plans.

The internal accountability of offices within the WV Partnership is managed through a range of audit, review, and quality assurance processes at the country and programme levels, to ensure alignment and compliance with World Vision principles and policies.

At the Partnership level, three major internal reviews are scheduled for each office. These are generally carried out by World Vision staff once every three years.

Peer Reviews

Peer Reviews assess the governance of local offices and the effectiveness and alignment of local Boards and Advisory Councils. The reviews include both a self-assessment by the office and an independent assessment by a small team from across World Vision.

Programme Capability Reviews

These reviews ensure that sufficient programming capabilities exist to enable the achievement of strategic objectives, and that the proper relationship between implementing offices and fundraising offices has been established. The reviews include both a self-assessment by the office and an independent assessment by a small team from across World Vision.

Operational and Finance Audits

These are carried out by World Vision's internal audit team. Operational audits are basic compliance reviews focused on areas around sponsorship funding. Finance audits focus on adherence to policy/procedure. Ratings for these audits and reviews range from 'Acceptable' to 'Satisfactory.'

Strong accountability mechanisms are crucial for our organizational sustainability. Without the trust of our stakeholders we cannot fulfill our Mission. By holding ourselves “accountable”, we demonstrate that we are worthy of this trust.

Upward Accountability

Accountability to individual donors and partner organizations including those we seek to engage (i.e. the government, private and public sectors) is vital for continued support for our work.

Peer Accountability

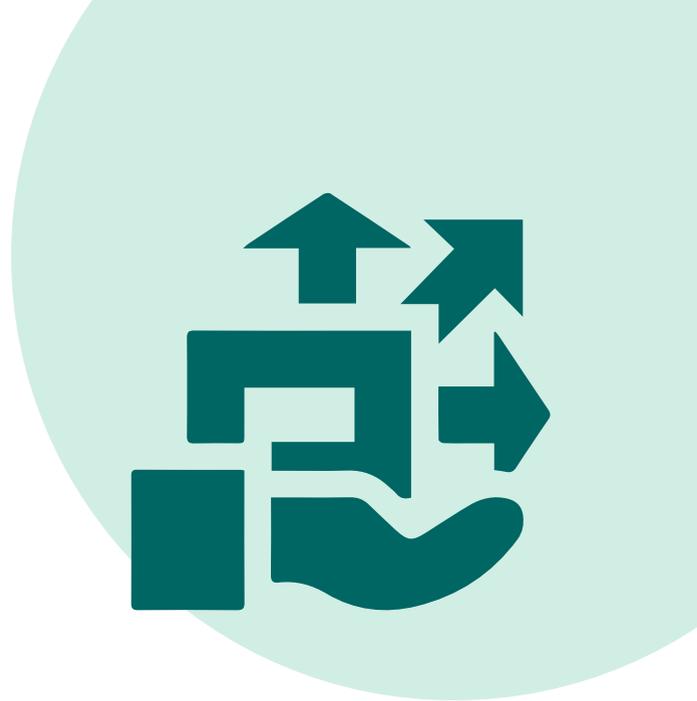
Accountability to the World Vision partner offices, and peer NGOs improves our contributing capacity to alleviate global poverty. Accountability to our staff and volunteers increases our operational capacity and integrity.

Downward Accountability

Accountability to our primary stakeholders is paramount in our efforts to alleviate poverty and address injustice. The legitimacy and credibility of our work is also strengthened.

We demonstrate accountability to those we serve by consulting and involving communities as well as children to implement our projects. Timely information about our projects is also made available to them.

Feedback mechanisms like formal feedback systems and suggestion boxes to collect their views have been set-up. They are also equipped with knowledge of their right to complain and give feedback. Notification on the actions we take based on their feedback is also communicated.



Accountability and Transparency

Reporting period:

In compiling this Report World Vision Lanka has made an intentional effort to move towards greater accountability and transparency. This Annual Report covers our activities and performance for the period 1 October 2016 to 30 September 2017.

The information included in the report has been compiled in consultation with World Vision Lanka staff and was reviewed by the Senior Management. The report has been prepared in accordance with the Sri Lanka Statement of Recommended Practice for Not-for-Profit Organisations issued by the Institute of Chartered Accountants of Sri Lanka and adheres to the Global Reporting Initiative’s reporting guidelines and NGO Sector Supplement.

2017 AT A GLANCE

38

Programme
locations

625

Grama Niladhari
Divisions

20

Districts



15 Special
Projects



3 Emergency
Responses



12 Corporate
Partners



18 Funding
Partners

Beneficiaries



211,701
Male



221,353
Female

Children :



119,016
Boys



124,699
Girls

Staff :



383
Male



142
Female

Families :



173,635
Direct

225,686
Indirect

Our Sectors



Education



**Health &
Nutrition**



**Water,
Sanitation &
Hygiene**



**Economic
Development**



**Child
Protection**



Ensuring children access quality education and attain age-appropriate literacy and essential life skills.

Education



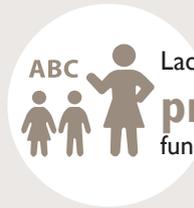


In Exciba's community it was not common for a girl to be 13 and in school. Well not until the Literacy School. The literacy school not only helped Exciba improve her reading and writing, but also qualify for a National School and come among the top ten students in her class. She wants to be a teacher when she grows up and help children read and write. For now, she helps her sister.

for full story - www.worldvision.lk



Issues identified this year

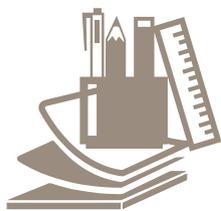


Lack of **preschools** functioning at optimum capacity.



Lack of **age-appropriate** literacy levels.

Our Response



Poorest of the poor children were provided with school supplies.

100

bicycles were provided to children who otherwise had no transportation to school.



400

parents were trained on home-based literacy improvement methods.

100

community facilitators were trained on the Community Action Module for literacy improvement.

129

reading spaces were created in communities and schools.



1,800

community members were given awareness on Early Childhood Education.

Preschool Management Societies were strengthened to ensure good relationship between preschool teachers and parents.

135

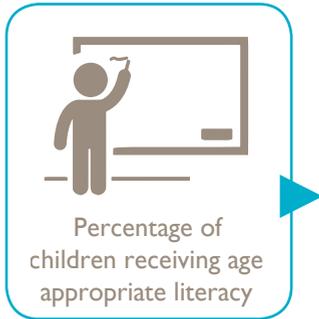
capacity building programmes were conducted for preschool teachers.

500

teachers were trained in pedagogical methods.

Contributed to the development of Early Childhood Education Monitoring & Assessment Tool for Eastern Province.

Our Impact



Wennappuwa



Pathana

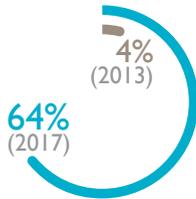


Trinco South



Chankanai

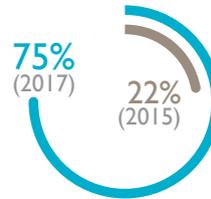
* All 20 Area Development Programmes have reported an improvement in literacy amongst school children. Only the ADPs with the highest improvement are reflected here.



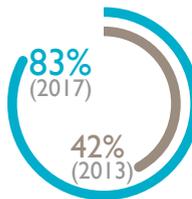
Meegahakiula



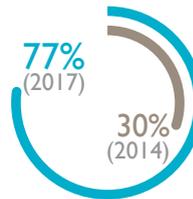
Giribawa



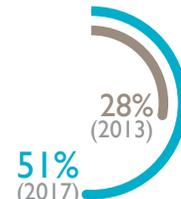
Mundalama



Vaharai



Welikanda



Padiyathalawa



Children's Secretariat of the Ministry of Women and Child Affairs | Provincial Early Childhood Care and Development (ECCD) Bureau | Provincial Education Department | Zonal Education Department | Preschool Development Societies | School Development Societies | Plantation Human Development Trust (PHDT)

Private Partners



- **Social Welfare Organization Ampara District (SWOAD)** supported a preschool sports event in Navithanveli.
- **Kotagala Plantations** constructed a study place and preschool in Nuwara Eliya benefitting **268 children in 46 pre-schools**.
- **Watawala Plantations** constructed a preschool in Nuwara Eliya.
- **Children's Sports Happiness Pvt. Ltd.** provided sports equipment in Mannar benefitting **217 children**.
- **Green Fields Sports Club** provided school bags and shoes in Mannar benefitting **25 children**.
- **Kuwait Embassy** provided school bags in Chankanai benefitting **2,000 children**.
- **Sivan Foundation** provided assistance in a literacy improvement programme in Chankanai.
- **Finlays Estate PLC** constructed a school building for an estate in Bibile benefitting **113 children**.
- **IDM** provided IT training in Chankanai benefitting **23 youth**.
- **GIZ** supported a student exchange programme in Ambagamuwa benefitting **250 children**.
- **MAS Active** built a school hall to accommodate school classrooms in Mundalama.
- **Berendina** upgraded preschools in Nuwara Eliya benefitting **401 children**.
- **HSBC** held a 'Let's Read' – Reading Programme at the FRIENDS drop-in centre and shelter for children living on the streets.
- **R R Construction Company** supported in infrastructure development of a preschool in Mannar.
- **Care for Education** provided computers for an IT facility in Mullaitivu benefitting **1,040 children and 44 teachers**.

When World Vision began work in Wilgamuwa our education zone was coming last in the island. No teacher wanted to come into this area because it is too remote. So no teachers remained. World Vision fixed this issue by building quarters for the teachers. Then they improved schools. One model classroom and all the other classes began to follow.

Pass rate of children sitting for grade 5 scholarship exam went from 9% to 62%. There is no child who can't read and write now. Every school has a library because of World Vision's influence. Preschool attendance went from 10% to 100% and preschools are managed by qualified teachers. Parents began to be involved 100% in improving the schools. Last year, this education zone became the second in the island.

M.G. Gunadasa

Divisional Director of Education
Wilgamuwa



Berendina first started working with World Vision Lanka back in 2014 to construct a bridge in Bogahawatta estate. It is then we realized our common goals and objectives in uplifting the lives of marginalized poor communities. Since then, we have been working with WWL on a number of partnership projects. Today, we are working on housing constructions, water, sanitation & hygiene, and advocacy & lobbying initiatives.

Furthermore, we have also been able to build good relationships with WWL staff in the field, which makes implementing projects much easier. Most importantly, we have shared our best practices with one another and continue to do so. We hope that we will be able to continue our work, share our knowledge and contribute towards uplifting the lives of marginalized communities we work in.

Dayantha Fernando,

General Manager
Berendina Development Services



“My daughter is a slow learner and nobody wanted her in their class. Not even the teachers. She didn't enjoy school either and pretended to be sick every day to skip school. But since World Vision helped initiate a special education unit, she goes to school every day. She receives the support she needs from the teacher and she has improved in her school work.”

Nishanthi (33),
Kalpitiya





Health & Nutrition

Helping mothers and children stay well-nourished and protected from infection and disease while ensuring they have good access to essential health services.





Pittu is Virushana's (3) favourite food. But she doesn't know this is the same food she refused to eat some months ago except that the mother has prepared it differently. World Vision's Nutrition Programmes not only provide mothers with knowledge on locally available nutritious food but also different ways of preparing them that is appetising to their children.

for full story - www.worldvision.lk

Issues identified this year



Undernutrition

of children among the poorest of the poor communities



Lack of **health and nutrition** knowledge among new mothers



Lack of awareness on the importance of first 1,000 days of a **child's life**

Our Response



11,217

children benefitted from Early Childhood Care and Development (ECCD) and health promotion activities.

4,975

children benefitted from improved health care facilities.

Dental health programmes were conducted for school children.

Health clubs were strengthened and model health units were established at schools.



1,038

health and nutrition awareness programmes were conducted.

5,627

pregnant women and mothers/caregivers of children under 2 years benefitted from ECCD, Infant and Young Child Feeding (IYCF) and First 1,000 Days programmes.

School teachers were trained to identify health issues in their students.

1,486 & **461**

Community Health Volunteers & Mother Support Groups were trained in health and nutrition activities.



9,550

children benefitted through preschool nutrition programmes.

529

children suffering from severe undernutrition were referred for treatment.

1,972

children were enrolled in supplementary nutrition programmes.

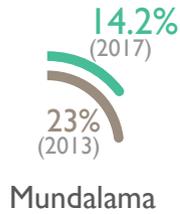
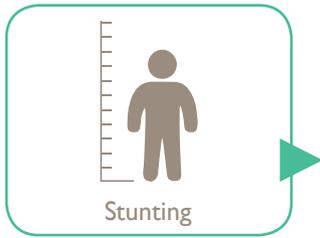
4,218

children benefitted from Positive Deviance (PD) Hearth nutrition programmes.

2,462

nutritionally vulnerable families received home gardens and chicks.

Our Impact



Mundalama



Chavakachcheri



Wilgamuwa



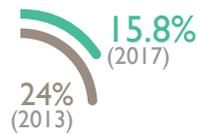
Horowpothana



Chankanai



Wilgamuwa



Mundalama



Wilgamuwa



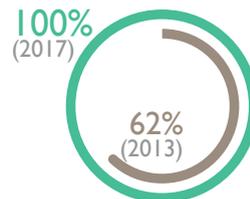
Chavakachcheri



Koralai Pattu



Rideemaliyadde



Horowpothana



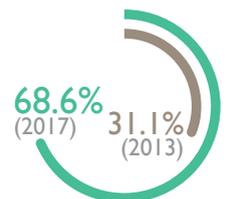
Koralai Pattu



Mundalama



Rideemaliyadde



Lunugala

Better health and knowledge for:



38,955
children
under 5



4,567
pregnant
women



461
mother support
groups



1,486
health
volunteers



Partners

Divisional Secretariat | Regional Director of Health Service | Medical Officers of Health | mother support groups | Provincial Department of Health | Scaling Up Nutrition (SUN) People's Forum | Wayamba University | preschool teachers | Ministry of Health | health volunteers | schools

Private Partners



- **UNICEF and Sarvodaya** helped strengthen the network between the Medical Office of Health, and Mother Support Groups and preschools in Muttur.
- **Campion Estate Management and Berendina** helped upgrade clinic centres in Ambagamuwa benefitting **625 pregnant women, 1,800 children** in under 5 and **330 lactating mothers**.
- **Campion, Fetteresso and Bogawana Estates Management** supported nutrition programmes in Ambagamuwa benefitting **550 children**.
- **HSBC** supported a non-communicable disease medical screening in Koralaipattu and Kiran benefitting **500 adults**.
- **Ford Motors** supported a health camp in Vaharai benefitting **100 adults** and **150 children**.
- **UNILEVER** provided assistance in dental health promotion in Eravurpattu benefitting **1,400 preschool children**.
- **Kotagala Plantations** renovated a Child Development Centre in Nuwara Eliya benefitting **16 children**.
- **Tea Reserch Institue** supported renovation of a Child Development Centre in Nuwara Eliya benefitting **36 children**.

"There's good coordination between World Vision and us. For the past two years, in my experience, they have helped us reach areas where people live in difficulty.

Dr. Mrs. L.M. Navaratnaraja

Regional Director of Health Services - Batticaloa.



"World Vision is an organisation highly dedicated towards helping the needy. They are committed to delivering on their mission statement and are very easy to work with."

Priyankaran Thiruchelvam,

Manager Operations, Transfer Agency,
HSS City Office - Colombo
HSBC - Global Banking and Markets



"Until World Vision's Nutrition Programme, we had very little knowledge about nutrition and absolutely no knowledge about different activities we could do at home to help the development of a child from a very early age. Through the PD Hearth nutrition programme, the children who were underweight, gained weight. There's nothing more that can make a mother happy."

Thilini (31)
mother of two





Ensuring children and their families have access to safe drinking water, improved sanitation and practice good hygiene habits.

Water, Sanitation & Hygiene





The community in Thambiliwatte suffered from health issues mainly because they did not have sanitation facilities. They didn't own the land so they were not allowed to build permanent structures. With World Vision's help, they got both land rights and the toilets.

for full story - www.worldvision.lk

Issues identified this year



Lack of attention to **water quality.**

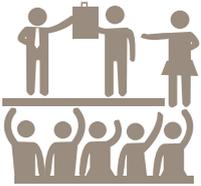


Lack of proper **sanitation** and hygiene practices.



Challenges in **water accessibility** among certain pockets of communities.

Our Response



3,116

parents and children benefitted through hygiene awareness programmes.



2,844 & 55

families received sanitation facilities.
schools



6,123 & 38

families received clean drinking water.
schools

Our Impact



Vaharai



Horowpathana



Giribawa



Trinco South



Koralai Pattu



Horowpathana



Koralai Pattu



Rideemaliyadde



Ambagamuwa



Partners

National Water Supply and Drainage Board | Department of Community Water Supply | Local Government Authority | Medical Officer of Health

Private Partners



- **Brandix, HSBC, John Keells and Coca Cola** supported the construction of toilets in Meegahakiula.
- **Kotagala, Wattawala, Agarapathana, and Horana Plantations** provided both skilled and unskilled labour to construct drains and ramps in Nuwara Eliya.
- **Madulsima Plantation** partnered in a drinking water project in the Roberry Hospital in Meegahakiula.
- **Finlays Estate PLC** provided goods to provide drinking water to families in Bibile.
- **Campion Estate Management** extended land and supervision for renovation and construction of **165 toilets** in Ambagamuwa.
- **Ford Motors** completed a drinking water project in Vaharai for **150 families**.
- **International Medical and Health Organization** supported the construction of **40 pre-caste toilets** in Pathana.

