

Impacting Generations



Janveeka Gunaratne

Milestones

1995

Inception of Habitat for Humanity Sri Lanka and construction of the first house in Hatton



1998

Founders of Habitat for Humanity, Millard and Linda Fuller, visit Sri Lanka



2000

Tour and Build Program, sponsored by Seylan Bank, where 50 local volunteers travelled from Colombo to Hatton and Anuradhapura



2005-2009

Post - Tsunami Rebuild Program, through which Habitat for Humanity Sri Lanka and its partners helped those who has lost their homes during the 2004 tsunami in Sri Lanka rebuild their lives

Driving generational change. Twenty years of building homes, communities and hope.

2008

Dedication of the 10,000th house by U. S. Ambassador to Sri Lanka, Robert O' Blake



2013

Start of the Indian Housing Project to build 4,000 homes for internally displaced families in Trincomallee and Batticaloa



2012

Rebuild Program to build homes for previously landless fisherfolk in Negambo



2014

Habitat for Humanity Sri Lanka participates in the World Conference on Youth



2015

Habitat for Humanity Sri Lanka's first Habitat Youth Build in Trincomallee

Who we are

HABITAT FOR HUMANITY SRI LANKA is a Voluntary Social Services Organization whose mission is to provide simple, decent, affordable housing to people in need. Families partnering with Habitat for Humanity Sri Lanka receive the hand up they need to break the cycle of poverty and build a better life. Now in our twentieth year, we have helped 21,169 families make their housing dreams a reality, thanks to our generous supporters.

The organization is duly registered under the Voluntary Social Services Organizations (Registration and Supervision) Act No. 31 of 1980, bearing Registration Number FL-93516 and registered under the Companies Act No. 07 of 2007 as a Guarantee Limited Company, with Registration Number G A 393 (Old No. N (A) 411) with its registered office at No. 22/5 Station Road, Dehiwela, Sri Lanka.



Dilrukshi's dream of a home in which she stays dry when it rains is made a reality with Habitat for Humanity Sri Lanka.





Vision

A world where everyone has a decent place to live.

Mission

Seeking to put God's love into action, Habitat for Humanity brings people together to build homes, communities and hope.

Nanawathi's family lived in a one-room wooden shack with no water or electricity supply. With support from Habitat for Humanity Sri Lanka, Nanawathi and her family built a beautiful home featuring doors hand-carved by her sons.



Anjalee Page

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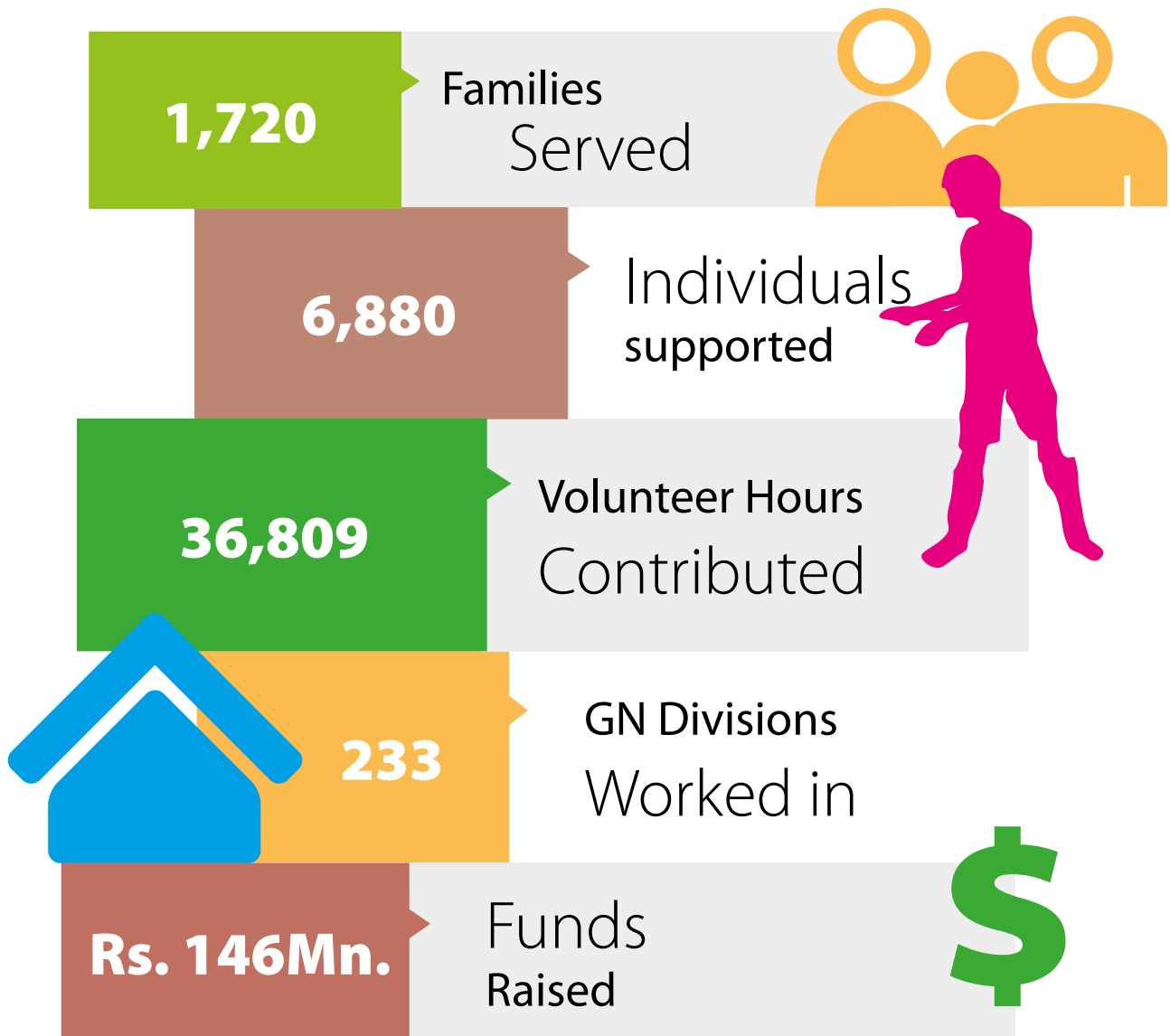
Habitat for Humanity Staff

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Our Achievements 2014/2015



Statement from the President of the Board



It gives me great pleasure to provide this message for the 2014/2015 Annual Report, which brings my term as President of the Board of Directors of Habitat for Humanity Sri Lanka to a close. This past year marks Habitat for Humanity's twentieth year in Sri Lanka, and we are proud of reaching this milestone.

