



RAISING THE TOPIC



Annual Report 2018

CONTENTS

Vision, Mission and Values	04
Interview with our President	08
Message From Our Executive Director	12
Senior Management Team	16
National Council Members	17
Strategic Focus	18
Strategic Direction 1	
Advocacy Unit	22
Strategic Direction 2	
The Global Fund Project for HIV	28
Strategic Direction 3	
Outreach Unit	32
Medical Unit	34
Strategic Direction 4	
Social Marketing Programme	38
Graphs Depicting Sales Performance	40
Product Range	41
SEAP	46
Monitoring & Evaluation	47
Human Resource Development	48
Leadership & Governance	50
Financial Review	53
Financial Statements	
Independent Auditors' Report	57
Statement of Financial Position	58
Statement of Income And Expenditure	59
Statement of Changes In Fund Balances	60
Statement Of Cash Flows	61
Notes to the Financial Statements	62
Additional Financial Statements	
Independent Auditors' Report	81
Financial Position	82
Statement of Income, Expenses and Changes in Fund Balances	84
Statement of Functional Expenses	88
Notes to the Financial statements	90
Annexure I - Reconciliation with Audited Accounts	104
FPA Sri Lanka Strategic Partners	105
List of Abbreviations	107
Acknowledgement	108
Corporate Information	109

IN 1953, THE FPA BROACHED AN IMPORTANT SUBJECT THAT WOULD CHANGE LIVES, CREATE AN ENVIRONMENT FOR THE ADVOCACY FOR SEXUAL RIGHTS AND DRAW ATTENTION TO REPRODUCTIVE HEALTH.

65 YEARS LATER, WE'RE STILL RAISING A VITAL TOPIC AND CREATING DIALOGUE AMONG THE COMMUNITIES THAT NEED IT THE MOST AND MOST IMPORTANTLY, CREATING AWARENESS WHICH WILL BE PASSED DOWN THROUGH GENERATIONS. HELPING SRI LANKANS MAKE THE RIGHT CHOICES FOR DECADES, WE'RE STILL TALKING ABOUT IT... AND SO SHOULD YOU.





ආදායම් මාර්ග මෙහෙවර

ESTABLISHED IN 1953,
FPA SRI LANKA SERVES
AS A VOLUNTEER BASED
NON-GOVERNMENTAL
ORGANIZATION (NGO) THAT
EXPLORES INNOVATIVE AND
CHALLENGING PROCESSES
OF FAMILY PLANNING IN SRI
LANKA. WE ARE PROUD TO BE
ONE OF THE MOST EXPANSIVE
AND WELL KNOWN NGOS IN
THE COUNTRY THAT FOCUSES
ON FAMILY PLANNING,
SEXUAL AND REPRODUCTIVE
HEALTH AND RIGHTS.

VISION

A Country with Access to Sexual and Reproductive Health as a Right for all.

MISSION

To Advocate Sexual and Reproductive Health Rights and Provide Services Whilst Maintaining Sustainability and Volunteerism to Improve Quality of Life for all.

VALUES

Passion

We are passionate about what we do

Volunteerism

We believe in the spirit of volunteerism as central to achieving our goals and ideals



Accountability

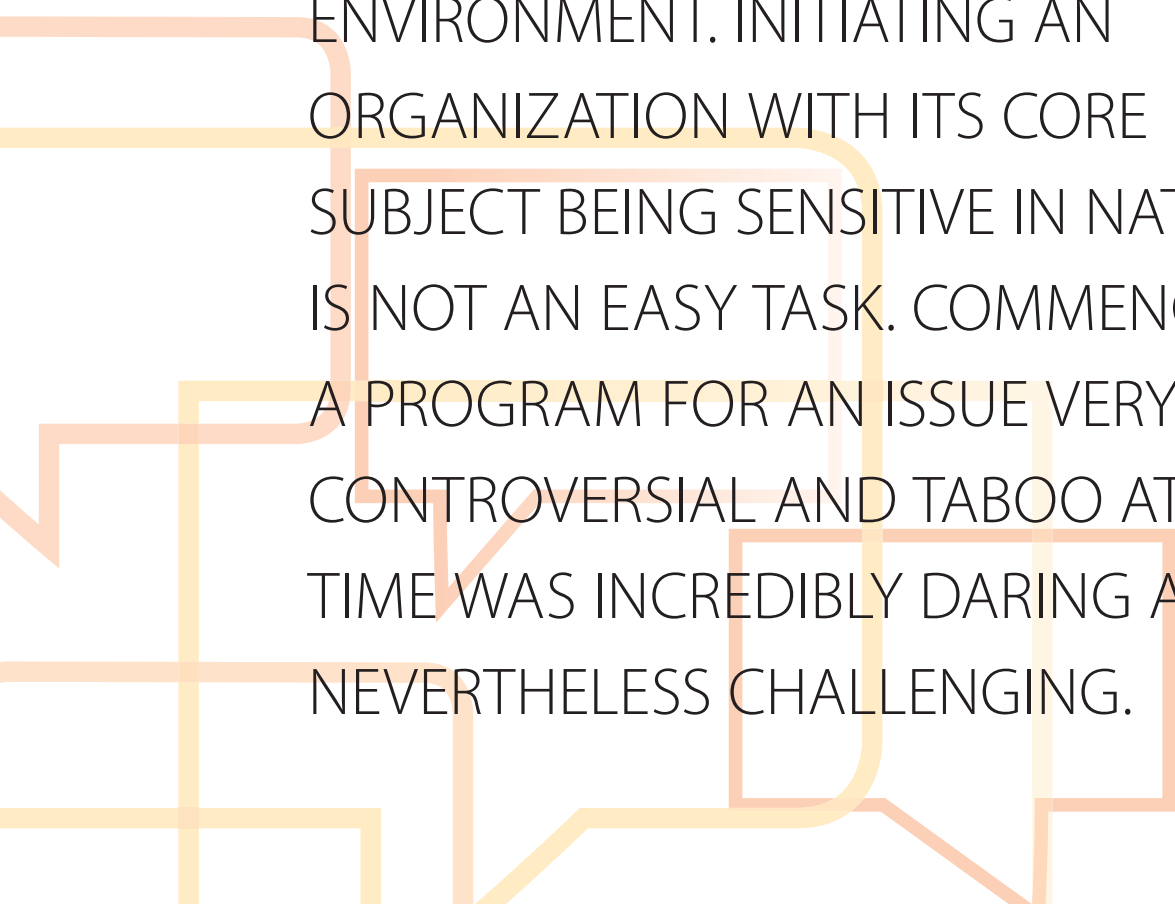
We value participatory, consensus-oriented, accountable and transparent decision-making

Diversity

We believe in diversity and equality in extending our services to everyone who needs them

Inclusiveness

We uphold social inclusion and non-discrimination



MRS. SYLVIA FERNANDO WAS THE FOUNDER OF THE FAMILY PLANNING ASSOCIATION OF SRI LANKA, THEN KNOWN AS THE FAMILY PLANNING ASSOCIATION OF CEYLON. SHE WAS THE PIONEER IN MAKING FAMILY PLANNING A REALITY IN A RATHER CHALLENGING ENVIRONMENT. INITIATING AN ORGANIZATION WITH ITS CORE SUBJECT BEING SENSITIVE IN NATURE IS NOT AN EASY TASK. COMMENCING A PROGRAM FOR AN ISSUE VERY CONTROVERSIAL AND TABOO AT THE TIME WAS INCREDIBLY DARING AND NEVERTHELESS CHALLENGING.



A Mark of Resilience



INTERVIEW WITH OUR PRESIDENT





FPA SRI LANKA HAS BEEN PLAYING A CRITICAL ROLE IN THE COUNTRY SINCE THE 1950'S, WHEN IT SET OUT AS A PIONEER TO INTRODUCE FAMILY PLANNING TO THE COUNTRY. HAVING CONTRIBUTED TO THE NATIONAL DEVELOPMENT AND HEALTH INDICATORS IMMENSELY THROUGH THIS INITIATIVE, FPA SRI LANKA BECAME A BRAND SYNONYMOUS WITH HEALTH AND WELL-BEING OF THE POPULATION.

Message from our President (contd.)

In your opinion, what strategic role does FPA Sri Lanka play in today's rapidly-evolving society where change is the only constant?

We live in a rapidly-changing society, with fast-paced lifestyles and changing social norms and values. A lot of information is now at our fingertips and many people are adapting as per the popular trends, but few are truly evaluating whether the trends are good for us or not.

FPA Sri Lanka has been playing a critical role in the country since the 1950s, when it set out as a pioneer to introduce Family Planning to the country. Having contributed to the national development and health indicators immensely through this initiative, FPA Sri Lanka became a brand synonymous with health and well-being of the population.

In keeping with the changing times, the mode of operation that FPA Sri Lanka employs will have to change to suit today's context and to remain relevant. Now is the time for FPA Sri Lanka to leverage the brand to help shape the lives of young and old, to exercise their Sexual and Reproductive Health Rights to create a better country.

We are fully aware of the need of the hour and in consultation with the government are developing the Sexual and Reproductive Health (SRH) educational tools to be placed at the correct platform for our youth, re-positioning our Service Delivery Points to suit the lifestyle of working women, and are introducing the latest SRH products and diagnostics through our Social Marketing Programme.

Furthermore, as mentioned in my message in the previous year's annual report, we have managed to gain acceptance from the political hierarchy and the educational environment to share SRH education at the school level, which is the ideal age group amongst which to impart this knowledge

How do FPA Sri Lanka's stakeholders perceive the role it plays?

Our multiple stakeholders include the volunteers, government, donors, clients, general public and more. Fortunately, our key stakeholders see us as an organization that can play a pivotal role in SRH in the country, as we are already making giant strides in this area. However, some partisan groups continue to maintain a prejudiced view of our mandate and view family planning as a tool to drive ethnic tension. We hope greater awareness raising efforts will change their mindset.

Engagement with owners/volunteers is an ongoing activity for all governing board members of FPA. The National Council, the apex body of the volunteers, conducts annual orientations, General Meetings and connects to all volunteers through newsletters, mails etc. to sustain the importance of SRH in society.

FPA Sri Lanka is a partner of the line agencies of the Ministry of Health, where Sexual and Reproductive Health service and advocacy are conducted. We engage with our many dealers in the Social Marketing Programme to inform them of new developments in this field. Most importantly, our clients are contacted through a feedback mechanism to get their views on the quality of our services/products regularly.

How does the FPA brand leverage social media to achieve its objectives?

FPA Sri Lanka is exploring a host of possibilities in leveraging social media. We host a number of websites, and Facebook and Twitter accounts simultaneously in relation to our numerous activities. Additionally, we have a call centre – Happy Life for SRHR – coupled with other counselling options hosted on social media platforms. However, we believe we have but touched the tip of the iceberg and that a lot more could be done through this new medium.

I would like to reiterate that in the previous year, FPA Sri Lanka won accolades from the parent organization for being a global hub for our Social Marketing Programme. We have now established a global hub in Sri Lanka through which our parent organization wants us to extend technical assistance to the entire globe.

Greater levels of volunteerism in this sector would go a long way in helping us widen our reach.

How FPA can do more and what are the challenges being faced?

We believe Sexual and Reproductive Health and Rights are human rights and that we need to deliver them to our countrymen. In delivering these rights, a host of challenges associated with socio-cultural, religious and political norms of the country need to be faced. These challenges, in a slightly dated form, were present even when we began our journey 65 years back. As an organization, we have managed to face the challenges and carry out our work despite them.

Is SRH education achieving the desired results?

SRH education in the country is delivered by two ministries as Education and Health through the Health Science curriculum of schools. The quality and adequacy of this programme has been a topic of many debates and discussion. We feel a better delivery of the programme can be achieved if all stakeholders combine their efforts to improve the current SRH education programmes in the country.

How do you see the state of play in the medical access and SRH arena in Sri Lanka and FPA's contribution overall?

Access to SRH services has been greatly enhanced by state-run, free services. The midwives (Public Health Assistants) of the country visit homes in their catchment areas to give coverage to all women. However, around 33% of the workforce of the country is female. Some of them may not be reached by this extensive network. Therefore, FPA has designed a workplace service delivery

programme to address such gaps. Our clinics are now gradually relocated to the industrial zones in Sri Lanka, where you find pockets of underserved young people.

On the important issue of HIV, what were the incidences in 2018 and what are the attitudes towards the HIV-affected?

Sri Lanka is a low prevalence country when it comes to HIV cases and has remained so for the past few decades. However, the Men having Sex with Men (MSM) community has a higher HIV prevalence rate and needs specific intervention to avoid a high epidemic among them. The attitude toward key populations (MSM, FSW and DU Community) is not favourable as all three behaviours are criminalised according to our penal code. A lot needs to be done in our policy framework to create a stigma-free environment for these communities to access services.

How does FPA Sri Lanka advocate the rights of the LGBTIQ community?

Unfortunately, the LGBTIQ community is still subject to stigma and discrimination in our country, not only due to the legal framework but also the socio-cultural norms and beliefs. FPA Sri Lanka is one of the few organizations that work closely with this community to reduce stigma and ensure their rights.

How do you see the future outlook for SRH efforts in the country?

Although a lot has been done in this regard and the country has made progress in the area of Reproductive Health, the future holds formidable challenges. Looking at a favourable policy framework for future generations will be the key in bringing about a fair and equitable society. Our vision should be to ensure a country with Sexual and Reproductive Health to all as a Right – but we have still a long way to go.



Chandima Gunawardena
President

MESSAGE FROM OUR EXECUTIVE DIRECTOR





THE DYNAMICS OF SRH SERVICE PROVISION HAVE CHANGED RAPIDLY IN THE LAST FEW DECADES. MORE WOMEN ARE WORKING AND CANNOT BE ACCESSED THROUGH TRADITIONAL HOME-VISITS MADE BY PUBLIC HEALTH ASSISTANTS. MOREOVER, THEY ARE NOT FREE TO VISIT THE GOVERNMENT CLINICS DUE TO WORK COMMITMENTS.

Message from Our Executive Director (contd.)

A reflection on the past six-and-a-half decade of work seems laborious yet fulfilling, as our journey indicates how agile we have been to stay relevant to the times. We were founded to raise the topic of family planning to women who were burdened by repeated pregnancies within short intervals. The socio-cultural norms in 1953 were such that the only way to stay protected was abstinence. A group of brave volunteers came together to address this need and the Association led the response, pioneering, partnering and supplementing state services, in that order.

Providing Family Planning (FP) services was our key activity during the first three decades until the government established widespread FP services across the country. By mid 1970s, FPA Sri Lanka moved into social marketing of contraceptives in a small by strategic manner with the support of International Planned Parenthood Federation. Today, this operation caters to the masses as a means to access contraceptives at affordable rates, generating a large proportion of the Couple Years of Protection (CYPs) of the country. Looking back, we have provided a win-win to all stakeholders through this initiative, as not only does it provide FPA Sri Lanka with revenue for sustainability, but it reduces the burden on the state on expenses related to family planning.

Family planning is only a portion of the Association's current work on delivering Sexual and Reproductive Health as a right to all in Sri Lanka. Our work encompasses a broader health space that looks into preventive aspects of Sexual and Reproductive well-being. We work extensively with young people. The need to serve young people is higher than ever. They are exposed to information as never before. To use the knowledge and information at their fingertips judiciously, young people need to be equipped with age-appropriate Comprehensive Sexuality Education. This is an area the country as a whole is lagging behind. FPA is keen and considers this an area to invest for the future of the country.

The dynamics of SRH service provision have changed rapidly in the last few decades. More women are working and cannot be accessed through traditional home-visits made by Public Health Assistants. Moreover, they are not free to visit the government clinics due to work commitments. Men and women needing services are unable to access regular clinics during working hours. FPA's Workplace Service Delivery programme, particularly in the Industrial Zones, is designed to address the needs of women engaged in work at their convenience. As a strategy, FPA Sri Lanka is looking to relocate five to six Service Delivery Points (SDPs) to be within industrial clusters, of which two are already in place, namely, Koggala and Seethawaka Industrial Estates. The relocation of SDPs to Pallekele and Wathupitiwala industrial zones will take place in 2019, with the total investment coming from FPA Sri Lanka's internally generated funds.

During the last decade, FPA Sri Lanka has been involved in HIV prevention as the main partner of the National STD and AIDS Control Programme. Supported by The Global Fund to implement community interventions since 2013, FPA Sri Lanka works as Principal Recipient in this programme. We have realized that values of service providers, let alone society, can greatly vary, giving rise to a need for non-discrimination at service delivery. Changing their values is easier said than done, as

WE WORK EXTENSIVELY WITH YOUNG PEOPLE. THE NEED TO SERVE YOUNG PEOPLE IS HIGHER THAN EVER. THEY ARE EXPOSED TO INFORMATION AS NEVER BEFORE. TO USE THE KNOWLEDGE AND INFORMATION AT THEIR FINGERTIPS JUDICIOUSLY, YOUNG PEOPLE NEED TO BE EQUIPPED WITH AGE-APPROPRIATE COMPREHENSIVE SEXUALITY EDUCATION. THIS IS AN AREA THE COUNTRY AS A WHOLE IS LAGGING BEHIND. FPA IS KEEN AND CONSIDERS THIS AN AREA TO INVEST FOR THE FUTURE OF THE COUNTRY.

witnessed by our Peer-Educators who escort Key Populations to STD clinics. The easiest would be to leave the communities to reach out to the government clinics and abdicate our responsibility. However, this would leave a void in the provision of Sexual and Reproductive Health services, which no other organization is better positioned to fill. We, at FPA Sri Lanka, did not only rise to the occasion to serve Key Populations (Sex workers, Men who have sex with men and Drug users) through the national HIV prevention project, but have invested in them by strengthening community networks.

The secret of the longevity of the Association is undoubtedly its ability to respond to the changing needs of the country and its adaptation to those requirements. Never has FPA Sri Lanka strayed from its mission to uphold Sexual and Reproductive Health and Rights during its long journey. The future of the SRH space is bound to be challenging with information technology, changing lifestyles and aging populations impacting societal norms. As a 65-year-old organisation, staying connected and youthful is imperative for FPA Sri Lanka is to serve the future generations of this country.



Thushara Agus
Executive Director

SENIOR MANAGEMENT TEAM

16



Left to Right

Sureka Perera - Director - Finance (*seated*)

Thushara Agus - Executive Director (*seated*)

Suhail Junaid - Director - Marketing

Sonali Gunasekara - Director Advocacy

Dr. Harishchandra Yakandawala - Director - Medical

NATIONAL COUNCIL MEMBERS



1. Mr. Chandima Gunawardena – Hony. President
2. Dr. Sriani Basnayake – Hony. Vice President
3. Dr. Esther Amarasekara – Hony. General Secretary
4. Mr. Nihal Wadugodapitiya – Hony. Treasurer
5. Ms. Jayomi Marasinghe – Assistant Secretary
6. Mr. Lakshan Seneviratne – Assistant Treasurer
7. Dr. Lasantha Malavige – Chairperson Medical
8. Mr. Anver Dole – Chairperson FAC
9. Ms. Kusum De Silva – Chairperson IEC
10. Mr. Benjamin Christhumani – Chairperson SMP
11. Ms. Desaree Soysa – Chairperson YTAC
12. Dr. Pramilla Senanayake – Past President
13. Ms. Thushara Agus – Ex-Officio

STRATEGIC FOCUS

A COUNTRY WITH ACCESS TO SEXUAL AND REPRODUCTIVE HEALTH AS A RIGHT TO ALL

18

As a member of the IPPF, FPA Sri Lanka has formulated a clear and comprehensive strategic plan set to run from 2016 to 2022 based on the goals and aspirations of the IPPF's Strategic Plans.

Identifying four key goals; aimed towards achieving a "A country with access to Sexual and Reproductive Health as a right to all"



1

CHAMPION RIGHTS

To ensure the Sri Lankan government respects, protects and fulfils Sexual and Reproductive Rights and Gender Equality



2

**EMPOWER
COMMUNITIES**

To ensure that 17.15 Mn people are able to act freely on their Sexual and Reproductive Health and Rights



3

**SERVE
PEOPLE**

To deliver 6.12 Mn quality-integrated Sexual and Reproductive Health services



4


**UNITE AND
PERFORM**

To establish FPA Sri Lanka as a high performing, accountable and united Association



CHAMPION RIGHTS

To ensure the Sri Lankan government respects, protects and fulfils Sexual and Reproductive Rights and Gender Equality

The graphic features several overlapping, semi-transparent shapes in shades of orange and yellow. A large, rounded orange shape is at the top left. Below it, a yellow shape contains the main text. To the right, there are more overlapping orange and yellow shapes, some with pointed ends, creating a layered, abstract composition.

FPA Sri Lanka cares
for all women, men,
children and young
people across
the country and
recognises their
right to lead safe
and dignified lives,
free from harm and
discrimination.