“It was a new experience for us to work with World Vision. Although it is within the Pradeshya Sabha’s mandate to provide water for those in our area, we could only manage to send bowsers of water. World Vision gave us training and took us to see other successful water projects. Working with World Vision has also brought us closer to the ground-level and the people now trust us to work for their betterment. Our next step is to make sure the whole area gets access to clean water, I think we can do it within the coming two years.”

S. Ramesh,
Local - Government Assistant
Chankanai



“It has been an enriching experience partnering with World Vision, to have witnessed the dedication of their staff at all levels, knowledge base, professionalism and ethics”.

Chamath Tennekoon,
Chief Executive Officer, Future Automobiles (Pvt.) Ltd. (Ford
Motors)



“This toilet is the first I’ve owned in my entire life and I am so happy. Our children used to fall sick often before, but not since we received the toilet. I’m glad my daughters will not have to grow up using the beach. It used to be one of the most embarrassing things for me in my life.”

Inoka (27)
mother of two





Economic Development

Helping parents and caregivers have sustainable livelihoods so that they can provide well for their children





It only takes a few hours for Rajeshwari (38) to assemble a bicycle. She also repairs them. It helped her provide for her family during the worst of times. World Vision provided her skills training and built her capacity to manage the business.

Today she has a stable income and she is not only able to provide well for her five children but also her two nephews who were orphaned during the war.

for full story - www.worldvision.lk

Issues identified this year



Families need to adopt **additional income** generation activities that can stabilize their income.



Value chains need improvement.



Dairy farmers need to be supported.

Our Response



2,613

poorest of the poor families provided with livelihood assets.

465

Savings Clubs established consisting of 6,612 members.



1,100

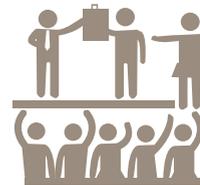
families with nature-based livelihoods trained in Disaster Preparedness, Coping and Mitigation.

2,956

families receive home gardens to improve food security.

949

farmers provided with agriculture infrastructure.



2,643

families assisted in making Development Plans.

4,082

individuals given technical training in livelihood.

4,360

individuals given business training.

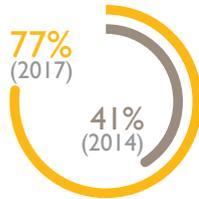
2,771

youth reached through career-guidance and vocational training.

945

CBO members given capacity building.

Our Impact



Horowpothana



Wilgamuwa



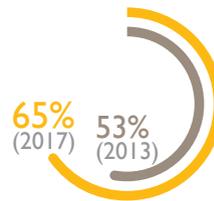
Lunugala



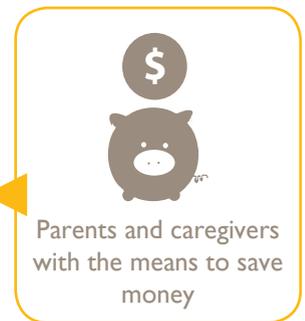
Koralai Pattu



Vaharai



Trinco South



Welikanda



Koralai Pattu



Ambagamuwa



Partners

Ministry of Economic Development | Department of Agriculture | National Aquatic Development Authority (NAQDA) | Rural Fisheries Organization | Divisional Secretariat | Samurdhi | Department of Animal Production and Health | Village Development Societies | National Apprentice and Industrial Training Authority (NAITA) | Vocational Training Authority | Department of Agrarian Development | Ministry of Youth | Farmer Associations | Central Bank | Dairy Farmers' Associations | MILCO | Veterinary Office | Rural Development Societies | Palmyrah Development Board | Department of Irrigation | Tea Research Institution | Export Development Board | Industrial Development Board | Department of Agrarian Services | Local Government Authority | Start and Improve Your Business (SIYB) Association | Saraaketha Organic Producers and Marketers | Good Market Group | Minor Exporters | Cargills | School of Agriculture Paranthan | CIC Farms | University of Peradeniya.

Private Partners



- **CIC (Pvt) Ltd** provided dairy management training in Mannar and Chavakachcheri for **147 farmers**.
- **Berendina** provided freezers benefitting **163 dairy farmers** and vocational training and career guidance for **285 youth** in Horowpothana and Nawagaththegama.
- **Methodist Church and Y Gro** supported youth in hotel management training in Vaharai.
- **GIZ** provided career guidance for **400 youth** in Chankanai.
- **EREEDO Vocational Training Campus** partnered to train **57 youth** in nursing and phone repairing in Trinco South.
- **Ancor and Berendina** partnered in a job fair benefitting **100 youth** in Koralaipattu.
- **Don Bosco Institute and Mercy Education Complex** partnered in vocational training for youth in Kalpitiya.
- **WUSC** provided training for youth in earth moving machinery operation in Paddipalai.
- **Sarvodaya** provided training in motor bike mechanic course for **18 youth** in Navithanveli.
- **Arokkiya** provided vocational training for **48 girls** in Eravurpattu.
- **John Keells Foundation** renovated an agriculture tank in Moraweve, benefitting **168 farmer** families

“We have come across a good set of officers at World Vision. They have a good knowledge not only of their work but the people they work with as well. They give the ground level people clear objectives and show them how to achieve these objectives.

They know how to work with others and as a team and have remarkable levels of commitment to their work. It's more than a job to them.”

A. Jayawardana

Assistant Director - Animal Nutrients,
Department of Animal Production and Health, Peradeniya.



“World Vision is an excellent partner organisation to work with. They work with rural farmers to bridge the gap between the farmers and our company. They have successfully managed to patch the gaps in knowledge and processes to create a market for their products.”

Haridas Fernando

Deputy General Manager,
Cargills Agri-Business



“What I love best about World Vision's Economic Development Programme is that it takes us step by step starting with improving our involvement in the lives of our children and their development and finally focused on supporting our economic stability. If they started with economic support, I would've got busy focusing on earning money and completely forget about the development of my children. But now I will never neglect what I have started doing for them.

Damitha (31)

Thalawila





Child Protection

Ensuring that children are cared for and are growing up in safe environments, while participating in decision making.





Children in Nawagaththegama knew the issues that affected their lives, but the adults seemed to be turning a blind eye to these. The child society leaders got together to conduct a research on things that affected them and present the evidence and their findings to their parents, community leaders and the government. They also conducted a positive march with how the adults can support their wellbeing and development.

for full story - www.worldvision.lk

Issues identified this year



Increased **violence against children.**



Lack of **child-participation** in communities.

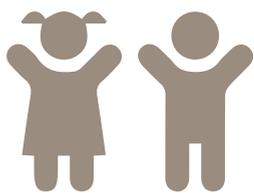


Lack of strong community-based **child protection mechanisms.**

Our Response



World Vision Lanka became an early adopter of 'It takes a world' global campaign to end violence against children.



Introduced new approaches related to child protection such as child-led research.

empowered children through Child Societies to understand their rights and responsibilities.

Supported meaningful child participation in decision making through 610 Child Societies with 34,242 children.

Facilitated multi-sector Partnerships with government ministries, faith based organisations, civil organizations and NGOs to end violence against children

Building capacity of duty bearers and volunteers on Child Protection and introduced positive parenting approaches.

Strengthened 409 Village Child Development Committees in 27 areas to ensure community based child protection mechanisms.

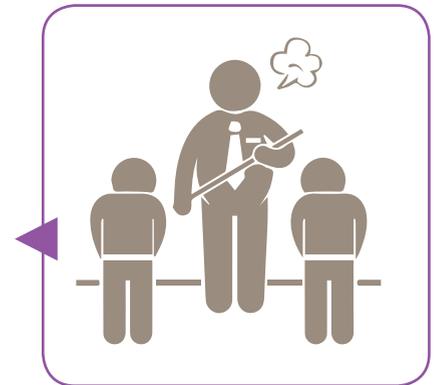
Our Impact



Children in Nawagaththegama conducted a research on substance abuse in their area.

Two children from Nawagaththegama represented Sri Lanka in two global forums in Canada (8th milestone meeting of WHO) and Sweden (Solution summit on ending violence against children).

Partnered in conducting a study on child disciplinary methods practiced in schools by the National Partnership to end Violence Against Children (NPEVAC).



Partners

Ministry of Women and Child Affairs | National Child Protection Authority | Department of Probation and Child Care | Child Secretariat | NGO Secretariat | Child and Women bureau | Sri Lanka Police | Ministry of Education | Samurdhi Authority | Unicef | Save the Children | Plan International | Child Fund | SOS Children's villages | LEADS | FISD | Healthy Lanka | PEaCE | FRIDSRO | other local NGOs | Community based organisations

Emergency Response





Assisting Communities During a Disaster...

When a disaster strikes, World Vision adopts a “first-in, last-out” approach: We first respond with life-saving emergency aid, and then we stay for the long term to help families recover and rebuild. Our response is coordinated in partnership with the government disaster management units, local authorities, the affected community and other NGOs and INGOs.

We are pre-positioned not only with relief goods but also with trained staff. Depending on the severity of the disaster we have Global Response Teams who are able to be deployed for support.

Within the first 24 hours after a disaster, World Vision assesses the severity and the immediate needs of the affected community.

Within 72 hours of the disaster, our pre-positioned relief supplies are loaded up, transported, and distributed according to their immediate needs.

For the first week, we continuously distribute emergency aid and relief to families affected by the disaster.

Over the following month, we work to help families stabilize by providing assistance with temporary shelter, water, sanitation and hygiene, child protection activities, healthcare, and economic opportunities.

During the next phase we help disaster survivors by assisting their transition from relief to recovery and rebuilding. This phase involves permanent housing, clean water, access to education, and re-established livelihoods. We also focus on building disaster-resilient communities and disaster risk reduction.

Children are the most vulnerable victims of any disaster. Therefore, their protection and wellbeing becomes priority for us. World Vision sets up Child Friendly Spaces in the Safe Camps to provide a safe space for children to gather, enjoy activities and regain a sense of normalcy. The Spaces are managed by staff trained on Child Protection.





Adverse weather emergency...

A continuous downpour of the Southwest Monsoons in May affected over 600,000 people in nine districts. The rains battered the South, West and Central Provinces of the country resulting in cutting failures, landslides and flooding.

Our immediate response focused on providing the most essential non-food items and hygiene packs to the affected families. Child Friendly Spaces were set up to provide a safe space for children in temporary camps and to help them regain a sense of normalcy.



9
Districts affected



79
missing



250
temporary camps



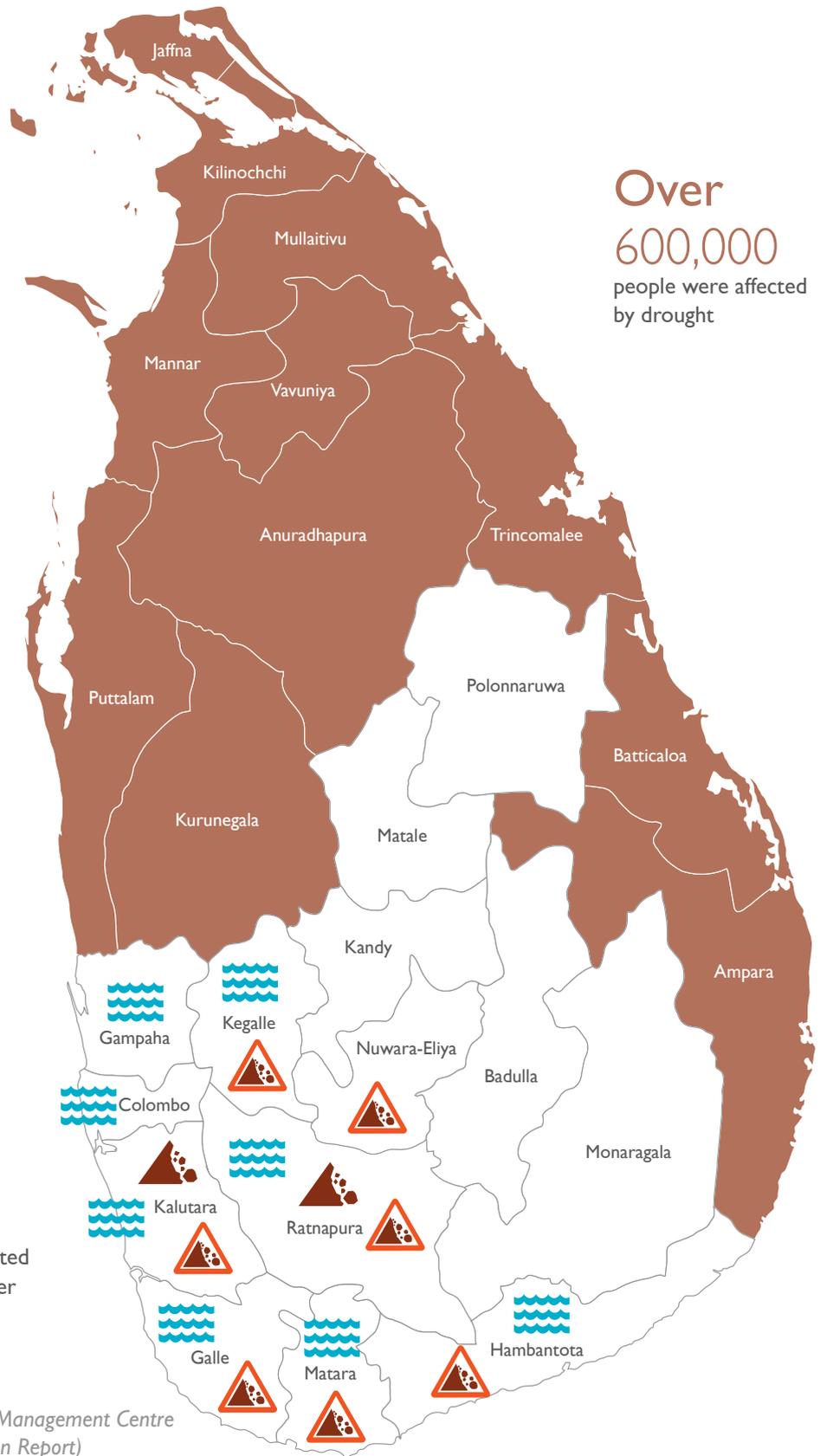
212
confirmed dead



77,432
people displaced



175,660
families
683,831
people affected



Over
600,000
people were affected
by drought

Over
800,000
people were affected
by adverse weather

Source : Disaster Management Centre
Sri Lanka (Situation Report)

Our Response to Adverse Weather Emergency



Hong Kong SAR Government |
USAID/OFDA | UNICEF | IOM



Government Agent's Office | Divisional Secretariats | Department of Community Water Supply and Drainage Board | Grama Niladhari | Bank of Ceylon | Peoples Bank | Community Based Organisations | community



Ratnapura | Kalutara | Neluwa

USD 2,000,000
mobilized



5,365

water filters

47

chlorination units

4

Purification units



110

Water tanks



7,306

hygiene kits

24

Hygiene awareness programmes



5,497

disinfection kits



650

tarpaulins



4,002

kitchen utensils



1,773

mats



500

Cleaning equipment



4,551
mosquito nets

9
Dengue prevention
programmes



575
Solar lamps



1,000
jerry cans



820
toilets



60
Waste Management
Training Programmes

140
garbage bins



9
First Aid Training
Programmes



2
Bathing facilities



7
Generators



33
Water projects
renovated

22
Water pumps

70
Pressure water sprays

27
Water Management
committees trained



3,131
Benefitted through Cash
for Work Programmes



3,308
Rain gauges



7,306
NFI Kits



2,464
Shelter tool kits



955
Tin sheets



1,010
Wells cleaned and
repaired



4
Catamarans



We had a very positive experience working with World Vision during the disaster situation in 2017. They had a very good understanding of the ground-level situation. They didn't come with only a tailor-made system to cater to the emergency. They knew how to adapt to the people they were helping.

We also observed that they had very good co-ordination. When it came to handling stocks, or even distributing relief, they did it with transparency and didn't disturb our day-to-day routine.

- Avanthi Senaratne
Divisional Secretary, Nivithigala.



There was bad flooding last May and we lost a significant amount of water-supply infrastructure. World Vision helped us with re-constructing over 60 percent of this loss by giving us materials and finances. They even provided chlorinators.

The people of this area know how they worked. They didn't stop with the work-hours. For them it is more than a job. It was easy for us to work with them as well, since they had good technical knowledge.

- A. Wijesinghe,
OIC, Department of Community Water Supply, Ratnapura



Our Response to Drought Emergency

This year Sri Lanka experienced the worst drought conditions in about 40 years. With both Southwest and Northeast monsoons bringing in very little rain, 2016 recorded the lowest rainfall for the past 7 years.

By January 2017, the effects of drought began to be visible. Only 35 % (281,910 ha of 804,830 ha) paddy land was cultivated. Extended periods of dry weather also impacted the access to basic drinking water. All major reservoirs held less than 27%, while minor tanks held less than 30% of water. Food shortage was high among the farming communities.



Start Fund UK | World Vision US | World Vision Canada | Save the Children



Oxfam | Save the children | Handicap International | Divisional Secretariat Offices | Pradeshya Sabha | School Development Societies | MoH | Department of Agriculture and Agrarian Services | local banks | communities



Mullaitivu | Nawagaththegama | Bibile | Mannar | Chankanai

USD 300,000
mobilized



3,800

households received unconditional cash transfers

2,840

households benefitted through Cash for Work



4,000

individuals benefitted through water and sanitation facilities



1,400

children benefitted from water filters



Making a community disaster resilient and disaster ready...

Resilience helps a community to grow through disasters and readiness helps them know what to do before and during an unavoidable disaster.

