FPA SRI LANKA

ANNUAL REPORT 2017

A DIAMOND IN THE MAKING

"The Family Planning Association was the first institution to offer Sexual and Reproductive Health Services to Sri Lankans. For over sixty five years, our work has been governed by five principles: VOLUNTEERISM, OUTREACH, TRUST, SUSTAINABILITY AND INNOVATION. OUR SCOPE OF ACTION IS HEALTH, POLITICAL, LEGAL, SOCIAL, CULTURAL AND ECONOMIC. OUR APPROACH IS INCLUSIVE, RIGHTS-BASED AND GENDER-SENSITIVE. OUR CLIENTS ENJOY COMPLETE CONFIDENTIALITY AT ALL TIMES."

A DIAMOND IN THE MAKING

Diamonds are the hardest known natural substance, which are formed deep in the Earth. Much further down than the levels at which we find coal, where heat and pressure fuse atoms of carbon together into crystalline structures. If not for the pressure and heat, diamonds will not form to be the toughest material on this earth.

The parallel of the accumulation of scattered effort to bring about a better world for women, by forming a solid Association by volunteers, is an apt one. The meeting of minds of volunteers initially small, gained momentum to do ground-breaking work in the country to uplift women's health. FPA Sri Lanka was and remains to be the trailblazer to all institutions working in this space.

If not for the pressure and resistance against its cause, FPA Sri Lanka would have not emerged so tough. It has withstood many storms and gained strength from each of them. The work it does illuminates many lives and leaves a lingering glow, just like a diamond in the light. Yet the trials and tribulations the Association faces are far from over, as we are working in the sensitive area of Sexual and Reproductive Health and related rights.

Which is why we see FPA Sri Lanka as a Diamond in the making, in our health sector.

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OUR VISION

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

OUR MISSION

TO ADVOCATE SEXUAL AND REPRODUCTIVE HEALTH RIGHTS AND PROVIDE SERVICES WHILST MAINTAINING SUSTAINABILITY AND VOLUNTEERISM TO IMPROVE QUALITY OF LIFE FOR ALL.

OUR 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

THOUGHTS OF OUR PRESIDENT

AS THE PRESIDENT OF FPA SRI LANKA, HOW DO YOU SEE THE ROLE IT CAN PLAY IN THE DEVELOPMENT OF THE COUNTRY?

Over the years, the role of the FPA has changed rapidly based on the needs of society and on the Sexual and Reproductive Health (SRH) environment. In today's context the role of the FPA vis-à-vis the SRH environment is very critical and very challenging for many reasons, starting from the fact that the country has opened up, hitherto inaccessible areas due to the issues that we had prior to ending the war. It resulted in people moving from the closed areas into the urbanised environment and people from the urban areas moving into former conflict zones.

This has resulted in us getting to know another segment of the population who was not served in the SRH environment. Because of the divide between the two segments of the population, naturally there were situations where the SRH needs of that particular society were not met.

So the need of our work became that much more important to a larger segment of the population. That is the demographical challenge we are now faced with.

Then comes the next issue, and that is, are we geared to meet that challenge? Technically, in my book, we are geared. However with regard to resources, there is a question mark. And that is because our work is not government funded. Most of our activities are self funded.

We have an army that generates surpluses for us. We are the market leader in many forms of social marketing of the products used in the spheres of SRH. They are marketed by us at very economical rates. But we run it as a business.

We create surpluses to serve the comprehensive services on SRH to the population. Because of that we have a funding source which is run internally and we have another funding source for specific areas from donors, which is dwindling. Donor funding in the world is slowly coming to an end. So we have a very complex resource capability to serve the expanding needs of the society, particularly the sudden expansion.

The global trends are influencing Sri Lanka whether we like it or not. We need to accept the fact that socially we are getting exposed to the world. This means we have to face reality. And those are the challenges that we have to face as we go forward in our SRH activity. So it is not the normal bottoms up requirement, but we are also being pushed down from the top by getting exposed to the globalised environment. We need to face reality and address the residual impact of that exposure to make sure that we are taking precautions. Our societies here are not aware of most SRH challenges because of the lack of education and the resistance to education.

On a positive note, we have managed to go across the bridge and get acceptance from the political hierarchy and the educational environment to accept some sort of SRH education at school. That is a great achievement. But that is not enough. For this subject you need to get educated from a young age. It is pointless educating an adult.

If you educate them from childhood, appropriate to that age, then you grow up with a knowledge base on SRH and when you get exposed to society you know how to respond and react.

That is the road map that we have mapped out and we have to go along accordingly.

Our society refuses to accept reality in relation to most SRHR issues. We know that our neighbour gets exposed but still refuse to accept that our own family can get exposed as well. I think in my book, it will take a generation to come out of that way of thinking. The protectionism that we give our children is fading away. That is providing a false and inaccurate safety net to our generations.

We have a very important role to play hand-in-glove with the authorities and with the health authorities, with the political authorities, including changing of legislation. Whether we like it or not, an issue which is swept under the carpet is the issue related to the LGBTIQ community.

We have a significant LGBTIQ community. Nobody can deny that. We cannot ignore them. All of us have a right to be what we want. It is our fundamental right. How do you manage them? There has to be acceptance.

We need to work towards a legal environment for those people. We at FPA work with that community and we hear their issues. Most of them are social issues.

Then comes the legal aspect. We are living in a world of archaic legislation. If we want to change it we will face resistance. We are lobbying. Our advocacy role is to lobby. Lobby and understand the legislator's rationale and be an agent of change for the leadership to understand the flip side of the coin. If we are successful in that, then we will create a mindset to move away from bureaucracy, at least at that level.

Legalisation and acceptance of the LGBTIQ community has been fought by people for the last 25-30 years without any tangible change to our legal framework governing this area.

To me, underpinning the most important role we have to play is education and advocacy. Our role is to ensure you live a healthy and happy life.

Some people say 'Family Planning' is the wrong word for our institution. But that is where the connectivity comes in. All these things end up with a happy family and happy society which brings about a happy and healthy population in the country.

ARE YOU SATISFIED WITH FPA SRI LANKA'S PERFORMANCE DURING THE YEAR UNDER REVIEW?

Of course yes. Thanks to our sales and marketing arm we have in place adequate resources to do, what we are doing now. We are having market challenges because this is a lucrative business as well. We have to be robust and ready to face any challenge that the market is putting before us.

So all practices that we adopt in our SMP programme are a part of a business model. The difference is that when we make a profit we don't call it a profit we call it a surplus because that surplus goes into our service operations.

We have also won accolades from our parent organisation. We were recognized as a global hub for our Social Marketing Programme. We have now established a global hub in Sri Lanka through which our parent organisation wants us to extend technical assistance to the entire globe where they operate in.

On extension of services and advocacy we have done very well with the constraints that we have, having reached the areas we have to, as planned. But I believe we still have a long way to go and what is stopping us is our resources.

We have made a conscious effort to bring in more volunteers but it is not adequate. The value of volunteerism in this country is not sufficient. So again it is a matter of education.

DO YOU SEE A NEED FOR FPA SRI LANKA TO CHANGE IN ORDER TO BE MORE RELEVANT TO THE PRESENT DAY?

Yes we need to change. We have got new challenges, new needs, new dynamics. We have to get ready for that. Sri Lanka is importing expatriates from several countries for major projects. So there will be social issues. Everyday there is a new challenge that is coming in and we must be ready to face those challenges.

We have been experiencing disasters like earth slips and droughts in the recent past. When something of this nature happens the social impact vis-a-vis SRH is massive. We are ready to take the grip of that through the Ministry of Health and other NGOs to cover the SRH requirement during disasters.

Present times are times of turmoil and we must anticipate the residual effects of that. Globalisation is one area. We have to anticipate related issues. We can't solve all issues but we can be aware of it and proactively change what we can to prevent negative consequences.

MR. CHANDIMA GUNAWARDENA
PRESIDENT

A FLASHBACK
EXECUTIVE DIRECTOR

2017 - A YEAR OF MANY FIRSTS:

APART FROM BEING AN EXCELLENT YEAR IN TERMS OF GROWTH IN REVENUE AND SURPLUS, 2017 WAS ALSO A YEAR FPA SRI LANKA EMBARKED ON MANY FIRSTS. NOTEWORTHY AMONG THEM ARE:

FPA Sri Lanka **commissioning its purpose driven office complex** in Colombo on 8th August 2017. Built on a 20 perch plot with over 16000 sq.ft. the six storied complex is a prime business asset for the Association. Whilst it is capable of meeting all FPA Sri Lanka's operational requirements, the board in its wisdom, is desirous of utilising it for an income generating purpose, till such time FPA Sri Lanka's current office can be occupied.

On another income generating initiative, FPA Sri Lanka introduced a series of subsidised services to be dispensed through its peripheral clinics with a view to improving the spectrum of care and the sustainability of these clinics.

Launched mid-year, the outreach unit was able to see an encouraging response from the communities we serve through these clinics.

A groundbreaking initiative for not just us, but to the whole country came by way of **broad-basing HIV screening tests,** taking it out to the most-at-risk populations, through mobile and community testing. Contemplated over a long period of time by all stakeholders, the country took the plunge to initiate testing in non-clinical settings as it moves towards the lofty goal of ending AIDS in 2025.

FPA Sri Lanka as the main non-governmental partner in the national programme played a pivotal role, in operationalising community based HIV testing.

Hosting a knowledge **hub on Social Enterprise for IPPF** was a significant first for FPA Sri Lanka which commenced its operations in the latter part of the year. This support unit extending social enterprise related technical assistance was assigned to FPA Sri Lanka due to its very successful track record of generating over 95% of its income through local initiatives. Though a large portion of it is derived from its vibrant Social Marketing Programme, FPA Sri Lanka has and will continue to explore other avenues of income as training, facilities management and resource mobilisation. Encouraged by this recognition, FPA Sri Lanka will strive to ensure the performance of this hub meets the expectations of IPPF by extending its fullest cooperation and competency.

MOMENTUM:

Whilst our achievements have grown year-on-year, keeping the momentum on an ever burgeoning set of indicators can be challenging. However during the year under review, FPA Sri Lanka achieved a **2% growth over last year, by generating an income** of Rs. 586m and a corresponding 6% increase over last year's surplus. This is remarkable considering the construction expenses that had to be borne throughout this period.

On **service delivery** FPA Sri Lanka records an increase of 21.1%, over the previous year's numbers and **over 80%** of those services were delivered **to marginalised groups,** free of charge.

OUR SOCIAL MARKETING OF CONTRACEPTIVES PROGRAMME MADE A COMMENDABLE CONTRIBUTION OF RS. 512M TO THE TOTAL REVENUE WHICH ENABLED US TO PURSUE OUR MISSION OF DELIVERING SEXUAL AND REPRODUCTIVE HEALTH AND RIGHTS TO ALL. IF NOT FOR THE INCOME GENERATED THROUGH THIS ACTIVITY, FPA SRI LANKA WOULD NOT BE IN A POSITION TO REACH OUT TO UNDER-SERVED COMMUNITIES WITH MUCH NEEDED SRH SERVICES.

Whilst enabling service provision of the Association, the SMP on its own **achieved 357,685 CYPs (Couple Years of Protection),** which is another effective way of increasing access to products and services to a different segment of our society.

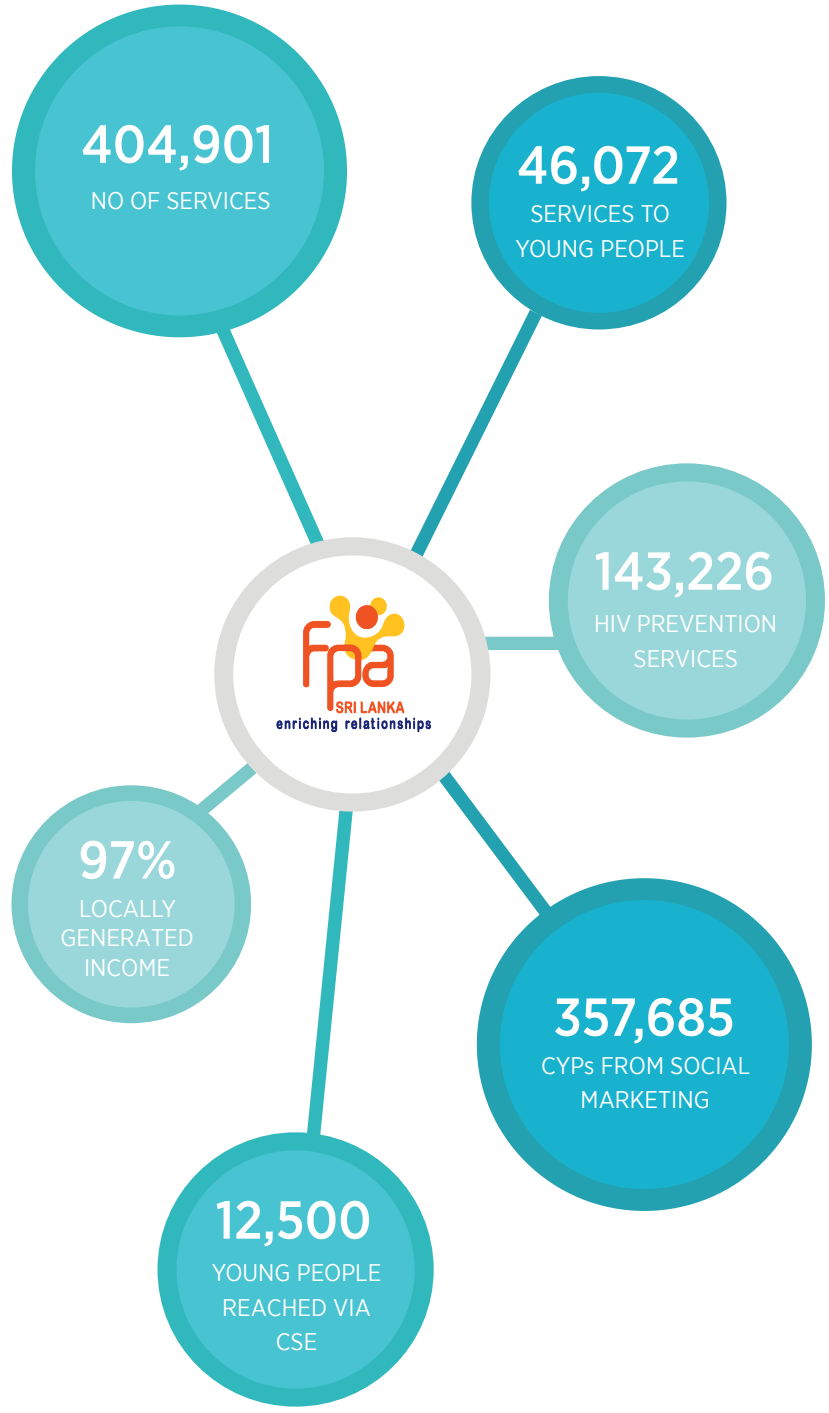
Recognising a crying need of our society, FPA Sri Lanka allocated its own funds to carry out Comprehensive Sexuality Education programmes to over 12,500 youth during the year. Out of school children, youth clubs, educational institutes and private schools were the catchment groups for this programme, which will be scaled-up in the ensuing year.