Many of us take a secure home with running water and electricity for granted. However thousands of people in Sri Lanka live in semi-permanent and transitional shelter with no clean water, electricity or protection against the environment or other hazards. To these families, having a home to call their own is a distant dream. During the 2015 fiscal year, Habitat for Humanity Sri Lanka and our partners have made this dream a reality for 1,720 families. While much work has been done, there is still much that needs to be done.

Organization Performance

In the 2015 fiscal year we have continued our work with the Government of India to build 4,000 homes for internally displaced families in the Eastern Province and with the Kabbalah Centre for Charitable Causes to complete 100 homes for internally displaced families in Mannar.

Furthermore, we focused on fostering volunteerism in Sri Lanka and organized the island's first large scale mass-participation build – the Habitat Youth Build – in Trincomallee. This event, which gathered the highest number of volunteers for a volunteer construction event in Sri Lanka, enjoyed support from the United Nations Global Compact, as well as several reputable corporate organizations.

Habitat for Humanity Sri Lanka is committed to creating holistic and sustainable change in communities. In addition to providing low-cost housing solutions and housing-related technical assistance, we also promote innovative housing finance opportunities, advocate for adequate housing for all and prepare for and respond to disasters. Our programs also include flanking measures to support our home partner families, water and sanitation projects and environmental protection education.

Governance

At Habitat for Humanity Sri Lanka, good governance and uncompromising ethics are central to our operations. Honouring our responsibility to our stakeholders, Habitat for Humanity Sri Lanka engages in effective, transparent, and accountable reporting practices. The organization is further strengthened by the range of experience and expertise of the Board of Directors.

Throughout the year, the Board of Directors has met three times, with four additional Executive Committee meetings.

Outlook

As Sri Lanka has progressed to lower middle income status, there has been a significant reduction in international aid into the country for shelter needs. Sri Lanka's progress toward achieving the Millennium Development Goals is outstanding. However there is still a significant housing gap in the nation. According to the Ministry of Resettlement, Reconstruction and Hindu Religious Affairs, 44,934 internally displaced people in the North and East alone are in need of permanent shelter (as of 30th April 2015). Sri Lankans now have an opportunity and responsibility to contribute to raising funds for the humanitarian sector. Ranked as ninth on the Charities Aid Foundation's World Giving Index 2014, Sri Lanka's population is committed to being a part of changing lives, communities and the country and have the potential to end poverty housing in Sri Lanka.

A decent and secure home impacts generations. It is key to breaking the cycle of poverty. A home provides access to clean water and a hygienic toilet. It's a place where parents can start a business and earn an income. It means security and stability so children can fulfil their potential. A home is the foundation for the future.

Habitat for Humanity Sri Lanka looks forward to a future of consolidating partnerships with institutional, corporate and private donors to work toward bridging the shelter gap in the country.

Acknowledgement

Our life-changing work would not be possible without the generous support of our volunteers, donors, and institutional and corporate partners, through whom we are able to lay foundations for a brighter future free from poverty housing.

It has been an honour to serve as the President of the Board of Directors of Habitat for Humanity Sri Lanka, and I count myself blessed to be part of the change that this organization has created, and will continue to create.

To the Board of Directors, thank you for your time, enthusiasm and expertise. And to the staff of Habitat for Humanity Sri Lanka – thank you for your dedication and passion. I wish the incoming President all the joy that accompanies our work to achieve the vision and mission of Habitat for Humanity Sri Lanka.

It has been a busy year for Habitat for Humanity Sri Lanka, and in the hands of the incoming President, I am sure we will continue to grow and help even more families break the cycle of poverty.

Blessings,



Ramesh Schaffter

President of the Board
Habitat for Humanity Sri Lanka

National Director's Review



Habitat for Humanity Sri Lanka has completed another successful and satisfying year. In our twenty years operating in Sri Lanka, we have served 21,169 families. Working with these families over the years has truly proved that the impact of providing permanent shelter for a family is not only far-reaching, but generational. We do not just build a home; we build stability for future generations.

During this fiscal year, we continued to make progress on our existing construction projects. We completed a total of 1,522 houses in the Eastern Province as part of the Indian Housing Project with the Government of India, and we constructed 30 incremental houses in the Northern Province with the Kaballah Centre for Charitable Causes (USA). Families in both these areas were displaced by the civil war in the country and it is an honour for Habitat for Humanity Sri Lanka to be part of their rehabilitation process.

As the National Director of an organisation that focuses on spreading volunteerism, I am amazed by the commitment of our international and local volunteers. Habitat for Humanity Sri Lanka hosted 490 international volunteers this fiscal year alone. Volunteers travelled to Sri Lanka from across the world including from the United States of America, Australia, China, Japan, Malaysia and Qatar. Working alongside home partner families, these volunteers supported the construction of a total of 163 houses over the year. In addition to this Habitat for Humanity Sri Lanka also assisted 5 families with the repair their existing homes in the Central Province.

Habitat Youth Build 2015 was the highlight of the year, garnering support from the United Nations Global Compact and leading corporate organizations. Held for the first time in Sri Lanka, we joined 15 countries and one special administrative region across the Asia – Pacific in advocating for and building decent and secure shelter. The event gathered 500 local youth, from corporate organizations, government institutions, universities and schools to join 70 international volunteers to assist in the building of 57 homes for internally displaced families in Trincomallee. We were delighted to also have teams of volunteers from the Sri Lankan Army. This event fostered the spirit of volunteerism in the youth of this nation and helped to bridge communities from across our island, positively impacting over 800 lives in the process.

While international aid to Sri Lanka for shelter needs is declining, going forward, I see Habitat for Humanity Sri Lanka growing significantly from our already solid base. Reaching out to the private sector, we plan to grow our partnerships with organizations who share our vision of building a nation where everyone has a decent place to call home. Response from corporate organizations has been encouraging and we look forward to working on more projects with socially responsible organizations.

We will also continue to engage the younger generations in our mission and encourage the youth of Sri Lanka to use their voices to advocate for the basic right to decent and secure shelter. This will help to ensure that the change we make lasts for generations.