ADVOCACY UNIT

FPA SRI LANKA HAS BEEN CHOSEN AS THE ASSIGNED CIVIL SOCIETY FOCAL POINT IN ORDER TO GARNER THE INVOLVEMENT AND SUPPORT OF COMMUNITY-BASED ORGANISATIONS ACROSS THE COUNTRY TO EFFECTIVELY IMPLEMENT THE FP2020 PLANNED ACTIVITIES

FP2020

The Government of Sri Lanka became an official member of the FP2020 global partnership in July 2018. This country-led movement, which involves national governments, multilateral agencies, philanthropic foundations, Civil Society Organisations (CSOs) and private sector partners, is sustained by a far-reaching global support system and is intended to increase and improve rights-based family planning methods. FPA Sri Lanka has been chosen as the assigned Civil Society Focal Point in order to garner the involvement and support of community-based organisations across the country to effectively implement the FP2020 planned activities.

FPA Sri Lanka held its first meeting together with 25 community leading organisations in November 2018, to inform the members about the FP2020 commitment and invite them to take a role in implementing the project. The Family Health Bureau, as the lead organisation, held FP2020 focal point meetings with colleagues from United Nations Population Fund (UNFPA), Population Services Lanka (PSL) and Family Planning Association (FPA) Sri Lanka. The focal points members are in the process of developing the Country Worksheet prioritized action plan for 2018-2020.

Sri Lanka's particular FP2020 commitment goal is to increase the percentage of eligible families who have their family planning needs satisfied with modern methods from 74.2% to 79% by 2025. The Ministry of Health has taken the lead in signing the FP2020 contract, which binds it to its duty of ensuring that the causes for demand satisfied by modern methods are addressed and that this gap is bridged.

In September 2018, the Director of Advocacy attended a workshop in Nepal, in which FP2020 South and South-East Asian country members shared their experiences and plans for the future.

She Decides – The right to access safe and legal abortion services

On 9th August 2018, FPA Sri Lanka held a forum to discuss mortality and morbidity resulting from unsafe abortions in Sri Lanka. The keynote presentation was made by Professor Sabaratnam Arulkumaran, who is the former President of the Royal College of Obstetricians and Gynaecologists. Professor Wilfred Perera, Past President of the Sri Lanka Medical Association, and Ms. Ermiza Tegal, Human Rights Lawyer, were panel members. The discussion was moderated by Hon Shiranee Tilakawardane, Former Judge of the Supreme Court of Sri Lanka.





Following Ireland's legislative victory, in which Professor Arulkumaran played a central role, he was able to discuss his experiences and explain the steps that Ireland took to achieve their victory. This event marked FPA Sri Lanka's journey to raise awareness about the complicated situations of women who are faced with undesired pregnancies, and to advocate for safe and legal abortion services in the country.

'Safe and Legal Abortions' was the tagline for FPA's 16 Days of Activism campaign, and the Advocacy department created a series of awareness raising and advocacy events for the campaign. It began by forming a Coalition for Safe Abortions with a number of local and grassroots organisations that work in the field of Sexual and Reproductive Health and Rights. The Coalition disseminated infographics, snippets of case studies and interviews with health-care professionals on a social media page, centered on the topic of abortion in Sri Lanka. The creation of the page was an attempt to raise awareness about the ground realities of women who have been faced with unintended pregnancies, and the impact on women who are not able to legally and safely discontinue such pregnancies.



The 16-day social media campaign culminated with a Strategic Planning workshop, led by the Director of the Asia Safe Abortion Partnership – Dr. Suchitra Dalvie. Dr. Kapila Jayaratne from the Family Health Bureau presented on the medical and legal perspectives of amending the abortion law in Sri Lanka, describing the severe health consequences to women and the steps that have been taken in Sri Lanka's past to amend the abortion law. Participants came up with a strategy for future abortion advocacy efforts to amend the restrictive law in Sri Lanka.

The Coalition for Safe Abortion, Sri Lanka, developed a publication including case studies and a comprehensive assessment of the legal, medical, and socio-cultural perspectives on abortion in Sri Lanka. The aim of this publication is to enable young academics to use it in their research and for activists to learn the sequence of events that took place in Sri Lanka in their attempt to change the abortion law. It could also be used as a training tool and an awareness raising tool, as it will be developed in all three languages. It will therefore target the public to address issues of stigma and discrimination and to mobilise them to advocate for change.

Comprehensive Sexuality Education

The Advocacy Unit conducted trainings on gender, family planning methods, sanitation and life skills for 8,700 adolescents from selected schools from Colombo, Kegalle, Ratnapura, Ampara, Negombo, Gampaha and Anuradhapura.

In May 2018, IPPF SARO staff held a two-day Training of Trainers programme on CSE for in-service trainers from the Ministry of Education, and the Ministry of Health, and staff from FPA Sri Lanka. This training covered the topics of gender, LGBTIQ and Sexual and Reproductive Health and Rights.

The Ministry of Education conducted a pilot project on CSE, comprising two-day trainings with schools in the Western Province. FPA Sri Lanka funded the pilot in 13 schools in Sri Jayawardenapura, during which medical personnel from the Health Promotion Bureau and trainers from FPA Sri Lanka conducted sessions.

The Health Promotion Bureau, together with FPA Sri Lanka, held a life skills programme for 25 physical and health science teachers from the Western Province, in which the topics of child psychology, corporal punishment, and sexual orientations and gender identities were explored. The teachers' values and views on corporal punishment were discussed in great detail.

Advocacy Unit (contd.)



24

FPA Sri Lanka's Advocacy Unit collaborated with the founder and artistic director of Power of Play Pvt. Ltd. to conduct the 'Little Girl Giant Puppet Show'. This puppet show expressed issues regarding gender roles assigned by society, exploring harmful gender stereotyping, the importance of mutual respect and understanding, gender-based discrimination, and the power of storytelling as a tool for social change. Dr. Sudharshini Fernandopulle, Member of Parliament, facilitated this programme in 7 schools in the Negombo division, which was attended by 1,200 school children ranging from Grade 1 –5.

Female Genital Mutilation

In order to understand the issue of Female Genital Mutilation (FGM) from the medical perspective, the Advocacy Unit decided to conduct a research study on the physical and psychological impacts of Female Genital Mutilation. The forms of FGM that occur in Sri Lanka have been identified as category type I and IV, yet since there are no written guidelines and the extent of the procedure is dependent on the traditional practitioners' knowledge and experience. As a topic, FGM is rarely discussed, and there is very little information about the risks, complexities and predictability of the procedure.

This research study will ultimately be used to develop recommendations for service providers involved in sexual and reproductive health care settings, to improve the quality of care for women who have experienced FGM.

Progress in meeting Sustainable Development Goals (SDGs)

In March, FPA Sri Lanka's Advocacy Unit funded and took a lead role in conducting a day-long forum, which was an inauguration of the Sri Lanka Stakeholder SDG Platform. This platform was established by a collective of CSOs, private sector organisations, academics, professional associations, trade unions, youth groups, and women's groups to facilitate an inclusive transformation towards SDGs in Sri Lanka. This particular forum aimed to create a national dialogue on the linkages between alcohol-drugs-tobacco, women-youth-children, and Sustainable Development Goals.

120 participants from 50 organisations attended, where a dialogue on how alcohol, drugs and tobacco have an impact on women, youth and children was launched.



FPA Sri Lanka's Advocacy Unit Director, Ms. Sonali Gunasekera, stated that SDG's 5.2 and 16.2 were aimed at ending violence, sexual exploitation, sexual trafficking, and sexual torture against children. She highlighted that the root causes of these are stereotypical gender and cultural norms, while discussing the failures of the justice system in ensuring redress to survivors and sanctions on perpetrators.

IPS was tasked with developing the Volunteer National Review for the country in 2018. FPA Sri Lanka attended two Volunteer National Review Meetings held by IPS, which focused on four SDGs which included climate change and education.

Ending Teenage Pregnancy

The Advocacy Unit's Senior Manager was invited to be a subcommittee member for preventing teenage pregnancies in Sri Lanka. This committee will be working on a two-year project headed by the Ministry of Health, the Ministry of Women and Child Affairs, the Ministry of Education, and civil society organisations. The Manager was responsible for providing technical



support to the National Child Protection Authority on creating a training curriculum, providing trainings for the WDOs (Women's Development Officers), CRPOs (Child Rights Protection Officers), and creating an advisory coalition group in each district.

National Level Advocacy Forum

FPA Sri Lanka worked closely with the Human Rights Commission to create a national-level LGBTIQ advocacy forum with LGBTIQ organisations and activists from across the country. A workshop was held with 35 key national stakeholders. During this national-level meeting, participants discussed UPR (Universal Periodic Review) recommendations on LGBTIQ issues, the ways in which the community can support the National Human Rights Action Plan, and the best ways of building a support network of LGBTIQ individuals across the country.

The Advocacy Director and Senior Manager were invited to be a part of the National Human Rights Commission LGBTIQ Subcommittee, for which they provide technical support with national programming and implementation.

Members of FPA Sri Lanka's Youth Technical Advisory Committee, together with youth from a range of other NGOs and INGOs participated in a training session on disaster preparedness, conducted by IPPF's SARO Humanitarian sector. This training explored the ways in which issues of gender-based violence surface during times of disaster and the importance of ensuring that gender-transformative programming is involved in any intervention programme.

Stop Cruelty to Children

FPA Sri Lanka is involved in a campaign for ending corporal punishment in Sri Lankan schools. As a part of the campaign, the organisers held a media event at which FPA's Advocacy Director was a panel member alongside medical professionals, psychiatrists, the campaign's brand ambassadors, and children from local schools. Following this event, the Advocacy Director and Dr. Harendra Corea took part in a National Rupavahini Corporation TV programme to educate the public about the negative effects of corporal punishment.

Youth Work

FPA Sri Lanka's Advocacy Unit held a 2-day residential Comprehensive Sexuality Education training for Youth Technical Advisory Committee members and FPA volunteers. This training included presentations given by key stakeholders on HIV and AIDS, contraceptive methods, HIV rapid self-testing, abortion in Sri Lanka, Sexual and Reproductive Rights, media violations, and sexual orientations and gender identities.

Health of Young Persons Policy


The National Policy and Strategy on Health of Young Persons was released by the Directorate of Youth, Elderly, Disabled and Displaced, Ministry of Health, in November 2011. FPA Sri Lanka held consultative meetings with members of the Northern, North Central, and North Western Provinces throughout 2018. These meetings were the initial steps to ascertain the specific needs of youth in the provinces and of understanding the challenges they face in achieving the targets delineated in the policy. The requirements of the policy will be implemented through a youth-focused activity plan, which is to be developed through future consultations. These activities will continue in 2019.

2

EMPOWER COMMUNITIES

To ensure that 17.15Mn
people are able to act
freely on their Sexual
and Reproductive
Health and rights



The graphic consists of several overlapping, semi-transparent shapes in shades of orange and yellow. A large, rounded orange shape is on the left. A yellow shape overlaps it from the right. Another orange shape overlaps the yellow one from the bottom. The text is centered within the yellow shape.

Connecting with most-at-risk populations, who are termed as Key Populations globally, is the key strategy of HIV prevention, need in the Global Fund project carried out in partnership with the National STD and AIDS Control Programme (NSACP).

THE GLOBAL FUND PROJECT FOR HIV

AS PRINCIPAL RECIPIENT 2 OF THE GLOBAL FUND PROJECT FOR HIV PREVENTION AT A NATIONAL LEVEL, FPA SRI LANKA COLLABORATES WITH OVER 30 COMMUNITY ORGANISATIONS IN 14 DISTRICTS, WITH OVER 3000 PEER-EDUCATORS ON THE GROUND

The Global Fund is a 21st-century partnership organization designed to accelerate the end of AIDS, tuberculosis and malaria as epidemics. It is an international Funding Agent providing assistance to governments of recipient countries to fight against the three diseases. In Sri Lanka, the national HIV prevention programme has a vital component of community interventions due to its high transmission modality being via the sexual route. It, therefore, engages a chief non-governmental partner to give leadership to the community mobilization and interventions required to curtail the spread of HIV and to end AIDS by 2025, according to the National Strategic Plan for HIV.

As Principal Recipient 2 of The Global Fund project for HIV prevention at a national level, FPA Sri Lanka collaborates with over 30 community organisations in 14 districts, with over 3000 Peer-educators on the ground. The community interventions include a variety of activities from training the community on HIV prevention, condom demonstration and distribution, escorting to STD clinics and carrying out HIV rapid testing. This project has been with FPA Sri Lanka for the last 6 years and has consistently achieved good results and outcomes expected by the donor.

Connecting with most-at-risk populations, who are termed as Key Populations globally, is the key strategy of HIV prevention. In Sri Lanka, the key populations have been identified as Men having Sex with Men (MSM), Female Sex Workers (FSW), Injecting Drug Users (IDUs) and Beach Boys (BBs). Since most of these groups operate under the surface, peers are trained to approach them with preventive message and behaviour changing messages.

A dedicated project team works very closely with the other stakeholders that include The Global Fund, the National STD and AIDS Control Programme, our community partners, the Country Coordinating Mechanism (CCM) and all peripheral STD clinics.

FPA Sri Lanka has rendered valuable service to the country by making a major contribution to maintaining low prevalence of HIV status in Sri Lanka by way of prudent management of project activities among community and people living with HIV. With broad-based HIV rapid testing being initiated, FPA Sri Lanka will give leadership to the state's initiatives as test and treat, test and know your status, and achieving 90:90:90 targets, which are critical steps in ending AIDS in this country.

Advocating Rights Of The Most Marginalised The Global Fund South Asia Project for MSM and Transgender Groups

FPA Sri Lanka is engaged in strengthening community systems to improve coordination with local governments and health care providers as part of the multi-country South Asian Global Fund HIV Programme. It also aims to deliver concentrated and quality capacity development support, and to provide technical assistance to ensure high intervention impact and sustainability in response to HIV.

As such, we expanded the membership of the Technical Hub, which is the pool of resource persons who have committed their expertise and time for advocacy initiatives, provided regional exposure to key individuals on sexual orientation and gender



identity and HIV, and built a partnership with the Legal Aid Unit of the University of Colombo to engage in public interest litigation.

Advocacy Milestones Achieved

1. Transgender persons enabled to change sex in their personal documentation

In 2015, the Human Rights Commission of Sri Lanka, in consultation with the Ministry of Health, Department of Registrar General and civil society organisations, brought forward a recommendation to the Ministry of Health to issue a circular enabling Transgender people to change their sex in their ID and other personal documentation. As a result, Gender Recognition Certificates are being issued to Transgender persons in Sri Lanka. FPA Sri Lanka was among the civil society organisations that advocated for this initiative as a part of its advocacy and capacity building efforts towards the rights of Key Population groups. On the strength of this collective recommendation, the Ministry of Health and the Department of Registrar General issued circulars in 2016, enabling Transgender persons to change their sex and name in the birth certificate as per the Gender Recognition Certificate.

2. The Supreme Court of Sri Lanka, while upholding a conviction on charges of homosexuality, recognised the consensual and private nature of the act and refused to impose a custodial sentence. Under MSA Global Fund HIV Programme, the legal sector was identified as a key target audience. A series of sensitization activities were conducted for the legal sector - informing them of the need for a change in the existing punitive laws. Apart from having sensitised a significant number of legal personnel, FPA Sri Lanka also created allies in former Supreme Court judges, Legal Aid Commission of Sri Lanka, Magistrate Court Lawyers Association in Sri Lanka, Sri Lanka Law College and the Faculty of Law in the University of Colombo.
3. The National Human Rights Action Plan asks to review and consider the definition and scope of the right to non-discrimination on any prohibited basis including sex, race, ethnicity, religion, caste, place of origin, gender identity, disability or "any other status" and also to eliminate discriminatory practices within healthcare settings based on perceived or actual HIV status, sexual orientation and gender. When drafting the National Human Rights Action Plan, FPA Sri Lanka provided inputs and advocated for the inclusion of the rights of marginalised groups in Sri Lanka.

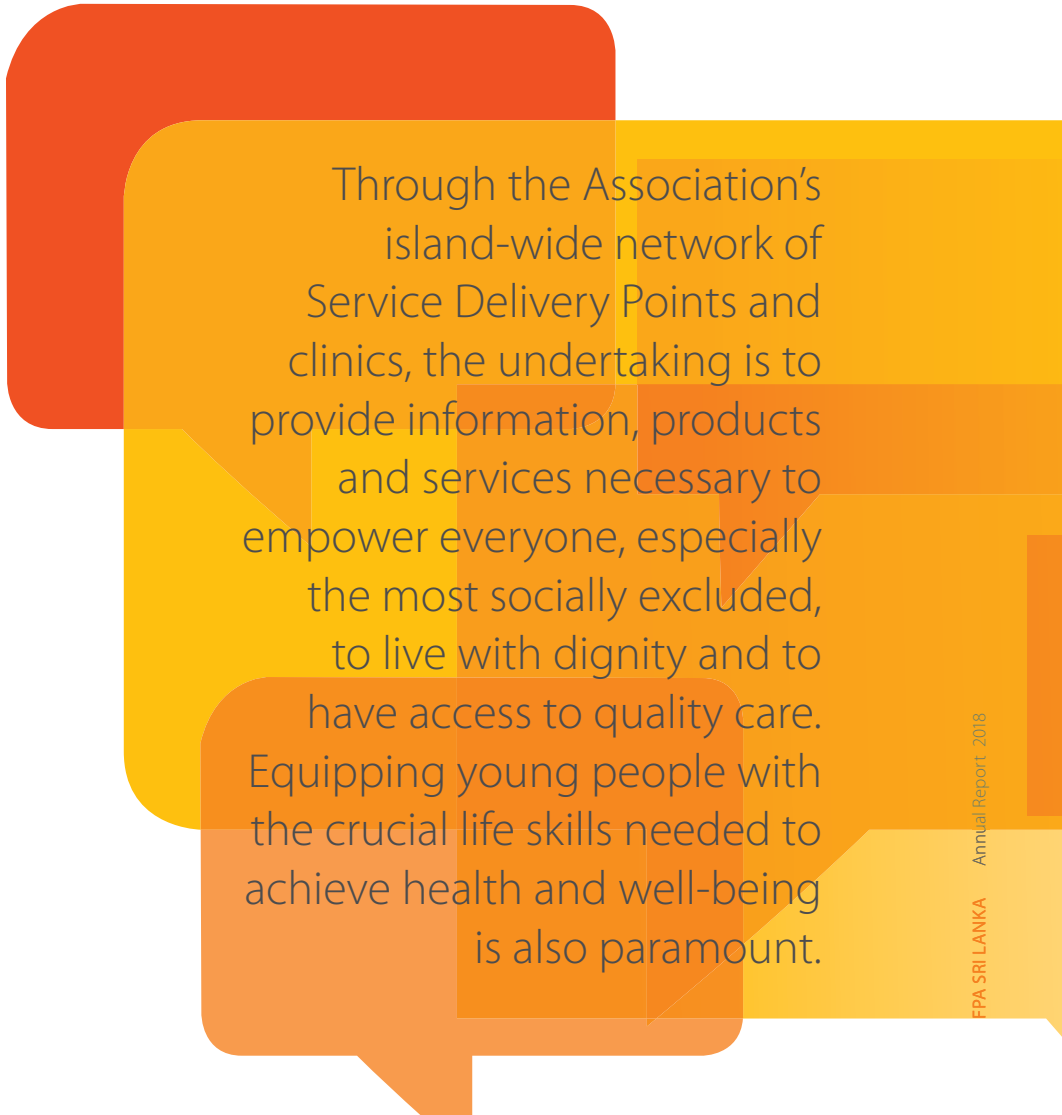




3

**SERVE
PEOPLE**

To deliver 6.12 Mn
quality-integrated
Sexual and
Reproductive Health
services



Through the Association's island-wide network of Service Delivery Points and clinics, the undertaking is to provide information, products and services necessary to empower everyone, especially the most socially excluded, to live with dignity and to have access to quality care. Equipping young people with the crucial life skills needed to achieve health and well-being is also paramount.

OUTREACH UNIT

THE OUTREACH UNIT OF FPA SRI LANKA HAS A LONG HISTORY WHICH FORMALLY COMMENCED AS A FIELD PROGRAMME DIVISION IN 1978, WHEN THE ASSOCIATION DECIDED TO TAKE FPA'S SERVICES TO THE PEOPLE IN RURAL AREAS OF THE COUNTRY.

32

The Family Planning Association (FPA) of Sri Lanka was established in the Year 1953 as a Non-Governmental Organization (NGO) with the intention of providing family planning services for the people in Sri Lanka to improve their quality of life.

The Outreach Unit of FPA Sri Lanka has a long history which formally commenced as a field programme division in 1978, when the Association decided to take FPA's services to the people in rural areas of the country. Initially, the unit served the poor, marginalised and underserved community with a dedicated and committed volunteer workforce and trained staff scattered throughout the island. But during the past 40 years, the objectives and strategies of the division have changed from time to time according to the country's SRHR requirements - from purely family planning to a much wider range of Sexual and Reproductive Health and Rights (SRHR) on the directions of IPPF and other donors.