The most rewarding experience of the year, however, was facing the accreditation review of IPPF as the first country from the South Asian region in November 2017. Once again FPA Sri Lanka managed to successfully complete the review and gain accreditation for the next 5 years from IPPF. FPA Sri Lanka thus made it to the first round of reviews and was among the first handful of countries to gain the re-accreditation.

ASPIRATIONS:

In retrospect, 2017 seems a year of significance for us. Looking back I feel that we have fought many battles at the same time and won them all! The year's work will pave way for better and more work to be done to achieve our mission. As always, I count on the guidance of my President, National Council and all Staff and Volunteers to build on the successes of this year, well in to the future.

MS. THUSHARA AGUS
EXECUTIVE DIRECTOR



FPA SRI LANKA FOLLOWS A CLEAR AND COMPREHENSIVE STRATEGIC PLAN, WHICH IDENTIFIES FOUR KEY GOALS. THEY FORM THE TOPICS UNDER WHICH THIS SECTION OF OUR REPORT IS CONSTRUCTED.

OPERATIONAL REVIEW

OUR STRATEGIC FOCUS 2016 - 2022

CHAMPION RIGHTS

EMPOWER COMMUNITIES

SERVE PEOPLE

UNITE AND PERFORM

STRATEGIC DIRECTION 1

CHAMPION RIGHTS

ONE OF OUR FUNDAMENTAL BELIEFS IS THAT SEXUAL AND REPRODUCTIVE RIGHTS ARE BASIC HUMAN RIGHTS. OUR QUEST TO REITERATE THIS IN NATIONAL AND GLOBAL CONTEXTS IS UNENDING. WITH THIS IN MIND, FPA SRI LANKA HAS ARTICULATED A DREAM IN ITS VISION, AS WORKING TO BUILD A COUNTRY WITH SEXUAL AND REPRODUCTIVE HEALTH AS A RIGHT TO ALL. DESPITE ACHIEVING EXCELLENT HEALTH INDICES IN RELATION TO THE NATIONAL MATERNAL AND CHILD HEALTH PROGRAMME, SRI LANKA HAS A LONG WAY TO GO TO ENSURE THAT ALL ITS COUNTRYMEN ENJOY SEXUAL AND REPRODUCTIVE HEALTH AND RIGHTS WITHOUT DISCRIMINATION.

To this end, throughout 2017, FPA Sri Lanka continued to champion the cause of Sexual and Reproductive Health and Rights supporting the Nationally focused efforts directed at children and young people, women, the LGBTIQ community, free trade zone employees and general labour force, people living with HIV and key populations such as commercial sex workers, drug users and beach boys. FPA Sri Lanka is represented in all stakeholder coalitions working for their rights and is considered a vociferous advocate in lobbying for Gender Equality and Zero Discrimination based on SOGI (Sexual Orientation and Gender Identity).

On another level, FPA Sri Lanka is consistently and continuously involved in the ongoing dialogue on repealing archaic laws that are discriminatory, such as the Vagrance Ordinance and the Penal Code on abortion. We continue to engage at a higher level with Parliamentarians, the Judiciary and civil societies to develop positive dialogue and partnerships with Provincial Councils Island-wide for implementation of the existing favourable policies such as the National Policy on the Health of Young Persons.

While we continued to facilitate the approval and implementation of required laws and policies that will enable the achievement and application of the Sustainable Development Goals in Sri Lanka, we have also realised the volatility of Sexual and Reproductive Health and Rights agenda in the country. The ethnic disharmony and the waves created by interested groups can sometimes cause regression of the painstaking efforts made by stakeholder groups, towards ensuring Sexual and Reproductive Rights for all. The year under review saw a collection of advocacy efforts led by the FPA Sri Lanka team towards achieving pre-determined AERs (Advocacy Expected Results) amid much resistance.

ENGENDERING YAHAPALANAYA

The Engendering Yahapalanaya (Good Governance) film festival was held on the 17th, 18th & 19th of February at the Lakshman Kadirgamar Institute in Colombo. The festival showcased a range of films, each discussing a key aspect related to Sexual and Reproductive Health and Rights and Gender Equality. Each screening was followed by a discussion featuring a panel consisting of activists, politicians, academics, artists and representatives of key communities discussing the SRHR issues from a Sri Lankan perspective. In addition to the films there was also a series of skits on SRHR issues as well as an evening of music featuring songs around these issues. On the final night, there was an open mic event where young artists were provided with a platform to share their work on themes related to SRHR and Gender Equality.

Professor Savithri Gunasekara delivering the keynote speech

ENGAGEMENT OF WOMEN AND YOUTH IN THE NATIONAL ROADMAP TO ACHIEVING SDGs

A National level Dialogue on Strategies & Actions for Women and Youth Engagement in the National Sustainable Development Goals (SDGs) Roadmap was jointly organised by FPA Sri Lanka and the Ministry of Sustainable Development and Wildlife (MSDW). The workshop was held to formulate strategies and action plans for women and youth engagement in the SDG implementation and to raise awareness on the SDGs. The National SDG roadmap was shared among women, youth and other key stakeholders and the possibility of creating a sustainable platform for women and youth engagement in SDG planning, implementation and monitoring and evaluation in Sri Lanka, was explored. The event saw the participation of The Minister of Sustainable Development and Wildlife Hon. Gamini Jayawickrama Perera, The State Minister of City Planning and Water Supply Hon. Sudarshini Fernandopulle, Deputy Minister of Sustainable Development and Wildlife Hon. Sumeda Jayasena and several key stakeholders from the Government, the United Nations and Civil Society.

Hon. Gamini Jayawickrama Perera at the SDG Workshop

SUPPORT FOR ESTABLISHMENT AND IMPLEMENTATION OF THE NATIONAL POLICY ON YOUNG PERSONS:

Having supported the establishment and implementation of the National Policy on the Health of Young Persons in Uva, Eastern and Southern provinces, FPA Sri Lanka phased out these activities in 2017. Further initiatives in the same line will be directed at supporting other deserving provinces in the year 2018.

COMPREHENSIVE SEXUALITY EDUCATION:

Comprehensive Sexuality Education enables young people to protect their health, well-being and dignity and empower them to realise their sexual and reproductive health and rights. FPA Sri Lanka conducted CSE training for over 12,500 young people across Sri Lanka in 2017. These programmes incorporate human rights principles, diversity, gender equality, rights and empowerment of young people. They also encourage the development of life skills for youth who will form the backbone of the development of this country. This initiative was fully funded by FPA Sri Lanka's internally generated resources.

A CSE Workshop for out - of - school youth

A CSE Workshop at a girls school

Youth Club of Batticaloa

FPA Sri Lanka also created 6 youth clubs in six districts across the country. The youth clubs are expected to meet, discuss SRHR issues in their community and initiate projects to address burning issues without delay. In September, an exchange programme was organised between members of our youth clubs of Batticaloa and Matara. The young volunteers discussed Sexual and Reproductive Health and Rights, the role of youth in peace building and made some lasting friendships.

A NEW COMMUNICATION STRATEGY:

FPA Sri Lanka devised and adopted a new communication strategy for the organisation to align all the organisation's communications efforts to the core objectives of the Association. This comprehensive strategy outlines the objectives and activities earmarked for the next five years, using communication as a vehicle to achieve some of our strategic outcomes. To complement this effort, FPA Sri Lanka's website was revamped on a new, more interactive and appealing platform.

The 'I decide' Campaign advocating universal access to Family Planning was carried out across the year. Various strategies were used to engage with stakeholders such as women, youth, the media and key decision-makers to participate in this campaign.

Staff members pledging support

SPRINT –SRHR IN EMERGENCIES:

During the year there were a few natural disasters in the form of floods, landslides etc. FPA Sri Lanka fortunately was a recipient of the SPRINT project funding and was able to spring into action both proactively by training the frontline and reactively by mobilising support from all quarters. Following is a brief description of the work done by the Association in this regard. A group of sixty Medical Professionals including Doctors and

Public Health Inspectors of Sri Lanka Army were trained on how to maintain **Minimum Initial service Package for Sexual and Reproductive health in emergencies.** Forty two Government officials of the Badulla district were trained on Minimum Initial Service Package targeting forecasted landslide situations in the district. 38 Civil Society Members from Badulla District also were oriented on MISP. 32 media persons were sensitised on Minimum Initial Service Package in Emergencies.

Under SPRINT humanitarian Assistance Project, 17 Reproductive Health Clinics together with 17 Prevention of Gender Based Violence sessions targeting flood and land slide affected communities in Ratnapura, Galle, Matara and Kalutara districts were conducted. 1928 Dignity Kits were distributed to affected communities in the above districts.

UNFPA EMERGENCY RESPONSE PROJECT:

24 Reproductive Health clinics coupled with awareness programmes / sessions on Gender Based Violence targeting flood and land slide affected communities of Kalutara, Galle, Matara, Ratnapura and Hambantota districts were completed. 4000 Dignity Kits and 2650 Maternity Kits were distributed to Government Regional Medical Supplies Divisions to be distributed to affected communities in those districts.

Distributing dignity kits during emergencies

Country Representative of UNFPA distributing Maternity Kits

LEVI STRAUSS COMING IN TO SUPPORT THE EMERGENCY AT RATNAPURA:

The CSR arm of Levis Incorporation was prompt in mobilising resources to support the flood victims in the Ratnapura district as some of their supplier production facilities are located in this area. FPA Sri Lanka engaged in providing safe water and improving sanitation at the temporary shelters during the crisis. A portion of this fund will be utilised in establishing a permanent support centre for the industries and employees who are based in the Ratnapura district.

Improved sanitation facilities at a school

STRATEGIC DIRECTION 2

EMPOWER COMMUNITIES

EMPOWERING COMMUNITIES TO SECURE AND ACT ON THEIR RIGHTS IS A SUSTAINABLE MECHANISM WHERE OUR SECOND STRATEGIC FOCUS IS DIRECTED. THIS APPROACH LOOKS AT SEGMENTS OF SOCIETY WHOSE SEXUAL AND REPRODUCTIVE HEALTH AND RIGHTS APPEAR COMPROMISED DUE TO SOCIAL, CULTURAL AND EVEN LEGAL PRECEPTS. FPA SRI LANKA IS WORKING THROUGH MULTIPLE PROJECTS WHICH ARE DONOR AND SELF-FUNDED, ATTEMPTING TO BUILD CAPACITY AND EMPOWER SUCH COMMUNITIES TO ADVOCATE, ACQUIRE AND ENJOY THEIR SEXUAL AND REPRODUCTIVE HEALTH RIGHTS.

THE GLOBAL FUND PROJECT FOR HIV PREVENTION– WORKING WITH KEY POPULATIONS

The Global Fund is an international Funding Agent providing assistance to most of the countries to fight against 3 diseases, i.e. Malaria, Tuberculosis and HIV. Most of their principal recipients are the governments of recipient countries. In Sri Lanka, the national HIV prevention programme has a vital component on community interventions due to its high sexual transmission modality. It therefore, engages a chief non-governmental partner to give leadership to the community mobilisation and interventions required to curtail the spread of HIV and end AIDS by 2025, according to the National Strategic Plan for HIV.

FPA Sri Lanka thus has been the Principal Recipient 2 of The Global Fund project for HIV prevention at a national level, working with over 30 Community Organisations in 14 districts with over 3000 Peer-Educators on the ground. The community interventions include a plethora 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 we have consistently achieved good results and outcomes as expected by the donor.

The key strategy of HIV prevention deployed here is to reach out to the most –at –risk populations who are termed as Key Populations globally. In Sri Lanka, we have identified and estimated the Key Populations as Men who have Sex with Men (MSM), Female Sex Workers (FSW), Injecting Drug Users (IDUs) and Beach Boys (BBs). Since most of these groups operate underground, it takes Peers to approach them with preventive and behavior changing messages.