Internally, Habitat for Humanity Sri Lanka will be restructured, with the next fiscal year will seeing us move to a strategic business unit model. This will allow us to operate with more accountability, efficiency and efficacy and enable us to expand our impact.

Our supporters come from all walks of life, but are all united by our vision to build homes, and stronger communities. I appreciate the support of our Board of Directors, the Asia-Pacific regional office, our corporate and institutional partners, our brand ambassadors, volunteers and donors that are committed eradicating poverty housing in Sri Lanka. I must also acknowledge and thank the staff of Habitat for Humanity Sri Lanka whose hard work and commitment make our work possible.

I look forward to this new year of challenges and success in serving families in need of a better home in Sri Lanka. With God's guidance, we will continue to strive to build foundations that impact future generations.

In partnership,



Dr. Dinesh Kanagaratnam
National Director
Habitat for Humanity Sri Lanka

Board of Directors



Mr. Ramesh Schaffter
President

Mr. Ramesh Schaffter is a Fellow Member and former Council Member of the Chartered Institute of Management Accountants Sri Lanka. He is a member of the Board of Directors of Janashakthi Insurance PLC and World Vision Lanka.

Mr. Schaffter joined the Board of Habitat for Humanity in Sri Lanka in 2009 and has served as President since 2012.



Ms. Amila de Mel
Vice President

Ms. Amila de Mel is a Chartered Architect with a special interest in low cost and sustainable architecture. She manages her private Architectural practice and has previously worked in the Studio of Mr. Geoffrey Bawa and Mr. C. Anjalendran.

Ms. de Mel has served Habitat for Humanity Sri Lanka since 2006, and was appointed as Vice President of the Board of Directors in 2014.



Ms. Sarita de Fonseka
Secretary

Ms. Sarita de Fonseka is an Attorney-at-Law.

Ms. de Fonseka joined the Board of Habitat of Humanity Sri Lanka in 2010 and currently serves as the Secretary.



Mr. Rohan T. Fernando
Treasurer

Mr. Rohan Fernando currently serves as the Managing Director of Kelani Tyres PLC and Silverstock Holdings Group of Companies. He is also the Executive Director at CEAT Sri Lanka Group of Companies.

Mr. Fernando joined the Board of Directors of Habitat for Humanity Sri Lanka in 2011, serving as the Treasurer since 2012.



Maj. Gen. Lohan Goonewardene
Member

Major General Lohan Goonewardene RSP VSV USP retired from the Army in 2003 as Chief of Staff. He currently serves as Head of Administration F J & G de Saram and is Chairman of the Board of Trustees of Unity Mission Trust.

He joined the Board of Directors of Habitat for Humanity Sri Lanka in 2010



Mr. Yu Hwa Li
Member

Mr. Yu Hwa Li is currently the Regional Governance Advisor for World Vision International in the East and South Asia and Pacific regions and previously served as the National Director of World Vision Lanka. Mr. Li serves on the Board of a number of non-profit organizations and he is also a member of the Sri Lanka Institute of Directors.

He joined the Board of Directors in 2011.

Board of Directors



Mrs. Nirmalie Wickremesinghe
Member

Mrs. Nirmali Wickremesinghe counts 40 years of experience in education in Sri Lanka and abroad, previously serving as the Principal of Ladies College, Sri Lanka. She currently serves as Consultant to the Gateway Group of Schools.

Mrs. Wickremesinghe joined the Board of Directors of Habitat for Humanity Sri Lanka in 2009.



Mr. Rathika de Silva
Member

Mr. Rathika de Silva has served on the Board of Habitat for Humanity Sri Lanka since 2010.



Mr. Revanke de Silva
Member

Mr. Revanke de Silva is the Director of Operations at Heritage Teas (Pvt) Limited.

He has served on the Board of Habitat for Humanity Sri Lanka since 2012.



Mr. Eardley Perera
Member

Mr. Eardley Perera currently serves as a Director of a number of companies including First Capital PLC, United Motors PLC, Dunamis Capital PLC, Janashakthi Insurance PLC and Keells Food Products PLC.

He has served on the Board of Habitat for Humanity Sri Lanka since 2013.



Mr. A. Samuel Thavarajah
Member

Mr. Samuel Thavarajah currently manages his private multi-crop plantation and eco-friendly guest house "Riviera Resort". Previously employed at MILCO, he has also served as the President of Y.M.C.A Batticaloa and Lions Club, Batticaloa.

Mr. Thavarajah has been on the Board of Habitat for Humanity Sri Lanka since 2011.



Prof. Priyan Dias
Member

Professor Priyan Dias is a Civil Engineering professor at the University of Moratuwa, where he is also the Director, Office of Research. He is a Fellow of the National Academy of Sciences, Sri Lanka and a member of the National Research Council.

Professor Dias joined the Board of Habitat for Humanity Sri Lanka in 2014.

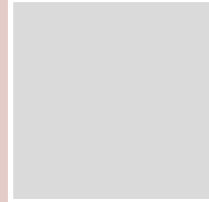
Board of Directors



Mr. Rajith Stephan Fernando
Member

Mr. Rajith Fernando currently serves as the Head of Media and Communications at the Sri Lanka Cricket Board. He was previously attached to Wijeya Newspapers.

Mr. Fernando joined the Board of Habitat for Humanity Sri Lanka in 2014.



Mr. Michael Anthonisz
Member

Mr. Michael Anthonisz, FCA was previously a Vice President and Head of Internal Audit at John Keells Holdings. A renowned artist and painter, he is also a key figure in Sri Lanka's swimming arena.

Mr. Anthonisz joined the Board of Habitat for Humanity Sri Lanka in 2014.



Mr. Lakshan Madurasinghe
Consultant

Mr. Lakshan Madurasinghe is a Public Relations, Communication, Corporate Responsibility and International Development focused professional. He has ten years of experience in the non-profit sector and is presently engaged with the International Labour Organization.

Mr. Madurasinghe has had a decade long relationship with Habitat for Humanity Sri Lanka including leadership roles.



Mr. Ernesto Castro
Member

Mr. Ernesto Castro is the Director of Regional Programs across the Asia-Pacific region at Habitat for Humanity.

He has more than 15 years of experience with Habitat for Humanity.

Mr. Castro joined the Board of Directors of Habitat for Humanity Sri Lanka in 2012.