In Year 2018, the Family Planning Association's Outreach Unit mainly focused on two major areas of SRHR. One was to provide quality, rights-based Sexual and Reproductive Health services to the poor, marginalised, socially excluded and underserved communities, while implementing the cost recovery method to charge a reasonable amount for some SRH services through its six Service Delivery Points in Ampara, Batticaloa, Nuwara Eliya, Seethawaka, Koggala and Matara. Following its theme, 'Reach the Unreached, Meet the Unmet', the unit has identified the unmet SRH needs especially of the poor, marginalised, socially excluded and underserved communities.

During the year under review, the Maradana service delivery point was relocated to the Seethawaka BOI premises with the intention to provide more SRH services to the target population who are in the factories. The general public is made aware of the importance of SRH services and SRH issues by conducting awareness sessions and Demand Generation Programmes on Sexual and Reproductive Health and Rights for target populations, mainly adolescents, garment factory workforce, the estate sector community, and to the general public as a whole. The SRH mobile exhibitions and awareness programmes were conducted for youth and adolescents to educate them on SRHR issues and to motivate them to come to the static clinics for SRH services, including psychological counselling.





The second focus area was to deliver comprehensive sexuality education to the young in schools and outside. A special CSE curriculum was developed based on the Sri Lankan cultural context and as an initial step, the service providers and service delivery point's staff were trained by conducting a TOT training and covered six districts where the FPA service delivery points are located. This was mainly a three-day education programme, which covered all SRHR subjects.

Further, in 2018, FPA Sri Lanka's five service delivery points, except Seethawaka SDP, continued the cost recovery method which was introduced in year 2017 to offer better quality SRH services for people with the intention to be financially self-sufficient within five years period to fulfill the demand of the people. Five service delivery points generated Rs.1,721,640 in income in year 2018. The unit contributed to upgrade the accessibility to a wide range of Sexual and Reproductive Health services by incorporating the static clinics, mobile clinics, associated clinics, Demand Generation Programmes, SRH mobile exhibitions and advocacy strategies to outreach works.

Meanwhile in 2018, Outreach unit provided 321,227 SRH services to above mentioned communities and served 83078 people. Collectively they have distributed 35,695 contraceptive items through its six service delivery points and by Volunteer Health Assistants; 11094 clients were referred to other government hospitals or private institutions through our referral mechanism. Further, we have conducted 720 static clinics, 181 mobile health clinics, 12 associated clinics, 16 SRH awareness programmes, 3 advocacy programmes, 23 three-day CSE programmes. 50 health assistants were recruited and utilised to disseminate SRH knowledge. With the intention to monitor the project activities, 6 IEC committee meetings and field visits were organised and these meetings and visits guided the unit in numerous ways to develop project activities. Additionally, field visits have been made by the M& E unit and by the Outreach unit supervision staff to monitor and evaluate the activities of the six service delivery points.

Levis Project

Responsibility of implementing the Levis Project came to the Outreach unit from the year 2018. This project was started in the previous year and continued its activities through 2018 as well. Levis project is supported by Levis Strauss Foundation with the intention to upgrade the evacuation centers which were mostly in disaster prone districts and provide SRH services for affected families by conducting mobile health camps. In 2018, Seethawaka model service delivery point was established by utilising the Levis project fund and started to offer SRH services to the Seethawaka factory workforce and surrounding villages. 22 evacuation centres were identified in three districts; 8 in the Ratnapura district, 8 in the Kalutara district and 6 in the Kegalle district and provided a financial grant amount of Rs.100,000 to each centre to upgrade the facilities and 95% of the work was completed. 24 mobile health clinics were conducted and 12,333 SRH services were provided for 1629 people.



MEDICAL UNIT

FPA SRI LANKA'S CENTRE FOR FAMILY HEALTH (CFH) IS THE ONLY HEALTH FACILITY IN SRI LANKA PROVIDING COMPREHENSIVE SEXUAL AND REPRODUCTIVE HEALTH (SRH) SERVICES WITHIN A RIGHTS FRAMEWORK.

Centre for Family Health

FPA Sri Lanka's Centre for Family Health (CFH) is the only health facility in Sri Lanka providing comprehensive Sexual and Reproductive Health (SRH) Services within a Rights Framework. The CFH provides a range of SRH services, including SRH education, counselling, family planning services, investigation and services for subfertility, treatment for sexual dysfunction, men's clinic, counselling investigation and treatment for Sexually Transmitted Infections (STIs) and HIV. In 2018, it has offered 11,291 services to 2204 clients through the static clinic at our headquarters. It also provided 22551 services to 5128 clients through 54 mobile clinics conducted throughout the country. Cancer screening is the most in-demand service provided at mobile clinics with 925 PAP smears being carried out during the year.

Happy Life Contact Centre

Matters related to SRH are usually not openly discussed and many do not have access to accurate information regarding their SRH needs. The Happy Life Call Centre provided quality SRH services to the public via multiple channels: Hotline (2588 488) SMS, (0716408 408) and e-mail (happy@happylife.lk). The website (www.happylife.lk) with new features is under development, to be launched in 2019. It has become a popular channel, especially among young people, to clarify their concerns. In 2018, 12,876 services have been offered. It provided educational programmes on SRH to a wide cross-section of society comprising garment factory workers, members of Community Based Organizations, visually-impaired youth, school children and the general public.





Alokaya

Counselling empowers diverse individuals, families and groups to accomplish mental health, wellness, and education and career goals. In simple terms, counselling is important because it gives you the opportunity to sort out a problem or issue that you've had trouble figuring out on your own. Established in 1980, Alokaya is FPA Sri Lanka's Counselling Centre and operates under the purview of the Medical Unit. It primarily supports people with different types of sexual, reproductive health and psychosocial problems and at present has widened its scope to include other areas of personal concern too. It is recognised as the only counselling centre in Sri Lanka to provide comprehensive counselling facilities for SRH issues.

In 2018, the counselling arm of the Medical Unit has provided 1,949 services to 443 clients on SRH issues. Plans are in progress to develop 'Alokaya' to be a fully-integrated counselling unit geared to cater to emerging needs.

Alokaya counsellors continued their weekly visits to the Dilmah Factory at Peliyagoda to provide counselling services for staff aimed at improving their productivity through better psychosocial support.

Three trainees were enrolled for counselling in the centre.



SRH Institute

The SRH Institute was established to expand provision of trainings and capacity building workshops on SRH and counselling to cater to the emerging demand and interest from the private and government sectors. In 2017, the SRH Institute achieved NVQ Centre registration for a period of two years and the following training programmes and certificate courses were conducted during the year under review.

- 1 Drama Therapy Certificate course
- 1 Diploma course in Career counselling
- 2 programmes conducted for Judicial Counsellors
- Two Workshops on Counselling Skills Development for Silueta Pvt Ltd
- Two-Day Workshop on Neuro-Linguistic Programming
- Two-Day Workshop for Counsellors on Principles of Sex Therapy
- Workshop on Sex Education and Sexual Dysfunction
- Workshop on Sex Counselling and Therapy (Phase II)

Stress Management, sex therapy and drama therapy courses were the most popular training and certificate programmes offered during the year. Participants who regularly trained with us were school teachers, counsellors from the private and public sectors and officials of the Ministry of Social Empowerment and Welfare.





4

UNITE AND PERFORM

To establish FPA Sri Lanka
as a high performing,
accountable and united
Association

The graphic consists of several overlapping, semi-transparent shapes in shades of orange and yellow. A large, rounded orange shape is at the top left. Below it, a yellow shape with a pointed bottom-left corner overlaps the orange one. To the right of this yellow shape is another yellow shape with a pointed bottom-right corner. At the bottom, there is a large orange shape with a pointed bottom-left corner, overlapping the yellow shapes above it. The text is centered within the yellow shapes.

Through the sales of
the Social Marketing
Programme, FPA Sri
Lanka improves the
lives of its clients by
offering good quality,
reliable contraceptives
at an affordable price,
thus contributing to its
social mission

SOCIAL MARKETING PROGRAMME

PRESENTLY, THE SMP OF FPA SRI LANKA IS THE LARGEST CONTRACEPTIVE SOCIAL MARKETING PROGRAMME IN THE COUNTRY AND ONE AMONG IPPF MEMBER ASSOCIATIONS

The Social Marketing Programme (SMP) of FPA Sri Lanka was first started in 1973 as a Community Based Distribution Programme with the support of IPPF and PSI with the intention of providing access to condoms for the general public and for the organization to have a sustainable programme. FPA Sri Lanka took direct control of the programme in 1978 and continued to develop and expand the programme by introducing new products and extending to new territories. Presently, the SMP of FPA Sri Lanka is the largest contraceptive social marketing programme in the country and one among IPPF Member Associations.

Initially, it commenced operations in 1973 by distributing a brand of condoms called Preethi, and then in 1978, Mithuri oral contraceptive was launched. In 1997, the other breakthrough product in the history of contraception - Postinor-2 - was introduced to the market. Since then, it has expanded into a fully-fledged marketing programme with 22 products in its basket which includes Condoms, Oral Contraceptive Pill (OCPs), Emergency Contraceptive Pill (ECP's), Lubricants, Implants, Intrauterine Device (IUDs) etc.

Competitive Brands

Presently, the SMP of FPA Sri Lanka is not second to private pharmaceutical organizations whom they directly compete with. Most of the leading brands marketed by FPA Sri Lanka holds market share between 50% to 80% in the commercial sector. Through the sales of its SMP, FPA Sri Lanka improves the lives of its clients by offering good quality, reliable contraceptives at an affordable price, thus contributing to its social mission. Sales of its commodities are directly tied to the social impact of the organization, while surplus funds generated through the programme are utilised to provide services for the underprivileged.

The organisation has a very strong sales and marketing team consisting of 24 members which is headed by a Marketing Director and includes sales executives, medical delegates, field supervisors, a credit control unit and the support staff.

Most of the products marketed by FPA Sri Lanka are imported from leading multinational organisations and all these products are registered at the National Medicines Regulatory Authority of the Ministry of Health. Some of these products are imported in bulk and packed locally. This is a cost effective mechanism and helps provide employment for the local youth as well. The cost savings are passed on to the consumer, enabling them to purchase the commodities at an optimal price.

Products such as Preethi and Mithuri that have been in the market for more than four decades have become generic products among users and health care providers in the country. All products marketed by FPA Sri Lanka include user information in all three languages as assistance to all communities in the country.

The Social Marketing Programme of FPA Sri Lanka follows strict guidelines while Sourcing, Storing and Distributing Contraceptives to maintain the optimum quality of its products until it reaches the end user from the time of production. FPA Sri Lanka also has an automated inventory and invoicing system which has increased the efficiency of the sales operation.



New Condom Vending Machines Introduced

During the year, FPA Sri Lanka launched condom vending machines as a pilot venture through a project supported by IPPF to provide 24-hour access to condoms and lubricants for its deserving clients. These machines have a unique cashless operation and transactions are done through the mobile phones which is getting very popular among users.



Performance



In the year 2018, the Social Marketing Programme generated a revenue of Rs. 545 million. Most of the products demonstrated steady sales while certain products showed a decline due to the products reaching maturity in their life-cycle. Overall, the SMP Unit has shown a growth in revenue over the previous year while the surplus generated was slightly above budget.

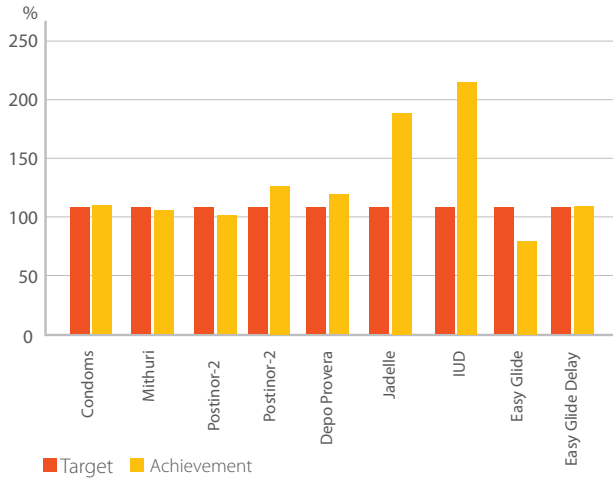
Best Sales Person 2017



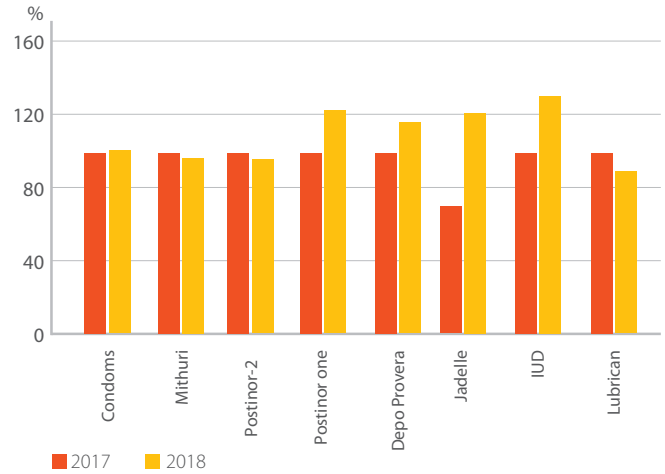
From left: Mr. Indika Edirisinghe – 1st Runner up, Ms Thushara Agus (Executive Director) Mr. Suranga Withanage – Winner, Mr. Suhali Junaid (Director Marketing) Mr. Lahiru Kulasinghe – 2nd Runner up

GRAPHS DEPICTING SALES PERFORMANCE

Target vs. Achievement - 2018

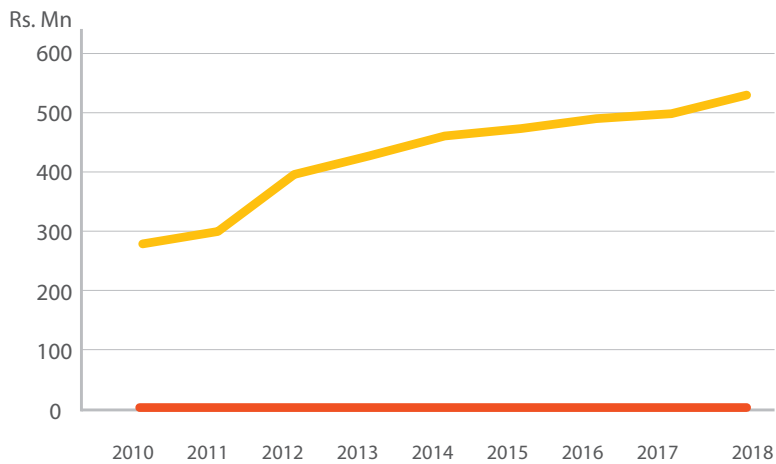


Sales 2017/2018



40

Revenue



PRODUCT RANGE



Preethi

Made with natural latex that gets you right into the action and promises nothing but satisfaction. Preethi condoms are manufactured by Dongkuk Vietnam Co Ltd in Vietnam.



Stamina

Benzocaine in Stamina will help you to prolong your love time allowing the most intimate occasions to be a lasting & memorable experience. Stamina condoms are manufactured in Thailand by Suretex Ltd.



Preethi Super

Studded condoms, with specially designed dots on the outer side of the condom for all-round pleasure. Condoms made of natural Latex Rubber. Preethi Super condoms too are manufactured by Dongkuk Vietnam Co Ltd in Vietnam.



Preethi Cool

Preethi Cool condoms are natural rubber latex male condoms lubricated with silicone oil & Cooling gel. Preethi Hot Condoms are manufactured by Karex Industries, Malaysia.

Product Range (contd.)



Rough Rider

Hundreds of raised rubber “studs” make the Rough Rider the condom offering maximum sensation and excitement. Rough Rider condoms too are manufactured in Thailand by Ansell.



LifeStyle Sensitive

The ultra thin, smooth surface gives both partners a real natural feeling and experience. You will not feel you are wearing a condom.

42



LifeStyle Mixed Berry

Flavoured with strawberry, raspberry or blueberry to give a nice aroma to enhance your taste and desire for the occasion.



SKYN

SKYN is a non-latex condom made out of synthetic polyisoprene. This does not contain natural rubber latex and is a suitable choice for individuals with a known or suspected allergy to natural rubber latex.

This is the latest in condom technology for a truly intimate sexual experience. The SKYNFEEL material used is soft and comfortable, for the most natural and fit and feel. This allows both partners to FEEL EVERYTHING.



LifeStyle Epic

These are Studded condoms, with specially designed dots on the outer side of the condom for all round pleasure and with added Benzocaine for extended love making.



LifeStyle Xperiences

This pack of condoms is made out of three different types of condoms to get different types of experiences during a single intimate relationship. Pack consists of a dotted condom, a ribbed dotted condom and ribbed flavoured condom.

All Lifestyle condoms are manufactured in Thailand by Suretex Ltd.



Mithuri – Oral Contraceptive Pill

Mithuri is an Oral Contraceptive Pill which should be taken daily. By taking Mithuri correctly and consistently pregnancies could be avoided. Mithuri is manufactured by Bayer Pharma AG, Germany under their brand Microgynon.



Postinor – 2

An emergency contraceptive pill to be taken within 72 hours of unprotected sexual intercourse. Postinor – 2 is manufactured by Gedeon Richter PLC in Hungary.

Product Range (contd.)



Postinor One

Postinor One (morning after pill) is a single dose oral emergency contraceptive pill. This also should be taken within 72 hours of unprotected sexual intercourse. This regime allows you to take only 1 pill which is more hassle free than taking 2 pills. Postinor One is also manufactured by Gedeon Richter PLC in Hungary.

Pill 72

Levonorgestrel Tablets BP

2 Tablets

Cipla



Pill 72

An emergency contraceptive pill to be taken within 72 hours of unprotected sexual intercourse. This product is manufactured by Cipla Ltd, India and the distribution in Sri Lanka is done by FPA Sri Lanka.

44

I-Pill

I-pill is a single dose Emergency Contraceptive Pill which is manufactured by Cipla Ltd, India and distributed in Sri Lanka by FPA Sri Lanka.



Depo – Provera

An injectable contraceptive that prevents a pregnancy for up to 3 months with each injection. Depo – Provera is manufactured by Pfizer in Belgium.





Copper – T IUD

The intrauterine contraceptive device also known as a Copper T is an extremely effective contraceptive method which can last up to 10 years.



Jadelle

Jadelle is a sub-dermal implant which is an effective and reversible contraceptive that prevents a pregnancy for up to 5 years. Ideal for women who have completed their family and/or who needs to space out childbirth. Jadelle is manufactured by Bayer Health Care in Finland.



Easy Glide

A water soluble, non irritating and non staining lubricant. Enables a satisfying and pleasurable love making experience by moisturizing the vagina. Manufactured by Karex Industries Sdn. Bhd, Malaysia.



Easy Glide Delay

Water soluble with desensitizing cream for longer lovemaking, containing 5% Benzocaine. Brings you and your partner a satisfying and pleasurable experience. Manufactured by Karex Industries Sdn. Bhd, Malaysia.

SEAP

Social Enterprise Acceleration Programme (SEAP)

In 2015, IPPF established the Social Enterprise Acceleration Programme with the long-term aim of strengthening the capacity of its Member Associations to apply entrepreneurial best practices in the health sector, while delivering social value and improving lives. The Programme's focus is to support the establishment and growth of social enterprises to increase and diversify Member Associations funding base and provide greater sustainability. SEAP has the following objectives:

- Accelerate the development of Member Associations towards diversifying their resource base, achieving financial sustainability and maximizing social impact.
- Provide Member Associations with high quality technical advice to support the effective development and delivery of sustainable sexual and reproductive health interventions through social enterprise.
- Share key insights and best practices within the Federation and provide access to external support networks and market opportunities.

In 2017, after a period of coordinating the Programme from the central office, IPPF strategically decided to hand the coordination of the Programme to a Member Association. This was done with a long term view and belief that SEAP's potential and impact will be maximized if delivered in the context of a well-established MA with significant expertise and a successful track record in Social Enterprise.

Currently the coordination of SEAP is managed by The Family Planning Association of Sri Lanka (FPASL), which along with the IPPF CO liaison is referenced as the social enterprise hub. The Social Enterprise Hub at FPASL, with inputs from IPPF CO, functions as the main steward of this Programme and framework. Regional offices play catalytic and enabling roles for social enterprise initiatives at regional and country level. In turn, the Member Associations are expected to be the social enterprise champions by implementing the social enterprise's vision, mission and objectives in their work. To date, SEAP has supported and is in the process of supporting and strengthening social enterprises of 15 Member Associations across the Federation and has facilitated multiple knowledge exchanges between Member Associations.

Some of the key activities coordinated by the Hub in 2017/2018 include

- Funding and project support
- Issuance of the Social Enterprise Mapping Report
- Technical assistance and knowledge sharing through a consultancy database and info-graphs highlighting Member Association best practices.