Through prudent management of project activities among the community and people living with HIV, FPA Sri Lanka has done yeoman service to the country by contributing to keep the low prevalent HIV status of Sri Lanka. With broad-based HIV rapid testing being initiated, FPA Sri Lanka will give leadership to 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

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

SOME ADVOCACY SUCCESSES ACHIEVED THROUGH THIS PROJECT ARE:

TRANSGENDER PERSONS ENABLED TO CHANGE SEX IN THEIR PERSONAL DOCUMENTATION

- 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 the inclusion of the rights of marginalised groups in Sri Lanka.

- Gender Recognition Certificates are being issued to Transgender persons in Sri Lanka. 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. 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. As a result 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.

- 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 sensitisation 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 with 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.

STRATEGIC DIRECTION 3

SERVE PEOPLE

FPA SRI LANKA WAS INSTITUTED IN 1953 TO PROVIDE MUCH NEEDED FAMILY PLANNING SERVICES TO WOMEN IN THE COUNTRY. SINCE THEN THE COUNTRY HAS MADE GREAT STRIDES IN THIS AREA ACHIEVING EXCELLENT INDICES IN MATERNAL AND INFANT MORTALITY AND RELATED AREAS. HOWEVER, THERE ARE REGIONAL DISPARITIES THAT NEED ADDRESSING COUPLED WITH UNDER-SERVED POCKETS IN THE INDUSTRIAL, PLANTATION AND MARGINALISED COMMUNITIES. THE ASSOCIATION CONSIDERS SERVING THESE COMMUNITIES WITH REQUISITE SEXUAL AND REPRODUCTIVE HEALTH SERVICES THROUGH ITS SIX SERVICE DELIVERY POINTS ITS PRIMARY MANDATE.

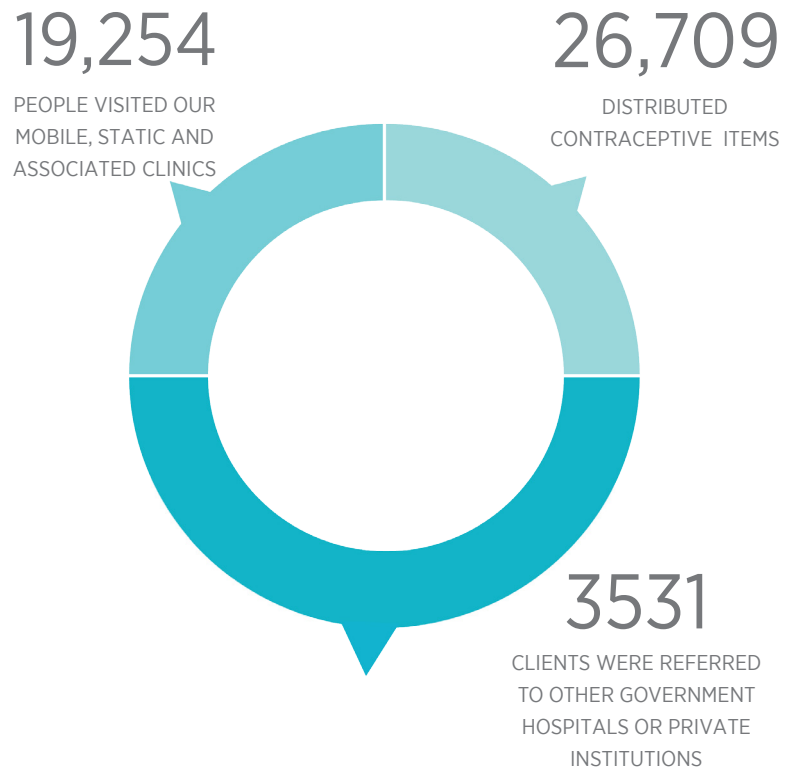
OUTREACH UNIT - PROGRESS IN YEAR 2017

FPA Sri Lanka believes that reproductive healthcare is a basic human right. When parents can choose the timing and number of pregnancies, women's lives are improved, their families are more secure, and children grow up healthier. Since 1953, FPA Sri Lanka has promoted Reproductive Health and Family Planning services around the country through projects covering maternal and child health programmes, addressing the needs of adolescents and youth, providing them with the knowledge and tools necessary to make responsible reproductive health decisions.

In 2017, the Outreach Unit continued to provide quality rights based SRH services to all segments of the society through the six Service Delivery Points located strategically in Ampara, Batticaloa, Nuwara-Eliya, Maradana, Koggala and Matara. In these clinics, volunteers and staff work hand-in-hand to effectively address the Sexual and Reproductive Health needs of the communities around.

Operating under the theme "Reach Extended" the Unit has identified the unmet SRH needs especially of the poor, marginalised, socially excluded and underserved communities. In year 2017, we have provided 122,437 Sexual and Reproductive Health services to target communities.

A total 19,254 people had visited our mobile, static and associated clinics. 26,709 contraceptive items have been distributed. 3531 clients were referred to other government hospitals or private institutions for further investigations and treatment, through our patient referral mechanism. Furthermore, we have conducted 510 static clinics, 63 mobile health clinics, 8 associated clinics, 31 SRH awareness programmes and 2 special events to celebrate International Women's day.



STATIC CLINICS	510
MOBILE HEALTH CLINICS	63
ASSOCIATED CLINICS	8
SRH AWARENESS PROGRAMMES	31
SPECIAL EVENTS	2

For the first time, the Outreach Unit introduced a nominal fee for certain aspects of service provision, with a view to ensure long-term sustainability of its clinics. This initiative was well received by the clients, while we still had our no-refusal policy in place. The unit was able to generate an income of Rs.1,167,720/= within the 9 months of its implementation. The income thus generated will be reinvested to broad-base service packages, improve quality of care and clinic upgrades.

The public were made aware of the importance of SRH services and SRH issues by conducting numerous awareness sessions on Sexual and Reproductive Health and Rights for target populations, mainly adolescents, garment factory workers, the estate sector community, shanty dwellers and the general public as a whole. SRH mobile exhibitions and awareness programmes were conducted regularly for youth and adolescents to educate them on SRHR issues and to motivate them to visit the static clinics for SRH services including psychological counselling.

Other new initiatives carried out include a Counselling Certificate Course by the Nuwara-Eliya clinic where 18 participants completed the course. The re-location of the Maradana SDP to the Seethawaka Industrial Park is in process, as a result of negotiations between the Government and the Senior Management of FPA Sri Lanka.

OUR MAIN CLINIC IN COLOMBO - 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, investigations and services for Sub Fertility, treatment for sexual dysfunctions, men's clinic , investigations and treatment for STI's and HIV. In 2017 it has offered 7762 services to 2066 clients through the static clinic at our headquarters. It also provided 22551 services to 5128 clients through 54 mobile clinics conducted across the country. Cancer screening is the most sought after service provided through mobile clinics with a high number of PAP smears being carried out during the year.

HAPPY LIFE CONTACT CENTRE FOR CONFIDENTIAL ADVICE FOR PRESSING ISSUES

Matters related to SRH are usually not openly discussed and many do not have access to accurate information regarding their Sexual and Reproductive Health needs. The Happy Life Call Centre provides quality SRH services to the public via multiple channels: Hotline (2588 488) SMS, (0716408 408), e-mail (happy@happylife.lk), website (www.happylife.lk) and chats in all 3 languages. It has become a popular channel, especially among young people to clarify their concerns. In 2017, 9373 contact services have been offered.

A SRH awareness programme in progress

A free mobile clinic

The Centre remains connected through providing educational programmes on SRH to a wide cross section of society comprising garment factory workers, members of Community Based Organisations visually – impaired youth, school children and the general public.

ALOKAYA COUNSELLING CENTRE

Counselling empowers diverse individuals, families and groups to accomplish mental health, wellness, 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, FPA Sri Lanka's Counselling Centre 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 concerns as well. It is recognised as the only counselling centre in Sri Lanka, that provides comprehensive counselling facilities for SRH issues.

In 2017 the counselling arm of the Medical Unit has provided 1725 services to 640 clients on SRH issues. Plans are in progress to develop 'Alokaya' to be a fully integrated counselling unit geared to cater to the emerging needs of society. Alokaya counsellors continued their weekly visits to the Dilmah Factory at Peliyagoda to provide counselling services to staff aimed at improving their productivity through better psycho-social support.

SRH INSTITUTE

The SRH Institute was established to expand provision of training and capacity building workshops on SRH and counselling to cater to the emerging demand and interest from the private and government sector employers and individuals. In 2017, the SRH Institute achieved NVQ Centre registration and the following training programmes and certificate courses were conducted, covering important topics related to counselling:

- Two workshops in Drama Therapy
- Pre-marital Counselling workshops
- Counselling awareness and Stress Management Programmme for Pizza Hut employees.

Stress Management, sex therapy and drama therapy courses were the most popular training and certificate programmes offered during the year. Participants who were regularly trained by us were school teachers, counsellors from the private and public sectors and officials from the Ministry of Social Empowerment and Welfare. On a newer theme, a Training module for Career Guidance was formulated in 2017. Commencement date of the module is set for 2018, with a view to addressing an existing gap of Youth traning in the country.

A session of Drama Therapy

STRATEGIC DIRECTION 4

UNITE AND PERFORM

TO ESTABLISH FPA SRI LANKA AS A HIGH-PERFORMING, ACCOUNTABLE AND UNITED ASSOCIATION.

PERFORMANCE OF AN ORGANISATION DEPENDS ON MANY FACTORS, RESOURCES BEING THE KEY. TO SUSTAIN LIFE-CHANGING AND PERHAPS LIFE-SAVING PROGRAMMES, THE ASSOCIATION REQUIRES AN UNINTERRUPTED SUPPLY OF FINANCIAL AND NON-FINANCIAL RESOURCES AS COMPETENT STAFF AND VOLUNTEERS. IN A VOLATILE, CHANGING DONOR LANDSCAPE HAVING SUFFICIENT FUNDS THROUGH FPA SRI LANKA'S OWN SOCIAL MARKETING PROGRAMME IS A GREAT STRENGTH TO ENSURE SUSTAINABILITY AND GROWTH. APART FROM THIS, FPA SRI LANKA'S CHIEF ASSETS ARE ITS TRAINED HUMAN RESOURCE, ROBUST SYSTEMS AND IT'S ACCOUNTABILITY LEVEL WHICH IS ON PAR WITH GLOBAL DONOR STANDARDS.

SKYN

SOCIAL MARKETING PROGRAMME

FPA Sri Lanka has been in the business of Social Marketing since 1973, which was called Contraceptive Retail Sales in the seventies. At the inception the programme was supported by IPPF and PSI but later in 1978 direct control of the programme was handed over to FPA Sri Lanka. The Social Marketing Programme which commenced in 1973 by distributing one brand of condom called Preethi as a community based distribution programme has now expanded to a fully-fledged marketing programme with twenty two products in its basket which include Condoms, OCP's ECP's, Lubricants, Implants and IUD's etc.

Presently the Social Marketing Programme of FPA Sri Lanka runs a marketing programme similar to that of a commercial entity but gives priority to the organisation's social obligations. The type of Social Marketing Programme run by FPA Sri Lanka can be categorised as an Embedded Social Enterprise. In the case of FPA Sri Lanka, selling each commodity helps improve the lives of its clients and also achieves its social mission. Sales of its commodities are directly tied to the social impact of the organisation while surplus funds generated through the programme are utilised to provide services for the underprivileged.

FPA Sri Lanka being an accredited member of IPPF has one of the most successful and effectively managed Social Marketing programmes, out of its Member Associations in more than 160 countries. Recognising the effectiveness of the programme, IPPF decided to host its Social Enterprise Hub in Sri Lanka.

Further, FPA Sri Lanka was invited to share its experiences at the Africa Region Social Enterprise Meeting which was held in Kampala, Uganda in November and a delegation representing MAs from Malaysia, Pakistan, Togo, Albania, Guyana and Morocco visited FPA Sri Lanka last year to study the Social Marketing Programme of FPA Sri Lanka.

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 helps to keep the costs low and provide employment for the local youth. The cost savings are passed on to the consumer so that they are in a position to get the commodities at an optimal price. Some of the products such as Preethi and Mithuri which were in the market for four decades have become generics among the users and the health care providers in the country.

All products marketed by FPA Sri Lanka consist of user information in all three languages to aid 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.

PERFORMANCE

In the year 2017, the Social Marketing Programme generated a revenue of Rs. 512 million. While certain product categories have shown a decline others have shown an incline. Overall , the SMP unit has shown a marginal growth in the revenue over the previous year while the surplus generated was Rs. 15m above the budget.

During the year, five new products were introduced. Two Emergency Contraceptives by the names of I-Pill and Pill 72, one non-latex condom called SKYN and two more specialised condoms called EPIC and Experience.