Angelo Samarawickrema

Senior Management Team



Dr. Dinesh Kanagaratnam

National Director

Dr. Dinesh Kanagaratnam joined Habitat for Humanity Sri Lanka in 2013. He previously held the post of Chief Operations Officer at Vision Fund Lanka. With over twenty-three years of management experience, Dr. Kanagaratnam is on the visiting lecturing panel of microfinance programs at the Institute of Bankers Sri Lanka, the Sri Lanka Foundation Institute and the Sri Lanka Institute of Credit Management. He holds a PhD in Risk Management in Microfinance from the University of Honolulu.



Edward Fernando

National Program Manager

Edward Fernando has served at Habitat for Humanity Sri Lanka for ten years. A member of the Board of Directors of the Kurunagela affiliate of Habitat for Humanity Sri Lanka at its inception, Mr. Fernando went on to become the International Partner for Nepal and Bangladesh at the Asia-Pacific Regional Office and also served as the Training Coordinator for South Asia. He has also served as the National Director of Habitat for Humanity Bangladesh.



Clerence Gunarajah

National Finance Manager

Clerence Gunarajah has over thirty years experience in the finance sector. He joined Habitat for Humanity Sri Lanka in 2005 and has served in management and senior management positions within the organization. Previously, Mr. Gunarajah served at Brandix Intimate Apparel Ltd. and at St. Anthony's Group of Companies. He holds a Qualification in AAT (UK) and part Qualification in CIMA (UK). He also holds a NIBM Diploma in Business Management.



Anjalie Page

Corporate Relations and Resource Development Manager

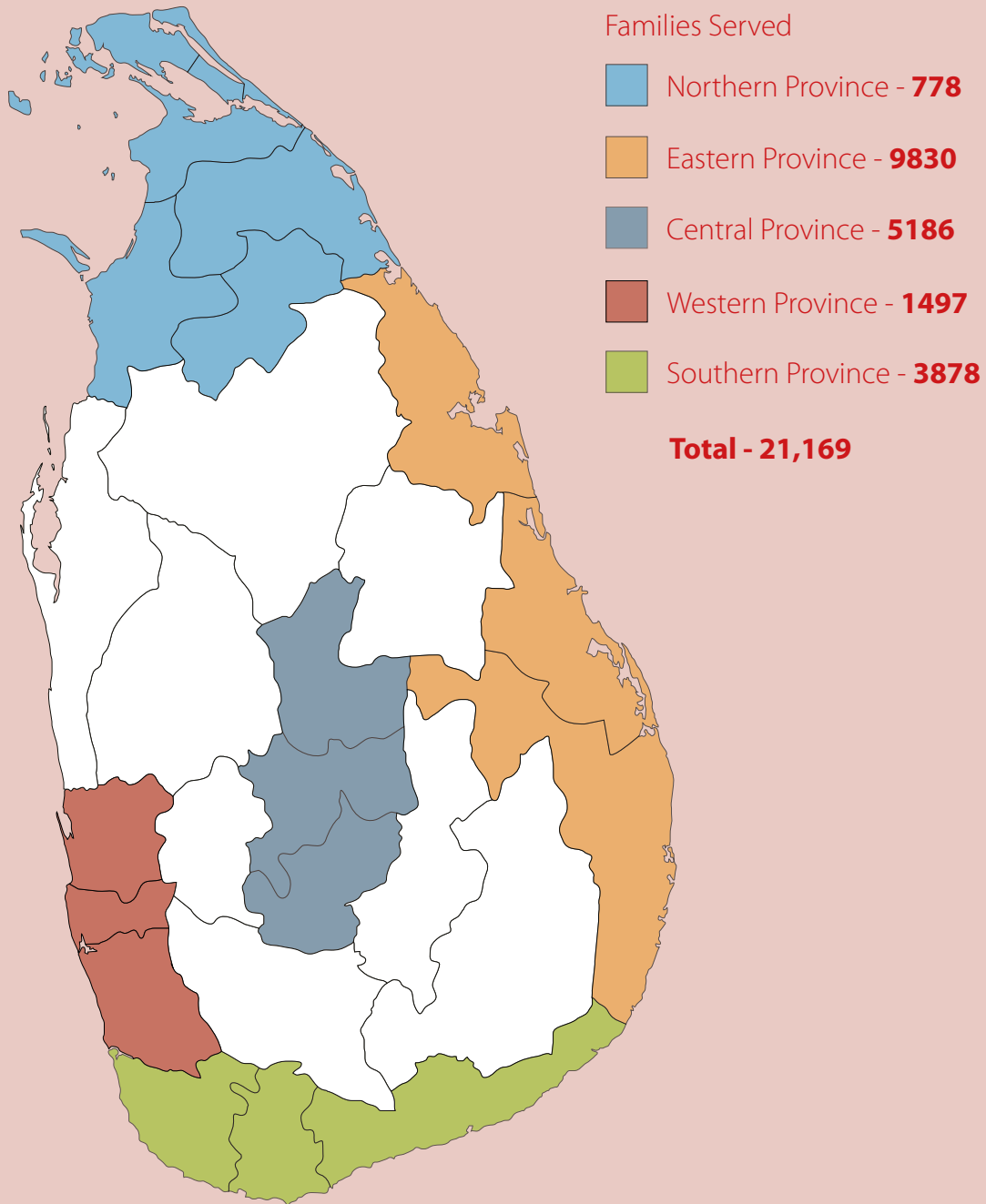
Anjalie Page joined Habitat for Humanity Sri Lanka in March 2015. She holds a BSc (Hons) in Psychology and a MSc in Economics, Finance and Management. Prior to joining Habitat for Humanity Sri Lanka, Ms. Page worked at Ernst & Young LLP, London.





Creating
Change

Our Local Footprint





Project Review

Indian Housing Project

1,837 homes
have already
been completed

2,163 homes are
under construction
and **will be
completed** by
December 2015

Habitat for Humanity Sri Lanka continues in the construction of houses as one of the four implementing agencies of the Indian Housing Project, a housing reconstruction project funded by the Government of India. The Indian Housing Project is being implemented via a Memorandum of Understanding with the Government of Sri Lanka. At the close of the project, Habitat for Humanity Sri Lanka will have built 4,000 homes in Batticaloa and Trincomallee.