The strategic stance for the future is to focus on strengthening of the social enterprise capacity and support Member Associations to systematically ideate, plan and test their social enterprises to meet criteria for investment-readiness. To execute the outlined strategy, the primary activities in consideration (subject to continuity and availability of Programme funding) include creation of a social enterprise readiness assessment/checklist, developing an online learning platform, facilitating a technical support workshop/internship to inculcate, developing, coaching and enhancing entrepreneurial knowledge and training and call for seed grants and information sharing on investment opportunities.



MONITORING & EVALUATION

The Monitoring and Evaluation (M&E) system can be considered as one of major driving forces for a premier organisation such as FPA Sri Lanka. M&E systems help organisations to assess and manage performance in order that the right improvements can be made. M&E is an embedded concept and a constitutive part of our every project or programme design and is ideally understood as dialogue on development and progress of FPA.

Compared with recent years, 2018 was a very significant and exceptional year for the Monitoring and Evaluation of FPA Sri Lanka. Quality Data would be the key in decision-making to focus long-term enhancement and sustainability of the organisation. To assure the quality of data reported during recent years, Onsite Data Verification Assessment was conducted, covering all the SDPs and sharing the learning with responsible parties. The Organizational Learning and Evaluation Unit of IPPF SARO also contributed to this assessment.

Global Model of Programme (MoP) was introduced by the IPPF to be incorporated in the development of the Strategic Plans and Annual Programme and Budgets for all MAs. Simultaneously, the PRISM system introduced by the IPPF and FPA Sri Lanka together employs projects and units for the management and reporting process.

Under the System Strengthening of M&E procedure, its Monitoring and Evaluation System (MEIMS) was further developed and equipped with new modules as well as Data Validation systems to improve the quality of reported data. Furthermore, the Advocacy Module of MEIMS was enriched with advocacy reports to track and trace the progress of Advocacy Expected Results. Development of a Unique Identifier Code (UIC) to improve the data recording and reporting mechanisms was a significant milestone of MEIMS since individual identifiers are an important component of health care delivery. Currently, this UIC module operates under the Global Fund project, which is also expected to be implemented for other projects.

A MEIMS Module for data requirements of humanitarian projects was developed and could open new opportunities of effective reporting mechanisms for all humanitarian projects in FPA Sri Lanka. Since we have been working with Global DHIS2 system of IPPF for a long time to improve the quality of report generation of MEIMS, it was integrated with DHIS2 with the assistance of IPPF SARO. The reporting requirements system of MEIMS was introduced to overcome the issues of programmatic reporting with a view to ensuring the effectiveness of a programme and improved indicator tracking. Data analysis of Comprehensive Sexuality Education programmes was a main concern last year. For that, a CSE data entering and analysing module was developed and added to the MEIMS System. When considering all the factors, this year would be the best on system strengthening conducted at FPA Sri Lanka.

Learning and Capacity development is an important component of the Monitoring and Evaluation subject area. In 2018's M&E landmarks, FPA Sri Lanka participated in the following international training programmes:

- Mr. Amal Sugath Bandara (Assistant Director – M&E) participated in the 'International Workshop on Impact Evaluation of Population, Health and Nutrition Programmes' held from the 1st to 12th October 2018 in Bangkok, Thailand.
- Four Members of the M&E Unit were part of a learning visit of the HIV/AIDS project in Bangkok in December 2018.

HUMAN RESOURCE DEVELOPMENT

Developing Human Capital

One of the key pillars of FPA Sri Lanka's success over the decades has been its wealth of human capital. Skilled, professional staff have spearheaded its far-reaching projects and achieved significant gains by leveraging on enduring relationships forged with the Association's stakeholders. FPA Sri Lanka's human resource development process is one that ensures efficiency and the right attitude amongst staff from recruitment to retention.

A host of training programmes seek to develop new skills, knowledge and attitudes of the workforce, in order to ensure they have the right skill sets and the attitude to fulfil their goals. The management supports the career goals of staff and equips them with the right knowledge, training and work-life balance, which keeps staff motivated and committed to their goals. The Association ensures a culture of meritocracy backed by rewards and remuneration to boost morale. An advanced HR Information System (HRIS) ensures smooth management of staff, further reinforced by a safe working environment.

FPA Get-together

"Team Work makes the Dream Work" was the theme of the FPA Get-together held at Villa Ocean View, in Wadduwa, on 3rd November 2018. The objective of this event was to celebrate a year of notable successes and achievement, to encourage group interaction, and promote team spirit. As FPA Sri Lanka's dynamic Executive Director, Ms. Thushara Agus Ranasinghe aptly stated in her opening remarks, "A happy family and home enables a productive employee." It was also a day to recognise the support rendered by the family of each member of staff.

48



Star Performers of the Year



Sureka Perera - Finance Unit

Sureka, our Finance Director, performed an excellent treasury management task during a year in which our working capital was seriously challenged. She managed to gain maximum leverage on our banking facilities and helped the Association sail through construction and consignments of commodities without any hindrances. She has incorporated internal controls and raised the financial standards of the organisation during the last few years of her employment at FPA Sri Lanka.



Damayanthi Bandaranayake - Medical Unit

Damayanthi is the livewire in the clinic. Year 2018 saw the clinic going through numerous changes and Damayanthi helped the Association achieve a balance at the clinic. Her dedication to clients is unmatched and using her long experience in the clinic, Damayanthi performed well to manage the changes that took place in the clinic in 2018.



Rajitha Jayamuni - Transport and Administration Unit

Year 2018 kept Rajitha on his toes practically every day. From Colombo Municipality to the Ceylon Electricity Board, he had a long list of local authorities to cover to obtain approvals for the new building. This was in addition to attending meetings with contractors and handling complaints from neighbours. He was stretched to the highest degree in 2018 and yet managed to achieve the approvals despite these challenges.



K.D. Duminda - M & E Unit

Duminda had to take charge of the M&E unit unannounced in 2018 as his superior took a sabbatical year. Not only did he rise to the occasion, attending to the numerous and varied tasks at donor meetings to number crunching, he did it seemingly easily. Duminda demonstrated his natural leadership very well during this challenging year and continues to perform to date.

LEADERSHIP & GOVERNANCE

Founded by volunteers 65 years ago, FPA Sri Lanka values and strives to maintain the voluntary nature of the organization by practicing good governance. While the National Council takes the responsibility of governance related matters, all operational decisions are made by the Senior Management Team, while policy related decisions are taken at the National Council level so as to maintain accountability and transparency. Five Technical Advisory Committees are bestowed with specific operational and administrative responsibilities.

Founders' Day

Founders' Day is celebrated every year on 16th January as a mark of respect to our founding members, who faced many challenges to establish a family planning movement in the country. In 2018, we looked at ways to increase our volunteer base and enrich the membership with dedicated volunteers to face future challenges. As a commemorative token of our 65th year, a branded glass bottle was gifted to all volunteers at a special ceremony held at the Head Office.

Volunteer Orientation Programme

The "Volunteer Orientation Programme" was held on July 25th 2018, at Movenpick Hotel, Colombo 3, for all newly appointed National Council and Technical Advisory Committee members and members who had joined afresh.

The resource persons were Mr. Chandima Gunawardena (Hon. President), Dr. Pramilla Dissanayake (Past President), Ms. Thushara Agus (Executive Director), Dr. Harishchandra Yakandawala (Medical Director), Mr. Suhail Junaid (marketing Director), Ms. Sureka Perera (Finance Director) & Ms. Sonali Gunasekara (Advocacy Director)

Annual General Meeting

The 48th Annual General Meeting was held successfully on 9th June 2018 at the FPA Sri Lanka Head Office auditorium. As a new Committee had to be elected, nominations were called. Mr. Chandima Gunawardena was elected unanimously as the President for the second consecutive term.

The rest of the positions were filled as given below:

- Dr. Sriani Basnayake – Hony. Vice President
- Dr. Esther Amarasekara – Hony. General Secretary
- Mr. Nihal Wadugodapitiya – Hony. Treasurer

- Ms. Jayomi Marasinghe – Assistant Secretary
- Mr. Lakshan Seneviratne – Assistant Treasurer
- Dr. Lasantha Malavige – Chairperson Medical
- Mr. Anver Dole – Chairperson FAC
- Ms. Kusum De Silva – Chairperson IEC
- Mr. Benjamin Christhumani – Chairperson SMP
- Ms. Desaree Soysa – Chairperson YTAC



IPPF Director General's Visit To Sri Lanka



The most significant event for the year under review was the visit of the IPPF Director General Dr. Alvaro Bermejo's to FPA Sri Lanka, together with SARO Regional Director Mr. Varun Anand from 3rd to 5th September 2018. The three-day visit comprised visits to partner organisations working with FPA Sri Lanka on HIV Prevention, staff meetings, discussions with Peer Educators and Beach Boys (Key Population) attached to Samadhi Foundation in Hikkaduwa (Galle District), visits to a few of FPA Sri Lanka's main Pharma Traders in Colombo and to FPA Suwa Sewa Centre in Koggala BOI zone to observe workplace service delivery in action, as well as meetings with government stakeholders, the Family Health Bureau and a media conference at FPASL Head-office.



Members of the Technical Advisory Committees for the Year 2018

Technical Advisory Committee - FAC

1. Mr. Anver Dole - Chairperson
2. Mr. Chandima Gunawardena
3. Dr. Sriani Basnayake
4. Dr. Pramilla Senanayake
5. Dr. Esther Amarasekara
6. Mr. Nihal Wadugodapitiya
7. Major Shirley Silva
8. Dr. Ajith Colonne
9. Mr. Harain Benjamin Christhumani
10. Ms. Shiranthini De Silva
11. Ms. Padma Cumarathunga
12. Ms. Kusum De Silva
13. Mr. Lakshan Seneviratne
14. Mr. Sanath Wijesinghe
15. Mr. Tharindu Wijethunga
16. Mr. Isuru Senadheera

Technical Advisory Committee – IEC

1. Ms. Kusum De Silva - Chairperson
2. Mr. Chandima Gunawardena
3. Dr. Pramilla Senanayake
4. Dr. Sriani Basnayake
5. Dr. Esther Amarasekara
6. Mr. Nihal Wadugodapitiya
7. Mr. Anver Dole
8. Mr. Harain Benjamin Christhumani

9. Dr. Ajith Colonne
10. Mr. Lal Hewapathirana
11. Ms. Chandrakanthi Dharmadasa
12. Mr. U.L. Kaluarachchi
13. Mr. Dhakshitha Wickramaratne
14. Mr. Lalithe Kulasuriya
15. Ms. Deasaree Soysa
16. Ms. Shiranthini De Silva

Technical Advisory Committee –MEDICAL

1. Dr. Lasantha Malavige - Chairperson
2. Dr. Pramilla Senanayake
3. Prof. Athula Kaluarachchi
4. Prof. A.H. Sheriffdeen
5. Prof. H. R. Seneviratne
6. Dr. Sriani Bassnayake
7. Dr. S. A. P. Gnanissara
8. Dr. Lakshman Senanayake
9. Prof. Hemantha Senanayake
10. Dr. Lilangani de Silva
11. Prof. Sumedha Wijeratne
12. Dr. G. Weerasinghe - NSACP
13. Dr. Sanjeeva Godakandage - FHB
14. Dr. Mangala Dissanayake
15. Dr. Ajith Malalasekera
16. Dr. Ajith Rajapaksha
17. Prof. Lalani Rajapaksha
18. Prof. Nalin Ashubodha
19. Dr. Sanka Randenikumara

Technical Advisory Committee – SMP

1. Mr. Harain Benjamin Christhumani – Chairperson
2. Mr. Chandima Gunawardena
3. Dr. Pramilla Senanayake
4. Dr. Esther Amarasekara
5. Mr. Nihal Wadugodapitiya
6. Mr. Anver Dole
7. Ms. Kusum De Silva
8. Mr. Nihal Wanniarachchi

Leadership & Governance (contd.)

9. Ms. Chandrakanthi Dharmadasa
10. Ms. Shea Wickremasinghe
11. Ms. Deasaree Soysa
12. Mr. Satheesh Kumar
13. Mr. Shane David

Technical Advisory Committee – YOUTH

1. Ms. Desaree Soysa - Chairperson
2. Mr. Lakshan Senevirathne
3. Ms. Diani Dodamgoda
4. Ms. Chathurani Herath
5. Ms. Thivangi Jayasinghe
6. Mr. Naveen Gunaratne
7. Ms. Shehani Dilhara
8. Ms. Parami Anuththara
9. Ms. Venuree Samarasinghe

10. Mr. Jayalal Rajapaksha
11. Ms. Tharindi Abenayake
12. Ms. Ganga Rathnayake
13. Ms. Kasuni Katugampola
14. Ms. Sapna Madurangi

Independent Audit Committee

1. Ms. Melani Kanaka - Chairperson
2. Mr. V. Sivagurunathan
3. Mr. Manohara S. Thilakawardena
4. Ms. Nilanthi Jayathilake

Company Secretary

Ms. Diani Mallavithanarachchi

Meeting Schedule for the year 2018

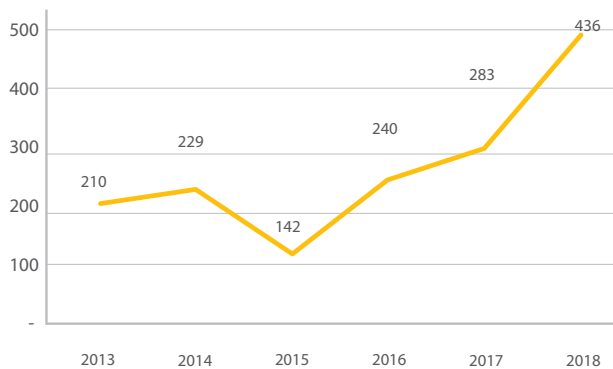
S/No.	Name of the Technical Advisory Committee	No. of meetings held
1	National Council (NC)	03
2	Medical Committee (MC)	02
3	Information, Education and Communication (IEC)	02
4	Finance & Administration Committee (FAC)	02
5	Social Marketing Programme (SMP)	02
6	Youth Technical Advisory Committee (YTAC)	03
7	Annual General Meeting (AGM)	01
8	Independent Audit Committee	04

FINANCIAL REVIEW

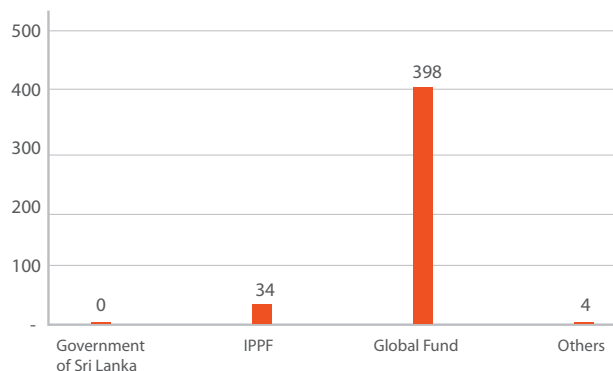
Donor Support

In the financial year under review, FPA Sri Lanka managed to record a satisfactory growth across all its revenue streams. A total of Rs. 436 Mn was received as grants, out of which 8% was received from IPPF and 91% from Global Fund for maintaining a low prevalence of HIV and to improve the quality of life of people infected with HIV.

Year 2018 - Source of Grants (Rs. Mn)



Year 2018 - Source of Grants (Rs. Mn)

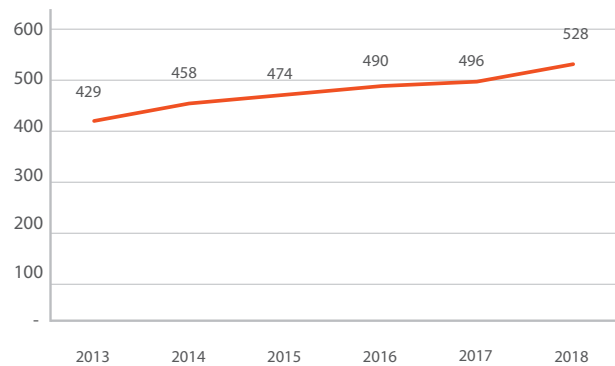


Revenue from Social Marketing of Contraceptives

In 2018, sales of contraceptives through Social Marketing recorded revenue of Rs. 528 Mn net of tax, contributing to 86% of the total revenue. The Association was able to maintain a gross profit of 35% despite currency fluctuations. Social Marketing of contraceptives has generated steady revenues since 2013.

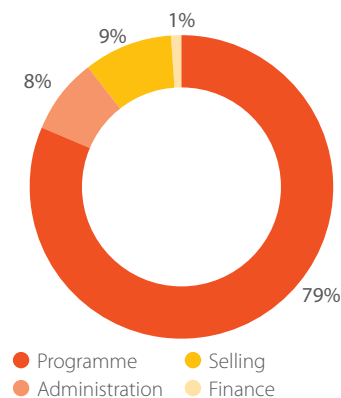
With the surplus from the Social Marketing unit, an investment of Rs. 69 Mn was directed during the year into the new building under construction.

Contraceptive Revenue 2013-18 (Rs. Mn)



Operating Expenses

79% of the total revenue generated was spent on programmatic activities while the administration overheads amounted to 8%. Selling and distribution costs were 9%, which was similar to that of the previous year.



Financial Review (contd.)

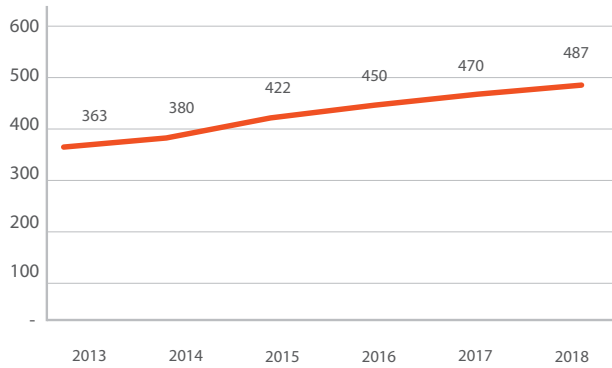
Balance Sheet

FPA Sri Lanka's statement of financial position in the year under review continued to reflect strength and stability, proving that sound fundamentals, financial policies and strategies are key to the success of the organisation.

Asset Growth

FPA Sri Lanka's total fund base increased up to Rs. 487 Mn in the current year, out of which Rs. 381 Mn represents high liquidity investments such as fixed and call deposits.

Total Fund Base (Rs. Mn)



Despite the growth in the fund base, growth in the investment portfolio was only Rs.15 Mn due to the investment of Rs. 69 Mn in the construction of the new building.



FINANCIAL STATEMENTS

THE FAMILY PLANNING
ASSOCIATION OF SRI LANKA

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2018

STATEMENT OF FINANCIAL POSITION

As at 31 December	Note	2018 Rs.	2017 Rs.
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	4	39,439,031	72,368,391
Intangible Assets	5	787,055	1,655,404
Investment Property	6	239,223,902	-
Capital Work In Progress	7	-	134,526,941
Deferred Tax Asset	8	2,392,036	2,812,723
Total Non-Current Assets		281,842,024	211,363,459
Current Assets			
Inventories	9	64,826,823	115,347,611
Trade and Other Receivables	10	146,679,289	149,672,879
Investments	11	254,657,290	239,627,861
Cash and Cash Equivalents	12	126,392,874	22,801,028
Total Current Assets		592,556,276	527,449,379
Total Assets		874,398,300	738,812,838
FUND AND LIABILITIES			
Accumulated Fund		166,998,786	165,220,220
Revenue Reserves	13	319,877,047	304,329,423
Total Fund		486,875,833	469,549,643
Non-Current Liabilities			
Retirement Benefit Obligation	14	29,813,328	28,718,022
Total Non-Current Liabilities		29,813,328	28,718,022
Current Liabilities			
Trade and Other Payables	15	39,480,557	40,951,876
Commodity Grant		195,740	195,740
Deferred Income	16	139,273,867	41,702,522
Income Tax Payable		1,968,958	3,960,006
Short Term Loans and Other Borrowings	17	165,445,030	151,270,481
Bank Overdraft	12	11,344,987	2,464,548
Total Current Liabilities		357,709,139	240,545,173
Total Fund and Liabilities		874,398,300	738,812,838

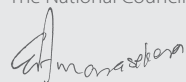
The Notes annexed form an integral part of these Financial Statements.

It is certified that the Financial Statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.



Executive Director

The National Council is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the National Council by,



Director / National Council Member



Director / National Council Member

28 March 2019
Colombo

STATEMENT OF INCOME AND EXPENDITURE

For the year ended 31 December	2018		2017
	Note	Rs.	Rs.
Revenue	18	884,094,842	802,973,068
Donor Grants			
Restricted Grants			
Restricted Donor Grants	18	325,689,048	275,293,938
Restricted Project Costs on Goals	19	(325,689,048)	(275,293,938)
Surplus / (Deficit) over Project Expenditure		-	-
Unrestricted Grants			
Unrestricted Donor Grants	18.1	16,448,309	17,774,217
Income Generated from Projects	20	14,152,828	13,493,484
Other Project Costs on Goals	21	(62,750,774)	(61,221,041)
Deficit over Project Expenditure		(32,149,637)	(29,953,340)
Contraceptive Sales	18	527,804,657	496,411,429
Cost of Contraceptive Sales		(340,520,334)	(312,738,613)
Gross Profit		187,284,323	183,672,816
Other Income	22	11,351,325	2,765,132
Administrative Expenses	23	(77,071,109)	(70,347,443)
Selling & Distribution Expenses	24	(83,009,529)	(75,679,942)
Net Finance Income	25	14,682,429	15,556,273
Surplus before Taxation	26	21,087,802	26,013,496
Income Tax Expense	27	(3,761,612)	(6,045,444)
Surplus for the Year		17,326,190	19,968,052

The Notes annexed form an integral part of these Financial Statements.