BEST SALES PERSONS 2016

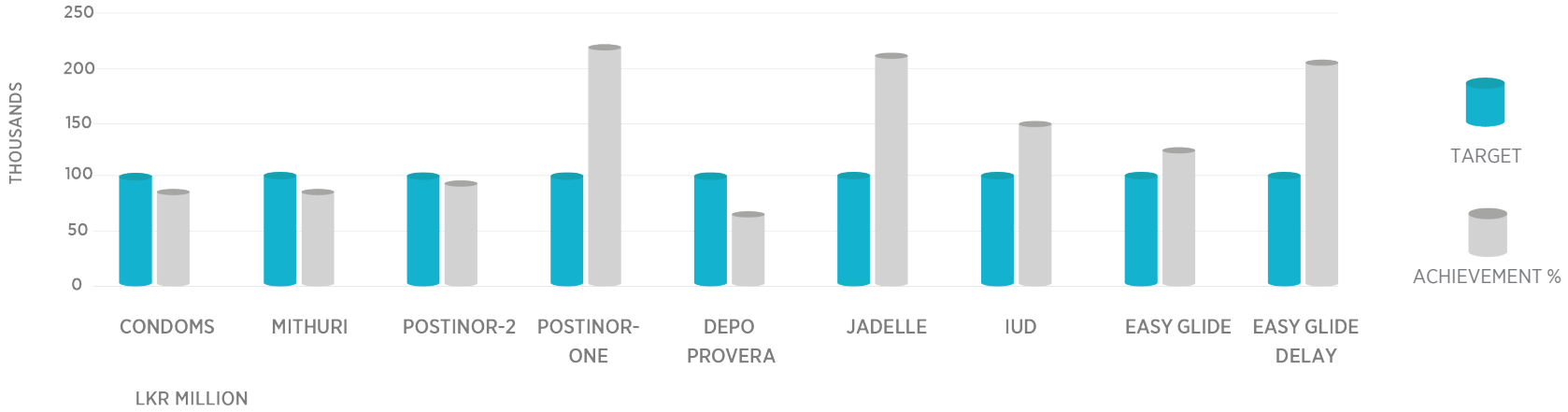
WINNER
Mr. Lahiru Pathirana

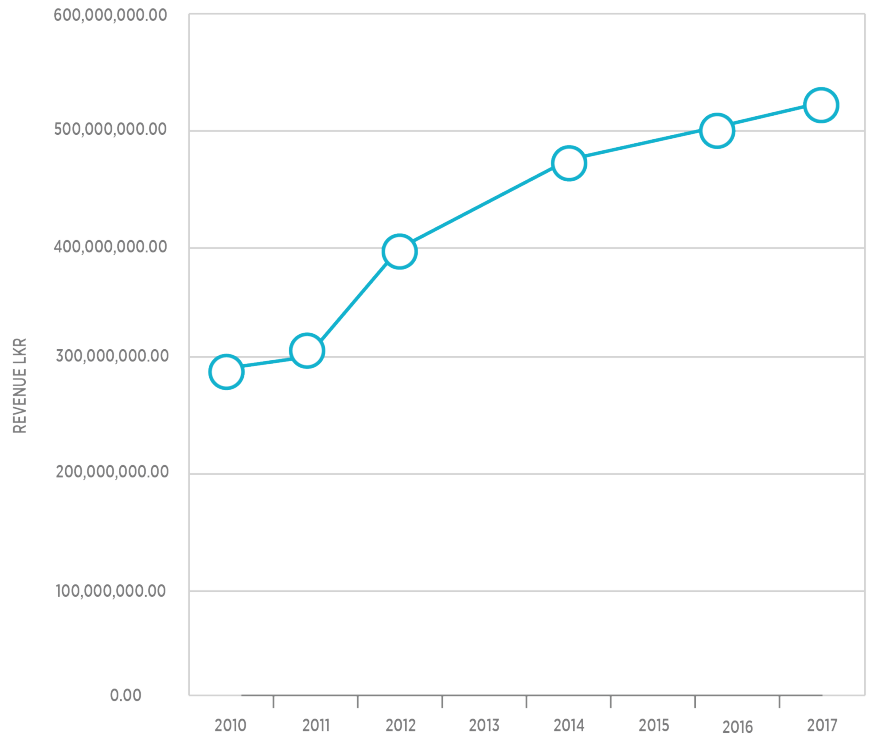
1ST RUNNER UP
Mr. Indika Edirisinghe

2ND RUNNER UP
Mr. S. N. M. Jibri

GRAPHS DEPICTING SALES PERFORMANCE

SALES 2016- 2017





PRODUCTS MARKETED
BY FPA SRI LANKA

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.

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

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

ROUGH RIDER
Hundreds of raised rubber "studs" make the Rough Rider the condom offering maximum sensation and excitement. Rough Rider condoms are manufactured in Thailand by Ansell.

PREETHI HOT
Preethi Hot condoms are natural rubber latex male condoms lubricated with a warming gel. Preethi Hot Condoms are manufactured by Karex Industries, Malaysia.

LIFESTYLE SENSITIVE
The ultra thin, smooth surface gives both partners a real natural feeling and experience. You will not feel like you are wearing a condom. All Lifestyle condoms are manufactured in Thailand by Ansell.

LEADERSHIP & GOVERNANCE

The year 2017 was a very challenging and a fruitful year for FPA Sri Lanka.

FPA Sri Lanka is an institution founded by volunteers and it strives to maintain the spirit of volunteerism and good governance.

The main body of governance is the National Council. All operational level decisions are made by the Senior Management Team, while policy related decisions are taken at National Council level, so as to maintain accountability and transparency. There are five Technical Advisory Committees tasked with specific operational and administrative areas.

MEMBERSHIP DRIVE

16th January of each year has been named as Founders' day, as a mark of respect to our founding members who had many a struggle to establish a family planning movement in the country. This calibre of volunteers are few and far between today and FPA Sri Lanka is badly in need to increase its volunteer base and enrich its membership to face the challenges that lie ahead.

It was decided to dedicate a week commencing 16th January 2017, to intensify the membership drive through a collective effort. All staff and governing members were requested to introduce at least one member to the Association, during this week. FPA Sri Lanka managed to receive everyone's generous support to this cause and was able to get 48 new members with this drive.

This continued throughout the year and FPA Sri Lanka added 65 new members in 2017 which is indeed a great achievement.

VOLUNTEER ORIENTATION PROGRAMME

The "Volunteer Orientation Programme" was held on 8th April 2017, at FPA Sri Lanka, Head office auditorium for all members and that marked good attendance, mostly by the newly joined members.

The programme comprised an introduction to IPPF, FPA Sri Lanka's history and current role as a Member Association, an overview of activities, future plans, the role of Volunteers and the importance of youth members to our Association and its overall activities in alignment with the new Strategic Plan.

The resource persons were Mr. Chandima Gunawardena, Dr. Pramilla Senanayake, Mrs. Padma Cumaranathunga, Major Shirley Silva, Mr. Lal Hewapathirana & Mrs. Thushara Agus.

ANNUAL GENERAL MEETING

The 46th Annual General meeting was held on 27th May 2017 at FPA Sri Lanka head office auditorium.

AGM 2017

AGM 2017

ACCREDITATION FROM IPPF

The most significant activity of this year was the awarding of the "Certificate of Accreditation" to The Family Planning Association of Sri Lanka for the 3rd time. The International Planned Parenthood Federation (IPPF) requires FPA Sri Lanka to fulfill 10 fundamental principles and 48 standards to get accreditation. The IPPF Accreditation team visited Sri Lanka in January/February 2017 for the third Accreditation process. This was approved by the Governing Council on 19th November 2017 in London.

The Accreditation review team with staff and volunteers

The Certificate of Re-Accreditation

Members of the Governance team and other Technical Advisory Committee members participated in several events during the year. Some of them were apointed to regional/global committees of IPPF. A list of such events/appointments is given below:

- The FPA Sri Lanka Staff service and sales service awards ceremony held in January.
- Participation of the Honorary President in the Regional Executive Council meetings which were held in London, United Kingdom in March 2017 & in Bangkok, Thailand in August 2017.
- President Mr. Gunawardena was elected as Regional Treasurer.
- Dr. Pramilla Senanayake was appointed by the RC as a member of the Vetting Committee.
- Ms. Melani Kanaka was appointed as Audit Committee member by the GC.
- "Engendering Yahapalanayata" film festival was organised by the Youth Technical Advisory Committee (YTAC) in February 2017.
- Members of the National Council together with members of the various TAC's visited SDP's and mega static clinics.

MEMBERS OF THE NATIONAL COUNCIL 2017

S/NO	TITLE	NAME
1	Honorary President	MR. CHANDIMA GUNAWARDENA
2	Honorary Vice-President	DR. PRAMILLA SENANAYAKE
3	Honorary General Secretary	DR. ESTHER AMARASEKARA
4	Honorary Treasurer	MR. ERROL SMITH
5	Honorary Assistant General Secretary	MS. SARAH SOYSA
6	Honorary Assistant Treasurer	MS. SACHINI UDUWELA
7	Chairperson - Medical	DR. LASANTHA MALAVIGE

S/NO	TITLE	NAME
8	Chairperson – IEC	DR. SRIANI BASNAYAKE
9	Chairperson – FAC	MR. KAMIL MOHAMMED
10	Chairperson – SMP	MR. CHATHURA JAYASINGHE
11	Chairperson – Youth	MS. PRISKILA ARULPRAGASAM
12	Ex-officio – Executive Director	MS. THUSHARA AGUS
13	Co-opted Member	MR. NIHAL WADUGODAPITIYA
14	Co-opted Member – Audit Committee Chairperson	MS. MELANIE KANAKA

MEMBERS OF THE TECHNICAL ADVISORY COMMITTEES FOR THE YEAR 2017

TECHNICAL ADVISORY COMMITTEE - IEC	TECHNICAL ADVISORY COMMITTEE –FAC	TECHNICAL ADVISORY COMMITTEE –SMP	TECHNICAL ADVISORY COMMITTEE –YOUTH	TECHNICAL ADVISORY COMMITTEE –MEDICAL
DR. SRIANI BASANAYAKE	MR. KAMIL MOHAMMED	MR. CHATHURA JAYASINGHE	MS. PRISKILA ARULPRAGASAM	DR. LASANTHA MALAVIGE
(CHAIRPERSON)	(CHAIRPERSON)	(CHAIRPERSON)	(CHAIRPERSON)	(CHAIRPERSON)
MR. CHANDIMA GUNAWARDENA	MR. CHANDIMA GUNAWARDENA	MR. CHANDIMA GUNAWARDENA	MS. JAYOMI MARASINGHE	DR. PRAMILLA SENANAYAKE
DR. PRAMILLA SENANAYAKE	DR. PRAMILLA SENANAYAKE	DR. PRAMILLA SENANAYAKE	MS. SACHINI UDUWELA	PROF. ATHULA KALUARACHCHI
DR. ESTHER AMARASEKARA	DR. ESTHER AMARASEKARA	DR. ESTHER AMARASEKARA	MR. LAKSHAN SENEVIRATNA	DR. SRIANI BASNAYAKE
MR. ERROL SMITH	MR. ERROL SMITH	MR. ERROL SMITH	MR. CHINTHAKA CHATHURANATH	PROF. A.H. SHERIFFDEEN
MAJOR SHIRLEY SILVA	MR. NIHAL WADUGODAPITIYA	MR. NIHAL WADUGODAPITIYA	MR. JAYALAL RAJAPAKSHA	PROF. H. R. SENEVIRATNE
MR. LAL HEWAPATHIRANA	MR. CHATHURA JAYASINGHE	MR. KAMIL MOHAMMED	MS. DESAREE SOYSA	PROF. L.R. AMARASEKARA
MS. G.C. DHARMADASA	MS. PADMA CUMARANATUNGE	MS. SHEA WICKRAMASINGHE	MS. CHIRANTHI SENANAYAKE	DR. S. A. P. GNANISSARA
DR. LASANTHA MALAVIGE	MS. SHIRANTINI DE SILVA	MS. DAWN AUSTIN	MS. SOPHIA DEADY	DR. LAKSHMAN SENANAYAKE

TECHNICAL ADVISORY COMMITTEE - IEC	TECHNICAL ADVISORY COMMITTEE –FAC	TECHNICAL ADVISORY COMMITTEE –SMP	TECHNICAL ADVISORY COMMITTEE –YOUTH	TECHNICAL ADVISORY COMMITTEE –MEDICAL
MR. SAHIRU SAMEERA	MAJOR SHIRLEY SILVA	MS. G.C. DHARMADASA	MR. HASHAN FONTAIN	PROF. HEMANTHA SENANAYAKE
MR. KAMIL MOHAMMED	DR. AJITH COLONNE	DR. LASANTHA MALAVIGE	MS. CHATHURIKA JAYALATH	DR. LILANGANI DE SILVA
MS. SARAH SOYSA	MR. ANVER DOLE	MR. NIHAL WANNIARACHCHI	MS. NAYANATHARA WIJESIRI	PROF. SUMEDHA WIJERATNE
MR. U.L. KALUARATCHI	MR. DINESH FERNANDO	MR. DUMINDA P. DE ALWIS	MS. VICKY SHAHJAHAN	DR. G. WEERASINGHE
MR. LAKMAL GUNASEKARA	MR. BEN CHRISTHUMANI	MR. JEEWANTHA PERERA		DR. SANJEEWA GODAKANDAGE
	MR. G. LESTER APONSO	MS. KANCHANA KARUNARATNE		DR. MANGALA DISSANAYAKE
	MR. NIHAL WADUGODAPITIYA			DR. SUGANDIKA PERERA
	MR. CHATHURA JAYASINGHE			PROF MANDIKA WIJERANTNE
				DR. AJITH MALALASEKERA
				DR. AJITH RAJAPAKSHA
				PROF. LALANI RAJAPAKSHA