Through the Indian Housing Project, beneficiaries are given grants which are used to construct permanent homes. Each completed house is 550 square feet in area, with one plastered outside wall, a lockable front door, two bedrooms (one lockable and plastered), a living room, a kitchen and a toilet.

The recipients of these grants are all internally displaced families who have lost their belongings and sometimes kith and kin, during the thirty year civil war. Prior to receiving the grant to build their homes, these families lived in transient shelter that offered little protection or privacy.

Beneficiaries for the project were selected based on essential criteria and a weighted scoring system to ensure that the most vulnerable families were included. The selection was carried out jointly by the Government of India, the Government of Sri Lanka and Habitat for Humanity Sri Lanka.

The Indian Housing Project employs a homeowner driven approach, where grants are transferred directly to homeowners, who are responsible for raw material procurement. Families are guided by the technical expertise from the implementing agency. All houses are built in four stages with grant instalments transferred at the completion of each stage, as certified by qualified technical staff.

Case Study



Christian Sujith

Thiraviyanathan Susiladevi (rightmost) and his family stand in front of their previous house made from tin sheets.



Christian Sujith

The family sit proudly in their new home.

Thiraviyanathan Susiladevi and his wife lived in a tin sheet shelter with their four children, aged 25, 23, 19 and 16 years and his mother. Having lost everything in the war, to Thiraviyanathan, living in a permanent house with more than one room seemed an impossible dream. Talking about life before the construction of his home, he recounts, "Life was very difficult but what could we do? We lost everything and we didn't have any money to build a house like this."

The tin sheet shelter that this family called home was cramped, unbearably hot for most of the year and wet during the monsoon. The children did not have any space in which to study and with their lives and safety ravaged by the war, their semi-permanent house did not give the family the sense of security that they desired.

Thiraviyanathan recalls his joy on hearing that he would receive a grant to build his own home. With the technical expertise of Habitat for Humanity Sri Lanka, he was able to complete construction of his new house, which has changed the lives of his family. As the head of the household, Thiraviyanathan is finally at peace knowing that his family is safe and happy. Relieved, he smilingly commented, "We now even have a place to have our daughter's wedding."



Christian Sujith



Christian Sujith

Beneficiaries stand in front of their new homes built through the Indian Housing Project.

Project Review

Kabbalah Centre for Charitable Causes



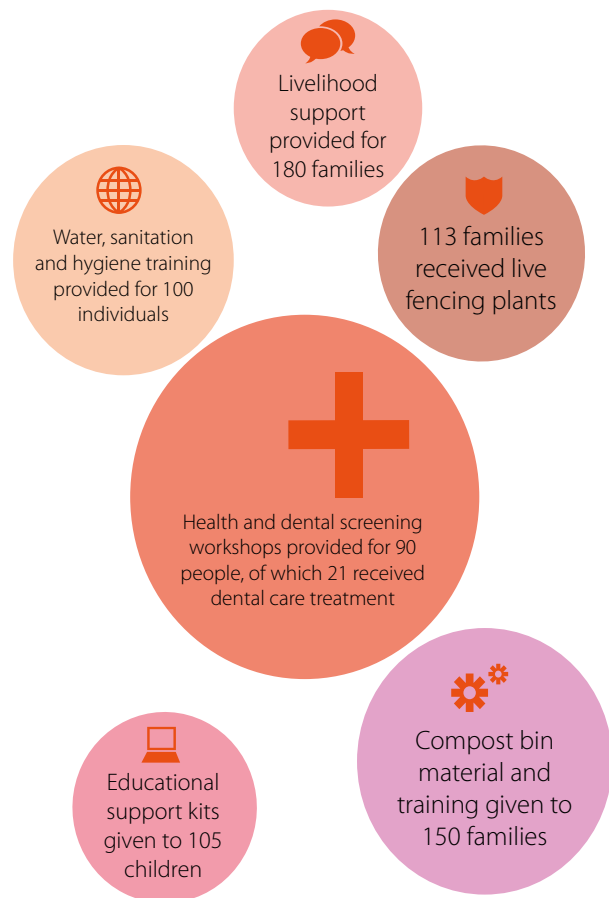
The Kabbalah Centre for Charitable Causes, headquartered in Los Angeles, California in the United States of America, partnered with Habitat for Humanity International and Habitat for Humanity Sri Lanka to build 100 homes for internally displaced families in Sannar village, Mannar.

Habitat for Humanity Sri Lanka worked in consultation with the village community leader in Sannar and the Divisional Secretariat of Mannar to select beneficiaries based on their level of vulnerability.

The houses built as part of this project are incremental, and are constructed with a view to expand when possible. Homes will be 360 square feet in area with two bedrooms (one plastered and lockable) and a living room. Toilets were provided as part of a further project.

Thirty houses have been completed as part of this project. Upgrades have begun on 10 of these 30 homes. Twenty-eight houses are in construction up to the roof level, with work on the foundations of 7 houses in progress.

In addition to constructing these homes, Habitat for Humanity Sri Lanka partnered with ZOA Sri Lanka to provide health and dental screening workshops, water, sanitation and hygiene training, cash and material livelihood support, the promotion of live tree fences, training and materials for the production of compost bins, and educational support kits.



Case Study



T. M. Collins

Alipa Kachchuthampi (in maroon, centre), his four children and a young relative stand in front of their transitional shelter.



T. M. Collins

Alipa Kachchuthampi and his children stand in front of what will be their new home

Alipa Kachchuthampi, a farmer in Sannar, lives with his wife Paakina and their four teenage children. Displaced during the war, the family of six lived in a small hut for a number of years, with hardly any space to move inside. The four school-going children were unable to study in their temporary shelter and grew accustomed to experiencing floods and snake attacks in their home.

Living this way caused this family to lose hope. Alipa says, "We didn't have a permanent house. We didn't have space. Our children could not study. We felt that we would never improve our lives."

Building their incremental home has been the catalyst of a drastic change in the family. "We can finally sleep well at night!" Aipa exclaimed. While the house is still to be completed, the children already have more space to study and Alipa has noticed a marked improvement in their schoolwork and their enthusiasm to complete it.

The incremental home built by Habitat for Humanity Sri Lanka will also ensure the family's protection against adverse weather conditions and other external threats. Further, having this home has built hope within this family. Alipa has begun to set aside money to expand his home, as well as dig a well, and plant a home garden.

"Our children are happy, our minds are at ease and we are safe. Our lives are bright because we now have a home to live in," commented the content father of four.