Figures in the brackets indicate deductions.

STATEMENT OF CHANGES IN FUND BALANCES

	Accumulated Fund Rs.	Special Reserve Fund Rs.	Endowment Fund Rs.	President's Discretionary Fund Rs.	Total Rs.
Balance as at 01.01.2017	173,324,464	263,928,741	9,965,753	2,362,633	449,581,591
Surplus for the Year	19,968,052	-	-	-	19,968,052
Transfer to Special Reserve Fund	(26,746,995)	26,746,995	-	-	-
Transfer to Endowment Fund	(1,071,318)	-	1,071,318	-	-
Transfer to President's Fund	(253,983)	-	-	253,983	-
Balance as at 01.01.2018	165,220,220	290,675,736	11,037,071	2,616,616	469,549,643
Surplus for the Year	17,326,190	-	-	-	17,326,190
Transfer to Special Reserve Fund	(14,148,121)	14,148,121	-	-	-
Transfer to Endowment Fund	(1,131,300)	-	1,131,300	-	-
Transfer to President's Fund	(268,203)	-	-	268,203	-
Balance as at 31.12.2018	166,998,786	304,823,857	12,168,371	2,884,819	486,875,833

The Notes annexed form an integral part of these Financial Statements.

STATEMENT OF CASH FLOWS

For the year ended 31 December	2018 Rs.	2017 Rs.
Cash Flows from Project Activities		
Surplus before Taxation	21,087,802	26,013,496
Adjustments for;		
Depreciation	11,799,520	11,007,158
Finance Income	(24,774,519)	(22,228,391)
Interest on short term and import loans	20,618,945	14,017,358
Profit on sale of Property, Plant and Equipment	(3,401,304)	-
Amortization of Investment property	1,680,975	-
Amortization of Intangible Assets - ERP System	868,349	1,499,745
Inventory provision and write-off	1,697,344	-
Bad debtors	216,437	211,720
Provision for Retirement Gratuity	5,168,398	4,554,864
Operating Surplus before Working Capital Changes	34,961,947	35,075,950
Changes in;		
Inventories	48,823,444	1,141,874
Trade and Other Receivables	2,777,157	(16,286,918)
Trade and Other Payables	(4,272,197)	14,266,683
Cash generated from Operations	82,290,351	34,197,589
Interest Paid	(20,367,592)	(15,904,090)
Gratuity Paid	(4,073,092)	(509,955)
Income Tax Paid	(2,782,448)	(1,774,003)
Net Cash generated from Project Activities	55,067,219	16,009,541
Cash Flows from Investing Activities		
Acquisition of Property, Plant & Equipment	(16,127,411)	(1,831,917)
Proceeds from Sale of Property, Plant & Equipment	3,401,304	-
Interest Received	24,312,424	20,631,986
Acquisition of Intangible Assets - ERP System	-	(88,991)
Investment property	-	-
Investment in Capital Expenditure	(69,120,686)	(87,915,540)
Investments made in Fixed Deposits and Treasury Bills	(18,395,087)	(408,100,547)
Withdrawal of Fixed Deposits and Treasury Bills	3,827,752	395,242,174
Net Cash generated from / (used in) Investing Activities	(72,101,704)	(82,062,835)
Cash Flows from Financing Activities		
Net Movement in Short Term Loans	14,174,549	59,597,666
Funds received during the Year	419,978,996	264,780,504
Grants transferred to Income	(322,407,651)	(275,293,940)
Net Cash generated from / (used in) Financing Activities	111,745,894	49,084,230
Net increase in Cash and Cash Equivalents	94,711,407	(16,969,065)
Cash and Cash Equivalents at the beginning of the Year	20,336,480	37,305,545
Cash and Cash Equivalents at the end of the Year	115,047,887	20,336,480
Analysis of Cash & Cash Equivalents at the end of the Year;		
Cash in hand and at Bank	126,392,874	22,801,028
Bank Overdraft	(11,344,987)	(2,464,548)
	115,047,887	20,336,480

The Notes annexed form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

NOTES TO THE FINANCIAL STATEMENTS

1. REPORTING ENTITY

1.1 General

The Family Planning Association of Sri Lanka ("Company") is a Company limited by Guarantee incorporated and domiciled in Sri Lanka. The registered office of the Association is located at No. 37/27, Bullers Lane, Colombo 07 and the principal place of business is also situated at the same place.

1.2 Principal Activities and Nature of Operations

During the year, the principal activities of the Association were as follows;

- (i) The formulation and development of information, education and training programs including the application of audio visual and mass media materials.
- (ii) The provision of medical and clinical services, advice on family planning technology and maintenance of clinical service statistics.
- (iii) The promotion of national and local fund raising campaigns.
- (iv) The assessment of the conduct and effect of the programs undertaken.

1.3 Number of Employees

The number of the employees of the Association at the end of the year was 126 (2017 - 125).

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The Statement of Financial Position, Statements of Income, Expenses and Changes In Fund Balances, Statements Of Functional Expenses and Notes to the Financial Statements ("Financial Statements") of the Association as at 31 December 2018 and for the year then ended, comply with the Sri Lanka Accounting Standard for Small and Medium-sized Entities (SLFRS for SMEs) issued by the Institute of Chartered Accountants of Sri Lanka and the requirements of the Companies Act No. 07 of 2007.

The Financial Statements of The Family Planning Association of Sri Lanka for the year ended 31 December 2018 were authorized for issue in accordance with a resolution of the National Council on 28 March 2019.

2.2 Basis of Measurement

The Financial Statements have been prepared on the historical cost basis except for the defined benefit obligations which are measured at the fair value in the Statement of Financial Position.

2.3 Functional and Presentation Currency

The Financial Statements are presented in Sri Lankan Rupees (LKR), which is the Association's functional currency. All amounts have been rounded to the nearest rupee unless stated otherwise.

2.4 Use of Estimates and Judgments

The preparation of Financial Statements in conformity with SLFRS for SMEs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of Assets, Liabilities, Income and Expenses. Actual results may differ from these estimates.

Estimates and underline assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected.

2.5 Going Concern

The National Council has made an assessment of Association's ability to continue as a going concern and are satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Council is not aware of any material uncertainties that may cast significant doubt upon the Association's ability to continue as a going concern and they do not intend either to liquidate or to cease operations of the Association. Therefore, the Financial Statements continue to be prepared on the going concern basis.

3. SIGNIFICANT ACCOUNTING POLICIES

The Association has consistently applied the following accounting policies to all periods presented in these Financial Statements.

3.1 Foreign Currency Translation

Transactions in foreign currencies are translated to the functional currency (LKR) of the Association at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences are generally recognized in profit or loss.

3.2 Financial Instruments

3.2.1 Non-derivative Financial Assets

The Association initially recognizes loans and receivables on the date when they are originated.

The Association derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred

financial assets that is created or retained by the Association is recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Association has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Loans and Receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. The losses arising from impairment are recognized in Statement of Income and Expenditure.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Association in the management of its short-term commitments.

3.2.2 Non-derivative Financial Liabilities

All financial liabilities are recognized initially on the trade date, which is the date that the Association becomes a party to the contractual provisions of the instrument. The Association derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

The Association classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognized initially at fair value less any directly attributable transaction costs.

Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

3.3 Property, Plant and Equipment

3.3.1 Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in Statement of Income and Expenditure.

3.3.2 Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Association.

The costs of the day-to-day servicing of property, plant and equipment are expensed as incurred.

3.3.3 Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is recognized in profit or loss.

Notes to the Financial Statements (contd.)

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Buildings	20 Years
Other Equipment	04 Years
Audio and Video Equipment	04 Years
Furniture and Fittings	10 Years
Motor Vehicles	04 Years
Computer Equipment	04 Years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted appropriately.

3.4 Intangible Assets

3.4.1 Recognition and Measurement

Intangible assets that are acquired by the Association and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

3.4.2 Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

3.4.3 Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual value using the straight-line method over their estimated useful lives, and is generally recognized in Statement of Income and Expenditure. The estimated useful life of intangible asset is as follows:

ERP System – SAGE Evolution 4 Years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.5 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost.

When the use of a property changes such that it is reclassified as property, plant and equipment, its carrying value at the date of reclassification becomes its cost for subsequent accounting.

3.6 Inventories

Inventories are measured at the lower of cost and net realizable value.

The cost of inventories includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

The cost of inventories is based on First-In, First-Out (FIFO) principle.

3.7 Impairment

3.7.1 Non-derivative Financial Assets

A financial asset not classified as at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes; default or delinquency by a debtor, restructuring of an amount due to the Association on terms that the Association would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers or the disappearance of an active market for a security.

3.7.1.1 Financial Assets Measured at Amortized Cost

The Association considers evidence of impairment for financial assets measured at amortized cost (loans and receivables) at both an individual asset and collective level. All individually significant assets are individually assessed for impairment. Those found not to be individually impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

3.7.1.2 Non-Financial Assets

The carrying amounts of the Association's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or cash generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognized in the Statement of Income and Expenditure.

3.8 Employee Benefits

3.8.1 Short-term Employee Benefits

Short-term employee benefit obligations are expensed as the related service is provided.

3.8.2 Defined Contribution Plans

A Defined Contribution Plan is a post-employment benefit plan under which an entity pays fixed contribution into separate entity and will have no legal or constructive obligation to pay further amounts.

All employees who are eligible for Employees' Provident Fund and Employees' Trust Fund are covered by relevant contributions to the defined contribution plans and are recognized as an expense in Statement of Income and Expenditure when incurred.

Employees' Provident Fund (EPF):
The Association and employees contribute 12% and 8% respectively on the basic salary of each employee to the above mentioned fund.

Employees' Trust Fund (ETF):
The Association contributes 3% of the basic salary of each employee to the Employees' Trust Fund.

3.8.3 Defined Benefits Plan - Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Association's net obligation in respect of defined benefit pension plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine

its present value. Any unrecognized past service costs are deducted.

The Association provided for gratuity liability based on the gratuity formula method.

The retirement benefit obligation is not externally funded.

3.9 Provisions

A provision is recognized if the Association has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.10 Deferred Income

Where income from donors is restricted for specific activity and specific future accounting period, the income has been deferred and shown as a current liability.

3.11 Grants and Subsidies

Grants are recognized where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is set up as deferred income. Where the Association receives non-monetary grants, the asset and that grant are recorded at nominal amounts and is released to the statement of comprehensive income over the expected useful life of the relevant asset by equal annual instalments.

3.12 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits associated with the transaction

will flow to the Association, and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured net of trade discounts, returns, rebates and value added taxes.

(i) Sale of Goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods.

(ii) Grants

Where income from donors is restricted for specific activity it has been deferred and released into revenue as funds are expensed on those specific activity.

3.13 Other Income

Interest income is recognized in Statement of Income and Expenditure as it accrues, using the effective interest method.

Gain on disposal of property, plant and equipment have been accounted for in Statement of Income and Expenditure, after deducting from the net sales proceeds on disposal of the carrying amount of such assets.

3.14 Finance Costs

Finance costs comprise interest expense on borrowings.

3.15 Taxation

As per SLFRS for SMEs, tax expense is the aggregate amount included in determination of surplus or deficit for the period in respect of current and deferred taxes. Income tax expense is recognized in the income statement.

Notes to the Financial Statements (contd.)

3.15.1 Current Taxation

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted on the reporting date, and any adjustment to tax payable in respect of previous years.

Provision for taxation is based on the profit for the year adjusted for taxation purposes in accordance with the provision of the Inland Revenue Act No 24 of 2017 and subsequent amendments thereto.

The Association is liable for income tax at the rate of 14% on the taxable profit.

3.15.2 Deferred Taxation

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

3.16 Nation Building Tax (NBT)

As per the provisions of the Nation Building Tax Act No 9 of 2009 and the subsequent amendments thereto, Nation Building Tax should be payable at the rate of 2% with effect from 1 January 2011 on the liable turnover as per the relevant provisions of the Act.

3.17 Value Added Tax (VAT)

Revenues, expenses and assets are recognized net of the amount of VAT except where the VAT incurred on a purchase of assets or service is not recoverable from the taxation authorities in which case the VAT is recognized as a part of the cost of the asset or part of the expense items as applicable and receivable and payable that are stated with the amount of VAT included. The amount of VAT recoverable or payable in respect of taxation authorities is included as a part of receivable and payable in the Statement of Financial Position.

4. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Building	Furniture and Fittings	Other Equipments	Audio and Video Equipments	Motor Vehicles	Computer Equipments	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Cost								
Balance as at 01.01.2018	40,404,780	35,265,185	5,672,902	27,650,858	2,796,682	50,683,976	29,206,835	191,681,218
Additions	-	1,987,029	82,485	6,020,517	-	9,725,750	793,380	18,609,161
Transfers	(39,739,000)	-	-	-	-	-	-	(39,739,000)
Disposals	-	-	-	-	-	(4,500,000)	-	(4,500,000)
Balance as at 31.12.2018	665,780	37,252,214	5,755,387	33,671,375	2,796,682	55,909,726	30,000,215	166,051,379
Accumulated Depreciation								
Balance as at 01.01.2018	-	19,479,463	4,010,259	25,325,613	2,796,682	42,172,396	25,528,415	119,312,828
Charge for the Year	-	1,376,795	368,013	2,133,589	-	6,260,731	1,660,392	11,799,520
Disposals	-	-	-	-	-	(4,500,000)	-	(4,500,000)
Balance as at 31.12.2018	-	20,856,258	4,378,272	27,459,202	2,796,682	43,933,127	27,188,807	126,612,348
Carrying Amount								
Balance as at 31.12.2018	665,780	16,395,956	1,377,115	6,212,173	-	11,976,599	2,811,408	39,439,031
Balance as at 01.01.2018	40,404,780	15,785,722	1,662,643	2,325,245	-	8,511,580	3,678,420	72,368,390

4.1 Building on Leased Land

Buildings of the Association includes a building which had been constructed on leasehold land at Bullers Lane, Colombo 07 (Land No. 2872 obtained from the Government of Sri Lanka). The initial Lease Agreement for the said land has been expired on 11 August 2000 and by a letter dated 02 August 2006 Ministry of Agriculture, Lands, Animal Production and Health, Irrigation and Tourism (Western Province) has confirmed that the lease period has been further extended for a period of 30 years from 11 August 2000. Further from a letter dated 31 January 2007 Land Commissioner's Department has also confirmed that the Minister has approved the lease period extension. However, no new agreement has been signed by the two parties as of the reporting date.

The Association pays Rs. 500,000/- per annum as annual rent to the Divisional Secretariat Thimbirigasyaya for above mention land.

Notes to the Financial Statements (contd.)

5. INTANGIBLE ASSET

	Balance as at 01.01.2018	Additions	Balance as at 31.12.2018
	Rs.	Rs.	Rs.
Cost			
ERP System - SAGE Evolution	6,800,174	-	6,800,174
	6,800,174	-	6,800,174
	Balance as at 01.01.2018	Charge for the Year	Balance as at 31.12.2018
	Rs.	Rs.	Rs.
Accumulated Amortization			
ERP System - SAGE Evolution	5,144,770	868,349	6,013,119
	5,144,770	868,349	6,013,119
As at 31 December		2018	2017
		Rs.	Rs.
Carrying Amount			
ERP System - SAGE Evolution		787,055	1,655,404

6. INVESTMENT PROPERTY

	Balance as at 01.01.2018	Transfers	Balance as at 31.12.2018
	Rs.	Rs.	Rs.
Cost			
Land	-	39,739,000	39,739,000
Building	-	201,165,877	201,165,877
	-	240,904,877	240,904,877
	Balance as at 01.01.2018	Charge for the Year	Balance as at 31.12.2018
	Rs.	Rs.	Rs.
Accumulated Depreciation			
Land	-	-	-
Building	-	1,680,975	1,680,975
	-	1,680,975	1,680,975

6. INVESTMENT PROPERTY (CONTD)

As at 31 December	2018	2017
	Rs.	Rs.
Carrying Amount		
Land	39,739,000	-
Building	199,484,902	-
	239,223,902	

7. CAPITAL WORK IN PROGRESS

	Balance as at 01.01.2018	Additions	Transfers WIP	Balance as at 31.12.2018
	Rs.	Rs.	Rs.	Rs.
Construction of Building - Narahenpita	132,045,191	69,120,686	201,165,877	-
Other WIP	2,481,750	-	2,481,750	-
	134,526,941	69,120,686	203,647,627	-

8. DEFERRED TAX ASSET

As at 31 December	2018	2017
	Rs.	Rs.
Balance as at the beginning of the year	2,812,723	1,040,232
Amounts Recognized during the year	(420,687)	1,772,491
Balance as at the end of the year	2,392,036	2,812,723

8.1 Deferred Tax Assets are attributable to the following temporary difference:

As at 31 December	2018		2017	
	Temporary Difference	Tax Effect at 14%	Temporary Difference	Tax Effect at 14%
	Rs.	Rs.	Rs.	Rs.
Property, Plant and Equipment	(4,350,036)	(609,005)	(8,627,144)	(1,207,800)
Investment Property	(8,377,318)	(1,172,825)	-	-
Retirement Benefit Obligation	29,813,328	4,173,866	28,718,022	4,020,523
	17,085,974	2,392,036	20,090,878	2,812,723

The Tax loss of Rs.31,296,806/- has not been considered in arriving at the deferred tax asset.

Notes to the Financial Statements (contd.)

9. INVENTORIES

As at 31 December	2018	2017
	Rs.	Rs.
Contraceptives	63,437,307	117,305,997
Packing Materials	1,515,288	1,487,371
Pharmaceutical Items	146,106	206,724
Stationery & Other Items	1,000,356	904,509
Provision for Inventory	(1,272,234)	(4,556,990)
	64,826,823	115,347,611

10. TRADE AND OTHER RECEIVABLES

Trade Receivables	108,955,449	106,434,811
Less: Provision for bad and doubtful Debts	(2,479,034)	(4,410,543)
	106,476,415	102,024,268
Staff Loans	645,000	556,000
Prepaid Expenses	2,892,626	2,614,007
Other Receivables	36,665,248	44,478,604
	146,679,289	149,672,879

11. INVESTMENTS

As at 31 December	2018	2017
	Rs.	Rs.
Fixed Deposits (Note 11.1)	254,429,502	235,495,164
Treasury Bills / Repurchase Agreements (Note 11.2)	-	3,909,144
Call Deposits	227,788	223,553
	254,657,290	239,627,861

11.1 Fixed Deposits

Capital	244,183,445	225,792,594
Interest Receivable	10,246,057	9,702,570
	254,429,502	235,495,164

11.2 Treasury Bills / Repurchase Agreements

Capital	-	3,827,752
Interest Receivable	-	81,392
	-	3,909,144

12. CASH AND CASH EQUIVALENTS

As at 31 December	2018	2017
	Rs.	Rs.
Favourable Balance		
Cash in Hand	-	38,870
Cash at Bank	126,392,874	22,762,158
	126,392,874	22,801,028
Unfavourable Balance		
Bank Overdraft	(11,344,987)	(2,464,548)
Cash and Cash Equivalent for the Purpose of Statement of Cash Flows	115,047,887	20,336,480

13. REVENUE RESERVES

Special Reserve Fund (Note 13.1)	304,823,857	290,675,736
Endowment Fund (Note 13.2)	12,168,371	11,037,071
President's Discretionary Fund (Note 13.3)	2,884,819	2,616,616
	319,877,047	304,329,423

13.1 Special Reserve Fund

Fund Balance at the beginning of the Year	290,675,736	263,928,741
Transferred from undesignated Fund	14,148,121	26,746,995
Fund Balance at the end of the Year	304,823,857	290,675,736

13.2 Endowment Fund

Fund Balance at the beginning of the Year	11,037,071	9,965,753
Transferred from undesignated Fund	1,131,300	1,071,318
Fund Balance at the end of the Year	12,168,371	11,037,071

13.3 President's Discretionary Fund

Fund Balance at the beginning of the Year	2,616,616	2,362,633
Transferred from undesignated Fund	268,203	253,983
Fund Balance at the end of the Year	2,884,819	2,616,616

Notes to the Financial Statements (contd.)