MEETING SCHEDULE FOR THE YEAR 2017

S/NO	NAME OF THE TECHNICAL ADVISORY COMMITTEE	NO. OF MEETINGS HELD
1	National Council (NC)	06
2	Medical Committee (MC)	04
3	Information, Education and Communication (IEC) Committee	04
4	Finance & Administration Committee (FAC)	04
5	Social Marketing Programme (SMP)	04
6	Youth Advisory Committee (YTAC)	05
7	Annual General Meeting (AGM)	01

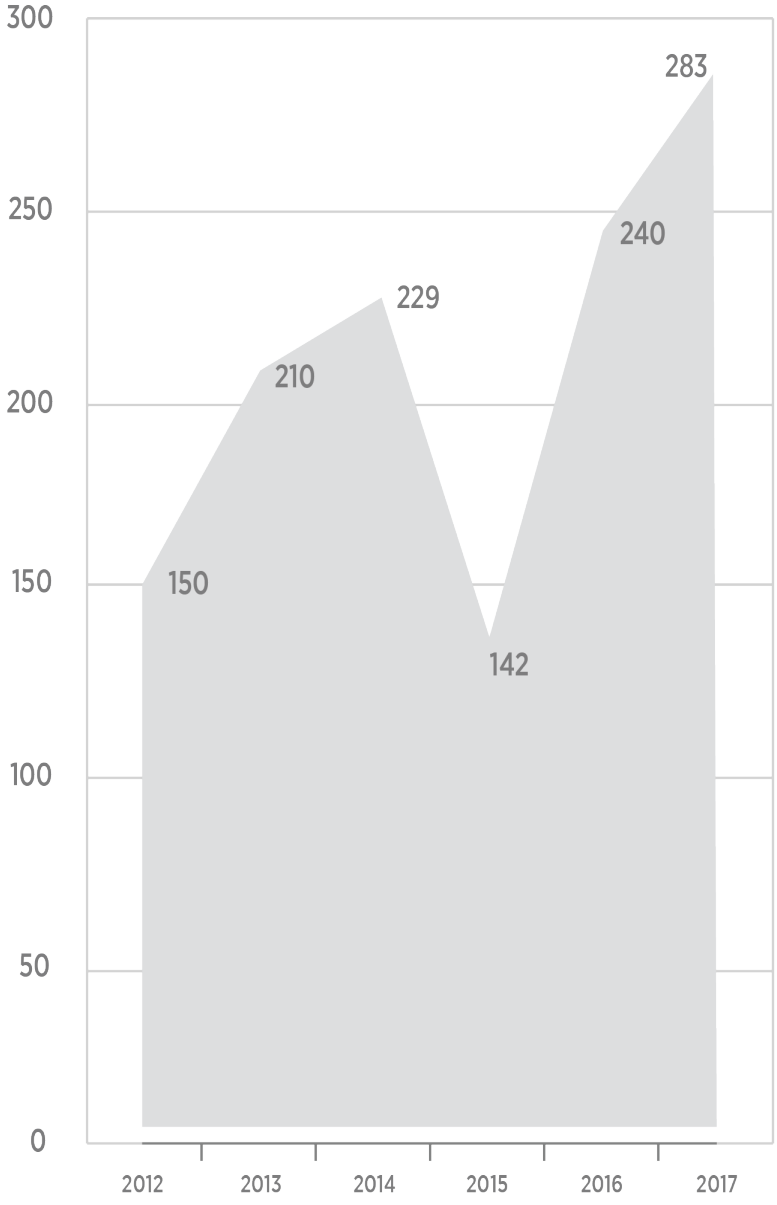
FINANCIAL REPORTS

FINANCIAL REVIEW

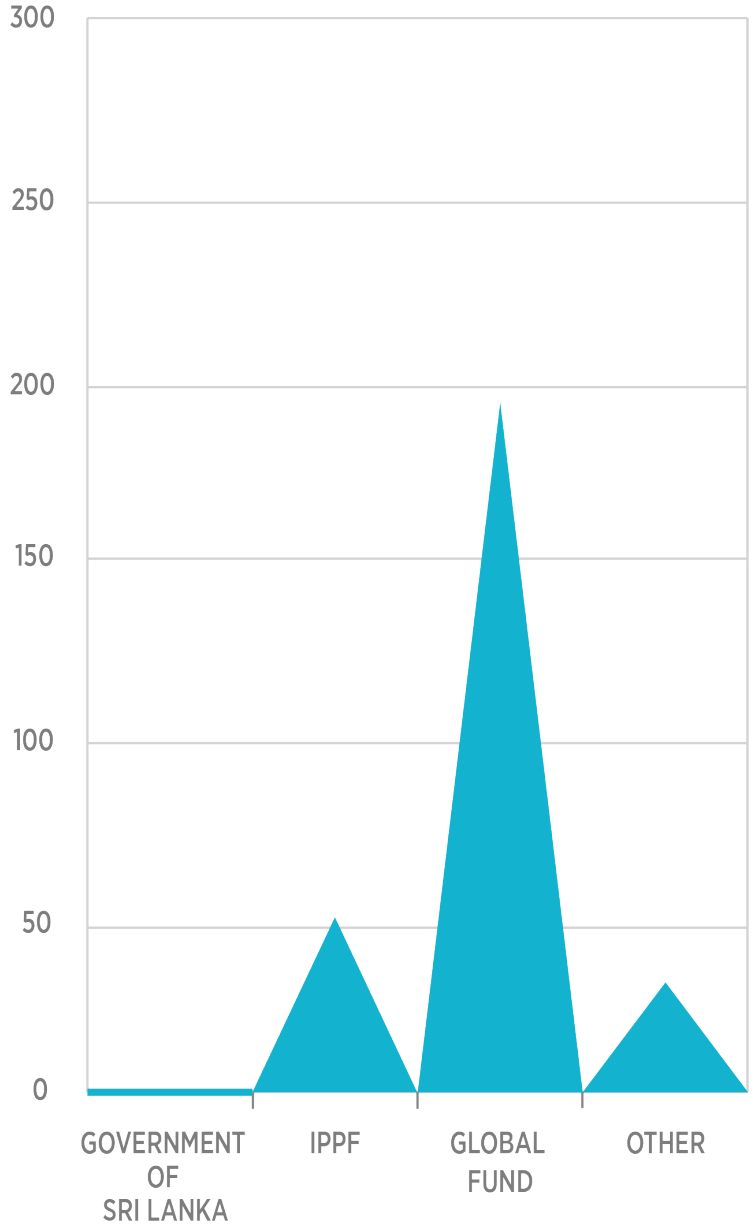
DONOR SUPPORT

IN THE FINANCIAL YEAR UNDER REVIEW, THE ASSOCIATION MANAGED TO RECORD A SATISFACTORY GROWTH IN ALL ITS REVENUE STREAMS. A TOTAL OF RS. 283 MN WAS RECEIVED AS GRANTS OUT OF WHICH 18% WAS RECEIVED FROM IPPF AND 70% WAS RECEIVED FROM THE GLOBAL FUND TO RESPOND TO MAINTAINING A LOW PREVALENCE OF HIV AND IMPROVE THE QUALITY OF LIFE OF PEOPLE INFECTED WITH HIV.

GRANT RECEIVED 2012-17 (RS. MN)



SOURCE OF GRANTS (RS. MN)

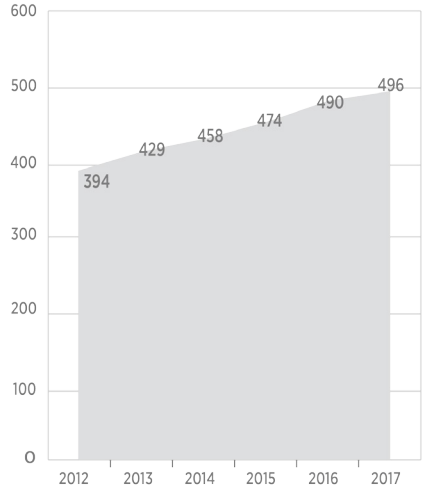


REVENUE FROM SOCIAL MARKETING OF CONTRACEPTIVES

Social Marketing recorded a steady growth in the sale of contraceptives since year 2012. In year 2017, it recorded a revenue of Rs. 496 Mn (net of tax). This contributes to 89% of the total revenue. The Association was able to maintain a gross margin of 37% despite the currency fluctuations.

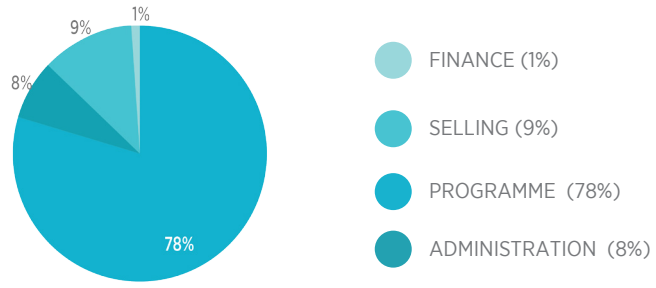
With the surplus from the Social Marketing Unit, an Investment of Rs. 85 Mn was made during the year on the new building under construction

CONTRACEPTIVE REVENUE 2012-17 (RS.MN)



OPERATING EXPENSES

78% 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.



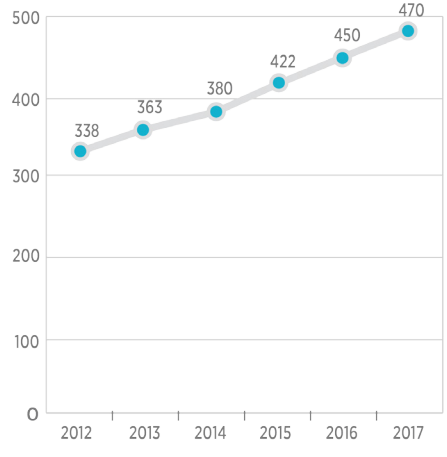
BALANCE SHEET

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

The Association's total fund base increased up to Rs. 470 mn in the current year. Out of that 50% represents high liquidity investments such as fixed and call deposits and Government securities.

TOTAL FUND BASE (RS. MN)



Despite the growth in the fund base, growth in the investment portfolio was only Rs.14mn due to the investment of Rs. 85mn in the construction of the new building.

THE FAMILY PLANNING ASSOCIATION OF SRI LANKA

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2017

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

Tel : +94 – 11 542 6426
Fax : +94 – 11 244 5872
+ 94 – 11 244 6058
+ 94 11 254 1249
Internet : www.kpmg.com/lk

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE FAMILY PLANNING ASSOCIATION OF SRI LANKA

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of The Family Planning Association of Sri Lanka, ("The Association"), which comprise the Statement of financial position as at 31 December 2017, and the Statement of Income and Expenditure, Statement of Changes in Fund Balances and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

NATIONAL COUNCIL'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The National Council is responsible for the preparation of these financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standard for Small and Medium sized Entities 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 give a true and fair view of the financial position of the Association as at 31 December 2017 and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standard for Small and Medium sized Entities.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 163 (2) of the Companies Act No. 07 of 2007, we state the following:

a) The basis of opinion and scope and limitations of the audit are as stated above.

b) In our opinion we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Association and the financial statements of the Association, comply with the requirements of section 151 of the Companies Act.

CHARTERED ACCOUNTANTS
28 MARCH 2018
COLOMBO

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

Principals – S.R.I. Perera FCMA (UK), LLB, Attorney –at –Law, H.S. Goonawardene ACA
Ms. C.K.T.N. Perera ACA

THE FAMILY PLANNING ASSOCIATION OF SRI LANKA
STATEMENT OF FINANCIAL POSITION

As at 31 December		2017	2016
	NOTE	Rs.	Rs.
ASSETS			
Non- Current Assets			
Property, Plant and Equipment	4	72,368,391	79,997,969
Intangible Assets	5	1,655,404	3,066,158
Capital Work In Progress	6	134,526,941	48,177,064
Deferred Tax Asset	7	2,812,723	1,040,232
		211,363,459	**132,261,423**
CURRENT ASSETS			
Inventories	8	115,347,611	116,489,484
Trade and Other Receivables	9	149,672,879	131,629,561
Investments	10	239,627,861	225.173,082
Cash and Cash Equivalents		22,801,028	37,824,163
		527,449,379	**511,116,290**
TOTAL ASSETS		**738,812,838**	**643,377,713**
FUND AND LIABILITIES			
Accumulated Fund		165,220,220	173,324,464
Revenue Reserves	11	304,329,423	276,257,127
Total Fund		**469,549,643**	**449,581,591**
NON- CURRENT LIABILITIES			
Retirement Benefit Obligation	12	28,718,022	24,673,113
		28,718,022	**24,673,113**
CURRENT LIABILITIES			
Trade and Other Payables	13	40,951,876	26,239,180
Commodity Grant		195,740	195,740
Deferred Income	14	41,702,522	50,247,839
Income Tax Payable		3,960,006	248,817
Short Term Loans and Other Borrowings	15	151,270,481	91,672,815
Bank Overdraft		2,464,548	518,618
		240,545,173	**169,123,009**
Total Fund and Liabilities		**738,812,838**	**643,377,713**

CONTINUED

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

It is certified that the Financial Statements have been prepared and presented 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. Approved and signed for and on behalf of the National Council by,

.....

Director / National Council Member
28 March 2018
Colombo

.....