Chanaka Thilakarathna

Families living in transitional, temporary shelter now have permanent homes as part of the Kabbalah Centre for Charitable Causes project.



Chanaka Thilakarathna



Anjalie Page

Mrs. Premavathi is an example of how decent shelter can break the cycle of poverty.

Loan Program

Habitat for Humanity Sri Lanka has served numerous families across the island through its loan program. Previously giving out small retail loans, Habitat for Humanity Sri Lanka has now launched a wholesale loan program which is implemented through microfinance institutions in Sri Lanka.

Case Study

Fifty-year-old K. G. Premavathi who lives in Walgamwewa, Lenadora, is one of the recipients of a Habitat for Humanity Sri Lanka loan. This wife and mother of four lived in a two-room hut with a mat flooring and dried branches for a roof. Encouraged by reports from neighbours who had been provided with loans from Habitat for Humanity Sri Lanka, Mrs. Premavathi took out her first loan in 2010 and began to build her house incrementally. With a further two loans, the last of which was taken over the past year, Mrs. Premavathi has now built a three-bedroom home for her family. Her strong community spirit propelled her to introduce more than 80 families in her village to Habitat for Humanity Sri Lanka. Mrs. Premavathi personally supported these families through the loan process and even volunteered her time to help build some of their houses.

“You don’t understand what it is like to live the way I did. My children did not have a safe house. They had nowhere to study. When it rained, everything was wet – I could not keep my children dry. I cannot bear to see other people live the way I lived. If I could build my house this way, I will help them to do it too,” Mrs. Premavathi says.

With a permanent home in which her children would be safe, entrepreneurial Mrs. Premavathi began selling soap and traveling to neighbouring villages to sell her wares. Meticulously saving her earnings, Premavathi is now a small business owner with a very successful shop set up in front of her property.

With her children now established in their careers, Mrs. Premavathi credits her children’s success to Habitat for Humanity Sri Lanka. “It is only because of Habitat for Humanity Sri Lanka that my children had a safe place to live and study. I am so grateful and I cannot say thank you enough.”

Corporate Engagement



Anurag Kak, Managing Director of Lafarge with Amila de Mel, Vice President of Habitat for Humanity Sri Lanka.



Corporate partnership with Lafarge Mahaweli Cement

Lafarge Mahaweli Cement entered into a corporate partnership with Habitat for Humanity Sri Lanka to provide discounted construction material, technical expertise, and training for Habitat for Humanity's technical officers. This partnership enables Habitat for Humanity Sri Lanka to keep the cost of construction low while providing high quality material for home partner families. Technical experts from Lafarge also pool their knowledge with Habitat for Humanity Sri Lanka's technical staff to ensure that house designs are suited to the terrain of the land and the needs of the family, and that construction costs are minimized.

Corporate support

Habitat for Humanity Sri Lanka is honoured to work with leading corporate organizations. The support of these organizations has played a valuable role in changing the lives of families in Sri Lanka for the better.

By working closely with generous organizations who choose to support our projects, we have together given hope to thousands of families by providing the stability and safety of a home, as well as assisting in areas such as water, sanitation and hygiene, livelihood and financial literacy training and disaster risk reduction.







Inspiring
Change



Christopher Schokman

World Habitat Day 2014

The United Nations General Assembly declared in 1985 that the first Monday in October would be observed as World Habitat Day. Celebrated around the world, World Habitat Day is the one day set aside annually to recognize the basic right of all humanity to a safe, secure and permanent home, and to encourage grassroots action toward ending poverty housing.

On Monday, 6th October, 2014, Habitat for Humanity Sri Lanka's Brand Ambassador, Otara Gunawardene highlighted the importance of the day and called others to action. Speaking about her interest in supporting Habitat for Humanity Sri Lanka, she said, "I started working with Habitat for Humanity Sri Lanka after the tsunami that hit Sri Lanka in 2004. It has been a great pleasure to be involved with Habitat for Humanity Sri Lanka's work to end poverty housing in our country."

Habitat for Humanity Sri Lanka commemorated World Habitat Day with two simultaneous volunteer builds in two distinct parts of the country.

One Day Build in Matale

Twenty four students and four teachers from the American Community School of Abu Dhabi joined Habitat for Humanity Sri Lanka staff to volunteer in Haduwela, Matale to support the construction of homes for sixteen low income families. Home partner families in this area previously lived in semi-permanent housing, with no electricity or water supply. Living with no access to light after sunset left these families vulnerable to night-time attacks from elephants.

In addition to helping with construction, the group of volunteers also helped home partner families to carry bricks and sand bags across paddy fields, water springs and rocky terrain – a difficult task, but one that allowed construction to progress significantly faster. Their work was directed and closely monitored by the team of skilled labour present. The experience of building with volunteers who had flown to Sri Lanka specifically to support them added to the excitement that families in



Christopher Schockman



Samatha Wimalasuriya



this village felt at being able to construct a permanent home in which they would feel safe and secure.

One Day Build in Galle

Habitat for Humanity staff members worked with twenty one students and three teachers from the American School of Doha, to assist in the construction of the home of a family in dire need, in the village of Palagalakanda in Galle.

Volunteers transported sand and cement bricks up the steep hill where the house was located. This energy intensive process drastically cut the time and cost originally estimated for the project. The volunteer team also helped with construction work and laid bricks under the guidance of a skilled mason.

Previously living in a rented house, the family joyfully related their relief at being able to build their own home. "I have security now and internal peace. Thank you to

Habitat for Humanity Sri Lanka and to these wonderful volunteers who have saved us time, energy and costs," said homeowner and mother of two, Pubudini Deshika.

Recounting her experience, Ms. Cathy Almeer, from the American School of Doha, Qatar reminisced, "The most memorable are the smiles and laughter of the children."

"I have security now and internal peace. Thank you to Habitat for Humanity Sri Lanka and to these wonderful volunteers who have saved us time, energy and costs."

-Pubudini Deshika, Homeowner



H. A. D. Chathuranga

Habitat Youth Build 2015

The Habitat Youth Build campaign ran from December 2014 to March 2015 across 15 countries and one special administrative region (SAR) in the Asia-Pacific region to raise awareness about the challenges of poverty housing in this area. The campaign culminated with mass-participation build events on Saturday, 21st March 2015.