We lay great emphasis on disaster risk reduction and empowering children and communities to be disaster-ready while building their resilience. Working closely with the Government's Disaster Management units in our Programme areas we ensure effective disaster management structures and plans are in place and that children and communities are prepared.

This year,

14 new Village Disaster Preparedness Plans (VDPP) were prepared with disaster-prone communities.

30 Thematic trainings on first aid, disaster management and risk reduction, search and rescue, camp management and mitigation interventions were conducted for village disaster management committee members.



Disaster Management Center | District Disaster Management Coordinating Units | Divisional Secretariat | National Disaster Relief Service Center | Sri Lanka Red Cross society | community

Within the year we also concluded our Response in Aranakayake...

The response which began 14 hours after the landslide disaster on 17 May 2016, continued for nine months. We continued to be present, offering support to the local government authorities in the rebuilding and recovery.

“Very Flexible. That’s what World Vision is. They were constantly working keeping the wellbeing of the affected people in mind. They are experts in responding to children affected by disaster. Because of them now we have a very good knowledge in responding to a disaster. We repeatedly request them to stay on with us. Even if they don’t do any activities, their presence makes a difference.

Ajith Priyantha Bandara,
Development Officer and the Assistant Secretary
to the Government Agent of Aranyakayake

“We are really very thankful that World Vision helped form a rescue team and trained them for future emergencies. We learnt from first-aid to caring for the children and those who are most vulnerable, camp management and practical knowledge on what steps to take during an emergency. We were also taught how to stay calm during a disaster. I feel confident that we can better respond to our communities during a disaster now.”

Kanchana Thilakarathne,
Member of the Rescue Team Kegalle

"At first I felt scared when we moved to the camp. I was worried how clean the place would be and if the children would fall sick. The camp has become more like being at home after all the facilities were set up by World Vision.

Earlier we used a torch so that the children could do their homework. Now with the solar light we just charge it in the morning under the sun and at night it gives us light for the children to study. I am also able to cook dinner without difficulty."

Anusha,
mother of three children

For Aranyakayake full report - www.worldvision.lk

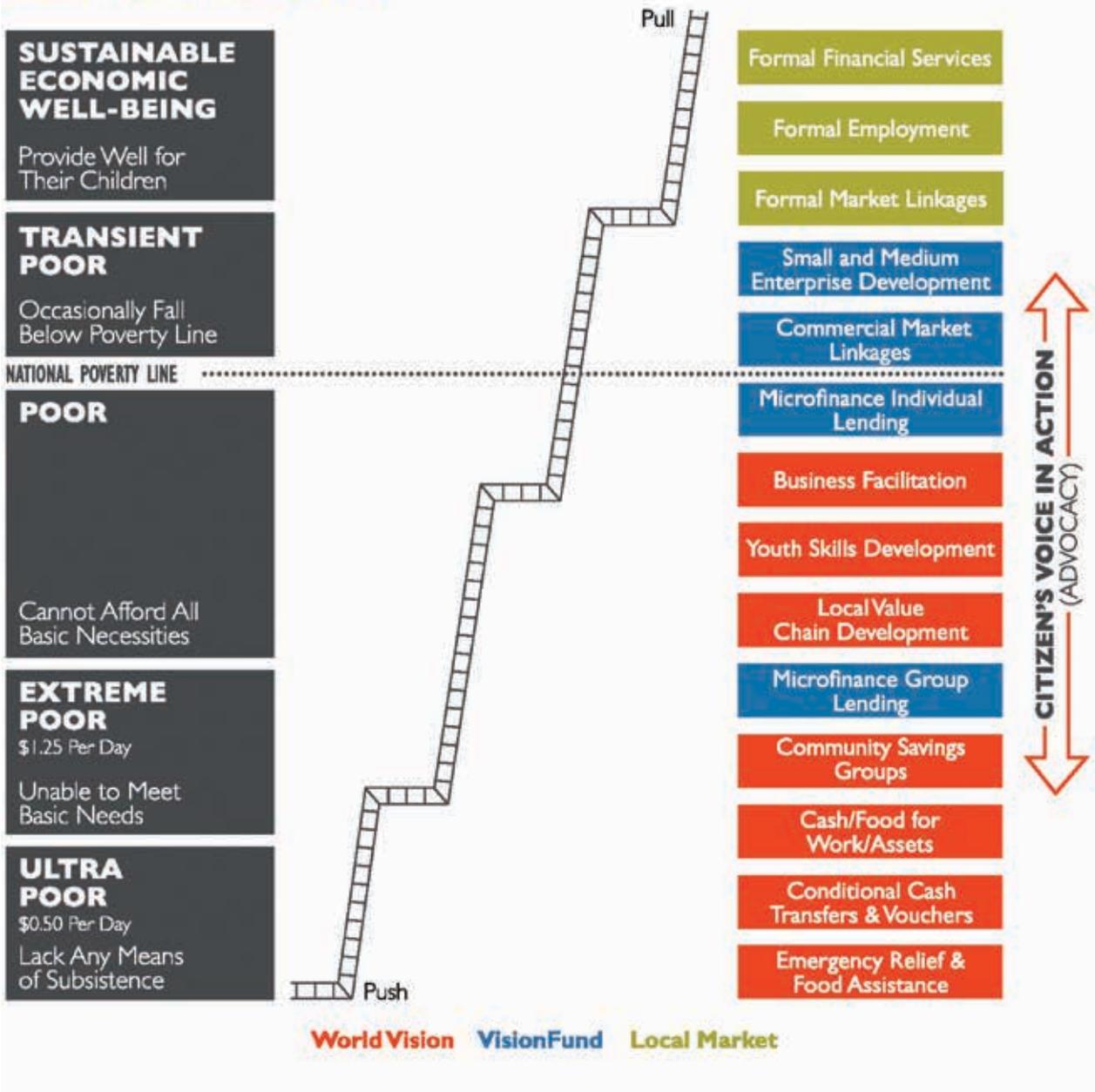
VisionFund
LANKA

Building Communities, Transforming Lives

A large, stylized number '40' is the central focus. A boy is climbing on top of the '4', and a girl is sitting inside the '0'. The background features faint, repeating text 'Building Communities, Transforming Lives' and 'LANKA'.



ECONOMIC LADDER



Vision Fund is the microfinance arm of World Vision. World Vision's development programmes place an intentional focus on helping the poorest of the poor and the destitute graduate up the economic ladder. Once they graduate out of extreme poverty, Vision Fund services are available to them, while World Vision continues to support them.

By providing small loans and other financial services, Vision Fund helps them turn their ideas into small businesses and build sustainable enterprises to support the well-being of their families.

This year...



12%

of clients said they were more able to cover health costs of their children.



12%

said their children now have clean drinking water



12%

said that their children now have access to improved sanitation



12%

said they are more able to provide sufficient food



9%

said they were able to provide additional clothing and shoes for their children



5%

said they have improved housing



14%

said they were able to better support the education of their children



4%

Youth learning opportunities

Special Initiatives





iLIVE



The Inclusive Livelihood (iLIVE) project aims to increase economic empowerment of women and vulnerable populations such as those with disability.

The Project also helps change negative community attitudes towards them and have equal opportunity to participate in decision making in their homes. While helping them become economically stable, the Project provides them with technical and financial skills and help develop good market linkages.



6,000 Households (Targets)



DFAT



Christian Blind Mission | Promundo International | Value 4 Women | Ceylon Chamber of Commerce | Ministry of Social Services | Ministry of Women and Child Affairs | Disabled Persons Organisations | Ministry of Agriculture



Kandaveli | Karachchi | Maanthai East | Muthur | Seruwilla | Verugal | Vaharai | Kiran

ARISE Project



Agricultural & Rural Investments for Social Enterprises (ARISE) Project supports economic advancement of small and growing businesses engaged in agriculture and related industries. ARISE identifies the major causes interrupting the growth of these businesses and provides sustainable solutions to overcome them. The Project's aim is to see each business move into economic stability and prosperity.

The Project provides managerial and technical knowledge, facilitating improved external environments, access to required financial capital, and market linkages.



77 entrepreneurs



DFAT



Vision Fund | Export Development Board | National Enterprises Development Authority | Industrial Development Board | Divisional Secretariat



Puttalam | Kurunegala

BCoB Project



Bringing the Community on Board (BCoB) Project aims to strengthen Civil Society Organizations as leading stakeholders in promoting inclusive and sustainable local economic development. The Project's priority focus is on the economically vulnerable communities in geographically isolated locations prone to droughts, crop failures and wild elephant attacks.



45,000 persons



European Union |
World Vision Germany



Janathakshan | Local Government
Authorities | Divisional Secretariats |
Department of Agriculture |
Agrarian Services Centers



Rideemaliyadde | Kandekatiya |
Meegahakiula

CSWASH Project



The Civil Society WASH Project's main aim is to support the implementation of Sri Lanka's Rural Water Supply and Sanitation (RWSS) policy by focusing on increased public participation and enhanced accountability. The Project enhances coordination, capacity, and governance amongst WASH actors to sustain services.

CSWASH has a special focus on providing accessible toilets for the people with disabilities in common places and in homes.



6,417 people
4,186 students



DFAT



Department of Education | Medical
Officer of Health | Predeshiya Sabha |
National Water Supply & Drainage
Board | Northern Province Consortium
Organization for Differently Aabled
(NPCODA) | Deaf-link | Lanka Rain
water Harvesting Forum | Center
for Governance | Agrarian Services
Department | Central Environmental
Authority



Chavakachcheri | Chankanai

Natural Farming Project



The project aims to improve food security and the living standards through eco-friendly farming. The families are provided with plants and seeds and are also trained in home gardening. Some are also given chicks to promote integrated home gardening. Most families have not only become food-secure but also have a stable income, selling the excess produce. The Project also makes market linkages for them and has renovated agriculture tanks for those doing paddy cultivation.



480 families



KOICA | World Vision Korea



Janathakshan | Agriculture Department | National Livestock Development Board | Forest Department | Agrarian Development Department | Eastern University



Koralaipattu | Vaharai

WASH Project Neluwa



This water and sanitation project aims to provide year-round access to safe drinking water and adequate sanitation facilities while increasing awareness on hygiene practices. The project also focuses on strengthening Water Consumer Societies.



930 families received water
380 families received toilets
1,888 students in 10 schools
received WASH facilities



HSBC EDPL (Electronic Data Processing Lanka) Pvt Ltd



Estate management | Pradeshiya Sabha | Divisional Secretariat | Department of National Community Water Supply | Water Consumer Societies | Department of Education | Medical Officer of Health | Rural Development Societies | Forest Department | Community Based Organisations



Neluwa

Houses Project



Homes not just Houses Project works towards constructing houses and improving infrastructure in villages in the North of Sri Lanka. The project is a combination of rehabilitation and development, aiming to provide permanent, decent housing, livelihood training, training families on financial literacy and strengthening civil society organizations.



400 families



European Union



Habitat for Humanity



Mullaitivu | Kilinochchi | Batticaloa

Mental Health Project



The Project aims to improve mental health and reduce economic hardships of returnee communities in Northern Sri Lanka. The project provides mental health support through group counseling (Inter Personal Therapy Group) where affected persons come together, identify their needs and support each other on the journey towards healing. While focusing on increasing access to responsive psychosocial services for the communities, the Project equips women with skills and knowledge for income generation activities.



2,846 persons



European Union - European Instrument for Democracy and Human Rights (EIDHR) | World Vision Australia



Samuththana | District Medical officer of Mental Health Kilinochchi and Mullaitivu



Kilinochchi | Mullaitivu

FRIENDS Project



The FRIENDS Project was initiated in 2001 to uplift the lives and the wellbeing of children living on streets. Two-shelters and a Drop-In-Centre cater to the children's basic needs and wellbeing. The children are referred to the Project through the Department of Probations and Child Care. Working with the government authorities towards their betterment, the Project also pays attention to their psychosocial needs while providing them with value formation and leadership development programmes as well as extracurricular activities to bring out the best in them.

The Project's main aim is to reintegrate the children with their families and focus on the rehabilitation of parents as well.

  children  World Vision Hong Kong  Colombo Kandy

 Department of Probation and Child Care | National Child Protection Authority | HSBC | Schools | Municipal Council | Churches | National University of Singapore (NUS) - volunteer support through interns | Divisional secretariat

This year

 5 newly enrolled in school in the preschool  1 entered university  11 reintegrated with their families

LIFT Project



The Livestock Initiative for Transformation (LIFT) Project introduces an additional source of income to the poorest of the poor families in order to strengthen and stabilise their household income. While building their capacities to sustain a steady livelihood, the Project also provides the families with technical and financial skills trainings, livestock, and links them with available markets and services.

 700 families

 World Vision USA

 Department of Animal Production and Health | Livestock Breeders Co-operative (LIBCO) | MILCO | Cargills | Divisional Secretariat | Agrarian Services Department | Forest Department | Department of Agriculture | University of Peradeniya

 Chavakachcheri | Walapane | Ganga Ihala Korale

Permaculture Project



This Project aims to create sustainable human habitats by developing and establishing eco-friendly sustainable agriculture practices. The Project strengthens farmer groups and builds their capacity to share knowledge and sustain the project's impacts. Organic farming, livestock management, seed conservation, integrated pest management, water management and water resource development, healthy-kitchen development, agri-micro enterprise development and establishing market systems within and outside the community are some of its key activities.



2,000 families



DFAT



Department of Agriculture | Department of Animal Production and Health | Department of Ayurvedic Medicine | Divisional Secretariat | District Entrepreneurship Development Authority | Eastern University of Sri Lanka | Department of Divi Naguma | Rural Development Society | Thangar Nagar - Civil Society Organisation | Farmer Federation for Conservation of Traditional Seeds and Agri-Resources | MILCO | Hatton National Bank | Vision Fund Lanka



Trincomalee | Koralaipattu
Bibile | Rideemaliyedde |
Nawagaththegama | Ganga Ihala
Korale | Mannar

PROFEED Project



Promoting Farming Enterprises in Dairy Production (PROFEED) Project is jointly-implemented with Vision Fund Lanka - the microfinance arm of World Vision Lanka – and promotes sustainable dairy farming practices. Dairy farmers are provided with training in entrepreneurship, business development, financial management and legal formalities as well as technical dairy management expertise. PROFEED also ensures the smooth functioning of farmer-managed milk societies.



2,500 dairy farmers



World Vision Australia | World Vision Singapore | World Vision Taiwan | World Vision Korea | Private donors



MILCO | Cargills | Department of Animal Production and Health | Veterinary Surgeon's office | Farmer Federation | Vision Fund Lanka



Killinochchi | Bogawantalawa |
Walapane | Nawagaththegama |
Rideemaliadda | Lunugala |
Mannar

WASH & Agriculture Project



The Project provides the returned communities in the North of Sri Lanka with access sufficient clean and safe drinking water while strengthening agriculture livelihoods. This economically strengthens families to provide well for their children. The project also assists in improving clean drinking water and sanitation facilities for schools while providing awareness on hygiene and sanitation best practices.



1,517 families
4,854 persons
12 schools
1,672 students
103 teachers



World Vision Korea



Department of Agriculture | Agrarian Services Department | Medical Officer of Health and Regional Director of Health Services | Pradeshiya Sabha | Zonal Education Department | Divisional Secretariat | National Water Supply & Drainage Board



Mullaitivu

AiRD



The All-inclusive Reconciliation and Development (AiRD) Project intends to establish long-term peace & reconciliation across Sinhala, Tamil and Muslim communities through facilitating inter-ethnic and inter-religious cooperation among communities. It works to end discrimination against vulnerable groups and to promote their effective participation in reconciliation. It strengthens women's and children's networks and helps generate rights-based, community-led solutions. Rural development is achieved by civil society capacity engagement. The Project stimulates tolerance, and healing by enhancing collaboration between religious and ethnic groups, as well as local and district authorities.



2,150 women
1,400 girls
1,400 boys
345 persons with disability
2,550 households



European Union



Center for the Study of Human Rights (University of Colombo) | Media Studies Forum



Trincomalee | Verugal | Seruvila

MF Project



This project aims to introduce sustainable livelihood practices to vulnerable families and help them stabilize their income. The Project provides skills development and financial literacy through training, and links farmers to micro-finance services as necessary. In order to ensure the sustainability of this project World Vision has linked the communities with different government service providers in the area. Savings clubs have also been introduced.



1,090 families



World Vision Australia



Mannar



Vision Fund Lanka | MILCO |
Department of Animal Production & Health

This year



4 new milk collection points established



79 families supported with suitable livelihood interventions

The Project has contributed to the increase in the monthly milk production from 92,259 L (2015) to 112,702 L (2017).



Sustainability Report





Our Commitment to Sustainability

We include a special section on Sustainability Reporting in our Annual Reports to improve our accountability and transparency to our stakeholders about the work that we do in all our programmes across the country. We have been reporting on sustainability since 2012.

Sustainability and poverty alleviation are inexorably linked. Our work is based on the principle of sustainable development. As described, sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

We seek to meet the needs of the present through development and relief programmes that address requirements such as education, health and nutrition, clean water and sanitation, agriculture and economic development and preparation for natural disasters. All of our work on alleviating poverty contributes to the Sustainability Development Goals.

We focus on children and their communities to ensure that future generations can meet their own needs. Our programmes are designed to assist transformation to restore and enable life with dignity, justice, peace, and hope through empowering children to be agents of change; fostering mutually beneficial relationships; interdependent and empowered communities; and systems and structures that contribute to reduce poverty.

We aim to face challenges to sustainability, including food insecurity, climate change, the decreasing availability of resources - such as water and energy, weak governance, economic insecurity and the displacement of people. Our programmes are designed to support changes that are economically, environmentally and socially sustainable.