14. RETIREMENT BENEFIT OBLIGATION

As at 31 December	2018	2017
	Rs.	Rs.
Balance as at the Beginning of the Year	28,718,022	24,673,113
Provision for the Year	5,168,398	4,554,864
Less Benefit Paid During the Year	(4,073,092)	(509,955)
Balance as at the End of the Year	29,813,328	28,718,022

As required by Sri Lanka Accounting Standard (LKAS 19) "Employee Benefits", the Association has provided gratuity liability based on the Gratuity Formula Method.

The principal assumptions used to arrive above gratuity liability are as follows;

As at 31 December	2018	2017
Expected Annual Average Salary Increment Rate	10.00%	9.00%
Discount Rate	10.50%	10.50%
Staff Turnover Factor	1.00%	1.01%
Maximum Retirement Age of the Employees	60 Years	60 Years

15. TRADE AND OTHER PAYABLES

As at 31 December	2018	2017
	Rs.	Rs.
Accounts Payable	1,022,212	13,372,772
Sundry Creditors	38,458,345	27,579,104
	39,480,557	40,951,876

16. DEFERRED INCOME

	Balance as at 01.01.2018	Funds Received during the Year	Receivable	Grants Transferred to Income	Balance as at 31.12.2018
	Rs.	Rs.	Rs.	Rs.	Rs.
IPPF	22,071,081	17,859,550	3,666,980	40,679,783	2,917,828
UNAIDS	28,140	-	-	-	28,140
Unicef	185,234	-	-	185,234	-
United Nations Population Fund	31,717	-	-	-	31,717
Global Fund	13,269,866	397,729,124	-	278,345,408	132,653,582
Others	6,116,484	4,390,322	-	6,864,206	3,642,600
	41,702,522	419,978,996	3,666,980	326,074,631	139,273,867

17. SHORT TERM LOANS AND OTHER BORROWINGS

As at 31 December	2018	2017
	Rs.	Rs.
Short Term Loans	90,693,912	63,649,867
Import Loans	74,751,118	87,620,614
	165,445,030	151,270,481

18. REVENUE

For the year ended 31 December	2018	2017
	Rs.	Rs.
Restricted Donor Grants	325,689,048	275,293,938
Unrestricted Donor Grants (Note 18.1)	16,448,309	17,774,217
Contraceptive Sales	527,804,657	496,411,429
Income Generated from Projects	14,152,828	13,493,484
	884,094,842	802,973,068

18.1 Unrestricted Grants

Core Grant	16,373,309	17,699,217
Government Grant	75,000	75,000
	16,448,309	17,774,217

19. RESTRICTED PROJECT COSTS ON GOALS

Global Fund MSA	525,849	12,413,418
Global Fund ATM	277,819,557	210,298,141
IPPF Projects	40,679,783	24,994,631
Other Projects	6,663,859	27,587,748
	325,689,048	275,293,938

Notes to the Financial Statements (contd.)

20. INCOME GENERATED FROM PROJECTS

For the year ended 31 December	2018	2017
	Rs.	Rs.
Fundraising Income	9,131,983	9,566,061
Training Services income	1,772,627	270,766
Clinic Income	3,248,218	3,656,657
	14,152,828	13,493,484

21. OTHER PROJECT COSTS ON GOALS

Chinthana Training Center	9,552,814	9,290,308
Communication Unit	146,234	497,299
Youth Project	359,235	2,608,757
Sexual and Reproductive Health Institute	3,571,986	569,037
Advocacy Unit	10,151,060	9,480,454
Resource Mobilisation Unit	493,521	413,065
Centre for Family Health	12,844,436	14,970,583
Outreach Unit	23,032,027	23,391,538
Comprehensive Sexuality Education Programme	2,599,461	-
	62,750,774	61,221,041

22. OTHER INCOME

Reversal of Bad Debts Provision	1,391	-
Miscellaneous Income	178,449	-
Donations	10,000	83,125
Rent Income	1,375,000	-
Profit on Sale of Vehicles	3,401,304	-
Project Income	6,385,181	2,682,007
	11,351,325	2,765,132

23. ADMINISTRATIVE EXPENSES

For the year ended 31 December	2018	2017
	Rs.	Rs.
Personnel & Employee Benefits	36,855,139	35,301,733
Bank Charges	523,612	321,295
Travel & Perdiem Expenses	1,833,250	1,546,881
Vehicle Running Costs	609,285	786,701
Printing & Stationery	2,554,498	2,742,188
Occupancy Cost	1,439,185	4,035,178
Consumables	1,661,359	1,875,345
Communications	4,609,723	3,892,224
Depreciation and Amortization	14,348,843	12,506,902
Audit Fees & Expenses	874,660	828,480
Consultancy & Professional Fees	2,994,199	815,591
Maintenance of Building & Equipment	2,395,094	1,350,494
Exchange Difference	1,342,862	382,663
Insurance Expense	1,765,979	1,658,711
Development Activities	3,263,421	2,303,057
	77,071,109	70,347,443

24. SELLING AND DISTRIBUTION EXPENSES

Personnel & Employee Benefits	22,893,067	20,072,429
Travel & Perdiem Expenses	13,319,607	9,033,913
Vehicle Running Costs	14,240,069	13,813,268
Printing & Stationery	58,827	83,084
Promotional expenses	24,387,368	22,528,639
Medical Supplies/Equipment	192,576	88,991
Consultancy & Professional Fees	2,039,226	1,171,083
Bad Debtors	216,437	211,720
Insurance	155,073	261,654
Web site maintenance	161,989	782,421
Consumables	2,857,671	4,197,664
VAT Expenses	2,270,681	3,263,236
Sundry Expenses	216,938	171,840
	83,009,529	75,679,942

Notes to the Financial Statements (contd.)

25. NET FINANCE INCOME

For the year ended 31 December	2018	2017
	Rs.	Rs.
25.1 Finance Income		
Interest on Repurchase Agreements / Treasury Bills	160,516	3,833,817
Interest on Fixed / Call Deposits / Money Market Account	24,614,003	18,394,574
	24,774,519	22,228,391
25.2 Finance Costs		
Interest on Short Term Loans	(10,092,090)	(6,672,118)
	(10,092,090)	(6,672,118)
Net Finance Income recognized in Profit or Loss	14,682,429	15,556,273

26. SURPLUS BEFORE TAXATION

For the year ended 31 December	2018	2017
	Rs.	Rs.

Surplus before Taxation is stated after charging all expenses including the following;

Included in Administrative Expenses

Defined Contribution Plan Costs - Gratuity	2,451,784	1,117,804
Defined Contribution Plan Costs - EPF and ETF	5,097,219	4,404,195
Depreciation and Amortisation	14,348,845	12,506,902
Auditors' Remuneration	522,500	475,000

Included in Selling and Distribution Expenses

Defined Contribution Plan Costs - Gratuity	1,368,630	1,181,547
Defined Contribution Plan Costs - EPF and ETF	2,585,570	2,273,192

Included in Project Costs on Goals

Defined Contribution Plan Costs - Gratuity	1,347,984	2,255,513
Defined Contribution Plan Costs - EPF and ETF	4,482,433	4,992,155

27. INCOME TAX EXPENSE

Income Tax on current year Surplus (Note 27.1)	-	3,512,152
NGO Tax (Note 27.2)	3,340,925	1,666,276
Under Provision for Prior year Tax		
WHT - 2016	-	949,574
NGO Tax 2016	-	1,478,332
NGO Tax 2015	-	211,601
Deferred Tax Originated during the year	420,687	(1,772,491)
	3,761,612	6,045,444

For the year ended 31 December	2018	2017
	Rs.	Rs.
27.1 Reconciliation between Accounting Profit to Income Tax		
Surplus before Taxation	21,087,802	26,013,496
Adjustment on Disallowable Expenses	324,926,870	244,817,305
Adjustment on Allowable Expenses	(377,311,477)	(239,043,094)
Tax exempt Income	-	-
Profit on Trade or Business	(31,296,805)	31,787,707
Interest Income on Treasury Bills / Repurchase Agreements	-	3,833,817
	(31,296,805)	35,621,524
Tax Free Allowances	-	(500,000)
Taxable Income	(31,296,805)	35,121,524
Tax @ 14%	-	3,512,152

27.2 NGO Tax Liability

Grants Received From Global Fund	397,729,124	198,366,207
Profit and Income liable to NGO Tax (3% of funds received)	11,931,874	5,950,986
Tax @ 28%	3,340,925	1,666,276

28. ASSETS PLEDGED AS COLLATERALS

Name of the Financial Institution	Nature of Facility	Security	Value of the Security	
			As at	As at
			31.12.2018	31.12.2017
			Rs.	Rs.
Standard Chartered Bank	Letter of Credit	Treasury Bills	-	4,000,000
Hatton National Bank	Letter of Credit	Fixed Deposits	62,610,158	52,388,500

29. RELATED PARTY TRANSACTIONS

29.1 Transactions with Key Management Personnel

According to Sri Lanka Accounting Standard LKAS 24 "Related Party Disclosures", Key Management Personnel, are those having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. Accordingly, the members of the National Council and Chief Executive Officers have been classified as Key Management Personnel.

Close Family Members of a Key Management Person are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the Entity. They may include;

- The individual's domestic partner and children;
- Children of the individual's domestic partner; and
- Dependants of the Individual or the individual's domestic partner

Notes to the Financial Statements (contd.)

Close Family Members are related parties to the Entity.

For the year ended 31 December	2018	2017
	Rs.	Rs.
Key Management Personnel Compensation		
Salaries, EPF, ETF and Gratuity	5,881,672	5,352,734

30. SUBSEQUENT EVENTS

There have been no material events arisen subsequent to the reporting date which require adjustments to or disclosure in the financial statements.

31. CONTINGENT LIABILITIES

There were no material contingent liabilities as at the reporting date which require adjustment to or disclosure in the financial statements.

32. COMPARATIVE FIGURES

To facilitate comparison relevant balances pertaining to the previous year have been reclassified to conform to current year classification and presentation.

33. CAPITAL COMMITMENTS

The Association does not have significant Commitments as at the reporting date other than mentioned below.

The Association has constructed a building in the freehold land located in Narahenpita, However the payment is not incurred as at 31.12.2018.

As at 31 December	2018	2017
	Rs.	Rs.
Approximate amount contracted for but not incurred	7,000,000	35,000,000

34. NATIONAL COUNCIL'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

THE FAMILY PLANNING
ASSOCIATION OF SRI LANKA

ADDITIONAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2018

AS PER IPPF REQUIREMENT

INDEPENDENT AUDITORS' REPORT



KPMG
(Chartered Accountants)
32A, Sir Mohamed Macan Markar Mawatha,
P. O. Box 186,
Colombo 00300, Sri Lanka.

Tel : +94 - 11 542 6426
Fax : +94 - 11 244 5872
+94 - 11 244 6058
Internet : www.kpmg.com/lk

TO THE MEMBERS OF THE FAMILY PLANNING ASSOCIATION OF SRI LANKA

We have audited the accompanying financial statements of The Family Planning Association of Sri Lanka, ("the Association"), which comprise the Balance Sheet as at 31 December 2018, and the Statement of Income, Expenses and Changes in Fund Balances and Statement of Functional Expenses for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements have been prepared by the National Council of the Association based on the accounting policies of the External Audit Manual (Issued June 1992, Revised October 2010) issued by International Planned Parenthood Federation (IPPF).

National Council's Responsibility for the Financial Statements

The National Council is responsible for the preparation of these financial statements in accordance with the accounting policies of External Audit Manual (Issued June 1992, Revised October 2010) issued by IPPF and for such internal control as National Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 auditors' 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 internal control relevant to the entity's preparation of the 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 National Council, 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

In our opinion, the financial statements of the Association for the year ended 31 December 2018 are prepared, in all material respects, in accordance with the accounting policies of External Audit Manual (Issued June 1992, Revised October 2010) issued by IPPF.

Basis of Accounting and Restriction on Use and Distribution

Without modifying our opinion, we draw attention to Note 2.1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Association to comply with the accounting policies of External Audit Manual (Issued June 1992, Revised October 2010) issued by IPPF. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for The Family Planning Association of Sri Lanka and International Planned Parenthood Federation and should not be distributed to or used by any other parties.

CHARTERED ACCOUNTANTS
Colombo
28 March 2019

KPMG, a Sri Lankan partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.


M.R. Mihular FCA	P.Y.S. Perera FCA	C.P. Jayatilake FCA
T.J.S. Rajakarier FCA	W.W.J.C. Perera FCA	Ms. S. Joseph FCA
Ms. S.M.B. Jayasekara ACA	W.K.D.C. Abeyrathne FCA	S.T.D.L. Perera FCA
G.A.U. Karunaratne FCA	R.M.D.B. Rajapakse FCA	Ms. B.K.D.T.N. Rodrigo FCA
R.H. Rajan FCA	M.N.M. Shameel ACA	Ms. C.T.K.N. Perera ACA

Principals - S.R.J. Perera F.C.MA(UK), LLB, Attorney-at-Law, H.S. Goonewardena ACA

FINANCIAL POSITION

As at 31 December		Current Year 2018						Prior Year 2017	
		Local Currency			U.S. Dollars			Local Currency	U.S. Dollars
ASSETS	Note	Unrestricted	Donor	Total Unrestricted	Unrestricted	Donor	Total	Total	Total
		Rs.	Rs.	Rs.	USD	USD	USD	Rs.	USD
CURRENT ASSETS									
Cash in Hand and Bank		2,758,564	123,634,310	126,392,873	15,264	684,121	699,385	22,801,028	150,691
Interest Bearing Deposits		242,408,606	2,002,626	244,411,233	1,341,349	11,081	1,352,430	229,843,899	1,519,026
Inventories	4	64,826,823	-	64,826,823	358,714	-	358,714	115,347,612	762,326
Staff Loans		645,000	-	645,000	3,569	-	3,569	556,000	3,675
Other Debtors	5	124,489,553	12,693,178	137,182,731	688,853	70,237	759,090	141,399,961	934,505
Interest Receivable		10,246,057	-	10,246,057	56,696	-	56,696	9,783,962	64,662
Prepaid Expenses		2,892,627	-	2,892,627	16,007	-	16,007	2,614,007	17,275
TOTAL CURRENT ASSETS		448,267,230	138,330,114	586,597,344	2,480,452	765,439	3,245,891	522,346,469	3,452,160
NON CURRENT ASSETS									
Fixed Assets	6	33,840,907	6,385,181	40,226,088	187,256	35,332	222,588	208,550,736	1,378,301
Investment Property	7	239,223,902	-	239,223,902	1,323,727	-	1,323,727	-	-
Deferred Tax Assets	8	2,392,036	-	2,392,036	13,236	-	13,236	2,812,723	18,589
Security/Refundable Deposits		5,958,930	-	5,958,930	32,973	-	32,973	5,102,910	33,725
TOTAL NON CURRENT ASSETS		281,415,775	6,385,181	287,800,956	1,557,192	35,332	1,592,524	216,466,369	1,430,615
TOTAL ASSETS		729,683,005	144,719,295	874,398,300	4,037,644	800,771	4,838,415	738,812,838	4,882,775

As at 31 December		Current Year 2018						Prior Year 2017	
		Local Currency			U.S. Dollars			Local Currency	U.S. Dollars
Note	Unrestricted	Donor Restricted	Total	Unrestricted	Donor Restricted	Total	Total	Total	
	Rs.	Rs.	Rs.	USD	USD	USD	Rs.	USD	
LIABILITIES AND FUND BALANCES									
CURRENT LIABILITIES									
Accounts payable	191,690,856	-	191,690,856	1,060,706	-	1,060,706	182,709,391	1,207,516	
Accrued expenses	13,234,733	-	13,234,733	73,233	-	73,233	9,512,968	62,871	
Bank Overdraft	11,344,987	-	11,344,987	62,777	-	62,777	2,464,548	16,288	
Income Tax Payable	1,968,959	-	1,968,959	10,895	-	10,895	3,960,006	26,171	
Deferred Income	9	943,752	138,330,114	139,273,865	5,222	765,439	770,661	41,702,522	275,610
TOTAL CURRENT LIABILITIES		219,183,287	138,330,114	357,513,401	1,212,833	765,439	1,978,272	240,349,435	1,588,456
TOTAL LIABILITIES		219,183,287	138,330,114	357,513,401	1,212,833	765,439	1,978,272	240,349,435	1,588,456
FUND BALANCES									
Designated Funds	10	167,117,550	-	167,117,550	924,732	-	924,732	219,595,307	1,451,294
Undesignated Funds		70,121,621	-	70,121,621	388,013	-	388,013	70,121,621	463,430
Inventory Fund		195,740	-	195,740	1,083	-	1,083	195,740	1,295
Fixed Assets Fund	11	273,064,807	6,385,181	279,449,988	1,510,983	35,332	1,546,315	208,550,735	1,378,300
TOTAL FUND BALANCES		510,499,718	6,385,181	516,884,899	2,824,811	35,332	2,860,143	498,463,403	3,294,319
TOTAL LIABILITIES AND FUND BALANCES		729,683,005	144,715,295	874,398,300	4,037,644	800,771	4,838,415	738,812,838	4,882,775


President/Treasurer


Executive Director

28 March 2019
Colombo

STATEMENT OF INCOME, EXPENSES AND CHANGES IN FUND BALANCES

Sl. No.	Particulars	Current Year	
		Unrestricted	Restricted
a.	Unrestricted Grant-IPPF	16,373,309	-
	IPPF Cash Grant	16,373,309	-
b.	Restricted Income through IPPF	-	40,679,784
	Cathelitic Fund Project	-	-
	Outreach Special Project	-	-
	Sprint Project - (Prepositioning)	-	2,807,641
	Sprint Project III	-	3,641,050
	I Decide Project	-	650
	GGR Project	-	12,990,791
	Social Enterprise Acceleration Programme	-	6,039,630
	Social Enterprise Training Programme	-	711,877
	Social Enterprise Acceleration Programme (Vending Machines)	-	13,920,859
	Championship Project	-	-
	Sprint Project	-	-
	Sprint Humanitarian Settings Proejct	-	567,286
	UPR Project	-	-
c.	Restricted Income-Direct	-	285,009,264
	WRC Project	-	1,427,139
	Unicef Chatbot Project	-	185,234
	Levis Foundation Project	-	5,051,485
	British Council Project	-	-
	UNFPA	-	-
	Global Fund - NFM	-	277,819,557
	Global Fund - MSA	-	525,849
d.	Local Income from Service Delivery	541,712,026	-
	Contraceptive Sales	527,804,657	-
	Fund Raising Income	9,131,984	-
	Clinic Income	3,002,758	-
	Training Services Income	1,772,627	-
e.	Other Income	68,724,689	-
	Interest on Investments	24,774,519	-
	Local Donations	85,000	-
	Rent Income	1,375,000	-
	Others	179,840	-
	Exchange gain/loss	-	-
	Profit/loss on sale of Assets	3,401,304	-
	Project Overhead Income	24,560,181	-
	Fixed Assets fund - Depreciation	14,348,845	-
	Total Income	626,810,024	325,689,048

Current Year				Prior Period	
Total in LC	USD		Total in USD	Total in LC	Total in USD
	Unrestricted	Restricted			
16,373,309	98,625	-	98,625	17,699,217	118,330
16,373,309	98,625	-	98,625	17,699,217	118,330
40,679,784	-	245,037	245,037	24,994,633	167,104
-	-	-	-	503,780	3,368
-	-	-	-	983,167	6,573
2,807,641	-	16,912	16,912	-	-
3,641,050	-	21,932	21,932	-	-
650	-	4	4	78,065	522
12,990,791	-	78,251	78,251	-	-
6,039,630	-	36,380	36,380	1,257,000	8,404
711,877	-	4,288	4,288	4,175,915	27,919
13,920,859	-	83,853	83,853	1,072,496	7,170
-	-	-	-	5,402,093	36,116
-	-	-	-	10,591,170	70,808
567,286	-	3,417	3,417	344,800	2,305
-	-	-	-	586,147	3,919
285,009,264	-	1,716,768	1,716,768	250,299,307	1,673,403
1,427,139	-	8,596	8,596	-	-
185,234	-	1,116	1,116	644,766	4,311
5,051,485	-	30,428	30,428	2,218,062	14,829
-	-	-	-	25,000	167
-	-	-	-	24,699,920	165,134
277,819,557	-	1,673,461	1,673,461	210,298,141	1,405,971
525,849	-	3,167	3,167	12,413,418	82,991
541,712,026	3,263,031	-	3,263,031	509,904,913	3,409,025
527,804,657	3,179,259	-	3,179,259	496,411,429	3,318,813
9,131,984	55,007	-	55,007	9,566,061	63,955
3,002,758	18,087	-	18,087	3,656,657	24,447
1,772,627	10,678	-	10,678	270,766	1,810
68,724,689	413,967	-	413,967	54,182,199	362,241
24,774,519	149,231	-	149,231	22,228,390	148,610
85,000	512	-	512	158,125	1,058
1,375,000	8,282	-	8,282	-	-
179,840	1,083	-	1,083	-	-
-	-	-	-	-	-
3,401,304	20,488	-	20,488	-	-
24,560,181	147,940	-	147,940	19,288,782	128,957
14,348,845	86,431	-	86,431	12,506,902	83,616
952,499,071	3,775,623	1,961,805	5,737,428	857,080,269	5,730,103

Statement of Income, Expenses and Changes in Fund Balances (contd.)