The campaign has grown significantly since its inception in 2010. Habitat for Humanity Sri Lanka participated for the first time this year and hosted its first large-scale mass-participation build event in Sampur, Trincomalee. Gathering 570 volunteers from across the island as well as from overseas, participants travelled to Trincomalee to assist with the construction of 57 houses for internally displaced families. The houses worked on were being constructed as part of the Indian Housing Project which Habitat for Humanity Sri Lanka is working on with the Government of India.



Supported by the United Nations Global Compact, Habitat for Humanity Sri Lanka's Habitat Youth Build 2015 received outstanding support from the corporate sector. Cargills (Ceylon) PLC were the Platinum Sponsors of the event. Other sponsors included Glitz (Gold Sponsor), Multilac (Silver Sponsor), Dipped Products Limited (Silver Sponsor), Rhythm FM and TNL Radio (Radio Media Sponsors). Hatton National Bank, John Keells Holdings, LOLC, MAS Holdings and Aquafresh were among other corporate organizations that formed volunteer teams to participate in the event. Army personnel also volunteered their time and effort to build homes on the day, as did students from Elizabeth Moir School, the Overseas School of Colombo and the Chartered Institute of Management Accountants Students' Society.



Funds raised

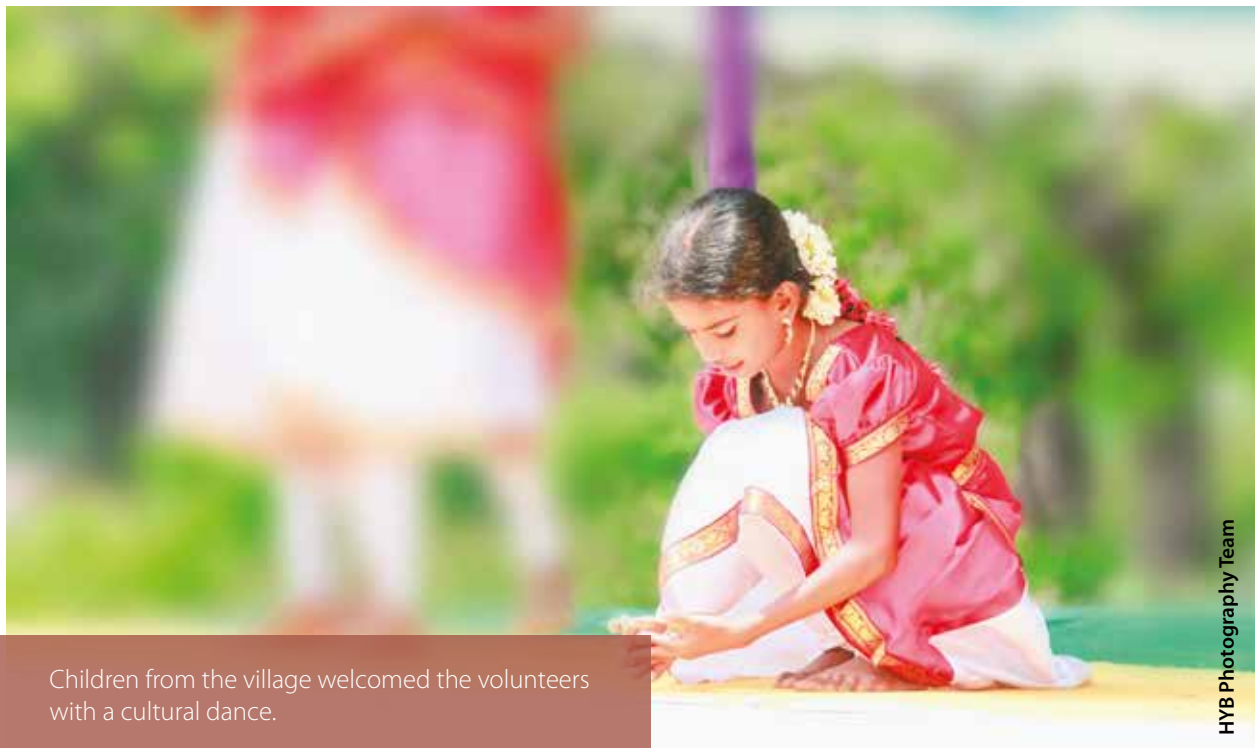
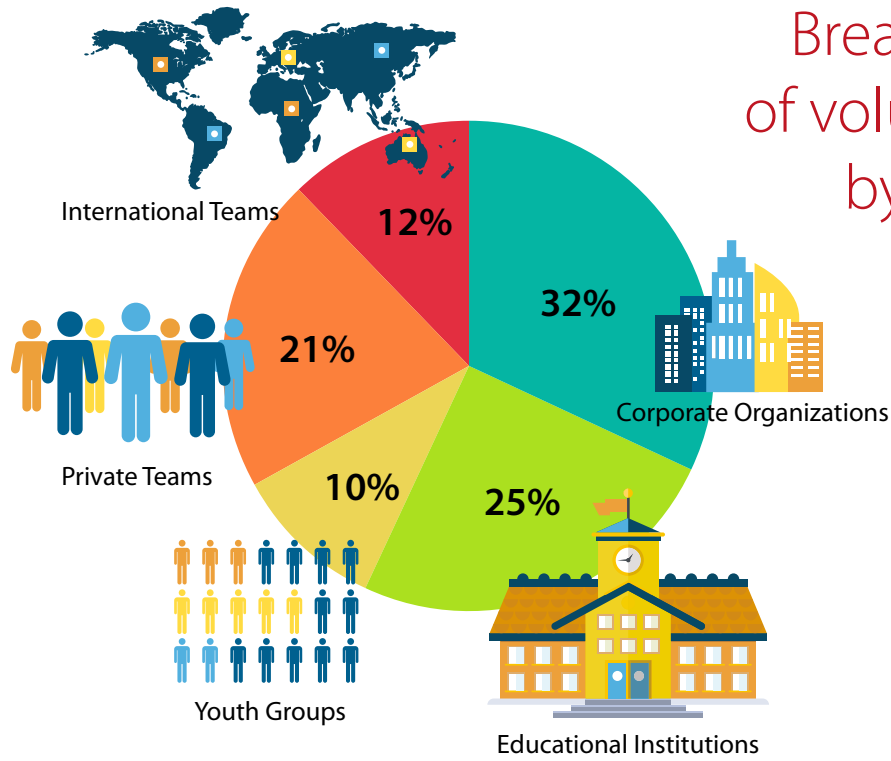


Families served



Volunteers

Breakdown of volunteers by sector



Children from the village welcomed the volunteers with a cultural dance.