Sustainability Report

GLOBAL REPORTING INITIATIVE NGO SECTOR SUPPLEMENT COMPLIANCE TABLE – 2017

One of the objectives of the GRI reporting framework is to allow users to compare performance across different organisations. The Table aims to provide a reference to the Standard Disclosures which users of the reporting framework are familiar with.

This Table has been prepared using the G4 reporting framework of the Global Reporting Initiative (GRI) and the NGO Sector Supplement (globalreporting.org) and reports on G4-I - 19, G4 - 24 - 58 and specific Standard Disclosures for the NGO sector.

Reporting level and category: In Accordance – Core.

World Vision Lanka's 2017 Annual Review is available at: <http://www.worldvision.lk>

GENERAL STANDARD DISCLOSURES FOR THE NGO SECTOR

| Profile Disclosure | Description | Reference (page references to WVL Annual Review 2017 unless otherwise specified) |
|-------------------------------|---|---|
| Strategy and analysis | | |
| G4-1 | Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability. | Messages from the Board Chair and the National Director Pages 10, 13. |
| G4-2 | Description of key impacts, risks, and opportunities. | <p>We are guided by our Strategy Review document which is reviewed every year.</p> <p>Annual budgets are prepared based on identified opportunities and new funding streams.</p> <p>Third party evaluations prior, mid and post of Programme is part of the Programme model Page 133.</p> <p>Our key impacts have been through our main sectors of education, health and nutrition, water and sanitation, child protection and economic development Pages 26-55.</p> <p>Special Initiatives Pages 71-81.</p> <p>Emergency response Pages 56-67.</p> |
| Organizational profile | | |
| G4-3 | Name of the organization | Corporate Information Page 140. |
| G4-4 | Primary activities and how they relate to the organization's mission and primary strategic goals (e.g., on poverty reduction, environment, human rights, etc.). | <p>All our work is focused on our Child Well Being (CWB) Aspirations that are aimed at providing a better life for children. We work through our key sectors of education, health and nutrition, water and sanitation, economic development and child protection and emergency response.</p> <p>(All programmes contribute to the SDGs Pages 28-55)</p> |
| G4-5 | Location of organization's headquarters | Corporate Information Page 140. |
| G4-6 | Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report | <p>Global Presence map</p> <p>http://www.wvi.org/map/where-we-work</p> <p>Number of countries - 99</p> <p>no. of staff – 42,000</p> <p>World Vision has two main operations – Humanitarian and Emergency Affairs and Transformational Development.</p> <p>All countries with Transformational Development cover sustainability issues.</p> |

| Profile Disclosure | Description | Reference (page references to WVL Annual Review 2017 unless otherwise specified) |
|--------------------|--|---|
| G4-7 | Nature of ownership and legal form | Corporate Information page 140. |
| G4-8 | Target audience and affected stakeholders. | Our target audience is the vulnerable children and the community they live in. Accountability page Our presence (no of districts and beneficiaries) Page 25. |
| G4-9 | Scale of the reporting organization | FY17 had an annual spend of 22.55 million USD Financial activities, balance sheet, key stats Pages 110-133 |
| G4-10 | Total workforce by employment type, gender, employment contract and region | No. of Regular Staff - 184 No. of Contract Staff - 333 No. of Interns - 24 No. of Consultants - 2 |
| G4-11 | Percentage of employees covered by collective bargaining agreements | Not Applicable |
| G4-12 | Describe the organization's supply chain (incl. product or service providers, engaged suppliers in total number, type, and location, payments made to suppliers) | Procurement process and sourcing is automated and has a transparent evaluation committee. As per the new procurement upgrade, we have 32 main categories: Agriculture: Farm (Equipment and Supplies) & Livestock, Clothing & Shoes, Communications and Communication Equipment, Construction, Construction Material and Repairs, Consultancy, school supplies and equipment, Employee Training, Capacity Development, Food, Health, Drugs & Medical (Equipment and Supplies), Household, Shelter, Relief Supplies, IT Hardware, Office Supplies and Stationery Office Equipment and Furniture, Office Expense: Utilities, Security & Janitorial Services, Power Generation, Publishing, Printed Material & Advertising, Software, Transportation & Warehousing, Hotel/Lodging and Venue, Catering Services, Events, Seminar & Conference, Dues and Membership Subscriptions, Travel Services, Airfare - Travel Tickets, Ground Transportation, Vehicles and Vehicle Fleet Management, Water and Sanitation, Insurance Services, Real Estate, Banking Services, Economic Development Materials, Fuel, etc. under our centralized purchasing category. |

| Profile Disclosure | Description | Reference (page references to WVL Annual Review 2017 unless otherwise specified) |
|--------------------|---|---|
| G4-13 | Significant changes during the reporting period relating to size, structure, or ownership or its supply chain (incl. changes in location, operations, facilities, capital information and supplier information) | <p>None related to size, structure and ownership.</p> <p>However, there has been a reduction in donor funding from the original estimates due to global and regional changes in socio-economic and the political fields.</p> <p>But internally WVL has received more local partnership opportunities resulting in local fundraising.</p> <p>3 Programmes were phased out. An urban development programme was started.</p> |
| G4-14 | Explanation of whether and how the precautionary approach or principle is addressed by the organization | <p>Enterprise Risk Management (ERM) - a holistic view of risk - approach is applied in alignment with the partnership ERM policy and Risk Management Framework. This ERM process encompasses all types of risks - financial, legal/ compliance, strategic, staffing, physical harm to staff and children/beneficiaries (security, health & safety and environment), reputational, operational, etc. Thereby we identify the top 10 risks which need to be managed. This is assessed, evaluated and updated at regular intervals. Accordingly the treatment/mitigating measurements are taken.</p> <p>Internal Audit Department</p> <p>Staff related - police report, Child Protection Policy and the annual declaration of conflict of interest</p> |
| G4-15 | Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses | <p>UNGC, Sphere standards, Humanitarian Accountability Partnership (HAP) standards, People In Aid, ICRC Code of Conduct, UN Convention on the Rights of the Child (UNCRC) and its optional protocols, National Guidelines for Village Child Development Committees.</p> |

| Profile Disclosure | Description | Reference (page references to WVW Annual Review 2017 unless otherwise specified) |
|--------------------|---|---|
| G4-16 | <p>List coalitions and alliance memberships in which the organization:</p> <p>Holds a position on the governance body</p> <p>Participates in projects or committees</p> <p>Provides substantive funding beyond routine membership dues</p> <p>Views membership as strategic</p> | <p>South Asia Initiative to End Violence Against Children (SAIEVAC), NACG (National Co-group for Protection of Children)</p> <p>National Action and Coordinating Group against Violence against Children(NACG)</p> <p>Inter-agency child protection working group</p> <p>Core-group working on police engagement</p> <p>Research group on Child Disciplinary Methods Practiced in Sri Lankan Schools</p> <p>Child Protection Network by District Secretariat - Colombo</p> <p>Child Protection Network of Agencies for Colombo by NCPA</p> <p>Line ministries we are networked with UNGC, Development Partners Group</p> <p>National, provincial, regional and local level partnership with the government. e.g. Medical Office of Health, Pradeshiya Sabha, etc.</p> <p>Scaling Up Nutrition Civil Society Alliance member</p> <p>Representation in the national level forums - Member of the Country Coordination Mechanism for Global fund for AIDS, TB and Malaria</p> <p>Member of the Nutrition steering Committee of the MoH</p> <p>Member of the Non Communicable disease Committee of the MoH</p> <p>National Disaster Management Cordination Committee (NDMCC), Humanitarian Country Team (HCT), Disaster Management Centre Core Group for Community Based Disaster Reduction and Mitigation (CBDRM), DRR Coalition for Schools, District level Disaster Management Committees</p> <p>INGO Coordination Mechanism</p> <p>DRR Coordination Committee</p> |

| Profile Disclosure | Description | Reference (page references to WVL Annual Review 2017 unless otherwise specified) |
|---|--|---|
| Identified material aspects and boundaries | | |
| G4-17 | Operational structure of the organization, including national offices, sections, branches, field offices, main divisions, operating companies, subsidiaries, and joint ventures. | (structure and governance, programme locations, audit report) Pages 22, 25, 110-132. |
| G4-18 | a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content. | Third party validation and stakeholder feedback is captured, post-programme evaluations |
| G4-19 | Material Aspects identified in the process for defining report content. | The material aspects of WVL's programming centres around its child-focused interventions. Key indicators measure progress and change in the well-being among children in WVL's programme areas. In addition, WVL works to build the economic resilience and socio-economic stability of vulnerable communities and groups, among whom most vulnerable children are located. In 2017, we targeted 90,465 most vulnerable children and their families among other beneficiaries. An innovative 'multi-dimensional vulnerability mapping' was piloted to better understand the multiple factors that contribute to the vulnerability of children among WVL's target beneficiaries. |
| Stakeholder engagement | | |
| G4-24 | List of stakeholder groups engaged by the organization | Page 23. |
| G4-25 | Basis for identification and selection of stakeholders with whom to engage | Our stakeholder engagement is based on the strategy, the business plan and shared core values. |
| G4-26 | Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group | Page 100. |
| G4-27 | Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting; Report the stakeholder groups that raised each of the key topics and concerns | Topics and concerns differ from programme to programme and all our programmes ensure that community suggestions and concerns are intentionally accommodated and well-addressed. A semi-annual and annual reporting and reflection mechanism captures concerns and key topics in detail the issues raised and resolved during the financial year. |

| Profile Disclosure | Description | Reference (page references to WVL Annual Review 2017 unless otherwise specified) |
|---|--|--|
| Report profile | | |
| G4-29 | Date of most recent previous report | (30 Sep 2016) |
| G4-30 | Reporting cycle | Annual |
| G4-31 | Contact point for questions regarding the report or its contents | Hasanthi Jeyamaha Manager Communication |
| G4-32 | Table identifying the location of the Standard Disclosures in the report | This table |
| G4-33 | Policy and current practice with regard to seeking external assurance for the report | No external assurance on G4 Reporting, however the contents of the Report have external assurances e.g. audit – PWC, evaluation of programme effectiveness and the delivery and quality of impact. |
| Governance | | |
| GOVERNANCE STRUCTURE AND COMPOSITION | | |
| G4-34 | Governance structure of the organization including committees responsible for decision-making on economic, environmental and social impacts | Page 22, 136-137. Country strategy and plans are approved by the Board and their subcommittees - Board Governance and Nomination Sub-Committee, Board Audit and Risk Management Sub-Committee, Board Ministry and Strategy Sub-Committee. These are subsequently converted into business plans for implementation and regularly monitored and take suitable decisions. Economic, environmental and social impacts are embedded in it and are monitored on a regular basis by the board and the management. |
| G4-35 | Process for delegating authority for economic, environmental and social topics to senior executives and other employees. | An organisation structure that clearly stipulates the roles and responsibility at all levels |
| G4-36 | Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body | The senior management team/working directors, managers and Heads of departments, report to the National Director and the National Director reports to the Board. |
| G4-37 | Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics (to whom, any feedback) Identify any topics related to programme effectiveness | Board field visits, Board Monthly Management Reports, review reports, evaluation reports, regular board and senior management meetings, open feedback policy |

| Profile Disclosure | Description | Reference (page references to WVL Annual Review 2017 unless otherwise specified) |
|--------------------|--|--|
| G4-38 | <p>The composition of the highest governance body and its committees</p> <p>Report the composition of the highest governance body and its committees by:</p> <ul style="list-style-type: none"> • Executive or non-executive • Independence • Tenure on the governance body • Number of each individual's other significant positions and commitments, and the nature of the commitments • Gender • Membership of under-represented social groups • Competencies relating to economic, environmental and social impacts • Stakeholder representation | <p>2 executive directors (The National Director and the Regional Leader are World Vision employees) and 5 non-executive directors. All the non-executive directors act on voluntary capacity.</p> <p>Three terms (three years per term) Goodwill Ambassadors (10)</p> <p>Nil.</p> <p>50 : 50 (excluding the ex-officio members)</p> <p>None</p> <p>Business leaders from the corporate and social sectors (bankers, lawyers, senior executives, corporate heads and religious leaders)</p> <p>None.</p> |
| G4-39 | <p>Indicate whether the Chair of the highest governance body is also an executive officer</p> <p>Report the division of powers between the highest governance body and the management and/or executives</p> | <p>No. Board Chair is non-executive Pages 16-18.</p> <p>The highest governance body is responsible for ensuring good governance in the organisation while the management focuses on administrating the organisation.</p> |
| G4-40 | <p>Process for determining the qualifications and expertise of the members of the highest governance body</p> <ul style="list-style-type: none"> • Whether and how diversity is considered • Whether and how independence is considered • Whether and how expertise and experience relating to economic, environmental and social topics are considered | <p>The Board subcommittee on Board composition and selection</p> <p>A Board selection matrix is used on World Vision's Global Governance Guidelines to identify skills and disciplines that support both local and global operations of World Vision.</p> <p>Board as a separate body looks into high level governance and strategy areas independent of the management.</p> <p>Board Member selection criteria looks at the expertise, experience and the unique value which are beneficial for World Vision each member brings to the table.</p> |

| Profile Disclosure | Description | Reference (page references to WVL Annual Review 2017 unless otherwise specified) |
|--|---|--|
| G4-40 | <ul style="list-style-type: none"> Whether and how stakeholders (including shareholders) are involved <p>Address qualifications and expertise relating to guiding programme effectiveness</p> | <p>On need basis</p> <p>Pages 16-18.</p> |
| G4-41 | <p>Processes in place for the highest governance body to ensure, that conflicts of interest are avoided</p> <p>Report whether conflicts of interest are disclosed to stakeholders, including, as a minimum:</p> <ul style="list-style-type: none"> Cross-board membership Cross-shareholding with suppliers and other stakeholders Existence of controlling shareholder Related party disclosures | <p>External audit and related party disclosure</p> <p>A conflict of interest disclosure is done annually.</p> |
| HIGHEST GOVERNANCE BODY'S ROLE IN SETTING PURPOSE, VALUES, AND STRATEGY | | |
| G4-42 | <p>Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.</p> | <p>Organisation's value or mission statements are non-negotiable and are the anchors across the global partnership.</p> <p>Country strategy, policies etc. are developed by the management and approved by the Board.</p> |
| HIGHEST GOVERNANCE BODY'S COMPETENCIES AND PERFORMANCE EVALUATION | | |
| G4-43 | <p>The measures taken to develop and enhance the highest governance body's collective knowledge</p> | <p>Board Development, orientation, training, field visits, World Vision international forums for Board members and Board retreats.</p> |
| G4-44 | <p>a. Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment.</p> | <p>Governance Review conducted once in five years is the highest governance level assessment and is conducted by peers of other international Board Members and high-level leadership.</p> <p>Generally a Peer Review team consists of a Board Member of another country, a National Director of another country and two senior directors of World Vision International Governance Department.</p> <p>The Peer Review also includes self-assessment.</p> |

| Profile Disclosure | Description | Reference (page references to WVL Annual Review 2017 unless otherwise specified) |
|--|---|--|
| G4-44 | <p>b. Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice.</p> | <p>Following every Peer Review a set of recommendations is given for the Management's consideration. The Management in turn comes up with a plan of action to implement recommendations over a period of time.</p> |
| HIGHEST GOVERNANCE BODY'S ROLE IN RISK MANAGEMENT | | |
| G4-45 | <p>a. Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes.</p> <p>b. Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.</p> <p>Address procedures for overseeing programme effectiveness</p> | <p>They review the risk portfolio given by the management and advice on due diligence processes.</p> <p>Cross functional team assesses risks, and a risk table is prepared for Board's deliberation. Stakeholder consultation is obtained by the cross functional teams.</p> <p>Constant feedback and regular communication on Programme Effectiveness and project plans with the decision makers.</p> |
| G4-46 | <p>The highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics</p> | <p>Advisory role</p> |
| G4-47 | <p>The frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities</p> | <p>At planned Board meetings and Board subcommittee meetings.</p> <p>A monthly management report is also shared with the Board. Field visits provide them the opportunity to gain first-hand experiences of what's implemented in the field.</p> <p>Board meeting agendas.</p> |

| Profile Disclosure | Description | Reference (page references to WVL Annual Review 2017 unless otherwise specified) |
|--|--|--|
| HIGHEST GOVERNANCE BODY'S ROLE IN SUSTAINABILITY REPORTING | | |
| G4-48 | The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered | The Senior Leadership Team (SLT) Page 19. |
| HIGHEST GOVERNANCE BODY'S ROLE IN EVALUATING ECONOMIC, ENVIRONMENTAL AND SOCIAL PERFORMANCE | | |
| G4-49 | The process for communicating critical concerns to the highest governance body | Critical concerns are taken up at Board meetings and special meetings are arranged on need basis. The Board is kept informed on a regular basis. |
| G4-50 | The nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them | Less than 5 critical concerns. Consultation, legal and paralegal advice, third party review, independent investigations followed by urgent decisions. |
| REMUNERATION AND INCENTIVES | | |
| G4-51 | <p>a. Report the remuneration policies for the highest governance body and senior executives for the below</p> <p>types of remuneration:</p> <p>Fixed pay and variable pay:</p> <ul style="list-style-type: none"> - Performance-based pay - Equity-based pay - Bonuses - Deferred or vested shares <p>Sign-on bonuses or recruitment incentive payments</p> <p>Termination payments</p> | <p>Non-executive directors are volunteers and do not get any fixed or variable pay mentioned below</p> <p>Executive Director for WVL (National Director) gets remunerated on fixed salary and benefits</p> <p>Executive director World Vision International (the Regional Leader) is remunerated by the WVI Office and not by WVL</p> <p>Salary is reviewed by the regional P&C and as per HAY grading method</p> <p>Annual salary benchmarking exercise followed by salary revision based on market survey.</p> |
| G4-52 | Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization. | <p>Remuneration consultants are involved.</p> <p>Implemented by the Senior Leadership Team with the approval of the National Director.</p> |

| Profile Disclosure | Description | Reference (page references to WVW Annual Review 2017 unless otherwise specified) |
|-----------------------------|--|---|
| G4-53 | Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable. | Not Applicable |
| Ethics and Integrity | | |
| G4-56 | Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics. | <p>Core values Page 138.</p> <p>Vision/identity statement Page 1.</p> <p>Acknowledgement of email Policy</p> <p>Code of Conduct Policy</p> <p>Child Protection Policy</p> <p>Corporate Code of Conduct Policy</p> <p>Covenant of Partnership</p> <p>Dress code policy</p> <p>Employment of Relatives Policy</p> <p>Harassment Prevention Policy</p> <p>Internet Policy</p> <p>Kidnapping and Hostage Taking policy</p> <p>Leave and Attendance Policy</p> <p>Substance Abuse Policy</p> |
| G4-57 | The internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines | Grievance mechanism, Reporting lines to address staff matters, staff care, legal counsel and management action Page 103. |
| G4-58 | The internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines | <p>Page 103.</p> <p>Whistle blower</p> <p>Grievance mechanism, Our Voice Survey (feedback mechanism)</p> <p>Reporting lines to address staff matters, staff care, legal counsel and management action</p> <p>P&C disciplinary action and Anti-corruption guidelines.</p> |