Director / National Council Member

THE FAMILY PLANNING ASSOCIATION OF SRI LANKA
STATEMENT OF INCOME AND EXPENDITURE

For the year ended 31 December		2017	2016
	Note	Rs.	Rs.
REVENUE	16	802,973,068	735,389,576
DONOR GRANTS			
RESTRICTED GRANTS			
Restricted Donor Grants	16	275,293,938	213,833,249
Restricted Project Costs on Goals	17	(275,293,938)	(213,833,249)
Surplus / (Deficit) over Project Expenditure		-	-
UNRESTRICTED GRANTS			
Unrestricted Donor Grants	16.1	17,774,217	18,029,626
Income Generated from Projects	18	13,493,484	13,215,127
Other Project Costs on Goals	19	(61,221,041)	(56,371,142)
Deficit over Project Expenditure		**(29,953,340)**	**(25,126,389)**
Contraceptive Sales	16	496,411,429	490,311,574
Cost of Contraceptive Sales		(312,738,613)	(313,107,325)
Gross Profit		**183,672,816**	**177,204,249**
Other Income	20	2,765,132	7,744,292
Administrative Expenses	21	(70,347,443)	(75,604,833)
Selling & Distribution Expenses	22	(75,679,941)	(68,971,682)
Net Finance Income	23	15,556,273	12,579,338
Surplus before Taxation	24	**26,013,496**	**27,824,975**
Income Tax Expense	25	(6,045,444)	(701,180)
Surplus for the Year		**19,968,052**	**27,123,795**

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

THE FAMILY PLANNING ASSOCIATION OF SRI LANKA
STATEMENT OF CHANGES IN FUND BALANCES

	ACCUMULATED FUND	SPECIAL RESERVE FUND	ENDOWMENT FUND	PRESIDENT'S DISCRETIONARY FUND	TOTAL
	Rs.	Rs.	Rs.	Rs.	Rs.
BALANCE AS AT 01 JANUARY 2016	**174,020,845**	**237,058,652**	**9,197,742**	**2,180,557**	**422,457,796**
Surplus for the Year	27,123,795	-	-	-	**27,123,795**
Transfer to Special Reserve Fund	(26,870,089)	26,870,089	-	-	**-**
Transfer to Endowment Fund	(768,011)	-	768,011	-	**-**
Transfer to President's Fund	(182,076)	-	-	182,076	**-**
BALANCE AS AT 01 JANUARY 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 31 DECEMBER 2017	**165,220,220**	**290,675,736**	**11,037,071**	**2,616,616**	**469,549,643**

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

THE FAMILY PLANNING ASSOCIATION OF SRI LANKA
STATEMENT OF CASH FLOWS

For the year ended 31 December	2017	2016
	Rs.	Rs.
CASH FLOWS FROM PROJECT ACTIVITIES		
Surplus before Taxation	26,013,496	27,824,975
Adjustments for;		
Depreciation	11,007,158	13,000,011
Income from Investments	(22,228,391)	(17,637,566)
Profit on sale of Property, Plant and Equipment	-	(7,519,707)
Amortization of Intangible Assets - ERP System	1,499,745	1,544,381
Provision for Retirement Gratuity	4,554,864	4,317,536
Operating Surplus before Working Capital Changes	**20,846,872**	**21,529,630**
Changes in;		
Inventories	1,141,874	(21,798,813)
Trade and Other Receivables	(16,075,198)	(10,026,154)
Trade and Other Payables	12,379,950	(37,536,707)
Cash generated from Operations	**18,293,498**	**(47,832,044)**
Gratuity Paid	(509,955)	(5,620,977)
Income Tax Paid	(1,774,003)	(1,986,999)
Net Cash generated from Project Activities	**16,009,540**	**(55,440,020)**
Cash Flows from Investing Activities		
Acquisition of Property, Plant & Equipment	(1,831,917)	(5,164,783)
Proceeds from Sale of Property, Plant & Equipment	-	7,519,707
Interest Received	20,631,986	15,571,872
Acquisition of Intangible Assets - ERP System	(88,991)	(1,163,761)
Investment in Capital Expenditure	(87,915,540)	(45,544,758)
Investments made in Fixed Deposits and Treasury Bills	(408,100,547)	(167,290,156)
Withdrawal of Fixed Depsits and Treasury Bills	395,242,174	175,755,864
Net Cash generated from / (used in) Investing Activities	**(82,062,835)**	**(20,316,015)**

CONTINUED

Cash Flow from Financing Activities		
Net Movement in Short Term Loans	59,597,666	72,293,997
Funds received during the Year	264,780,504	222,333,854
Grants transferred to Income	(275,293,940)	(213,833,249)
Net Cash generated from / (used in) Financing Activities	**49,084,230**	**80,794,602**
Net increase in Cash and Cash Equivalents	**(16,969,065)**	**5,038,567**
Cash and Cash Equivalents at the beginning of the Year	**37,305,545**	**32,266,978**
Cash and Cash Equivalents at the end of the Year	**20,336,480**	**37,305,545**
Analysis of Cash & Cash Equivalents at the end of the Year;		
Cash in hand and at Bank	22,801,028	37,824,163
Bank Overdraft	(2,464,548)	(518,618)
	20,336,480	**37,305,545**

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

Figures in brackets indicate deductions.

THE FAMILY PLANNING ASSOCIATION OF SRI LANKA
NOTES TO THE FINANCIAL STATEMENTS

1. REPORTING ENTITIY

1.1 GENERAL

The Family Planning Association of Sri Lanka ("Association") is an Association 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 programmes 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 programmes undertaken.

1.3 NUMBER OF EMPLOYEES

The number of the employees of the Association at the end of the year was 125 (2016 - 135).

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

The Statement of Financial Position, Statement of Income and Expenditure, Statement of Changes in Fund Balances and Statement of Cash Flows, together with Notes to the Financial Statements ("Financial Statements") of the Association as at 31 December 2017 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 2017 were authorised for issue in accordance with a resolution of the National Council on 28 March 2018.

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 JUDGEMENTS

The preparation of Financial Statements in conformity with SLFRS for SMEs requires management to make judgements, 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 recognised 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 TRANSACTIONS

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 recognised in profit or loss.

3.2 FINANCIAL INSTRUMENTS

3.2.1 NON-DERIVATIVE FINANCIAL ASSETS

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

The Association derecognises 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 recognised 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 realise 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 recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. The losses arising from impairment are recognised in profit or loss.

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 recognised initially on the trade date, which is the date that the Association becomes a party to the contractual provisions of the instrument. The Association derecognises 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 recognised 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 recognised in Statement of Income and Expenditure.

3.3.2 SUBSEQUENT EXPENDITURE

Subsequent expenditure is capitalised 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 recognised in profit or loss.

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 capitalised 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 recognised 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 INVENTORIES

Inventories are measured at the lower of cost and net realisable 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.

3.6 IMPAIRMENT

3.6.1 NON-DERIVATIVE FINANCIAL ASSETS

A financial asset not classified 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.

3.6.1.1 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.

3.6.1.2 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 recognised 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 recognised in the Statement of Income and Expenditure.

3.7 EMPLOYEE BENEFITS

3.7.1 SHORT-TERM EMPLOYEE BENEFITS

Short-term employee benefit obligations are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Association has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.7.2 DEFINED CONTRIBUTION PLANS

A Defined Contribution Plan is a post-employment benefit plan under which an entity pays fixed contribution into a 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 recognised as an expense in profit or loss 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.

3.7.3 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 unrecognised 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.

3.8 PROVISIONS

A provision is recognised 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.

3.9 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.

3.10 GRANTS AND SUBSIDIES

Grants are recognised 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 recognised 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.

3.11 REVENUE RECOGNITION

Revenue is recognised 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 recognised 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 activities.

3.12 OTHER INCOME

Interest income is recognised 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.

3.13 FINANCE COSTS

Finance costs comprise interest expense on borrowings.

3.14 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 recognised in the income statement.

3.14.1 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. 10 of 2006 and subsequent amendments thereto.

The Association is Liable for income tax at the rate of 10% on the taxable profit.

3.14.2 DEFERRED TAXATION

Deferred tax is recognised 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 recognised 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 utilised. 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 realised.

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.

3.15 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.

3.16 VALUE ADDED TAX (VAT)

Revenues, expenses and assets are recognised 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 recognised 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	BUILDINGS	FURNITURE AND FITTINGS	OTHER EQUIPMENT	AUDIO AND VIDEO EQUIPMENT	MOTOR VEHICLES	COMPUTER EQUIPMENT	TOTAL
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
COST								
Balance as at 01.01.2017	40,404,780	33,699,521	5,508,551	26,786,593	2,796,682	50,683,976	28,662,535	188,542,639
Additions	-	1,565,664	164,351	864,265	-	-	803,300	3,397,580
Disposals	-	-	-	-	-	-	(259,000)	(259,000)
Balance as at 31.12.2017	**40,404,780**	**35,265,185**	**5,672,902**	**27,650,858**	**2,796,682**	**50,683,976**	**29,206,835**	**191,681,219**
ACCUMULATED DEPRECIATION								
Balance as at 01.01.2017	-	18,102,669	3,639,373	24,218,956	2,796,682	35,818,585	23,988,405	108,564,670
Charge for the Year	-	1,376,794	370,886	1,106,657	-	6,353,811	1,799,010	11,007,158
Disposals	-	-	-	-	-	-	(259,000)	(259,000)
BALANCE AS AT 31.12.2017	**-**	**19,479,463**	**4,010,259**	**25,325,613**	**2,796,682**	**42,172,396**	**25,528,415**	**119,312,828**
CARRYING AMOUNT	-							
As at 31 December 2017	40,404,780	15,785,722	1,662,644	2,325,245	-	8,511,580	3,678,420	72,368,391
AS AT 31 DECEMBER 2016	**40,404,780**	**15,596,852**	**1,869,178**	**2,567,637**	**-**	**14,865,391**	**4,674,130**	**79,977,969**

4.1 BUILDING ON LEASED LAND

Buildings of the Association includes a building which has 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 further period of 30 years from 11 August 2000. Further from a letter dated 31 January 2007 Land Commissioner's Department has also confirmed that Minister has approved the lease period extention. 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 the above mentioned land.

THE FAMILY PLANNING ASSOCIATION OF SRI LANKA NOTES TO THE FINANCIAL STATEMENTS

5. INTANGIBLE ASSETS

	"BALANCE AS AT 01.01.2017"	ADDITIONS	"BALANCE AS AT 31.12.2017"
	Rs.	Rs.	Rs.
COST			
ERP System - SAGE Evolution	6,711,183	88,991	6,800,174
	6,711,183	**88,991**	**6,800,174**

	"BALANCE AS AT 01.01.2017"	ADDITIONS	"BALANCE AS AT 31.12.2017"
	Rs.	Rs.	Rs.
AMORTIZATION			
ERP System - SAGE Evolution	3,645,025	1,499,745	5,144,770
	3,645,025	**1,499,745**	**5,144,770**
AS AT 31 DECEMBER		**2017**	2016
		Rs.	Rs.
CARRYING AMOUNT			
ERP System - SAGE Evolution		**1,655,404**	**3,066,158**

6. CAPITAL WORK IN PROGRESS

	"BALANCE AS AT 01.01.2017"	ADDITIONS	TRANSFERS WIP	"BALANCE AS AT 31.12.2017"
	Rs.	Rs.	Rs.	Rs.
Construction of Building - Narahenpita	46,611,401	85,433,790	-	132,045,191
Other WIP	1,565,663	2,481,750	1,565,664	2,481,749
	48,177,064	**87,915,540**	**1,565,664**	**134,526,941**

7. DEFERRED TAX ASSETS

Balance as at the beginning of the year	1,040,232	-
Amounts recognised during the year	1,772,491	1,040,232
Balance as at the end of the year	**2,812,723**	**1,040,232**

7.1 DEFERRED TAX ASSETS / (LIABILITIES) ARE ATTRIBUTABLE TO THE FOLLOWING TEMPORARY DIFFERENCES:

AS AT 31 DECEMBER	2017	
	TEMPORARY DIFFERENCES	TAX EFFECT AT 14%
	Rs.	Rs.
Property, Plant and Equipment	(8,627,144)	(1,207,800)
Employee Benefits	28,718,022	4,020,523
	20,090,878	**2,812,723**

8. INVENTORIES

AS AT 31 DECEMBER	2017	2016
	Rs.	Rs.
Contraceptives	117,305,997	112,191,610
Packing Materials	1,487,371	2,275,387
Pharmaceutical Items	206,724	509,972
Stationery & Other Items	904,509	1,512,515
Provision for Inventory	(4,556,990)	-
	115,347,611	**116,489,484**

9. TRADE AND OTHER RECEIVABLES

AS AT 31 DECEMBER		
	2017	2016
	Rs.	Rs.
Trade Debtors	106,434,811	113,740,027
Less: Provision for Bad and Doubtful Debts	(4,410,543)	(4,410,543)
	102,024,268	109,329,484
Staff Loans	556,000	514,000
Prepaid Expenses	2,614,007	2,185,060
Other Receivables	44,478,604	19,601,017
	149,672,879	**131,629,561**

10. INVESTMENTS

AS AT 31 DECEMBER		
	2017	2016
	Rs.	Rs.
Fixed Deposits (Note 10.1)	235,495,164	172,752,499
Treasury Bills / Repurchase Agreements (Note 10.2)	3,909,144	50,234,126
Call Deposits	223,553	2,186,457
	239,627,861	**225,173,082**

10.1 FIXED DEPOSITS

AS AT 31 DECEMBER		
	2017	2016
	Rs.	Rs.
Capital	225,792,594	165,708,153
Interest Receivable	9,702,570	7,044,346
	235,495,164	**172,752,499**