Sl. No.	Particulars	Current Year	
		Unrestricted	Restricted
Expenses by Strategic Framework			
a.	Outcome-1	10,560,536	650
b.	Outcome-2	2,915,194	185,233
c.	Outcome-3	475,292,920	310,870,429
d.	Outcome-4	20,463,995	14,632,736
	Total (A): Expenses by Outcome	509,232,645	325,689,048
Expenses by Support Strategies			
a.	Indirect Cost	100,617,897	-
b.	Governance Cost	1,411,857	-
	Total (B): Expenses by Support Strategies	102,029,754	-
	Total Expenses (A+B)	611,262,399	325,689,048
	Net incoming/outgoing resources before transfers	15,547,624	-
	Transfer between funds	(15,547,624)	-
	Fund balances at the beginning of the Year	70,121,621	-
	Cumulative translation adjustments	-	-
	Fund Balances at the end of the Year	70,121,621	-

Current Year				Prior Period		
Total in LC	Unrestricted	USD		Total in USD	Total in LC	Total in USD
		Restricted				
10,561,186	63,612	4	63,616	20,958,673	140,121	
3,100,427	17,560	1,116	18,676	3,750,823	25,077	
786,163,349	2,862,952	1,872,544	4,735,496	697,537,213	4,663,461	
35,096,731	123,265	88,141	211,406	22,914,253	153,196	
834,921,693	3,067,389	1,961,805	5,029,193	745,160,962	4,981,855	
100,617,897	606,077	-	606,077	82,970,693	554,709	
1,411,857	8,505	-	8,505	876,315	5,859	
102,029,754	614,582	-	614,582	83,847,008	560,568	
936,951,447	3,681,971	1,961,805	5,643,775	829,007,970	5,542,423	
15,547,624	93,652	-	93,653	28,072,299	187,680	
(15,547,624)	(93,652)	-	(93,652)	(28,072,299)	(187,680)	
70,121,621	463,431	-	463,431	70,121,621	474,308	
-	(75,418)	-	(75,418)	-	(10,877)	
70,121,621	388,013	-	388,014	70,121,621	463,431	

STATEMENT OF FUNCTIONAL EXPENSES

	Outcome 1	Outcome 2	Outcome 3	Outcome 4	Sub Total
1 Personnel and Employee Benefits	7,308,737	-	189,977,294	20,298,757	217,584,788
2 Travel and Per-diem Expenses	245,579	89,582	94,584,972	864,780	95,784,913
3 Vehicle Running Costs	478,434	174,923	18,346,964	348,503	19,348,824
4 Printing and Stationery	398,738	156,457	2,127,582	1,852,946	4,535,723
5 Consumables	5,447	105,485	4,531,309	234,563	4,876,805
6 Occupancy Cost	-	-	19,211,202	1,961,410	21,172,612
7 Communications	1,561	-	697,106	119,383	818,050
8 Consultancy and Professional Fees	901,365	622,399	23,094,767	1,997,359	26,615,890
9 Event facilities / Programme cost	1,221,325	1,782,081	19,446,490	7,134,363	29,584,259
10 Medical Supplies/Equipment	-	169,500	16,964,170	189,400	17,323,070
11 Development Activities	-	-	17,861,054	-	17,861,054
12 Sundries	-	-	216,939	-	216,939
13 Maintenance of Building & Equipment	-	-	588,388	86,016	674,404
14 Insurance and Bank Charges	-	-	661,525	9,250	670,775
15 Fixed Assets - Depreciation	-	-	-	-	-
16 Audit Fees & Expenses	-	-	-	-	-
17 Bad Debts	-	-	216,437	-	216,437
18 Promotional expenses	-	-	24,387,368	-	24,387,368
19 Exchange loss	-	-	-	-	-
20 Income tax	-	-	204,689	-	204,689
21 VAT	-	-	2,270,681	-	2,270,681
22 Cost of sales	-	-	340,520,334	-	340,520,334
23 Website maintenance	-	-	161,989	-	161,989
24 Interest on Loan	-	-	10,092,090	-	10,092,090
25 Insurance	-	-	-	-	-
Total as at 31.12.2018 in Local Currency	10,561,186	3,100,427	786,163,349	35,096,731	834,921,693
Total at 31.12.2018 in US\$	63,616	18,676	4,735,496	211,406	5,029,193

Indirect Costs	Governance Cost	TOTAL FOR THE YEAR ENDED 31ST DECEMBER			
		2018		2017	
		Local Currency	U.S. Dollars	Local Currency	U.S. Dollars
50,004,582	754,258	268,343,628	1,616,382	211,520,280	1,414,142
924,498	274,297	96,983,708	584,186	92,770,759	620,229
419,370	40,234	19,808,428	119,317	20,115,982	134,488
759,756	242,222	5,537,702	33,357	5,205,215	34,800
1,600,146	(4,134)	6,472,816	38,989	9,246,357	61,818
1,439,185	-	22,611,796	136,203	24,648,876	164,793
4,609,723	-	5,427,774	32,694	4,904,612	32,790
2,453,626	181,189	29,250,705	176,193	21,946,461	146,725
3,181,812	(76,208)	32,689,863	196,909	48,037,833	321,162
10,423,144	-	27,746,214	167,131	7,409,910	49,540
-	-	17,861,054	107,587	8,163,568	54,578
-	-	216,939	1,307	183,892	1,229
2,395,094	-	3,069,498	18,489	6,177,636	41,301
313,007	-	983,782	5,926	857,391	5,732
14,348,843	-	14,348,843	86,431	12,506,902	83,616
874,660	-	874,660	5,269	828,480	5,539
-	-	216,437	1,304	211,720	1,415
-	-	24,387,368	146,899	22,528,639	150,618.68
1,342,862	-	1,342,862	8,089	-	-
3,761,612	-	3,966,301	23,891	582,918	3,897
20,134	-	2,290,814	13,799	3,263,236	21,817
-	-	340,520,334	2,051,142	318,784,057	2,131,265
-	-	161,989	976	782,421	5,231
-	-	10,092,090	60,790	8,330,825	55,697
1,745,844	-	1,745,844	10,516	-	-
100,617,897	1,411,857	936,951,447	5,643,775	829,007,970	5,542,423
606,077	8,505				

NOTES TO THE FINANCIAL STATEMENTS

1. REPORTING ENTITY

1.1 General

The Family Planning Association of Sri Lanka ("Company") is a Company limited by Guarantee incorporated and domiciled in Sri Lanka. The registered office of the Association is located at No. 37/27, Bullers Lane, Colombo 07 and the principal place of business is also situated at the same place.

1.2 Principal Activities and Nature of Operations

During the year, the principal activities of the Association were as follows;

- (i) The formulation and development of information, education and training programs including the application of audio visual and mass media materials.
- (ii) The provision of medical and clinical services, advice on family planning technology and maintenance of clinical service statistics.
- (iii) The promotion of national and local fund raising campaigns.
- (iv) The assessment of the conduct and effect of the programs undertaken.

1.3 Number of Employees

The number of the employees of the Association at the end of the year was 126 (2017 - 125).

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The Statement of Financial Position, Statements of Income, Expenses and Changes In Fund Balances, Statements Of Functional Expenses and Notes to the Financial Statements ("Financial Statements") of the Association as at 31 December 2018 and for the year then

ended, has been prepared based on the accounting policies of the External Audit Manual (Issued June 1992, Revised October 2010) issued by International Planned Parenthood Federation (IPPF).

The Financial Statements of The Family Planning Association of Sri Lanka for the year ended 31 December 2018 were authorized for issue in accordance with a resolution of the National Council on 28 March 2019.

2.2 Basis of Measurement

The Financial Statements have been prepared on the historical cost basis except for the defined benefit obligations which are measured at the fair value in the Statement of Financial Position.

2.3 Use of Estimates and Judgments

The preparation of Financial Statements in conformity with SLFRS for SMEs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of Assets, Liabilities, Income and Expenses. Actual results may differ from these estimates.

Estimates and underline assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected.

2.4 Going Concern

The National Council has made an assessment of Association's ability to continue as a going concern and are satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Council is not aware of any material uncertainties that may cast significant doubt upon the Association's ability to continue as a going concern and they do not intend either to liquidate or to cease operations of

the Association. Therefore, the Financial Statements continue to be prepared on the going concern basis.

3. SIGNIFICANT ACCOUNTING POLICIES

The Association has consistently applied the following accounting policies to all periods presented in these Financial Statements.

3.1 Foreign Currency Translation

The financial statements of the Association are maintained in local currency and are translated into US Dollars for the purpose of presentation, as described below:

- All income and expenditure in local currency are translated into US Dollars using the average exchange rate obtained from the exchange of US Dollars during the period.
- All assets and liabilities are translated into US Dollars at the exchange rate prevailing as at 31 December, 2018.
- Exchange rate differences arising from translation are taken directly to reserve fund balance.

3.2 Financial Instruments

3.2.1 Non-derivative Financial Assets

The Association initially recognizes loans and receivables on the date when they are originated.

The Association derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by

the Association is recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Association has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Loans and Receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. The losses arising from impairment are recognized in Statement of Income and Expenditure.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Association in the management of its short-term commitments.

3.2.2 Non-derivative Financial Liabilities

All financial liabilities are recognized initially on the trade date, which is the date that the Association becomes a party to the contractual provisions of the instrument. The Association derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

The Association classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognized initially at fair value less any directly attributable transaction costs.

Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

3.3 Property, Plant and Equipment

Fixed assets worth of Rs. 20,000/- (US \$ 500) and above donated and purchased from 1 January 1988 onwards up to 31 December 2002 and fixed assets worth of Rs. 50,000 (US \$ 500) and above donated and purchased from 01 January 2003 up to December 2017 and Fixed assets worth of Rs. 15,000/- (USD 100) and above purchased from January 2018 onwards are capitalized through the Fixed Assets Fund, and depreciated over their estimated useful economic lives. An amount released to income using the same method was adopted for depreciation from the Fixed Assets Fund.

All assets valued at less than Rs. 15,000/- are written off during the year of purchase to the expenditure account.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Buildings	20 Years
Other Equipment	04 Years
Audio and Video Equipment	04 Years
Furniture and Fittings	10 Years
Motor Vehicles	04 Years
Computer Equipment	04 Years

Fixed assets Fund has been created as at 1 January 1991 for the assets donated and capitalized from 1 January 1988 onwards. The value of fixed assets capitalized have been credited to this Fund and released into income using the same method; same as adopted for depreciation. All fixed assets purchased are charged to expense/replacement fund in the year of purchase and capitalized through the fixed assets fund.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

3.4 Intangible Assets

3.4.1 Recognition and Measurement

Intangible assets that are acquired by the Association and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

3.4.2 Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

3.4.3 Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual value using the straight-line method over their estimated useful lives, and is generally recognized in Statement of Income and Expenditure. The estimated useful life of intangible asset is as follows:

ERP System – SAGE Evolution 4 Years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3.5 Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost.

When the use of a property changes such that it is reclassified as property, plant and equipment, its carrying value at the date of reclassification becomes its cost for subsequent accounting.

Notes to the Financial Statements (contd.)

3.6 Inventories

Inventories are measured at the lower of cost and net realizable value.

The cost of inventories includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

The cost of inventories is based on First-In, First-Out (FIFO) principle.

3.7 Impairment

3.7.1 Non-derivative Financial Assets

A financial asset not classified as at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes; default or delinquency by a debtor, restructuring of an amount due to the Association on terms that the Association would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers or the disappearance of an active market for a security.

3.7.1.1 Financial Assets Measured at Amortized Cost

The Association considers evidence of impairment for financial assets measured at amortized cost (loans and receivables) at both an individual asset and collective level. All individually significant assets are individually assessed for impairment. Those found not to be individually impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

3.7.1.2 Non-Financial Assets

The carrying amounts of the Association's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or cash generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognized in the Statement of Income and Expenditure.

3.8 Employee Benefits

3.8.1 Short-term Employee Benefits

Short-term employee benefit obligations are expensed as the related service is provided.

3.8.2 Defined Contribution Plans

A Defined Contribution Plan is a post-employment benefit plan under which an entity pays fixed contribution into separate entity and will have no legal or constructive obligation to pay further amounts.

All employees who are eligible for Employees' Provident Fund and Employees' Trust Fund are covered by relevant contributions to the defined contribution

plans and are recognized as an expense in Statement of Income and Expenditure when incurred.

Employees' Provident Fund (EPF):

The Association and employees contribute 12% and 8% respectively on the basic salary of each employee to the above mentioned fund.

Employees' Trust Fund (ETF):

The Association contributes 3% of the basic salary of each employee to the Employees' Trust Fund.

3.8.3 Defined Benefits Plan - Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Association's net obligation in respect of defined benefit pension plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs are deducted.

The Association provided for gratuity liability based on the gratuity formula method.

The retirement benefit obligation is not externally funded.

3.9 Provisions

A provision is recognized if the Association has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.10 Deferred Income

Where income from donors is restricted for specific activity and specific future accounting period, the income has been deferred and shown as a current liability.

3.11 Grants and Subsidies

Grants are recognized where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is set up as deferred income. Where the Association receives non-monetary grants, the asset and that grant are recorded at nominal amounts and is released to the statement of comprehensive income over the expected useful life of the relevant asset by equal annual instalments.

3.12 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits associated with the transaction will flow to the Association, and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured net of trade discounts, returns, rebates and value added taxes.

(i) Sale of Goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods.

(ii) Grants

Where income from donors is restricted for specific activity it has been deferred and released into revenue as funds are expensed on those specific activity.

(iii) Sale proceeds of disposal of fixed assets have been accounted for in the Fixed Assets replacement fund.

3.13 Other Income

Interest income is recognized in Statement of Income and Expenditure as it accrues, using the effective interest method.

Gain on disposal of property, plant and equipment have been accounted for in Statement of Income and Expenditure, after deducting from the net sales proceeds on disposal of the carrying amount of such assets.

3.14 Finance Costs

Finance costs comprise interest expense on borrowings.

3.15 Taxation

As per SLFRS for SMEs, tax expense is the aggregate amount included in determination of surplus or deficit for the period in respect of current and deferred taxes. Income tax expense is recognized in the income statement.

3.15.1 Current Taxation

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted on the reporting date, and any adjustment to tax payable in respect of previous years.

Provision for taxation is based on the profit for the year adjusted for taxation purposes in accordance with the provision of the Inland Revenue Act No 24 of 2017 and subsequent amendments thereto.

The Association is Liable for income tax at the rate of 14% on the taxable profit.

3.15.2 Deferred Taxation

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

3.16 Nation Building Tax (NBT)

As per the provisions of the Nation Building Tax Act No 9 of 2009 and the subsequent amendments thereto, Nation Building Tax should be payable at the rate of 2% with effect from 1 January 2011 on the liable turnover as per the relevant provisions of the Act.

3.17 Value Added Tax (VAT)

Revenues, expenses and assets are recognized net of the amount of VAT except where the VAT incurred on a purchase of assets or service is not recoverable from the taxation authorities in which case the VAT is recognized as a part of the cost of the asset or part of the expense items as applicable and receivable and payable that are stated with the amount of VAT included. The amount of VAT recoverable or payable in respect of taxation authorities is included as a part of receivable and payable in the Statement of Financial Position.

Notes to the Financial Statements (contd.)

4. INVENTORY

As at 31 December	2018	2017
	Rs.	Rs.
Contraceptives	63,437,307	117,305,997
Packing Materials	1,515,288	1,487,371
Pharmaceutical Items	146,106	206,725
Stationery & Other Items	1,000,356	904,509
Provision for Inventory	(1,272,234)	(4,556,990)
	64,826,823	115,347,612

5. OTHER DEBTORS

Trade Debtors	108,955,449	106,434,811
Other Debtors	30,706,316	39,375,693
Less - Allowance for doubtful debtors	(2,479,034)	(4,410,543)
	137,182,731	141,399,961

6. FIXED ASSETS / INTANGIBLE ASSETS

	Balance as at 01.01.2018	Additions	Disposal	Transfers	Balance as at 31.12.2018
	Rs.	Rs.	Rs.	Rs.	Rs.
At Cost					
Freehold Land	40,404,780	-	-	39,739,000	665,780
Building	35,265,185	1,987,029	-	-	37,252,214
Furniture & Fittings	5,672,902	82,485	-	-	5,755,387
Other Equipment	27,650,858	6,020,517	-	-	33,671,375
Audio & Video Equipment	2,796,682	-	-	-	2,796,682
Motor Vehicles	50,683,976	9,725,750	4,500,000	-	55,909,726
Computer Equipment	36,007,009	793,380	-	-	36,800,389
Total Value of Depreciable Assets	198,481,392	18,609,161	4,500,000	39,739,000	172,851,553

Depreciation /Amortization	Balance as at Charge for the		Disposal	Adjustments	Balance as at	
	01.01.2018	Year			31.12.2018	
	Rs.	Rs.	Rs.	Rs.	Rs.	
At Cost						
Freehold Land	-	-	-	-	-	
Building	19,479,463	1,376,794	-	-	20,856,257	
Furniture & Fittings	4,010,259	368,013	-	-	4,378,273	
Other Equipment	25,325,613	2,133,589	-	-	27,459,201	
Audio & Video Equipment	2,796,682	-	-	-	2,796,682	
Motor Vehicles	42,172,396	6,260,731	4,500,000	-	43,933,127	
Computer Equipment	30,673,184	2,528,741	-	-	33,201,925	
	124,457,597	12,667,868	4,500,000	-	132,625,464	
As at 31st December				2018	2017	
				Rs.	Rs.	
Net Book Value						
Freehold Land				665,780	40,404,780	
Building				16,395,957	15,785,722	
Furniture & Fittings				1,377,115	1,662,644	
Other Equipment				6,212,174	2,325,244	
Audio & Video Equipment				-	-	
Motor Vehicles				11,976,599	8,511,580	
Computer Equipment				3,598,463	5,333,825	
Total Carrying Amount of Property, Plant & Equipment (without WIP)				40,226,088	74,023,795	
Work in Progress				-	134,526,941	
Total Carrying Amount of Property, Plant & Equipment				40,226,088	208,550,736	

6.1 Leasehold Land and Building

Buildings of the Association includes a building which had been constructed on leasehold land at Bullers Lane, Colombo 07 (Land No. 2872 obtained from the Government of Sri Lanka). The initial Lease Agreement for the said land has been expired on 11 August 2000 and by a letter dated 02 August 2006 Ministry of Agriculture, Lands, Animal Production and Health, Irrigation and Tourism (Western Province) has confirmed that the lease period has been further extended for a period of 30 years from 11 August 2000. Further from a letter dated 31 January 2007 Land Commissioner's Department has also confirmed that the Minister has approved the lease period extension. However, no new agreement has been signed by the two parties as of the reporting date.

The Association pays Rs. 500,000/- per annum as annual rent to the Divisional Secretariat Thimbrigasyaya for above mention land.

Notes to the Financial Statements (contd.)

7. INVESTMENT PROPERTY

	Balance as at 01.01.2018	Additions	Transfers	Deductions	Balance as at 31.12.2018
	Rs.	Rs.	Rs.	Rs.	Rs.
Land & Building	-	201,165,877	39,739,000	-	240,904,877
Depreciation			Balance as at 01.01.2018	Charge for the Year	Balance as at 31.12.2018
			Rs.	Rs.	Rs.
Building			-	1,680,975	1,680,975
Carrying Amount				2018	2017
				Rs.	Rs.
Land & Building				239,223,902	-

8. DEFERRED TAX ASSETS

As at 31st December	2018	2017
	Rs.	Rs.
Balance as at the beginning of the year	2,812,723	1,040,232
Amounts Recognized during the year	(420,687)	1,772,491
Balance as at the end of the year	2,392,036	2,812,723

8.1 Deferred Tax Assets are attributable to the following temporary differences:

As at 31 December	2018		2017	
	Temporary Differences	Tax Effect at 14%	Temporary Differences	Tax Effect at 14%
	Rs.	Rs.	Rs.	Rs.
Property, Plant and Equipment	(4,350,036)	(609,005)	(8,627,144)	(1,207,800)
Investment Property	(8,377,318)	(1,172,825)	-	-
Employee Benefits	29,813,328	4,173,866	28,718,022	4,020,523
	17,085,974	2,392,036	20,090,878	2,812,723

9. DEFERRED INCOME

As at 31 December	2018	2017
	Rs.	Rs.
IPPF Projects	2,917,827	22,071,082
Other Projects	136,356,040	19,631,440
	139,273,867	41,702,522

10. DESIGNATED FUND

	Special Reserve Fund	Fixed Assets Replacement Fund	Severance Fund	Endowment Fund	President's Discretionary Fund	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Fund Balances as at 01.01.2018	159,696,948	17,526,648	28,718,022	11,037,072	2,616,616	219,595,306
Add - Contributions during the year	-	-	5,168,398	-	-	5,168,398
Add - Transferred from undesignated Fund	14,148,121	-	-	1,131,300	268,203	15,547,624
Less - Amounts released during the year	(69,120,686)	-	(4,073,092)	-	-	(73,193,778)
Fund Balances as at 31.12.2018	104,724,383	17,526,648	29,813,328	12,168,372	2,884,819	167,117,550

11. FIXED ASSET FUND

As at December	2018	2017
	Rs.	Rs.
Fund balance as at 01.01.2018	208,550,735	131,221,191
Add: Additions during the year	85,248,098	89,836,447
Less: Amount released to Income statement during the year - Depreciation	(14,348,845)	(12,506,903)
Fund Balance as at 31.12.2018	279,449,988	208,550,735

12. AUDIT FEES

Audit fees for the year	522,500	475,000
	522,500	475,000

13. The number of employees at the end of the year was 126 (2017 - 125) and total personnel cost and other benefits amounted to Rs. 109,480,320/- (2017 - Rs.100,740,551/-).