SPECIFIC STANDARD DISCLOSURES FOR NGO SECTOR

| Profile Disclosure | Description | Reference (page references to WVL Annual Review 2017 unless otherwise specified) |
|--------------------|-------------|--|
|--------------------|-------------|--|

ECONOMIC DISCLOSURES FOR THE NGO SECTOR

G4 Aspects

| | | |
|---------------------------------|---|----------------|
| Economic Performance G4-EC I | <p>DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED</p> <p>Report net income as part of ‘Direct economic value generated’.</p> <p>Information on the creation and distribution of economic value provides a basic indication of how the organization has created wealth for affected stakeholders.</p> <p>For NGOs where it reads Economic Value Generated and Distributed (EVG&D) should be understood as ‘Economic Value’.</p> <p>Net income includes grants, donations and contracts.</p> <p>Most NGOs may read ‘payments to providers of capital’ as financial payments made to banks and other providers of capital (apart from donors). It also includes fund balance distributed at dissolution of the entity.</p> <p>‘Community investments’ include those other than investments made to support the NGO core goals.</p> | Pages 110-133. |
|---------------------------------|---|----------------|

Sector Specific Aspects

| | | |
|---------------------------------|---|---------------|
| Resource Allocation G4-DMA | REQUIRED SECTOR SPECIFIC DMA* | Pages 110-133 |
| Socially-Responsible Investment | <p>This sector specific Aspect does not contain Indicators</p> <p>To address this Aspect, the organization may use alternative indicators or develop their own indicators. Organization-specific indicators included in the report should be subject to the GRI Reporting Principles and have the same technical rigor as GRI’s Standard Disclosures.</p> | Page 120 |

| Profile Disclosure | Description | Reference (page references to WVL Annual Review 2017 unless otherwise specified) |
|---|---|--|
| Ethical Fundraising G4-DMA | <p>SECTOR SPECIFIC GUIDANCE FOR DMA</p> <p>Procedures related to monitoring of compliance with policy on acceptance of donations, including gifts in kind.</p> <p>Procedures related to compliance by third parties and/or agents with policies.</p> <p>Sources of funding by category and five largest donors and monetary value of their contribution.</p> | |
| ENVIRONMENTAL DISCLOSURES FOR THE NGO SECTOR | | |
| G4 Aspects | | |
| Products and Services G4-EN27 | <p>EXTENT OF IMPACT MITIGATION OF ENVIRONMENTAL IMPACTS OF PRODUCTS AND SERVICES</p> <p>Report quantitatively the extent to which environmental impacts of activities have been mitigated during the reporting period.</p> | Page 105. |
| LABOR PRACTICES AND DECENT WORK DISCLOSURES FOR THE NGO SECTOR | | |
| G4 Aspects | | |
| Occupational Health and Safety G4-DMA G4-LA6 G4-LA7 | <p>SECTOR SPECIFIC GUIDANCE FOR DMA</p> <p>Describe programs related to assisting volunteers regarding serious diseases, including whether such programs involve education and training, counseling, prevention and risk control measures, or treatment.</p> <p>Where applicable, report types of injury, injury rate (IR) and occupational diseases rate (ODR) and work-related fatalities for volunteers by category, and by:</p> <p>Region Gender</p> <p><i>Given the high numbers of volunteers working in the NGO sector, an organization also has a duty of care towards them. Where full- and/or part-time volunteers are critical for the running of the organization, it is relevant for an organization to report on injury rates.</i></p> <p>Report whether there are volunteers who are involved in occupational activities who have a high incidence or high risk of specific diseases.</p> | Not Applicable |

| Profile Disclosure | Description | Reference (page references to WVL Annual Review 2017 unless otherwise specified) |
|--|---|---|
| Training and Education G4-LA9 | <p>SECTOR ADDITIONS TO G4 INDICATORS</p> <p>Report the average hours of training that the organization's volunteers have undertaken during the reporting period, by: Gender Volunteer category Refer to G4-10 for categories of volunteers and identify training hours per category.</p> | <p>10.6 hours per person for 546 staff who received various trainings.</p> |
| G4-LA10 | <p>Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.</p> | <p>Management Essentials, Technical Programming, Mentoring, Orientation, LINGO, SAP Academy, Community Immersion Proposal Pro, Community Voice and Action and other.</p> <p>The online trainings and other field level trainings are not captured in this</p> |
| Labor Practices Grievance Mechanisms G4-DMA | <p>REQUIRED SECTOR SPECIFIC DMA*</p> <p>Mechanisms for workforce feedback and complaints, and their resolution</p> | <p>(former NGO9)</p> <p>Check previous report</p> |
| SOCIETY DISCLOSURES FOR THE NGO SECTOR | | |
| G4 Aspects | | |
| Anti-corruption G4-SO3 | <p>Report the total number and percentage of programs assessed for risks related to corruption.</p> | <p>Our 29 operations are assessed on an annual basis by our compliance and audit teams.</p> |
| G4-SO5 | <p>Identify programs assessed for risks related to corruption.</p> <p>Report the total number of confirmed incidents in which volunteers and members of governance bodies were dismissed or disciplined for corruption.</p> | <p>Identified risks were promptly addressed.</p> <p>Not Applicable</p> |
| PRODUCT RESPONSIBILITY DISCLOSURES FOR THE NGO SECTOR | | |
| G4 Aspects | | |
| Marketing Communications | <p>Include specific reference to ethical fundraising, including with reference to respect for rights of affected stakeholders and donors.</p> <p>Report any codes or voluntary standards relating to fundraising and marketing communication applied across the organization.</p> | <p>Not Applicable</p> |

| Profile Disclosure | Description | Reference (page references to WVW Annual Review 2017 unless otherwise specified) |
|-------------------------------------|---|--|
| Sector Specific Aspects | | |
| Affected Stakeholder Engagement | Processes for involvement of affected stakeholder groups in the design, implementation, monitoring and evaluation of policies and programs | Page 100. |
| Feedback, Complaints and Action | REQUIRED SECTOR SPECIFIC DMA* Mechanisms for feedback and complaints in relation to programs and policies and for determining actions to take in response to breaches of policies | Page 101. |
| Monitoring, Evaluation and Learning | REQUIRED SECTOR SPECIFIC DMA* System for program monitoring, evaluation and learning, (including measuring program effectiveness and impact), resulting changes to programs, and how they are communicated | Page 102. |
| Gender and Diversity | REQUIRED SECTOR SPECIFIC DMA* Measures to integrate gender and diversity into program design and implementation, and the monitoring, evaluation, and learning cycle | Page 103. |
| Public Awareness and Advocacy | REQUIRED SECTOR SPECIFIC DMA* Processes to formulate, communicate, implement, and change advocacy positions and public awareness campaigns | Page 106. |
| Coordination | REQUIRED SECTOR SPECIFIC DMA* Processes to take into account and coordinate with the activities of other actors | Page 23. |



GRI Compliance

Involvement of affected stakeholder groups

Involvement of affected stakeholder Groups in the design, implementation, monitoring and evaluation of policies and programmes

Community Participation is practiced as a foundational principle in our Learning through Evaluation with Accountability and Planning (LEAP) standards and explicitly includes participation of all partners. Partners/stakeholders include but are not limited to children and families, local communities and their organizations, and relevant government officials. Special focus is given to identify the most vulnerable children in communities and mechanisms have been developed to include them in the programme as well.

Further, design, monitoring and evaluation activities are considered as an opportunity to build capacity among programme partners and stakeholders. Community based participatory monitoring systems are

established, to capture their voice in the decision making process.

Programming staff respect the confidentiality of personal information disclosed by respondents. They obtain informed consent from respondents for the purposes for which their data will be used. Programming staff communicate evaluation findings in ways that clearly respect our partners' dignity and security.

In an emergency response, World Vision endeavours to ensure that people affected by disasters are active participants throughout the disaster management process – from the initial response through the rehabilitation process. Special attention is paid to children and other vulnerable groups.



Our primary accountability is to the children and communities we serve. Key principles that promote accountability to children and communities include transparency, openness, informed consent (providing children and communities with the information they need to make informed decisions), appropriate mechanisms for reporting concerns, and accountability for results (allowing communities to contribute to defining and measuring success). All programmes introduce appropriate mechanisms such as suggestion box to handle feedback and complaints.

Development programming approach was put into action through a suggested eight-standard steps approach. The steps include getting to know

each other, joint exploration, planning, co-creating, defining roles and expectations, managing and institutional and social sustainability in development. The programme staff follow these steps in collaboration with communities and local stakeholders. It leads staff and communities through a participatory, empowering process to research, design, manage and integrate into ongoing community structures and capabilities.

In an emergency response, people affected by disasters are always active participants throughout the disaster management process - from the initial response through the rehabilitation process. Special attention is accorded to children, women and other vulnerable groups.

GRI Compliance

Mechanisms for feedback and complaints

Mechanisms for feedback and complaints in relation to programmes and policies and for determining actions to take in response to breaches of policies .



GRI Compliance

Programme monitoring evaluation

Systems for programme monitoring, evaluation and learning, resulting changes to programmes and how they are communicated

Monitoring and evaluation systems are primarily based on Learning through Evaluation with Accountability and Planning (LEAP) standards of semi-annual and annual performance monitoring.

General programme and project reviews are done jointly by staff, children, community and the respective stakeholders, including the government. This leads to reflections, lessons learning and course correction required for the improvement of the project performance, effectiveness, management and sustainability.

This year with the migration to LEAP3 the Strategy was implemented and five Technical Approaches were introduced aligned to the Strategy for Health and Nutrition, Education, Water sanitation and Hygiene, Economic Development and Child Protection.

Additionally, regular monitoring is conducted through monthly

reporting and monthly management meetings within the programme team as part of programme management. During the last few years we made intentional efforts to improve programme quality by strengthening the design monitoring and evaluation system and processes, introducing evidence based programming, conduct Sponsorship research, CM piloting, enhancing staff competencies and capacities through DME competency plan and ensuring the required structures are in place.

This process has enabled us to align our programmes more effectively with our Child Well Being Targets to ensure our operations are geared with maximum bandwidth offering required depth and breadth for desired impact through enhancing the quality of the Child Well-being reporting. We have internationally accepted indicators with baselines and can track the progress of our programmes.

The communication of results and impacts is generally made through the monthly management report, annual and semi-annual reports. The dissemination of some significant results also takes place through a range of World Vision publications such as the annual report, child wellbeing report, quarterly newsletters, brochures, fact sheets and our dedicated website. Some of these are also featured in external media and in sponsors and donor owned websites and other publications.

Gender is one of the critical crosscutting programme themes identified and prioritised as important to all World Vision programmes. Our Learning through Evaluation with Accountability and Planning (LEAP) Guidelines state:

‘Sustainable development practice and impact cannot be achieved without explicit recognition that every policy, programme and project affects women and men differently. Addressing gender as a crosscutting issue requires that women’s views, interests and needs shape the development agenda as much as men’s, and that programme strategies support progress towards more equal relations between women and men, girls and boys.’

In the programme management cycle, the active participation of women is ensured during the assessment, design, implementation, monitoring, evaluation and reflection processes of both long-term development and emergencies. During the preliminary assessment processes, separate discussions with women and girl children are conducted to assess the context to identify issues faced by women and girls. After the discussions, women and girls actively participate in the designing process. The voice of women and girls are heard and included. Special emphasis is given to encourage women leadership in the programmes.



Recognising that gender issues are not solely about women, MenCare Project was initiated to promote men’s equitable involvement as caregivers in the lives of their partners and children. MenCare works with fathers to transform gender relationships and mobilises them to take action in their own communities to prevent violence against women and children and become role models in male-parenting.

Through the Community Change Programme both men and women receive equal opportunity to participate in addressing issues in their communities.

GRI Compliance

Integration of Gender

Measures to integrate gender and diversity into programme design, implementation, and the monitoring, evaluation and learning cycle



GRI Compliance

Mechanisms for workforce feedback

Mechanisms for workforce feedback, complaints, and their resolution

World Vision Lanka encourages a culture of performance, accountability and adherence to values and to this end, has in place several mechanisms to facilitate workforce feedback and complaints including a standard grievance policy. Staff are also encouraged to use the special mailbox to which any feedback or grievances could be sent.

The organization conducts an annual staff engagement survey among all staff globally where staff are encouraged to voice their sentiments about the organisation and how engaged they feel. The survey is anonymous and attracted this year a global response of around 90% of staff while Sri Lanka had a response rate of 99%.

World Vision Lanka responds to any concerns raised through this survey in a regular dialogue between management and staff at all levels.

Additionally, the Integrity and Protection Hotline (Whistle blower) is available to all staff for direct feedback of any grievances.

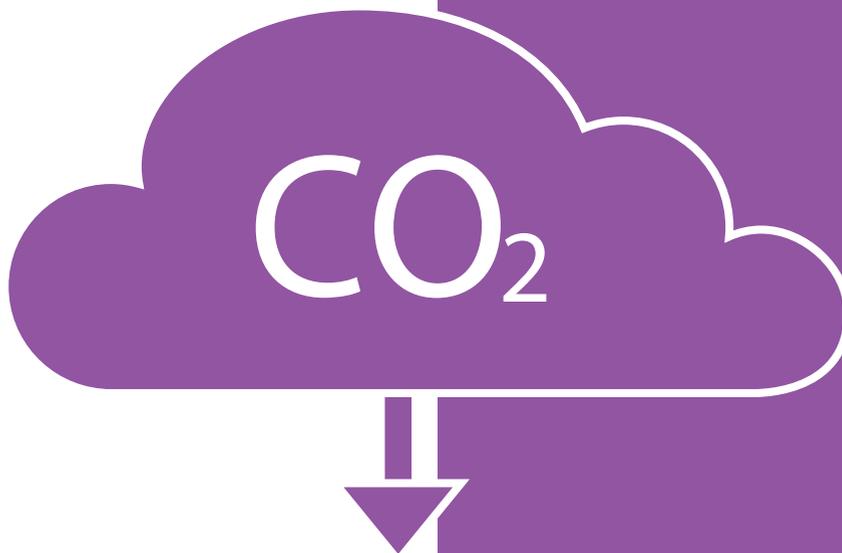
As the natural environment is critical for sustaining life – providing air, water, food and shelter – good stewardship plays an important part in ensuring the sustained well-being of children, families and communities.

We recognise the impacts that human activities can have on the natural environment and our planet’s climate; including our own activities as an organisation (air travel, energy and resource use, transportation, supply chain choices, etc.).

Over the last few years we have intentionally worked towards improving its environmental performance in an effort to reduce the organisation’s contribution to climate change and environmental degradation.

In 2010 we decided to track the carbon footprint of our operations in four selected areas - air travel, fuel consumption, electricity and paper use – which were identified as the most significant of our programmes.

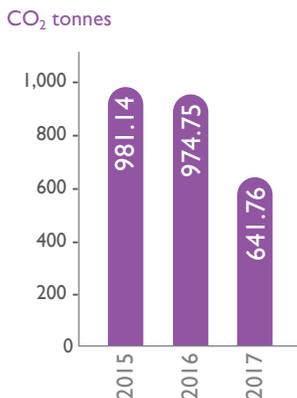
The emission of CO₂ which measured at 1,852.3 tonnes in 2010 as been reduced to just 244.41 tonnes and we have managed to maintain it below 500 for the past five years. Compared with last year, in 2017, there has been a decrease in the purchase of electricity, Paper use and the total CO₂ emission. We have also reduced our fleet to just 72 vehicles.