10.2 TREASURY BILLS / REPURCHASE AGREEMENTS

AS AT 31 DECEMBER		
	2017	2016
	Rs.	Rs.
Capital	3,827,752	49,090,914
Interest Receivable	81,392	1,143,212
	3,909,144	**50,234,126**

11. REVENUE RESERVES

AS AT 31 DECEMBER		
	2017	2016
	Rs.	Rs.
Special Reserve Fund (Note 11.1)	290,675,736	263,928,741
Endowment Fund (Note 11.2)	11,037,071	9,965,753
President's Discretionary Fund (Note 11.3)	2,616,616	2,362,633
	304,329,423	**276,257,127**

11.1 SPECIAL RESERVE FUND

AS AT 31 DECEMBER	2017	2016
	Rs.	Rs.
Fund Balance at the beginning of the year	263,928,741	237,058,652
Transferred from undesignated Fund	26,746,995	26,870,089
Fund Balance at the end of the year	**290,675,736**	**263,928,741**

11.2 ENDOWMENT FUND

AS AT 31 DECEMBER	2017	2016
	Rs.	Rs.
Fund Balance at the beginning of the year	9,965,753	9,197,742
Transferred from undesignated Fund	1,071,318	768,011
Fund Balance at the end of the year	**11,037,071**	**9,965,753**

11.3 PRESIDENT'S DISCRETIONARY FUND

AS AT 31 DECEMBER	2017	2016
	Rs.	Rs.
Fund Balance at the beginning of the year	2,362,633	2,180,557
Transferred from undesignated Fund	253,983	182,076
Fund Balance at the end of the year	**2,616,616**	**2,362,633**

12. RETIREMENT BENEFIT OBLIGATIONS

AS AT 31 DECEMBER	2017	2016
	Rs.	Rs.
Balance as at the Beginning of the Year	24,673,113	25,976,554
Provision for the Year	4,554,864	4,317,536
(-) Benefit Paid During the Year	(509,955)	(5,620,977)
Balance as at the End of the Year	**28,718,022**	**24,673,113**

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 at the above gratuity liability are as follows;

AS AT 31 DECEMBER	2017	2016
Expected Annual Average Salary Increment Rate	9%	9%
Discount Rate	10.5%	10%
Staff Turnover Factor	1.01%	1.00%
Maximum Retirement Age of the Employees	60 Years	60 Years

13. TRADE AND OTHER PAYABLES

AS AT 31 DECEMBER	2017	2016
	Rs.	Rs.
Accounts Payable	13,372,772	21,621,263
Sundry Creditors	27,579,104	4,617,917
Balance as at the End of the Year	**40,951,876**	**26,239,180**

14. DEFERRED INCOME

	"BALANCE AS AT 01.01.2017"	"FUNDS RECEIVED DURING THE YEAR"	RECEIVABLE	GRANTS TRANSFERRED TO INCOME	" BALANCE AS AT 31.12.2017 "
	Rs.	Rs.	Rs.	Rs.	Rs.
IPPF	11,782,236	32,993,187	2,290,292	24,994,633	22,071,082
UNAIDS	28,140	-	-	-	28,140
UNICEF	-	830,000	-	644,766	185,234
United Nations Population Fund	100,218	24,631,419		24,699,920	31,717
Global Fund	37,937,389	198,366,207	(322,171)	222,711,559	13,269,866
Others	399,856	7,959,689	-	2,243,062	6,116,483
	50,247,839	**264,780,502**	**1,968,121**	**275,293,940**	**41,702,522**

15. SHORT TERM LOANS AND OTHER BORROWINGS

AS AT 31 DECEMBER		
	2017	2016
	Rs.	Rs.
Short Term Loans	63,649,867	72,293,997
Import Loans	87,620,614	19,378,818
Balance as at the End of the Year	**151,270,481**	**91,672,815**

For the year ended 31 December	2017	2016
	Rs.	Rs.
16. REVENUE		
Restricted Donor Grants	275,293,938	213,833,249
Unrestricted Donor Grants (Note 16.1)	17,774,217	18,029,626
Contraceptive Sales	496,411,429	490,311,574
Income Generated from Projects	13,493,484	13,215,127
	802,973,068	**735,389,576**
16.1 UNRESTRICTED GRANTS		
Core Grant	17,699,217	17,954,626
Government Grant	75,000	75,000
	17,774,217	**18,029,626**
17. RESTRICTED PROJECT COSTS ON GOALS		
Global Fund MSA	12,413,418	13,736,389
Global Fund ATM	210,298,141	159,937,964
IPPF Projects	24,994,631	23,890,096
Other Projects	27,587,748	16,268,800
	275,293,938	**213,833,249**
18. INCOME GENERATED FROM PROJECTS		
Fundraising Income	9,566,061	9,183,206
Training Services income	270,766	132,385
Clinic Income	3,656,657	3,899,536
	13,493,484	**13,215,127**

For the year ended 31 December	2017	2016
	Rs.	Rs.
19. OTHER PROJECT COSTS ON GOALS		
Training Center	9,290,308	10,501,259
Communication	497,299	-
Youth	2,608,757	-
SRH Institute	569,037	-
Advocacy	9,480,454	5,208,192
Resource Mobilisation Project	413,065	152,950
Centre for Family Health	14,970,583	14,231,675
Outreach	23,391,538	25,361,820
Core Plus	-	7,111
SRHK	-	18,225
SDG's	-	889,910
	61,221,041	**56,371,142**
20. OTHER INCOME		
Reversal of Bad debts Provision	-	205,210
Miscellaneous Income	-	9,375
Donations	83,125	10,000
Profit on Sale of Vehicles	-	7,519,707
Project Income	2,682,007	-
	2,765,132	**7,744,292**

21. ADMINISTRATIVE EXPENSES

For the year ended 31 December		
	2017	2016
	Rs.	Rs.
Personnel & Employee Benefits	35,301,733	34,820,258
Bank Charges	321,295	449,598
Travel & per diem Expenses	1,546,881	1,232,773
Vehicle Running Costs	786,701	1,065,120
Printing & Stationery	2,742,188	3,000,303
Occupancy Cost	4,035,178	6,428,948
Consumables	1,875,345	3,529,432
Communications	3,892,224	2,506,851
Depreciation and Amortization	12,506,902	14,544,397
Audit Fees & Expenses	828,480	1,126,890
Consultancy & Professional Fees	815,591	1,052,701
Sundry Expenses	-	62,020
Maintenance of Building & Equipment	1,350,494	1,505,358
Exchange Difference	382,663	-
Insurance Expense	1,658,711	256,620
Development Activities	2,303,057	4,023,564
	70,347,443	**75,604,833**

22. SELLING & DISTRIBUTION EXPENSES

For the year ended 31 December		
	2017	2016
	Rs.	Rs.
Personnel & Employee Benefits	20,072,429	18,815,450
Travel & per diem Expenses	9,033,913	7,605,030
Vehicle Running Costs	13,813,268	12,748,386

FOR THE YEAR ENDED 31 DECEMBER		
	2017	2016
	Rs.	Rs.
Printing & Stationery	83,084	95,991
Promotional expenses	22,528,639	17,116,109
Medical Supplies/Equipment	88,991	484,299
Consultancy & Professional Fees	1,171,083	540,837
Bad Debtors	211,720	143,700
Insurance	261,653	55,476
Website maintenance	782,421	-
Consumables	4,197,664	7,617,967
VAT	3,263,236	3,401,172
Sundry Expenses	171,840	347,265
	75,679,941	**68,971,682**

23. NET FINANCE INCOME / (FINANCE COSTS)

23.1 NET FINANCE INCOME

FOR THE YEAR ENDED 31 DECEMBER		
	2017	2016
	Rs.	Rs.
Interest on Repurchase Agreements / Treasury Bills	3,833,817	5,439,030
Interest on Fixed / Call Deposits / Money Market Account	18,394,574	12,198,536
	22,228,391	**17,637,566**

23.2 FINANCE COSTS

FOR THE YEAR ENDED 31 DECEMBER		
	2017	2016
	Rs.	Rs.
Interest on Short Term Loans	(6,672,118)	(5,058,228)
NET FINANCE INCOME RECOGNISED IN PROFIT OR LOSS	**15,556,273**	**12,579,338**

24. SURPLUS BEFORE TAXATION

SURPLUS BEFORE TAXATION IS STATED AFTER CHARGING ALL EXPENSES INCLUDING THE FOLLOWING;		
FOR THE YEAR ENDED 31 DECEMBER		
	2017	2016
	Rs.	Rs.
INCLUDED IN ADMINISTRATIVE EXPENSES		
Defined Contribution Plan Costs - Gratuity	1,117,804	1,675,747
Defined Contribution Plan Costs - EPF and ETF	4,404,195	4,584,433
Depreciation and Amortization	12,506,902	14,544,392
Auditors' Remuneration	475,000	440,000
INCLUDED IN SELLING AND DISTRIBUTION EXPENSES		
Defined Contribution Plan Costs - Gratuity	1,181,547	927,703
Defined Contribution Plan Costs - EPF and ETF	2,273,192	2,138,674
INCLUDED IN PROJECT COSTS ON GOALS		
Defined Contribution Plan Costs - Gratuity	2,255,513	1,637,603
Defined Contribution Plan Costs - EPF and ETF	4,992,155	4,394,989

25. INCOME TAX EXPENSE

FOR THE YEAR ENDED 31 DECEMBER			
		2017	2016
		Rs.	Rs.
Income Tax on current year Surplus (Note 25.1)		3,512,152	1,741,412
NGO Tax (Note 25.2)		1,666,276	-
UNDER PROVISION FOR PRIOR YEAR TAX		-	-
WHT - 2016	949,574	-	-
NGO Tax 2016	1,478,332	-	-
NGO Tax 2015	211,601	2,639,507	-
Deferred Tax Originated during the year		(1,772,491)	(1,040,232)
		6,045,444	**701,180**

25.1 RECONCILIATION BETWEEN ACCOUNTING PROFIT TO INCOME TAX

FOR THE YEAR ENDED 31 DECEMBER		
	2017	2016
	Rs.	Rs.
Surplus before Taxation	26,013,496	27,824,975
Adjustment on Disallowable Expenses	244,817,305	193,328,366
Adjustment on Allowable Expenses	(7,935,058)	(16,525,884)
Tax exempt Income	(231,108,036)	(192,755,959)
Profit on Trade or Business	31,787,707	11,871,498
Interest Income on Treasury Bills / Repurchase Agreements	3,833,817	6,042,618
	35,621,524	17,914,116
Tax Free Allowances	(500,000)	(500,000)
Taxable Income	**35,121,524**	**17,414,116**
Tax @ 10%	**3,512,152**	**1,741,412**

25.2 NGO TAX LIABILITY

FOR THE YEAR ENDED 31 DECEMBER	
	2017
	Rs.
Grants Received From Global Fund	198,366,207
Profit and Income liable to NGO Tax (3% from funds received)	5,950,986
Tax @ 28%	**1,666,276**

26. ASSETS PLEDGED AS COLLATERALS

				VALUE OF THE SECURITY
NAME OF THE FINANCIAL INSTITUTION	NATURE OF FACILITY	SECURITY	AS AT 31.12.2017	AS AT 31.12.2016
			Rs.	Rs.
Standard Chartered Bank	Letter of Credit	Treasury Bills	4,000,000	49,090,914
Hatton National Bank	Letter of Credit	Fixed Deposits	52,388,500	52,365,449

27. RELATED PARTY DISCLOSURES

27.1 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;

a. The individual's domestic partner and children;
b. Children of the individual's domestic partner; and
c. Dependants of the individual or the individual's domestic partner

Close Family Members are related parties to the Entity.

For the year ended 31 December

	2017 RS.	2016 RS.
Key Management Personnel Compensation		
Salaries, EPF, ETF and Gratuity	5,352,734	4,977,699

28. SUBSEQUENT EVENTS

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

29. CONTINGENT LIABILITIES

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

30. COMPARATIVE FIGURES

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

31. CAPITAL COMMITMENTS

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

The Association is constructing a building in the freehold land located in Narahenpita, which is to be completed in year 2018.