Notes to the Financial Statements (contd.)

14. DEFERRED INCOME

	IPPF Projects				
	Cathelitic Fund	GBV Project	GGR Project	Strategic Plan	Sprint Prepositioning Project
Balance as at 01.01.2018	1,188,149	62,780	-	287,438	-
Grant Received	4,546	-	10,590,513	-	2,807,641
Grant Receivable	-	-	2,400,278	-	-
Grant Transfer	-	-	-	-	-
Total	1,192,695	62,780	12,990,791	287,438	2,807,641
Expenditure					
Outcome 1	-	-	-	-	-
Outcome 2	-	-	-	-	-
Outcome 3	-	-	12,990,791	-	2,807,641
Outcome 4	-	-	-	-	-
Total Expenditure	-	-	12,990,791	-	2,807,641
Balance as at 31.12.2018	1,192,695	62,780	-	287,438	-
Represented by					
Cash at bank	-	-	-	-	-
Investments	1,192,695	62,780	-	287,438	-
Debtors	-	-	-	-	-
Payables	-	-	-	-	-
Accruals	-	-	-	-	-
Balance 31.12.2018	1,192,695	62,780	-	287,438	-

Sprint III Project	Sprint Humanitarian Settings	I Decide	Social Enterprise Acceleration Programme	Social Enterprise Training Programme	Social Enterprise Acceleration Programme (Vending Machines)	IPPF Total
-	801,145	148,435	4,894,783	889,348	13,799,004	22,071,082
4,374,600	-	82,250	-	-	-	17,859,550
-	-	-	1,144,847	-	121,855	3,666,980
-	-	-	-	-	-	-
4,374,600	801,145	230,685	6,039,630	889,348	13,920,859	43,597,612
-	-	-	-	-	-	-
-	-	650	-	-	-	650
-	-	-	-	-	-	-
3,641,050	567,286	-	6,039,630	-	-	26,046,398
-	-	-	-	711,877	13,920,859	14,632,736
3,641,050	567,286	650	6,039,630	711,877	13,920,859	40,679,784
733,551	233,859	230,035	-	177,471	-	2,917,828
733,551	233,859	230,035	-	177,471	-	1,374,915
-	-	-	-	-	-	1,542,913
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
733,551	233,859	230,035	-	177,471	-	2,917,828

Notes to the Financial Statements (contd.)

	Global Fund		UNICEF	UNFPA	UNDP
	GFATM NFM	GFATM MSAGrant	Chatbot Project	Lisa Project	UNDP Project
Balance as at 01.01.2018	7,590,855	5,679,011	185,234	31,717	28,140
Grant Received	402,882,286	(5,153,162)	-	-	-
Grant Receivable	-	-	-	-	-
Grant Transfer	-	-	-	-	-
Total	410,473,140	525,849	185,234	31,717	28,140
Expenditure					
Outcome 1	-	525,849	-	-	-
Outcome 2	-	-	185,234	-	-
Outcome 3	277,819,557	-	-	-	-
Outcome 4	-	-	-	-	-
Total Expenditure	277,819,557	525,849	185,234	-	-
Balance as at 31.12.2018	132,653,583	-	-	31,717	28,140
100 Represented by					
Cash at bank	119,960,404	-	-	-	-
Investments	-	-	-	31,717	28,140
Debtors	12,693,180	-	-	-	-
Payables	-	-	-	-	-
Accruals	-	-	-	-	-
Balance 31.12.2018	132,653,584	-	-	31,717	28,140

OTHERS							
World Bank Project	Arrow Project	Levis Foundation Project	WRC Project	OUR Project	Total other Projects	Total	
307,205	92,651	5,331,045	-	385,582	19,631,440	41,702,522	
-	-	-	3,446,570	943,752	402,119,446	419,978,996	
-	-	-	-	-	-	3,666,980	
307,205	92,651	5,331,045	3,446,570	1,329,334	421,750,885	465,348,498	
-	-	-	-	-	525,848	526,498	
-	-	-	-	-	185,234	185,234	
-	-	5,051,485	1,427,139	385,582	284,683,764	310,730,161	
-	-	-	-	-	-	14,632,736	
-	-	5,051,485	1,427,139	385,582	285,394,846	326,074,629	
307,205	92,651	279,559	2,019,431	943,752	136,356,039	139,273,869	
-	-	279,559	2,019,431	943,752	123,203,147	124,578,063	
307,205	92,651	-	-	-	459,713	2,002,626	
-	-	-	-	-	12,693,180	12,693,180	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
307,205	92,651	279,559	2,019,431	943,752	136,356,039	139,273,869	

Notes to the Financial Statements (contd.)

15. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

15.1 Capital Commitments

The Association does not have significant Commitments as at the reporting date other than mentioned below.

As at 31 December	2018	2017
	Rs.	Rs.
Approximate amount contracted for but not incurred	7,000,000	35,000,000

15.2 Contingent Liabilities

There were no material contingent liabilities as at the reporting date which require adjustment to or disclosure in the financial statements.

16. CURRENCY TRANSLATION

Dollar funds received from IPPF have been converted into local currency in a manner which is in compliance with local foreign exchange regulations.

The rates used for translation are ;	2018	2017
Balance Sheet - Year end Rate	US \$ = Rs. 180.72	US \$ = Rs. 151.31
Income & Expenditure - Average Rate	US \$ = Rs. 166.015	US \$ = Rs. 149.575

17. INCOME TAXES

The Family Planning Association of Sri Lanka is a non-profit making charity and is accordingly exempt from income tax under Section 8 of the Inland Revenue Act No. 10 of 2006, except for income on investments in excess of the tax free allowance.

The major components of income tax expense for the years ended 31 December are as follows :

As at 31 December	2018	2017
	Rs.	Rs.
Income Tax on current year Surplus (Note 17.1)	-	3,512,152
NGO tax (17.2)	3,340,925	1,666,276
Underprovision for prior year tax		
WHT - 2016	-	949,574
NGO Tax - 2016	-	1,478,332
NGO Tax - 2015	-	211,601
Deferred Tax originated during the year	420,687	(1,772,491)
	3,761,612	6,045,444

As at 31 December	2018	2017
	Rs.	Rs.

17.1 A reconciliation between Accounting Profit to Income Tax :

Surplus before Taxation	21,087,801	26,013,496
Adjustment on Disallowable Expenses	324,926,870	244,817,305
Adjustment on Allowable Expenses	(377,311,477)	(239,043,094)
Profit on Trade or Business	(31,296,806)	31,787,707
Interest Income on Treasury Bills / Repurchase Agreements	-	3,833,817
	(31,296,806)	35,621,524
Tax Free Allowances	-	(500,000)
Taxable Income	(31,296,806)	35,121,524
Tax @ 14%	-	3,512,152

17.2 NGO Tax Liability

Grants Received From Global Fund	397,729,124	198,366,207
Profit and Income liable to NGO Tax (3% of funds received)	11,931,874	5,950,986
Tax @ 28%	3,340,925	1,666,276

18. INSURANCE

In accordance with the accounting policy outlined in Note 3 to these financial statements, the cost of fixed assets with a replacement value below Rs. 15,000/- has been written off in the year of acquisition. However, the replacement cost of these have been estimated by the Association and reflected in the insurance policies held by the Association with covers effected as follows;

As at 31 December	2018	2017
	Rs.	Rs.
Contraceptive and Other Consumables		
- Stock Declaration Policy	200,000,000	200,000,000
- Goods in Transit	20,000,000	20,000,000
Buildings and Office Equipments	376,610,752	148,822,728
Motor Vehicles	54,819,500	49,599,500

19. ASSETS PLEDGED

Name of the Financial Institution	Nature of Facility	Security	As at 31.12.2018	As at 31.12.2017
			Rs.	Rs.
Standard Chartered Bank	Letter of Credit	Fixed Deposits	-	4,000,000
Hatton National Bank	Letter of Credit	Fixed Deposits	62,610,158	52,388,500

ANNEXURE I - RECONCILIATION WITH AUDITED ACCOUNTS

INCOME	As Per	As Per	Difference
	IPPF Annual Report	Audited Accounts	
Grants	Rs.	Rs.	Rs.
Release of Fixed Assets Fund	-	14,348,845	(14,348,845)*
Government Grant of Sri Lanka	75,000	75,000	-
International Planned Parenthood Federation	57,053,093	57,053,093	-
Global Fund	278,345,407	278,345,407	-
Others	6,663,858	6,663,858	-
	342,137,358	356,486,203	(14,348,845)

Other Sources

Clinical Services	3,002,758	3,002,758	-
Contraceptive Retail Sales	527,804,657	527,804,657	-
Interest on Deposit	24,774,519	24,774,519	-
Training Services	1,772,627	1,772,627	-
Sundry Income	38,658,309	38,658,309	-
	596,012,870	596,012,870	-
Total Income	938,150,228	952,499,073	(14,348,845)

104

EXPENDITURE	As Per	As Per	Difference
	IPPF Annual Report	Audited Accounts	
	Rs.	Rs.	Rs.
Outcome 1	10,561,186	10,561,186	-
Outcome 2	3,100,427	3,100,427	-
Outcome 3	786,163,349	786,163,349	-
Outcome 4	35,096,731	35,096,731	-
Governance Cost	1,411,857	1,411,857	-
Indirect Cost	86,269,052	86,269,052	-
Depreciation	-	14,348,845	(14,348,845)**
	922,602,602	936,951,446	(14,348,845)
Net Excess/(Deficit) of Income over Expenditure before Transfers	15,547,626	15,547,626	-
Transfers to Designated Fund	(15,547,626)	(15,547,626)	-
Net Excess/(Deficit) of Income over Expenditure	-	-	-

* Transfer of Depreciation Charge to IPPF Report.

** Inclusion of Depreciation Charge in the Audit Report.

FPA SRI LANKA STRATEGIC PARTNERS

International Planned Parenthood Federation – IPPF

IPPF is a global network of Member Associations operating in over 170 countries. It is a leader in RH (Reproductive Health) service provision and a formidable advocate on Sexual and Reproductive Health Rights.

IPPF operates in all regions of the globe and has regional offices in Africa (Nairobi, Kenya); Arab world (Tunis, Tunisia); Europe (Brussels, Belgium); South Asia (New Delhi, India), South East Asia and Oceania (Kuala Lumpur, Malaysia); Western Hemisphere (New York, USA) and has its global headquarters in London, UK. IPPF was formed in 1952 at the Third International Conference on Planned Parenthood in Bombay, India.

Family Health Bureau – FHB

Established in 1968, Family Health Bureau is the arm of the Ministry of Health that implements the Maternal and Child Health (MCH) programme of the country. The Maternal and Child Health programme forms an important component of the healthcare system, services of which are delivered through the well-developed infrastructure of the Ministry of Health and Provincial Health Services, which comprises a wide network of medical institutions and Medical Officers of Health (MOH). The Family Health Bureau plays the leading role in the implementation of the reproductive health programme in close collaboration with other national programmes. With the introduction of the reproductive health concept, a Population and Reproductive Health policy was formulated and approved by the cabinet of ministers in August 1998. It aims at achieving higher quality of life for people by providing quality reproductive services and information and a host of related aspects.

Health Education Bureau – HEB

Health Education Bureau (HEB) initially functioned as a small unit of the public health section of the Department of Health Services and consisted of two units. Their main focus was prevention of common communicable diseases prevalent at that time, such as Malaria, worm infestations, diarrhoeal diseases and typhoid fever, through public meetings and distribution of public health materials such as posters, leaflets and brochures. FPASL is working closely with HEB in a multi sectoral group **developing the National**

Strategy on Behaviour Changing Communications (BCC) material in the Reproductive Health arena.

National STD/AIDS Control Programme - NSACP/Ministry of Health, Government of Sri Lanka

In 1992 the Government of Sri Lanka initiated the HIV prevention and control effort through the National STD and AIDS control Programme (NSACP) of the Ministry of Health under the Director General of Health Services. In addition, National Blood Transfusion Services (NBTS) and the National Programme for Tuberculosis and Chest Diseases (NPTCCD) strengthened their responses to reduce transmission and prevent further spread of HIV.

These services are provided in collaboration with eight Provincial Directors of Health Services and the respective district staff. NSACP in collaboration with the provinces undertook HIV prevention activities (e.g. a mass media communication strategy to improve knowledge and awareness of HIV) and provides care and treatment to people living with HIV. FPA Sri Lanka is a member of numerous multi sectoral technical committees of NSACP and has conducted many HIV prevention programmes jointly with NSACP.

Sri Lanka Girl Guides Association

In Sri Lanka Girl Guides Association has been empowering girls and young women for over 90 years. Its membership which exceeds 35,000 in Sri Lanka spans all nine provinces. The Sri Lanka Girl Guides Association (SLGGA) is a Non-Governmental, non-religious organisation which is open to girls and women from all walks of life irrespective of caste, religion and race. The SLGGA follows a value-based, non-formal education programme focusing on community development, environmental awareness, primary healthcare, prevention of drug abuse etc. The Association also stresses on leadership training to encourage girls and young women to make their own choices in decision making at all levels.

FPA Sri Lanka Strategic Partners (contd.)

The Global Fund

The Global Fund to Fight AIDS, Tuberculosis and Malaria is a 21st-century partnership organisation designed to accelerate the end of AIDS, tuberculosis and malaria as epidemics. It is an international Funding Agent providing assistance to governments of recipient countries to fight against the three diseases. In Sri Lanka, the national HIV prevention programme has a vital component of community interventions due to its high transmission modality being via the sexual route. It, therefore, engages a chief non-governmental partner to give leadership to the community mobilisation and interventions required to curtail the spread of the HIV and to end AIDS by 2025, according to the National Strategic Plan for HIV.

As Principal Recipient 2 of The Global Fund project for HIV prevention at a national level, FPA Sri Lanka collaborates with over 30 community organisations in 14 districts and works in partnership with the National STD and AIDS Control Programme, community partners, the Country Coordinating Mechanism and all peripheral STD clinics.

LIST OF ABBREVIATIONS

AFL	AIDS Foundation Lanka
APA	Asia Pacific Alliance
BB	Beach Boys
BCC	Behavior Change Communication
CBO	Community-Based Organization
CFH	Centre for Family Health
CSR	Corporate Social Responsibility
CSE	Comprehensive Sexuality Education
CPP	Child Protection Policy
CYP	Couple Years of Protection
DU	Drug User
ED	Executive Director
EU	European Union
FP	Family Planning
FPA Sri Lanka	The Family Planning Association of Sri Lanka
FSW	Female Sex Workers
GBV	Gender-Based Violence
GFMSA	Global Fund Multi-county South Asia
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
HR	Human Resource
HPV	Human Papilloma Virus
Hq	Head quarters
ICPD	International Conference on Population and Development
IDP's	Internally-Displaced Persons
IEC	Information Education and Communication
IPES	Integrated Package of Essential Services
IPPF	International Planned Parenthood Federation
LMIS	Logistics Management Information System
MPRCs	Multipurpose Resource Centres
M&E	Monitoring and Evaluation
MSM	Men having Sex with Men
NC	National Council
NSACP	National STD/AIDS Control Programme
PLHIV	People Living with HIV
PLHIV	Prevention of Mother to Child Transmission

PoA	Platform of Action
SARO	South Asia Regional Office
SDP	Service Delivery Points
SMP	Social Marketing Programme
SRH	Sexual and Reproductive Health
SRHR	Sexual and Reproductive Health and Rights
STIs	Sexually Transmitted Infections
STD	Sexually Transmitted Disease
UN	United Nations
UNAIDS	United Nations Programme on HIV/AIDS
UNCC	United Nations Convention Centre
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
VCT	Voluntary Counselling and Testing
WHO	World Health Organisation
YTAC	Youth Technical Advisory Committee

ACKNOWLEDGEMENT

We acknowledge with deep gratitude the contribution of following individuals and organisations, whose assistance and support to our work in 2018 is invaluable:

- Ministry of Health - Government of Sri Lanka
 - Ministry of Defence - Government of Sri Lanka
 - Family Health Bureau (FHB) - Ministry of Health, Government of Sri Lanka
 - Health Education Bureau (HEB) - Ministry of Health, Government of Sri Lanka
 - International Planned Parenthood Federation - IPPF
 - The Global Fund to Fight AIDS, Tuberculosis & Malaria (GFATM)
 - National STD/AIDS Control Programme (NSACP)
 - United Nations Population Fund - UNFPA
 - Sri Lanka College of Obstetricians and Gynaecologists - SLCOG
 - Sri Lanka Girl Guides Association - SLGGA
 - AIDS Foundation
 - Alliance Finance Co. Ltd.
 - Richard Peiris & Co. Ltd.
 - Dr. L.M. Perera
 - Prof. Athula Kaluarachchi
 - Prof. H.R. Seneviratne
 - Prof. L.R. Amarasekara
 - Dr. Lakshman Senanayake
 - Dr. Lilangani de Silva
 - Mr.Ranjith Tennekoon
-
- All Government officials who assisted us in our project areas of Sri Lanka
 - All dealers and suppliers of FPA Sri Lanka
 - All project partners of FPA Sri Lanka

CORPORATE INFORMATION

Name of Organisation

The Family Planning Association of Sri Lanka (FPA Sri Lanka).

Year of Establishment

1953

Registration

- Registered as a company limited by guarantee under the Companies Act No. 07 of 2007. Registration No. A 32.
- Registered as a Voluntary Social Service/Non-Governmental Organisation under the Voluntary Social Service Organisation (Registration and Supervision) Act No. 31 of 1980 as amended by Act No. 08 of 1998. Registration No. L 13807.
- Approved charity under Inland Revenue Act by Gazette Notification dated 5 May 1965.

International Affiliation

Accredited Member of the International Planned Parenthood Federation (IPPF).

IPPF

International Planned Parenthood Federation (IPPF) is the global service provider and a leading advocate of SRH and right for all. It is a worldwide movement of national organisations working with and for communities and Individuals.

Company Secretary

Diani C. Millavithanchchi
No. 67/1, 4th Lane,
Pitakotte
Tel: + 94 114 267 968
Fax: + 94 716 682 900

Bankers

Bank of Ceylon
Commercial Bank of Ceylon PLC
National Savings Bank
Standard Chartered Bank
Hatton National Bank PLC
Auditors
KPMG

Registered Address

37/27, Bullers Lane, Colombo 07,
Sri Lanka
Tel: + 94 112 555 455
Fax: + 94 112 556 611
Website: www.fpasrilanka.org
E-mail: fpa@fpasrilanka.org

Chinthana Training Centre

40, Chilaw Road, Nainamadama
Tel: + 94 31 225 5326
Fax: + 94 31 225 1251
Website: www.fpasrilanka.org
E-mail: fpa@fpasrilanka.org
FPA 'Suwasewa' Centres

Ampara

BL/52, 6th Lane, Ampara
E-mail: suwasewa-a@fpasrilanka.org
Tel: + 94 634 926 664
Fax: + 94 632 224 193

Batticaloa

65, Lake Road - 01, Batticaloa
E-mail: suwasewa-b@fpasrilanka.org
Tel: + 94 652 226 163, + 94 654 923 800
Fax: + 94 652 226 163

Koggala

BOI Premises, Koggala
E-mail: suwasewa-k@fpasrilanka.org
Tel: + 94 914 940 853, + 94 912 283 919
Fax: + 94 912 283 919

Nuwara Eliya

G95/49, Lady Mccallum Drive, Nuwara Eliya
E-mail: suwasewa-n@fpasrilanka.org
Tel: + 94 524 925 024
Fax: + 94 522 235 728

Seethawaka

Manikka Watta Junction, BOI Premises, Seethawaka, Avissawella
E-mail: suwasewa-s@fpasrilanka.org
Tel: + 94 114 377 062

Wathupitiwala

BOI Premises, Export Processing Zone, Wathupitiwala,
Nittambuwa
E-mail: suwasewa-w@fpasrilanka.org
Tel: + 94 333 150 448, + 94 333 150 449

Concept & Designed by



Printed by Printel (Pvt) Ltd



www.fpasrilanka.org