CO₂ Tonnes

| | FY15 | FY16 | FY17 |
|--------------------------------|--------|--------|--------|
| Purchased electricity | 389.16 | 386.90 | 244.18 |
| In house energy use | 23.32 | 22.07 | 25.22 |
| Vehicle fuel use | 446.97 | 433.16 | 244.41 |
| Paper use | 22.44 | 33.17 | 11.64 |
| Air travel | 99.25 | 99.45 | 116.32 |
| Total CO ₂ emission | 981.14 | 974.75 | 641.76 |
| Fleet | - | 176 | 72 |

Total CO₂ Emission



GRI Compliance

Direct and Indirect Emissions

Total direct emissions and indirect greenhouse gas emissions by weight



GRI Compliance

Advocacy Approaches

Involvement of affected stakeholder Groups in the design, implementation, monitoring and evaluation of policies and programmes

Advocacy cuts across all our work, sectoral initiatives and programmes. World Vision monitors gaps in implementation of policies that affect child wellbeing and strives to be a voice for the vulnerable. In advocacy, we attempt to influence decision-makers, government and its leaders through civic education and public campaigns.

In the year of reporting, World Vision continued its efforts to support the drafting of the Child Protection Policy for Sri Lanka, working closely with the National Child Protection Authority (NCPA) and the relevant ministry. World Vision also supported a research titled 'A Study on Child Disciplinary Methods Practiced in Schools in Sri Lanka' in 2017 which was commissioned by the NCPA. The long term goal of the study is to use its findings to bring policy changes in the sphere of corporal punishment. As a Party to international conventions

that mandate the protection of children against all forms of torture and violence, Sri Lanka is required to adhere to the principles set forth in these conventions and within the country's own legal framework.

As for collaborative advocacy work, World Vision joined the National Partnership to End Violence Against Children (NPEVAC) in Sri Lanka that was launched as a partnership between the government, the UN agencies, international organizations, civil society, faith groups, the private sector, the media, children and other key stakeholders.

World Vision Lanka, also launched its own campaign on ending violence against children; 'It Takes a Nation to end physical and sexual violence against children' responding to the dire need of the country.

In the reporting period World Vision also contributed to the review of the Nutritional advocacy action plan for Civil Society Organizations through the Scaling Up Nutrition (SUN) movement. This will contribute towards the implementation of the National Nutrition Policy and Maternal and Child Health and Nutrition policies.

In other sectors as well, World Vision supports rights-based advocacy and service related influencing in the sphere of WASH, education, gender-based violence and disability inclusion as a partner in larger coalitions.

World Vision also had the opportunity to participate in the Early Childhood Care and Development Policy revision to ensure greater collaboration among National and Provincial level stakeholders to uplift the standards and quality provided by early learning centres.

World Vision also continued to liaise with the Ministry of Sustainable Development and Wildlife of Sri Lanka, on the country SDG engagement process. This was seen as a pathway to be in the formal process of stakeholder input to the Voluntary National Review (VNR) of the country.

In the social accountability sphere, World Vision encourages and empowers citizens to engage directly with relevant authorities to seek sustainable solutions to issues that concern them. Over the last year World Vision continued to address a range of social accountability issues using local level advocacy, and child protection advocacy approaches, empowering the communities and strengthening their dialogue and relationship with local authorities in order to improve better service delivery.



Financial Review







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PricewaterhouseCoopers is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.

Independent Auditors' report

To the Members of World Vision Lanka (Guarantee) Limited

Report on the financial statements

1. We have audited the accompanying financial statements of World Vision Lanka (Guarantee) Limited, which comprise the statement of financial position as at 30 September 2017, and the statements of comprehensive Income, changes in reserves and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information as set out on pages 115 to 132.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Sri Lanka Statement of Recommended Practice for Not-for-Profit Organisations issued by the Institute of Chartered Accountants of Sri Lanka, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

4. In our opinion the financial statements give a true and fair view of the financial position of World Vision Lanka (Guarantee) Limited as at 30 September 2017, and its financial performance and its cashflows for the year then ended in accordance with the Sri Lanka Statement of Recommended Practice for Not-for-Profit Organisations issued by the Institute of Chartered Accountants of Sri Lanka.

Report on Other Legal and Regulatory Requirements

5. These financial statements also comply with the requirements of Section 151 (2) of the Companies Act No. 07 of 2007.


PRICEWATERHOUSE COOPERS
CHARTERED ACCOUNTANTS
14 August 2018
COLOMBO

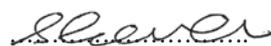
(all amounts in Sri Lanka Rupees)

| | Note | Year ended 30 September | |
|--|-------------|-------------------------|--------------------|
| | | 2017 | 2016 |
| Incoming resources | 4 | 3,366,595,070 | 3,064,874,087 |
| Project expenditure | | | |
| Direct staff costs | | 498,025,643 | 478,265,328 |
| Other direct costs | 5.1 | 2,390,143,215 | 2,020,282,486 |
| Indirect costs | | 271,554,777 | 294,728,272 |
| Total project costs | 5 | (3,159,723,635) | (2,793,276,086) |
| Net surplus on projects | 8 | 206,871,435 | 271,598,001 |
| Project administration costs | | (206,871,435) | (203,343,334) |
| Other revenue earned | 7 | 133,066,365 | 35,626,722 |
| Net surplus on operating activities before taxation | | 133,066,365 | 103,881,389 |
| Other expenses | 10 | (248,912) | (Nil) |
| Income tax expenses | 11.1 | (131,456,471) | (821,526) |
| Remission on income tax payable | 11.2 | 127,726,918 | (Nil) |
| Net surplus on operating activities after taxation | | 129,087,900 | 103,059,863 |
| Other Comprehensive Income | | | |
| (Loss) / gains due to change in assumptions on defined benefit obligations | 21 | (2,670,115) | 26,435,542 |
| Total Comprehensive Income for the year | | 126,417,785 | 129,495,405 |

(all amounts in Sri Lanka Rupees)

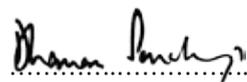
| | Note | 30 September | |
|---|--------|----------------------|----------------------|
| | | 2017 | 2016 |
| ASSETS | | | |
| Non-current assets | | | |
| Land and buildings | 12 | 311,301,445 | 326,877,519 |
| Investments | 13 | 250,000,000 | 243,358,360 |
| | | 561,301,445 | 570,235,879 |
| Current assets | | | |
| Receivables | 14 | 20,128,825 | 53,729,517 |
| Deposits and prepayments | 15 | 24,778,012 | 20,515,896 |
| Grant receivable | 16 | 248,824,316 | 172,179,460 |
| Remission receivable | 23 (b) | 127,726,918 | - |
| Cash and cash equivalents | 17 | 453,581,312 | 230,370,459 |
| | | 875,039,384 | 476,795,332 |
| Total assets | | 1,436,340,829 | 1,047,031,211 |
| FUNDING AND LIABILITIES | | | |
| Accumulated fund | | | |
| Unrestricted funds | 18 | 506,715,955 | 411,202,659 |
| Restricted funds | 19 | 199,338,731 | 121,630,830 |
| Designated fund | 20 | 21,202,034 | Nil |
| | | 727,256,720 | 532,833,489 |
| Non-current liabilities | | | |
| Defined benefit obligations | 21 | 235,702,769 | 212,746,789 |
| | | 235,702,769 | 212,746,789 |
| Current liabilities | | | |
| Payables and provisions | 22 | 316,306,568 | 272,468,968 |
| Income tax liabilities | 23 (a) | 157,074,772 | 28,981,965 |
| | | 473,381,340 | 301,450,933 |
| Total liabilities | | 709,084,109 | 514,197,722 |
| Total accumulated fund and liabilities | | 1,436,340,829 | 1,047,031,211 |

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act, No. 07 of 2007.

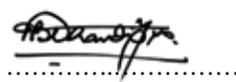


Finance Director

The World Vision Lanka (Guarantee) Limited is responsible for the preparation and presentation of these financial statements. The financial statements were authorised for issue by the Board of Directors on 14 August 2018.



Director



Director

(all amounts in Sri Lanka Rupees)

| | Restricted funds | Designated funds | Unrestricted funds | Total |
|--|--------------------|-------------------|--------------------|--------------------|
| Balance as at 1 October 2015 | 83,995,337 | Nil | 320,662,035 | 404,657,372 |
| Surplus for the year | 37,635,493 | Nil | 65,424,370 | 103,059,863 |
| Other comprehensive income for the year | Nil | Nil | 26,435,542 | 26,435,542 |
| Currency Translation difference | Nil | Nil | (1,319,288) | (1,319,288) |
| Balance at 30 September 2016 | 121,630,830 | Nil | 411,202,659 | 532,833,489 |
| Balance at 30 September 2016 | 121,630,830 | Nil | 411,202,659 | 532,833,489 |
| Reclassification of balance | 10,571,874 | Nil | (10,571,874) | Nil |
| Restated balance | | | | |
| as at 30 September 2016 | 132,202,705 | Nil | 400,630,785 | 532,833,489 |
| Balance as at 1 October 2016 | 132,202,705 | Nil | 400,630,785 | 532,833,489 |
| Fund received during the year | 3,434,594,987 | Nil | Nil | 3,434,594,987 |
| Funds transferred to | (3,366,595,070) | Nil | Nil | (3,366,595,070) |
| Statement of Comprehensive income | | | | |
| Surplus for the year | Nil | Nil | 129,087,900 | 129,087,900 |
| Other comprehensive income for the year | Nil | Nil | (2,670,115) | (2,670,115) |
| Transfers to Unrestricted fund (Note 18) | (863,890) | Nil | 863,890 | Nil |
| Transfers to Designated fund (Note 20) | Nil | 21,202,034 | (21,202,034) | Nil |
| Currency Translation difference | Nil | Nil | 5,529 | 5,529 |
| Balance at 30 September 2017 | 199,338,731 | 21,202,034 | 506,715,955 | 727,256,720 |

The notes on pages 115 to 132 form an integral part of these financial statements

(all amounts in Sri Lanka Rupees)

| | Note | Year ended 30 September | |
|---|-----------|-------------------------|---------------------|
| | | 2017 | 2016 |
| Cash flows from operating activities | | | |
| Cash flows used in operations | 24 | 119,796,588 | 116,345,382 |
| Gratuity paid | 21 | (19,397,882) | (6,905,780) |
| Tax paid | | (3,612,577) | (373,939) |
| Net cash flows generated from / (used in) operating activities | | 96,786,129 | 109,065,663 |
| Cash flows from investing activities | | | |
| Sale of assets and other disposable items | 7 | 63,238,292 | 8,332,179 |
| Purchase of land and buildings | 12 | Nil | (34,485,214) |
| Interest received | 7 | 69,828,073 | 27,294,543 |
| Investment in interest bearing instruments. | 13 | (6,641,640) | (68,682,126) |
| Net cash flows used in investing activities | | 126,424,725 | (67,540,618) |
| Net increase / (decrease) in cash and cash equivalents | | 223,210,854 | 41,525,045 |
| Movement in cash and cash equivalents | | | |
| Beginning of the year | 17 | 230,370,459 | 188,845,414 |
| Increase / (Decrease) | | 223,210,854 | 41,525,045 |
| End of the year | 17 | 453,581,313 | 230,370,459 |

(In the notes all amounts are shown in Sri Lanka Rupees unless otherwise stated)

I. General information

- I.1 World Vision Lanka (Guarantee) Limited (World Vision Lanka) was incorporated under section 21 of the Companies Act, No.17 of 1982 and re-registered under Companies Act No, 07 of 2007 as a company limited by guarantee.

The registered office is located at 619/8, Dr. Danister De Silva Mawatha, Colombo-9. The object of the World Vision Lanka is to help destitute, needy and orphan children including families and communities without discrimination of nationality, caste or creed and to undertake relief of those affected by natural calamities and during emergencies and to help the poor and needy to achieve self reliance.

The activity of World Vision Lanka focuses on four main sectors namely; economic development, education, health and nutrition and water and sanitation including the cross cutting areas, such as protection including child protection, environment, gender and peace building. To achieve these objectives, World Vision Sri Lanka carries out various projects located around various regions of Sri Lanka.

- I.2 World Vision Lanka is domiciled in Sri Lanka and is the local representation of World Vision International. Even though World Vision Sri Lanka is incorporated as a company, it has all the characteristics of a not for profit organization. Hence, it prepares financial statements in accordance with the statement of Recommended Practice for not for profit organizations.

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.

- I.3 The notes to the financial statement on pages 115 to 132 form an integral part of the financial statements.

- I.4 The notes to the financial statements are in Sri Lankan Rupees (LKR) unless otherwise indicated.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below:

These policies have been consistently applied in all the years of financial statement presentation, unless otherwise stated.

2.1 Basis of preparation

The balance sheet, statement of financial activities, statement of changes in accumulated fund and the cash flows together with the accounting policies and notes to the financial statements comply with the World Vision International Policies and Sri Lanka Statement of

Recommended Practice for Not-for-Profit Organisations issued by the Institute of Chartered Accountants of Sri Lanka.

The financial statements have been prepared on a historical basis.

2.2 Foreign currency transactions

2.2.1 Functional currency and presentation currency

The financial statements are prepared and presented in Sri Lankan Rupees which is the functional and presentation currency of the organisation.

2.2.2 Translation into presentation currency

(a) All foreign exchange transactions are converted into LKR at the rate of monthly average exchange rate prevailing in the month in which the transactions were effected.

| Currency | Closing Rate | | Average Rate | |
|----------|--------------|------------|--------------|--------|
| | 30-09-2017 | 30-09-2016 | 2017 | 2016 |
| USD | 151.44 | 144.84 | 149.81 | 143.98 |

2.3 Land and buildings

Buildings are initially recorded at cost and stated at historical cost less depreciation. Land is not depreciated. Buildings are depreciated on a straight line basis to write-off the cost of the building to its residual value over its estimated useful life time. Useful life of the building is estimated to be 20 years. The elevators are included under building asset class and the useful life is estimated to be 10 years.

2.4 Plant and equipment

All plant and equipment are charged directly into expenses as it is deemed that they are purchased directly or indirectly for the purpose of project activities.

2.5 Receivables

Receivables are carried at anticipated realizable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year end. Irrecoverable balances are written-off during the year in which they are identified.

2.6 Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks and term deposits.

2.7 Funds

a) Unrestricted Funds

Unrestricted funds are those that are available for use by World Vision Lanka at the discretion of the Board, in furtherance of the general objectives and which are not

designated for specific purposes.

Surplus funds, if applicable are transferred from restricted funds to unrestricted funds in terms of the relevant Donor Agreements or with the prior approval of the Donor.

Contributions received from the general public are recognized in the statement of comprehensive Income on a cash basis.

b) Restricted Funds

Where grants are received for use in an identified project or activity, such funds are held in a restricted fund account and transferred to the statement of financial activities to match with expenses incurred in respect of that 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.

Funds collected through a fund raising activity for any specific or defined purpose are also included under this category.

Where approved grant expenditure exceeds the income received and there is certainty that the balance will be received such amount is recognized through receivables 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.

2.8 Provisions

Provisions are recognised when the Company has present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligations using the pre-tax rate that reflects current market assessment of the time value of money and risks specific to the obligations. The increase in the provision due to passage of time is recognised as interest expense.

2.9 Employee benefits

a) Defined benefit obligations

Defined benefit plans define an amount of benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit plans are the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets if any, together with adjustments for unrecognised past service cost. The defined benefit obligation is calculated by the Company using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using the interest rates of government bonds in the absence of mature market corporate bonds in Sri Lanka. The government bonds are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Past service costs are recognised immediately in income, unless the changes to the plan are conditional on the employees remaining in service for a specific period of time (the vesting period). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

b) Defined contribution plans

All employees are members of the Employees' Provident Fund and Employees' Trust Fund, to which the Company contributes 15% and 3% respectively of such employees' basic or consolidated wage or salary. The company has no further obligation.

c) Short term employee benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Company.

2.10 Income recognition

a) Incoming Resources

Income realized from restricted funds is recognized in the Statement of Comprehensive Income only when there is certainty that all of the conditions for receipt of the funds have been complied with and the relevant expenditure that is expected to compensate has been incurred and charged to the Statement of Comprehensive Income. Unutilised funds are carried forward as such in the balance sheet.

Gifts and donations received in kind are recognised at valuation at the time that they are distributed to beneficiaries, or if received for resale with proceeds being used for the purposes of the Project at the point of such sale.

All other income is recognised when the Company is legally entitled to the use of such funds and the amount can be quantified. This would include income receivable through fund raising activities and donations.

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

b) Revenue

Interest earned is recognised on an accrual basis.

Net gains and losses on the disposal of property, plant and equipment and other non current assets, including investments, are recognised in the Statement of Comprehensive Income after deducting from the proceeds on disposal, the carrying value of the item disposed of and any related selling expenses.

Other income is recognised on an accrual basis.

2.11 Expenditure recognition

Expenses in carrying out projects and other activities of World Vision Lanka are recognised in the statement of financial activities during the period in which they are incurred. Other expenses incurred in administration, restoring and maintaining of property, plant and equipment are accounted for on an accrual basis and charged to the statement of financial activities.

2.12 Deferred income / expenses

Where funds earmarked for projects are not fully utilised at the date of the Statement of Financial Position, such amounts are carried forward as deferred income.

Where expenses of projects exceed earmarked funds received and it is certain that donors will reimburse these expenses, such amounts at balance sheet date are carried forward as deferred expenses.

2.13 Income Tax Expense

Income tax is provided in accordance with the provisions of the Inland Revenue Act No. 10 of 2006, on the profits earned by World Vision Lanka (Guarantee) Limited and in terms of section 96A; and is based on the elements of income and expenditure reflected in the Statement of Comprehensive income and on the elements of grants received, subject to exceptions referred to in Note 25 to the financial statement.

2.14 Changes in accounting policies

Accounting Policies have been consistently applied from previous years

2.15 Comparatives

Previous year's figures and phrases have been re-arranged whenever necessary, to conform to the current year's presentation.