AS AT 31 DECEMBER	2017 RS.	2016 RS.
Approximate amount approved but not contracted for	-	-
Approximate amount contracted for but not incurred	35,000,000	96,635,570
	35,000,000	96,635,570

32. NATIONAL COUNCIL'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The 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 2017 AS PER IPPF REQUIREMENT

KPMG
(Chartered Accountants)
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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE FAMILY PLANNING ASSOCIATION OF SRI LANKA

REPORT ON THE FINANCIAL STATEMENTS

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 2017, 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 set out on pages 3 to 22 of the financial statements. 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 2017 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
28 MARCH 2018
COLOMBO

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

Principals – S.R.I. Perera FCMA (UK), LLB, Attorney –at –Law, H.S. Goonawardene ACA
Ms. C.K.T.N. Perera ACA

THE FAMILY PLANNING ASSOCIATION OF SRI LANKA
BALANCE SHEET

AS AT 31 DECEMBER	CURRENT YEAR 2017							PRIOR YEAR 2016	
	LOCAL CURRENCY				USD			LOCAL CURRENCY	U.S DOLLARS
	Note	UNRESTRICTED	DONOR RESTRICTED	TOTAL	UNRESTRICTED	DONOR RESTRICTED	TOTAL	TOTAL	TOTAL
ASSETS CURRENT ASSETS									
Cash in Hand and Bank		8,253,015	14,548,013	**22,801,028**	54,544	96,147	**150,691**	37,824,163	255,846
Interest Bearing Deposits		209,152,032	20,691,867	**229,843,899**	1,382,275	136,751	**1,519,026**	216,985,524	1,467,705
Inventories	4	115,347,612	-	**115,347,612**	762,326	-	**762,326**	116,489,484	787,943
Staff Loans		556,000	-	**556,000**	3,675	-	**3,675**	514,000	3,477
Other Debtors	5	132,922,901	8,477,060	**141,399,961**	878,481	56,024	**934,505**	126,043,813	852,569
Interest Receivable		9,783,962	-	**9,783,962**	64,662	-	**64,662**	8,187,558	55,381
Prepaid Expenses		2,614,007	-	**2,614,007**	17,275	-	**17,275**	2,185,060	14,780
TOTAL CURRENT ASSESTS		**478,629,529**	**43,716,940**	**522,346,469**	**3,163,238**	**288,922**	**3,452,160**	**508,229,602**	**3,437,701**
NON CURRENT ASSESTS									
Fixed Assets	6	206,068,986	2,481,750	**208,550,736**	1,361,899	16,402	**1,378,301**	131,221,191	887,589
Deferred Tax Assets	7	2,812,723	-	**2,812,723**	18,589	-	**18,589**	1,040,232	7,036
Security/Refundable Deposits		5,102,910	-	**5,102,910**	33,725	-	**33,725**	2,886,688	19,526
TOTAL NON CURRENT ASSESTS		213,984,619	2,481,750	**216,466,369**	1,414,213	16,402	**1,430,615**	135,148,111	914,151
TOTAL ASSETS		**692,614,148**	**46,198,690**	**738,812,838**	**4,577,451**	**305,324**	**4,882,775**	**643,377,713**	**4,351,852**

THE FAMILY PLANNING ASSOCIATION OF SRI LANKA
BALANCE SHEET

AS AT 31 DECEMBER		CURRENT YEAR 2017						PRIOR YEAR 2016	
		LOCAL CURRENCY			USD			LOCAL CURRENCY	U.S DOLLARS
LIABILITIES AND FUND BALANCES	Note	UNRESTRICTED	DONOR RESTRICTED	TOTAL	UNRESTRICTED	DONOR RESTRICTED	TOTAL	TOTAL	TOTAL
CURRENT LIABILITIES									
Accounts Payable		180,309,391	2,400,000	**182,709,391**	1,191,655	15,861	**1,207,516**	96,290,733	651,317
Accrued Expenses		9,512,968	-	**9,512,968**	62,871	-	**62,871**	21,621,262	146,248
Bank Ovrdraft		2,464,548	-	**2,464,548**	16,288	-	**16,288**	518,618	3,508
Income Tax Payable		3,960,006	-	**3,960,006**	26,171	-	**26,171**	248,817	1,683
Deffered Income	8	385,582	41,316,940	**41,702,522**	2,548	273,062	**275,610**	50,247,839	339,880
TOTAL CURRENT LIABILITIES		196,632,495	43,716,940	**240,349,435**	1,299,533	288,923	**1,588,456**	168,927,269	1,142,636
TOTAL LIABILITIES		**196,632,495**	**43,716,940**	**240,349,435**	**1,299,533**	**288,923**	**1,588,456**	**168,927,269**	**1,142,636**
FUND BALANCES									
Designated Funds	9	219,595,307	-	**219,595,307**	1,451,294	-	**1,451,294**	272,911,892	1,845,995
Undesignated Funds		70,121,621	-	**70,121,621**	463,430	-	**463,430**	70,121,621	474,308
Inventory Fund		195,740	-	**195,740**	1,295	-	**1,295**	195,740	1,324
Fixed Assets Fund	10	206,068,985	2,481,750	**208,550,735**	1,361,899	16,401	**1,378,300**	131,221,191	887,589
TOTAL FUND BALANCES		495,981,653	2,481,750	**498,463,403**	3,277,918	16,401	**3,294,319**	474,450,444	3,209,216
TOTAL LIABILITIES AND FUND BALANCES		**692,614,148**	**46,198,690**	**738,812,838**	**4,577,451**	**305,324**	**4,882,775**	**643,377,713**	**4,351,852**

28 MARCH 2018
COLOMBO

PRESIDENT/TREASURER

CHIEF EXECUTIVE OFFICER

THE FAMILY PLANNING ASSOCIATION OF SRI LANKA
STATEMENT OF INCOME, EXPENSES AND CHANGES IN FUND BALANCES

		CURRENT YEAR						PRIOR YEAR 2016	
		LOCAL CURRENCY			USD				
SL No.	PARTICULARS	UNRESTRICTED	RESTRICTED	"TOTAL IN LC"	UNRESTRICTED	RESTRICTED	TOTAL IN USD	TOTAL IN LC	TOTAL IN USD
A	**UNRESTRICTED GRANT-IPPF**	**17,699,217**	-	**17,699,217**	**118,330**	-	**118,330**	**17,954,626**	**125,693**
	IPPF Cash grant	17,699,217	-	**17,699,217**	118,330	-	**118,330**	17,954,626	125,693
	IPPF Commodity grant	-	-	**-**	-	-	**-**	-	-
B	**RESTRICTED INCOME THROUGH IPPF**	-	**24,994,633**	**24,994,633**	-	**167,104**	**167,104**	**23,890,098**	**162,507**
	Cathelitic Fund	-	503,780	**503,780**	-	3,368	**3,368**	-	-
	Outreach Special Project	-	983,167	**983,167**	-	6,573	**6,573**	1,008,200	6,858
	Championship Project	-	5,402,093	**5,402,093**	-	36,116	**36,116**	3,967,051	26,985
	Sprint Project	-	10,591,170	**10,591,170**	-	70,808	**70,808**	3,351,327	22,797
	Sprint Humanitarian Settings	-	344,800	**344,800**	-	2,305	**2,305**	-	-
	I Decide	-	78,065	**78,065**	-	522	**522**	-	-
	UPR	-	586,147	**586,147**	-	3,919	**3,919**	593,850	4,040
	SEAG	-	1,257,000	**1,257,000**	-	8,404	8,404	-	-
	Social Enterprise Training Programme	-	4,175,915	**4,175,915**	-	27,919	27,919	-	-
	Social Enterprise Acceleration Programme	-	1,072,496	**1,072,496**	-	7,170	7,170	-	-
	Aus Aid	-	-	**-**	-	-	-	8,977,201	61,065
	IT Road Map	-	-	**-**	-	-	-	287,113	1,953
	Care Project	-	-	**-**	-	-	-	85,000	578
	FPASL Strategic Plan	-	-	**-**	-	-	-	501,571	3,412
	MISP Project	-	-	**-**	-	-	-	5,118,785	34,819

THE FAMILY PLANNING ASSOCIATION OF SRI LANKA
STATEMENT OF INCOME, EXPENSES AND CHANGES IN FUND BALANCES

		CURRENT YEAR						PRIOR YEAR 2016	
		LOCAL CURRENCY			USD				
SL No.	PARTICULARS	UNRESTRICTED	RESTRICTED	"TOTAL IN LC"	UNRESTRICTED	RESTRICTED	TOTAL IN USD	TOTAL IN LC	TOTAL IN USD
C	**RESTRICTED INCOME-DIRECT**	-	**250,299,307**	**250,299,307**	-	**1,673,403**	**1,673,403**	189,943,149	**1,292,042**
	UNFPA	-	24,699,920	**24,699,920**	-	165,134	165,134	16,268,799	110,665
	UNICEF Chatbot	-	644,766	**644,766**	-	4,311	4,311	-	-
	Levis Foundation	-	2,218,062	**2,218,062**	-	14,829	14,829	-	-
	British Council	-	25,000	**25,000**	-	167	167	-	-
	Global Fund - NFM	-	210,298,141	**210,298,141**	-	1,405,971	1,405,971	159,937,963	1,087,939
	Global Fund - MSA	-	12,413,418	**12,413,418**	-	82,991	82,991	13,736,387	93,438
D	**LOCAL INCOME FROM SERVICE DELIVERY**	**509,904,913**	-	**509,904,913**	**3,409,025**	-	**3,409,025**	**503,731,911**	**3,426,516**
	Contraceptive Sales	496,411,429	-	**496,411,429**	3,318,813	-	3,318,813	490,311,574	3,335,226
	Reversal of Bad Debts	-	-	**-**	-	-	-	205,210	1,396
	Fund Raising Income	9,566,061	-	**9,566,061**	63,955	-	63,955	9,183,206	62,467
	Clinic Income	3,656,657	-	**3,656,657**	24,447	-	24,447	3,899,536	26,526
	Training Services Income	270,766	-	**270,766**	1,810	-	1,810	132,385	901
E	**OTHER INCOME**	**54,182,199**	-	**54,182,199**	**362,241**	-	**362,241**	**52,960,183**	**360,252**
	Bank Interest	-	-	**-**	-	-	-	-	-
	Interest on Investments	22,228,390	-	**22,228,390**	148,610	-	148,610	17,637,566	119,975
	Local Donations	158,125	-	**158,125**	1,058	-	1,058	94,375	642
	Exchange gain/loss	-	-	**-**	-	-	-	-	-
	Profit/loss on sale of assets	-	-	**-**	-	-	-	7,519,707	51,151
	Project Overhead Income	19,288,782	-	**19,288,782**	128,957	-	128,957	13,164,143	89,548.90
	FIXED ASSETS FUND - DEPRECIATION	12,506,902	-	**12,506,902**	83,616	-	83,616	14,544,392	98,935
	TOTAL INCOME	**581,786,329**	**275,293,940**	**857,080,269**	**3,889,596**	**1,840,508**	**5,730,104**	**788,479,967**	**5,367,008**

THE FAMILY PLANNING ASSOCIATION OF SRI LANKA
STATEMENT OF INCOME, EXPENSES AND CHANGES IN FUND BALANCES

		CURRENT YEAR						PRIOR YEAR 2016	
		LOCAL CURRENCY			USD				
SL No.	PARTICULARS	UNRESTRICTED	RESTRICTED	"TOTAL IN LC"	UNRESTRICTED	RESTRICTED	TOTAL IN USD	TOTAL IN LC	TOTAL IN USD
	EXPENSES BY STRATEGIC FRAMEWORK								
A	OUTCOME-1	12,228,291	8,730,383	20,958,673	81,754	58,368	140,121	17,831,161	121,292
B	OUTCOME-2	3,106,057	644,766	3,750,823	20,766	4,311	25,077	25,062,909	170,484
C	OUTCOME-3	436,866,833	260,670,380	697,537,213	2,920,721	1,742,740	4,663,461	608,473,874	4,138,996
D	OUTCOME-4	17,665,842	5,248,411	22,914,253	118,107	35,089	153,196	18,544,077	126,142
	Total (A): Expenses by Outcome	469,867,023	275,293,940	745,160,962	3,141,347	1,840,508	4,981,855	669,912,020	4,556,915
	EXPENSES BY SUPPORT STRATEGIES								
A	Indirect Cost	82,970,693	-	82,970,694	554,709	-	554,709	82,132,105	558,684
B	Governance Cost	876,315	-	876,315	5,859	-	5,859	1,095,961	7,455
	Total (B): Expenses by Support Strategies	83,847,009	-	83,847,009	560,568	-	560,568	83,228,066	566,139
	Total Expenses (A+B)	553,714,031	275,293,940	829,007,971	3,701,915	1,840,508	5,542,423	753,140,086	5,123,054
	NET INCOMING/OUTGOING RESOURCES BEFORE TRANSFERS	28,072,298	-	28,072,298	187,681	-	187,679	35,339,881	243,954
	TRANSFER BETWEEN FUNDS	(28,072,298)	-	(28,072,298)	(186,342)	(1,339)	(187,681)	(35,339,883)	(240,391)
	FUND BALANCES AT THE BEGINNING OF THE YEAR	70,121,621	-	70,121,621	474,308	-	474,307	70,121,621	476,985
	CUMULATIVE TRANSLATION ADJUSTMENTS	-	-	-	(10,877)	-	(10,877)	-	(6,240)
	FUND BALANCES AT THE END OF THE YEAR	70,121,621	-	70,121,621	463,430	-	463,430	70,121,619	474,308

FPA SRI LANKA STRATEGIC PARTNERS

INTERNATIONAL PLANNED PARENTHOOD FEDERATION –

IPPF is a global network of member associations operating in over 160 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 (Bangkok, Thailand), 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 Mumbai, India.

FAMILY HEALTH BUREAU –

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. 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 comprise 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 –

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. FPA Sri Lanka is working closely with HEB in a multi- sectoral group, developing the National Strategy on BCC material in the Reproductive Health arena.

NATIONAL STD/AIDS CONTROL PROGRAMME –

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.

LIST OF ABBREVIATIONS

AFL	AIDS Foundation Lanka
APA	Asia Pacific Alliance
BB	Beach Boys
BCC	Behaviour Change Communication
CBO	Community-Based Organisation
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
NGO	Non-Governmental Organisation
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

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Health Education Bureau (HEB)

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National STD/AIDS Control Programme (NSACP)

United Nations Population Fund – UNFPA

Sri Lanka College of Obstetricians and Gynaecologists – SLCOG

AIDS Foundation Lanka – AFL

Sri Lanka Girl Guides Association – SLGGA

Plantation Human Development Trust – PHDT

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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. It is a worldwide movement of national organisations working with and for communities and individuals.

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