Unrestricted Funds and Restricted Funds

An amount of LKR 10,571,874 has been reclassified from unrestricted funds to restricted funds due to incorrect classification

| | Year end 30 September 2017 | |
|--------------------|----------------------------|------------------------|
| | Effect of reclassification | After reclassification |
| Unrestricted Funds | (10,571,874) | 400,630,745 |
| Restricted Funds | 10,571,874 | 132,202,704 |

3. Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

a) Defined benefit plan - Gratuity

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for defined benefit obligations include the discount rate, future salary increment rate, mortality level, withdrawal and disability rates and retirement age. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that is used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Company considers the interest rates of government treasury bonds and the existing and expected inflation rates.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 20.

4. Incoming resources

| | 2017 | 2016 |
|----------------------------|----------------------|----------------------|
| Grants-Restricted Fundings | 3,366,595,070 | 3,064,874,087 |
| | 3,366,595,070 | 3,064,874,087 |

5. Project expenditure

| | 2017 | 2016 |
|-------------------------|----------------------|----------------------|
| Government-Grant | 567,577,070 | 372,616,063 |
| Private Non-Sponsorship | 301,796,998 | 490,431,450 |
| Sponsorship | 2,290,349,567 | 1,930,228,573 |
| | 3,159,723,635 | 2,793,276,086 |

5.1 Other direct costs

| | 2017 | 2016 |
|------------------------------|----------------------|----------------------|
| Beneficiaries cost | 2,074,013,153 | 1,734,759,576 |
| Logistical support services | 116,699,513 | 123,317,001 |
| Transport and storage | 97,557,332 | 77,126,888 |
| Training | 19,440,926 | 36,422,344 |
| Communication and networking | 26,027,858 | 23,536,713 |
| Printing and stationary | 16,489,272 | 9,604,334 |
| Other cost | 39,915,161 | 15,515,630 |
| | 2,390,143,215 | 2,020,282,486 |

6. Project Activity Summary

| Project | Transferred from Restricted Fund | | Country of Funding | Total amount expended | | | Surplus/ (deficit) on project |
|--|------------------------------------|--------------------|--------------------|-----------------------|--------------------|-------------------|-------------------------------------|
| | Organization | Amount | | Direct Staff | Other direct | Other indirect | |
| Education and Life Skills | Direct Funding | 66,570,853 | Korea and Germany | 15,341,497 | 43,656,377 | 7,572,979 | 66,570,853 |
| | World Vision International Funding | 236,873,437 | Refer note below | 41,059,228 | 163,315,063 | 32,499,145 | 236,873,437 |
| | Local Funding | 5,479,977 | Sri Lanka | (8,935) | 5,353,846 | 135,066 | 5,479,977 |
| | | 308,924,267 | | 56,391,791 | 212,325,285 | 40,207,190 | 308,924,267 |
| Health and Nutrition | Direct Funding | 70,051,869 | Korea and Germany | 10,213,783 | 53,683,393 | 6,154,693 | 70,051,869 |
| | World Vision International Funding | 300,003,672 | Refer note below | 38,073,724 | 232,365,264 | 29,564,684 | 300,003,672 |
| | Local Funding | - | Sri Lanka | - | - | - | - |
| | | 370,055,541 | | 48,287,507 | 286,048,657 | 35,719,377 | 370,055,541 |
| Water and Sanitation | Direct Funding | 96,270,438 | Korea and Germany | 7,528,900 | 81,443,005 | 7,298,533 | 96,270,438 |
| | World Vision International Funding | 289,022,449 | Refer note below | 24,253,394 | 246,666,128 | 18,102,926 | 289,022,449 |
| | Local Funding | 13,853,335 | Sri Lanka | - | 13,759,494 | 93,841 | 13,853,335 |
| | | 399,146,222 | | 31,782,295 | 341,868,627 | 25,495,300 | 399,146,222 |
| Economic Development | Direct Funding | 120,968,104 | Korea and Germany | 13,267,248 | 100,377,997 | 7,322,860 | 120,968,104 |
| | World Vision International Funding | 423,742,287 | Refer note below | 50,076,851 | 345,808,779 | 27,856,656 | 423,742,287 |
| | Local Funding | 75,578,136 | Sri Lanka | 20,353,027 | 51,716,114 | 3,508,995 | 75,578,136 |
| | | 620,288,527 | | 83,697,126 | 497,902,891 | 38,688,511 | 620,288,527 |
| Emergency Response, Disaster Mitigation, Agriculture and Food Security | Direct Funding | - | Korea and Germany | - | - | - | - |
| | World Vision International Funding | 325,334,210 | Refer note below | 28,225,289 | 285,705,587 | 11,403,334 | 325,334,210 |
| | Local Funding | 9,352,053 | Sri Lanka | - | 8,943,463 | 408,590 | 9,352,053 |
| | | 334,686,263 | | 28,225,289 | 294,649,051 | 11,811,924 | 334,686,263 |

| Project | Transferred from Restricted Fund | | | Country of Funding | | | Total amount expended | | | Surplus/ (deficit) on project |
|--|------------------------------------|----------------------|-------------------|--------------------|----------------------|--------------------|-----------------------|---|--|-------------------------------|
| | Organization | Amount | | Direct Staff | Other direct | Other indirect | Total | | | |
| Child Protection, Community Engagement for Child Wellbeing and Child Sponsorship | Direct Funding | 83,111,861 | Korea and Germany | 12,475,793 | 63,987,926 | 6,648,142 | 83,111,861 | - | | |
| | World Vision International Funding | 737,108,164 | Refer note below | 116,053,178 | 555,314,843 | 65,740,143 | 737,108,164 | - | | |
| | Local Funding | 5,528,006 | Sri Lanka | 948,711 | 4,302,818 | 276,477 | 5,528,006 | - | | |
| | | 825,748,031 | | 129,477,681 | 623,605,588 | 72,664,762 | 825,748,031 | - | | |
| Capacity Building of Partner Organisations, Networking and Peace Building | Direct Funding | 91,901,331 | Korea and Germany | 13,795,167 | 70,754,950 | 7,351,214 | 91,901,331 | - | | |
| | World Vision International Funding | 207,189,861 | Refer note below | 32,620,778 | 156,090,532 | 18,478,551 | 207,189,860 | - | | |
| | Local Funding | 1,783,592 | Sri Lanka | 700,000 | 942,000 | 141,592 | 1,783,592 | - | | |
| | | 300,874,784 | | 47,115,944 | 227,787,482 | 25,971,357 | 300,874,783 | - | | |
| Total Project Funding/Cost | | 3,159,723,636 | | 424,977,634 | 2,484,187,580 | 250,558,422 | 3,159,723,635 | - | | |
| Administration | | 206,871,435 | | - | - | - | 206,871,435 | - | | |
| Total | | 3,366,595,070 | | 424,977,634 | 2,484,187,580 | 250,558,422 | 3,366,595,070 | - | | |

Project Expenditure by Country for World Vision International Funding

| Funding Country | Direct Staff Cost | Other Direct Cost | Indirect cost | Total |
|-----------------|--------------------|----------------------|--------------------|----------------------|
| Australia | 137,691,853 | 762,827,930 | 63,813,646 | 964,333,429 |
| Canada | 77,699,140 | 268,417,503 | 36,977,506 | 383,094,149 |
| Finland | 6,714,310 | 29,017,472 | 5,105,116 | 40,836,898 |
| Honkong | 51,267,825 | 310,967,877 | 44,544,848 | 406,780,550 |
| Japan | 9,009,249 | 13,453,387 | 3,013,409 | 25,476,046 |
| Malaysia | 8,006,781 | 28,430,478 | 6,339,562 | 42,776,821 |
| Singapore | 6,476,131 | 41,276,368 | 5,222,117 | 52,974,615 |
| Taiwan | 24,954,619 | 114,074,354 | 16,722,332 | 155,751,304 |
| USA | 74,824,407 | 329,479,002 | 42,946,859 | 447,250,267 |
| Total | 396,644,314 | 1,897,944,371 | 224,685,395 | 2,519,274,080 |

7. Other revenue earned

| | 2017 | 2016 |
|---|--------------------|-------------------|
| Interest income | 69,828,073 | 27,294,543 |
| Sale of assets and other disposable items | 63,238,292 | 8,332,179 |
| | 133,066,365 | 35,626,722 |

Interest income is stated net of withholding taxes deducted at source.

8. Operating activities

The following items have been charged in arriving at net surplus

| | 2017 | 2016 |
|---|----------------------|----------------------|
| Project expenses (excluding staff cost) | 2,390,143,215 | 2,020,282,486 |
| Employee benefits (Note 9) | 741,805,891 | 743,372,908 |
| Audit fee and related expenses | 1,500,000 | 1,500,000 |
| | 3,133,449,106 | 2,765,155,394 |

9. Staff cost

| | 2017 | 2016 |
|--------------------------------------|--------------------|--------------------|
| Salaries and benefits | 596,700,487 | 606,708,114 |
| Defined contribution plan | 105,421,657 | 93,717,146 |
| Defined benefit obligation (Note 21) | 39,683,747 | 42,947,648 |
| | 741,805,891 | 743,372,908 |

The average monthly number of employees in 2017 was 525 (2016 - 521) all of whom were full time employees.

10. Other expenses

Other expenses wholly consists of tax penalties on other income tax under paid for the year 2012/2013.

11. Tax

Effective 1 April 2006, the Company became liable to Non Governmental Organization (NGO) tax which effective 1 April 2011 was at a rate of 28% on 3% of grants received as per Section 102 (1) of Inland Revenue Act, No. 10 of 2006. Based on Sub Section (3) of Section 102 the Company is eligible to apply for remission of income tax payable provided that the Commissioner General of Inland Revenue is satisfied that the Company had utilised the grants received for activities specified in the Act qualifying for remission and such activities have been carried out in areas identified by the Government for such purpose. Accordingly, the Company has applied for remission in each year of assessment in which the Company became liable for the NGO tax. Pending Commissioner General's clearance of the remission applied, the Company has accounted for the income tax payable and remission receivable for the respective years of assessment.

The Company is also liable to income tax on interest and other income at rates specified by the Inland Revenue Department. The interest income on which income tax has been deducted at source by the financial institutions in which deposits have been made.

11.1 Tax on grants and donations received

| | 2017 | 2016 |
|--|--------------------|----------------|
| Total grants and donation received | 3,434,594,987 | 3,064,874,087 |
| Deemed profit-3% of grants and donations received | 103,037,850 | 91,946,223 |
| Tax charge at 28% | 28,850,597 | 25,744,942 |
| Income tax charge for the year | | |
| Charge for current year (2017/2018) | 28,850,597 | 821,526 |
| Under provision in respect of previous years (2013/2014, 2014/2015, 2015/2016 and 2016/2017) | 100,116,753 | Nil |
| Tax on other income 2012/2013 | 2,489,121 | Nil |
| | 131,456,471 | 821,526 |

11.2 Remission on income tax payable

| | 2017 | 2016 |
|---|--------------------|------------|
| Estimated in respect of current year (2017/2018) | 27,647,700 | Nil |
| Estimated in respect of previous year (2013/2014, 2014/2015, 2015/2016 and 2016/2017) | 100,079,218 | Nil |
| | 127,726,918 | Nil |

12. Land and buildings

12.1 a) Cost

| Description | Additions | Disposals | Balance as at 30 September 2017 |
|--------------|--------------------|------------|---------------------------------------|
| Land | 73,704,300 | Nil | 73,704,300 |
| Building | 268,069,962 | Nil | 268,069,962 |
| Total | 341,774,262 | Nil | 341,774,262 |

Depreciation has been charged on a straightline basis as follows;

Building
Lift

12.2 Accumulated Depreciation

| Description | Additions | Disposals | Balance as at 30 September 2017 |
|--------------|-------------------|-------------------|---------------------------------------|
| Land | Nil | Nil | Nil |
| Building | 14,896,743 | 15,576,074 | 30,472,817 |
| Total | 14,896,743 | 15,576,074 | 30,472,817 |

12.3 Net book value

| | | |
|--------------------------|--------------------|--------------------|
| Cost | 341,774,262 | 341,774,262 |
| Accumulated depreciation | (30,472,817) | (14,896,743) |
| Net book value | 311,301,445 | 326,877,519 |

b) Project Assets not included in Statement of Financial Position

| Item | Balance as at 1/10/2016 | Additions | Disposals | Balance as at 30/09/2017 |
|---------------------|----------------------------|-------------------|-------------------|-----------------------------|
| Motor Vehicles | 510,865,250 | 29,600,000 | 60,210,250 | 600,675,500 |
| Motorbikes | 8,908,257 | 5,022,980 | 1,178,820 | 15,110,057 |
| Trailer and Bowsers | 20,700,350 | Nil | Nil | 20,700,350 |
| Grand Total | 540,473,857 | 34,622,980 | 61,389,070 | 636,485,907 |

13. Investments

Investments mainly consist of fixed deposits. The fixed deposits are with National Development Bank.

| | 2017 | 2016 |
|-------------|-------------|-------------|
| Investments | 250,000,000 | 243,358,360 |

The above deposits are held for the purpose of payment of staff gratuity and repatriation allowance. The average interest rate of these deposits denominated in LKR is 13%.

14. Receivables

| | 2017 | 2016 |
|---|-------------------|-------------------|
| Advances | 5,666,028 | 2,099,947 |
| Interest receivable | 348,750 | 519,679 |
| Receivable from related party (Note 27) | 570,620 | Nil |
| Other receivables | 13,543,427 | 51,109,891 |
| | 20,128,825 | 53,729,517 |

15. Deposits and prepayments

| | 2017 | 2016 |
|-------------|-------------------|-------------------|
| Deposits | 2,671,996 | 1,721,996 |
| Prepayments | 22,106,016 | 18,793,900 |
| | 24,778,012 | 20,515,896 |

16. Grant receivable

| | 2017 | 2016 |
|---------------------------------------|--------------------|--------------------|
| Fund received from restricted sources | 2,560,181,843 | 2,555,987,929 |
| Less- Program expenses | (2,809,006,159) | (2,728,167,389) |
| Grant receivable / (payable) amount | 248,824,316 | 172,179,460 |

This represents excess expenses incurred over restricted sources, which is receivable from World Vision International.

17. Cash and cash equivalents

| | 2017 | 2016 |
|--------------------------|--------------------|--------------------|
| Cash in hand | 710,315 | 269,999 |
| Short term bank deposits | 545,049,351 | 216,421,244 |
| Cash at bank | (92,178,353) | 13,679,216 |
| | 453,581,312 | 230,370,459 |

The average interest rate on short term deposit is 9.4%.

18. Unrestricted funds

| | 2017 | 2016 |
|--|--------------------|--------------------|
| Balance at beginning of the year | 411,202,659 | 320,662,035 |
| Restatement adjustment | (10,571,874) | Nil |
| Unrestricted surplus in operating activities | 129,093,427 | 64,105,082 |
| Unrestricted surplus / (Deficit) in Other comprehensive income (Note 21) | (2,670,115) | 26,435,542 |
| Transfer (to) / from restricted fund | 863,890 | Nil |
| Transfers to designated fund | (21,202,034) | Nil |
| Balance at end of the year | 506,715,953 | 411,202,659 |

19. Restricted funds

| | 2017 | 2016 |
|--|--------------------|--------------------|
| Balance at beginning of the year | 121,630,830 | 83,995,337 |
| Restatement adjustment | 10,571,874 | Nil |
| Funds received / receivable during the year | 3,434,594,987 | Nil |
| Transfer to statement of comprehensive income | (3,366,595,070) | Nil |
| Transfer (to) / from unrestricted fund | (863,890) | Nil |
| Restricted (deficit) / surplus in operating activities | Nil | 37,635,493 |
| Balance at end of the year | 199,338,732 | 121,630,830 |

20. Designated funds

| | 2017 | 2016 |
|---|-------------------|------------|
| Balance as at beginning of year | Nil | Nil |
| Additional Funds received during the year transferred from unrestricted funds | 21,202,034 | Nil |
| Transfer to Statement of Financial Activities | Nil | Nil |
| Balance as at year end | 21,202,034 | Nil |
| Designated for | | |
| Building maintenance | 21,202,034 | Nil |
| Balance at end of the year | 21,202,034 | Nil |

21. Defined benefit obligations

| | 2017 | 2016 |
|--|--------------------|--------------------|
| Balance at beginning of the year | 212,746,789 | 203,140,463 |
| Current Service Cost | 22,000,001 | 20,348,870 |
| Interest Cost | 17,683,746 | 22,598,778 |
| Losses/(gains) due to change in gratuity assumptions | 2,670,115 | (26,435,542) |
| Payment made during the year | (19,397,882) | (6,905,780) |
| Balance at the end of the year | 235,702,769 | 212,746,789 |

This obligation which is externally funded is based on the formula method prescribed by Institute of Chartered Accountants of Sri Lanka, specified in Sri Lanka Financial Reporting Standards No.19 "Employee Benefits". The principal assumptions used for this purpose are as follows:

| | 2017 | 2016 |
|------------------------------|--------|--------|
| Discount rate per annum | 9.08% | 10.00% |
| Annual salary increment rate | 9.00% | 9.50% |
| Retirement age | 57 yrs | 57 yrs |

All staff recruited since 4th May 2017, the retirement age would be 55 yrs

22. Payables and Provisions

| | 2017 | 2016 |
|------------------------------------|--------------------|--------------------|
| Accrued expenses | 236,637,770 | 160,041,967 |
| Retention (See (a) below) | 27,050,434 | 25,610,794 |
| Loyalty provision | 41,477,860 | 41,638,460 |
| Payable to related party (Note 27) | 11,140,504 | 45,177,747 |
| | 316,306,568 | 272,468,968 |

(a) Retention represents 5% on contract value in respect of all the constructions completed and held for a period of 6 months subsequent to completion.

23. (a) Income tax payable

| | 2017 | 2016 |
|---|--------------------|-------------------|
| At beginning of year | 28,981,965 | 28,534,378 |
| Income Tax charge for the year | 28,850,597 | 821,526 |
| Income tax under provided in prior year | 100,116,753 | Nil |
| Income tax paid | (874,543) | (373,939) |
| At end of year | 157,074,772 | 28,981,965 |

(b) Remission on income tax receivable

| | 2017 | 2016 |
|---|--------------------|------------|
| At beginning of year | Nil | Nil |
| Estimated as receivable for the years of assessment 2013/2014, 2014/2015, 2015/2016 and 2016/2017 | 100,079,218 | Nil |
| Estimated as receivable for the current year | 27,647,700 | Nil |
| | 127,726,918 | Nil |

24. Cash used in operating activities

| | 2017 | 2016 |
|---|--------------------|--------------------|
| Surplus of income over expenditure | 133,066,365 | 103,881,389 |
| Adjustments for: | | |
| Defined benefit obligations (Note 21) | 39,683,747 | 42,947,648 |
| Exchange difference on revaluation | 5,527 | (1,319,288) |
| Sale of assets and other disposable items | (63,238,292) | (8,332,179) |
| Interest income (Note 7) | (69,828,073) | (27,294,543) |
| Building Depreciation | 15,576,074 | 14,896,743 |
| Fund balance adjustments to incoming resources | 67,999,917 | - |
| Operating surplus / (deficit) before working capital changes | 123,265,266 | 124,779,770 |

Changes in working capital

| | | |
|---|--------------------|--------------------|
| Decrease/ (increase) in receivables | 33,600,692 | (13,153,035) |
| (Increase) /decrease in prepayments and deposits | (4,262,116) | 6,959,364 |
| Increase in payables | 43,837,600 | 106,839,504 |
| (Increase) /decrease in grant receivable | (76,644,856) | (109,080,221) |
| Cash generated from / (used in) operating activities | 119,796,586 | 116,345,382 |

25. Contingent liabilities

The Company had applied for remission of NGO tax from the Commissioner General of Inland Revenue under Section 102(3) of the Inland Revenue Act, No. 10 of 2006 (subsequently amended by Amendment Act, No. 10 of 2007) on basis that the operational activities engaged in are in relation to:

- a) Provision of relief and Infrastructure facilities , Livelihood support, poverty alleviation supported activities to displaced persons in area identified by the Government for such rehabilitation Purposes ; and
- b) other activities approved by the Minister as being humanitarian in nature, taking into consideration the nature and gravity of any disaster and the magnitude of relief consequently required to be provided.

The Company has obtained remissions up to year of assessment 2012/2013 and has applied for remission in respect of the years of Assessments 2013/2014 to 2017/2018 and are awaiting clearance from the Inland Revenue Department (Note 23(b)).

In the event the remission granted by the Inland Revenue Department is less than the remission estimated and applied for in respect of the year of assessment 2013/2014 to 2017/2018 there will be additional tax payment to be made by the Company.

26. Commitments

Capital commitments

There were no material capital commitments outstanding at the balance sheet date.

Financial commitments

There were no material financial commitments outstanding at the balance sheet date.

27. Directors' interest and related party transactions

The company represents World Vision International locally, and receives funding from World Vision International and its offices in various countries as disclosed in Note 4. The directors of the company during the financial year were ;

Mr. Jan De Waal

Dr. Dhanan Senathirajah

Rt. Rev. Dhiloraj Canagasabey

Ms.Suzette De Alwis

Mr.Ramesh Schaffter

Mr.Chandimal Mendis

Mr. Ravi Algama

Ms. Felicia Adhihetty

Brigadier Rizvy Zacky

Appointed on 22nd September 2017

The director, Mr. Ramesh Schaffter is also the director of Janashakthi General Insurance Ltd. and Janashakthi Insurance PLC, from whom World Vision Lanka obtained staff Health and Life Insurance cover. The balances arising from transactions on same is given below;

a) Purchase of services

| Nature of transactions | 2017 | 2016 |
|------------------------------|------------|------|
| Staff Health Insurance cover | 26,435,007 | Nil |
| Staff life cover | 2,062,520 | Nil |

The director was not directly involved in above contracts as World Vision Lanka selected supplier using competitive bidding process as in previous years.

The directors Dr Dhanan Senathirajah and Ms Felicia Adhihetty are also directors of Vision Fund Lanka Limited. The directors were not directly or indirectly involved in any contracts with the Company during the year ended 30 September 2017. The balances arising from transactions with Vision Fund Lanka Limited are as follows;

b) Purchase of services

| Nature of transactions | Amount paid / (received) | |
|---|--------------------------|-------------|
| | 2017 | 2016 |
| Partner Contribution for Economic sector activities (through Vision Fund International) | 75,823,603 | 45,177,747 |
| GC Email System fee reimbursement | (570,620) | (2,330,000) |

c) Outstanding balances arising from transactions with related parties.

| | 2017 | 2016 |
|---|--------------|--------------|
| Amount due (to) / from Vision Fund Lanka Ltd - Balance as at 30 September | 570,620 | (45,177,747) |
| Amount due (to) / from Vision Fund International - Balance as at 30 September | (11,140,504) | Nil |
| Amount due from World Vision International as at 30 September (Note 16) | 248,824,316 | 172,179,460 |

d) Key management compensation

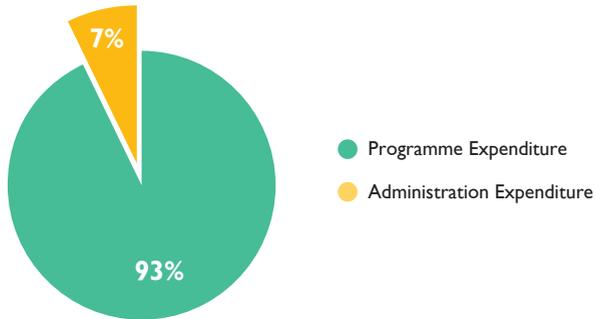
| | 2017 | 2016 |
|------------------------------|------------|-----------|
| Short term employee benefits | 12,744,000 | 9,180,000 |

28. Events after the reporting period

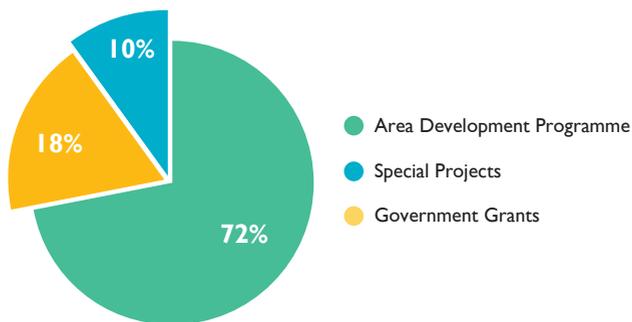
No significant events have occurred since the balance sheet date, which would require adjustments to, or disclosure in the financial statements.

Financial Highlights

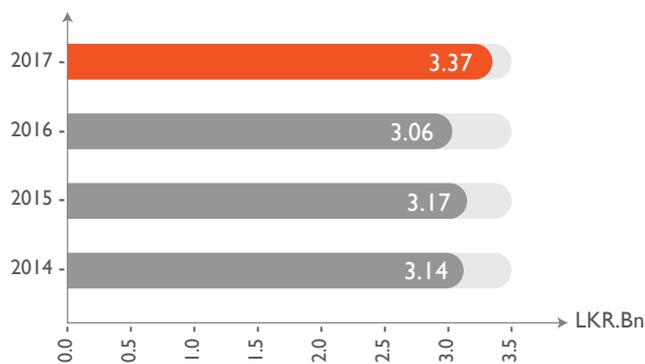
Break up of the Funding Usage



Programme-wise Expenditure



Total Income 2014 to 2017



Sector-wise Expenditure

22%
Economic Development



14%
Education



12%
Health & Nutrition



13%
Water & Sanitation



10%
Sponsorship Management



7%
Crosscutting Sectors



15%
Humanitarian Emergency
Affair (HEA)



7%
Administration



OUR PROMISE 2030





We stand at the beginning of a new journey. The face of poverty is changing. We rejoice in hundreds of thousands of children and their communities moving out of absolute poverty toward lives full of promise.

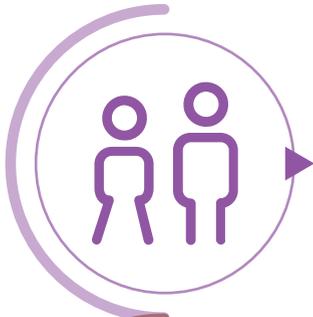
As an organization, we see the real possibility of bringing extreme poverty to an end by 2030.

From the coming year, we will be more focused that this progress reaches every child who is still struggling and living in the most challenging circumstances.

So this new global strategy of World Vision is a promise to the most vulnerable children – to those whose lives have been scarred by violence; to those who've been left behind.

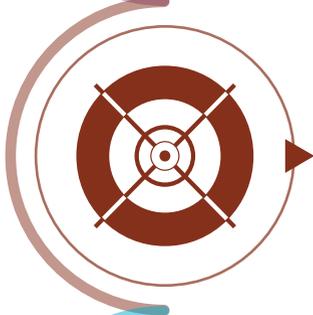
We want to see each of them enjoy good health and are protected from disease; Are educated for life and are able to fulfil their potential; Are cared for, protected and participating; are experiencing a sense of love and security.

because the
change
starts with us...



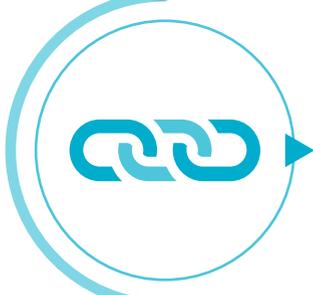
Deepening our commitment to the **most vulnerable children**

Changing from primarily working in places where we are most comfortable and confident: to shifting where we work, and how we allocate resources, towards the most vulnerable



Focusing our ministry **for greater results**

Changing from spreading our resources across a broad agenda, to focusing on a limited range of programme types and sectors, becoming excellent in each



Collaborating and advocating **for broader impact**

Changing from largely working on our own, in our way, to partnerships, joint ventures and advocacy with those who share our goals



Delivering high **quality, sustainable funding**

Changing from a funding mix that no longer serves us well, to raising the right funds from the right donors for the right programmes in the right places



Living out our **Christian faith** and calling with **boldness and humility**

Changing from an identity and strength not yet fully utilised, to living out our Christian faith in all we do, in harmony with those of other faiths and none



We responded to **170 emergencies**
and assisted about **13,900,000 people**
in **56 countries**

for Every
child

you help,
4 more children
benefit, too.



Through the generosity
of donors from around the world,
3,046,993 children were sponsored



We distributed **10,919,578**
long-lasting insecticide-treated nets
to protect children and
families from malaria



We improved
sanitation facilities
for **3.3 million people**

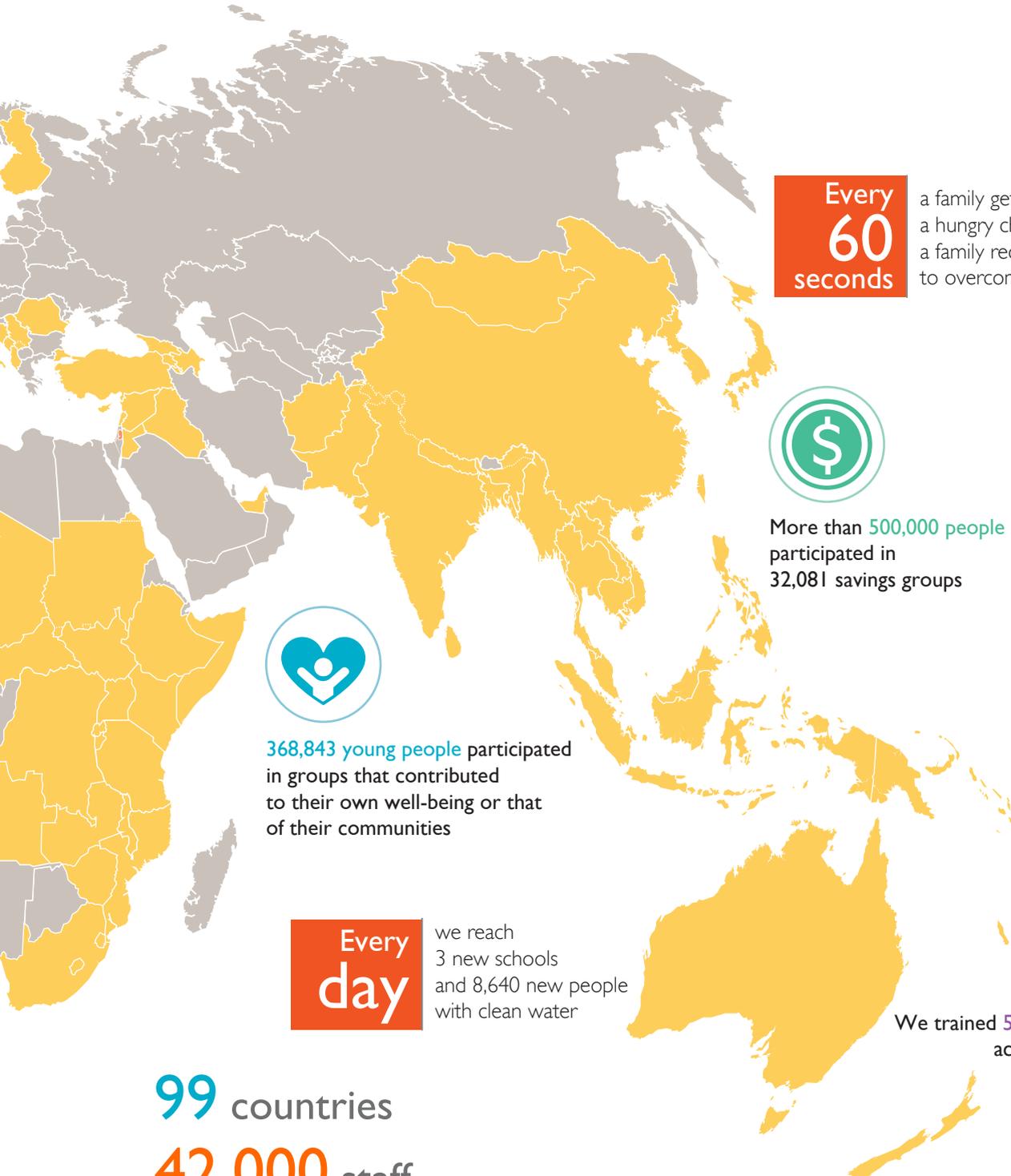
Our Core Values

- We are Christian
- We are committed to the poor
- We value people
- We are stewards
- We are partners
- We are responsive



221,856 parents and caregivers were trained on
how to best safeguard
the children

Our Global Presence & Our Impact in 2017



Every
60
seconds

a family gets water...
a hungry child is fed...
a family receives the tools
to overcome poverty.



More than **500,000** people
participated in
32,081 savings groups



368,843 young people participated
in groups that contributed
to their own well-being or that
of their communities

Every
day

we reach
3 new schools
and 8,640 new people
with clean water



We trained **58,601** teachers
across the world

99 countries

42,000 staff

Corporate Information

Name of the Company:

World Vision Lanka (Gte) Limited

Legal Form:

1. Incorporated as a Company limited by guarantee under the Companies Act No: 07 of 2007
Registration No: GA 16.

2. Registered as a Voluntary Social Services/Non-Governmental Organization under Voluntary Social Services Organizations
Act No: 31 of 1980
Registration No: FL 46901.

Registered Address

619/8 Dr Danister De Silva Mawatha,
Colombo 9.
Tel: 94 (11) 269 1233
Fax: 94 (11) 269 7577
Web: www.worldvision.lk
FB: www.facebook.com/WV Lanka

Auditors

PricewaterhouseCoopers
100, Braybrooke Place,
Colombo 2.

Company Secretary

Corporate Management Services (Pte) Ltd
6th floor, Vision House,
Galle Road, Colombo 4

Bankers

Standard Chartered Bank
Commercial Bank of Ceylon
Bank of Ceylon
People's Bank
Hatton National Bank
Seylan Bank
National Development Bank

Funding Partners

World Vision Australia
World Vision Canada
World Vision Finland
World Vision Germany
World Vision Hong Kong
World Vision Japan
World Vision Korea
World Vision Malaysia
World Vision Singapore
World Vision Taiwan
World Vision US
Department of Foreign Affairs and Trade (DFAT), Australia
European Union (EU)
Korea International Cooperation Agency (KOICA)
International Organization for Migration (IOM)
United Nations International Children's Emergency Fund (UNICEF)
Australian NOG Corporation Programme (ANCP)
Nadacia Habitat for Humanity International (NHFHI)

Corporate Partners

HSBC EDPL (Electronic Data Processing Lanka (Pvt) Ltd)
MAS Active Trading Pvt. Ltd
UN Global Compact (UNGC)
Ford Global Giving
Watawala Plantation
Bogawanthalawa Plantation
Berendina Foundation
Finland Embassy
German Embassy
Kuwait Embassy
Ford Motors
Presidential Secretariat
Associate federation Handicap
Clinton Global Initiative University



World Vision Lanka

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www.worldvision.lk