HVB Photography Team



Habitat for Humanity Sri Lanka's Brand Ambassador Pooja Umashankar with volunteers.

HYB Photography Team



Volunteers working on site in Tricomallee.

HYB Photography Team

The event was a life changing experience for the volunteers, who were led by actress Pooja Umashankar, Habitat for Humanity Sri Lanka's brand ambassador. Elated with the enthusiasm shown by young volunteers, Ms. Umashankar said, "I believe that the youth of Sri Lanka played their part in spreading love in this village. They acted on the fact that every human has the right to shelter and they have taken it upon themselves to share the blessings that they have received freely."

Speaking about her experience at the Habitat Youth Build 2015, Mira Gunawanasa, a student volunteer from Elizabeth Moir School commented, "The Youth Build was an opportunity for me to be a part of a huge movement to help make people's lives a little brighter. It's such a heart-warming experience, working with the families you're helping out, and to share a smidgen of that sense of accomplishment when you finish a task and get one step closer to assuring a roof over their heads."

Highlights of the Habitat Youth Build 2015 across the Asia-Pacific region



Global Village Volunteers

Global Village is Habitat for Humanity's international volunteering program that offers individuals, schools and corporate teams the chance to travel and build a home for a family in need.

Not only do the Global Village volunteers assist in building a safe, decent home for families, but their fundraising efforts help to ensure more families can have a brighter future.

Volunteers through our Global Village program

Habitat for Humanity Sri Lanka has hosted 490 Global Village volunteers

over the fiscal year. These volunteers travelled to Sri Lanka through Habitat for Humanity's Global Village program to spend time assisting families with the construction of their homes. A total of 163 homes were built over the last fiscal year with support from the Global Village volunteer teams.

Thanks to the Global Village supporters and volunteers who have made a huge impact and real change to the lives of many, with their time, effort and hard work. Their support is life-changing.





Edward Fernando

Volunteers from the Kaballah Centre for Charitable Causes with homeowner families

Volunteer reports

Volunteers from the Kaballah Centre for Charitable Causes (USA) supported home partner families construct 6 homes in Samurdigama Village, Negambo. The team spent two weeks building in this poverty-stricken community and braved the intense heat to construct bedrooms, kitchens and toilets in each home. "The labour involved on this particular build was unlike anything I had done in my life. Sifting sand, mixing concrete, working with cinder blocks, plastering walls and tamping out floors were staples of the daily routine – all in the heat of the humid days," remarked Victor Sadiarin, a volunteer from New York.

In spite of the language barriers, the volunteer team engaged with the locals in this area and shared in their joy and excitement at receiving their new homes. Rina Sondhi, another volunteer, observed, "There were many beautiful moments during this experience. The ecstatic moment when all the local elderly women started dancing at one of the houses; the joy of an elderly man who had waited for eleven years to have a room built; and in the space of eight days, we managed to build two rooms!"



Christopher Schokman



Christopher Schokman

Volunteers working on site



Volunteers from the Australian Global Village team transporting bricks



Yohenthiran Prema and her children, the home partner family, standing with Habitat for Humanity Sri Lanka Volunteer Manager Francis Fernando (centre) and Technical Officer I. Mathanan (far right), proudly displays a framed picture with the Global Village volunteers

A team of nine volunteers from Australia spent one week volunteering in Batticaloa. The team provided unskilled labour to assist in the construction of a house for a family of five as part of the Indian Housing Project.

Displaced by the war, members of the family had also sustained permanent injuries as a result of the war, with the two oldest children losing their hearing due to shelling.

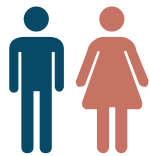
Volunteer Sowmya Iyengar commented, "Seven days at a village near Batticaloa, Sri Lanka with nine fabulous people, meeting as strangers and leaving friends, having shared one of the most rewarding experiences together. Huge thanks to Habitat for Humanity for the program, and a bow down to all the generous people who contributed to this build."





Facilitating Change

Habitat for Humanity Staff



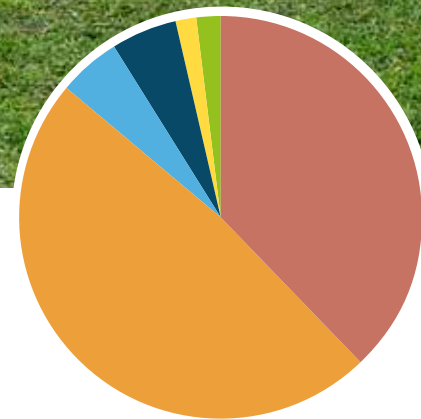
58
Total Staff



50
Male Staff



8
Female Staff



- 22** Staff at National Office
- 28** Staff at Eastern Province Site Office
- 3** Staff at Northern Province Site Office
- 3** Staff at Central Province Site Office
- 1** Staff at Southern Province Site Office
- 1** Staff at Western Province Site Office



Project managers join the staff at the national office to attend a training program





Audited Financial Report

Independent auditor's report

To the Members of Habitat for Humanity - Sri Lanka (Guarantee) Limited

Report on the Financial Statements

- 1 We have audited the accompanying financial statements of Habitat for Humanity - Sri Lanka (Guarantee) Limited which comprise the statement of financial position as at 30 June 2015, and the statement of comprehensive income, statement of changes in accumulated fund and statement of cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information as set out in pages 2 to 25.

Management's Responsibility for the Financial Statements

- 2 Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards for Small and Medium - sized Entities (SLFRS for SMEs) , and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of

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

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

Opinion

- 4 In our opinion the financial statements give a true and fair view of the financial position of Habitat for Humanity - Sri Lanka (Guarantee) Limited as at 30 June 2015, and its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for Small and Medium - sized Entities (SLFRS for SMEs).

Report on Other Legal and Regulatory Requirements

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

**CHARTERED ACCOUNTANTS
COLOMBO**

Statement of comprehensive income

(all amounts in Sri Lanka Rupees)

	Note	Year ended 30 June	
		2015	2014
Support and revenue	5	146,009,041	154,082,482
Programme related expenses	6	(26,928,832)	(77,125,265)
Support service expenses	6	(75,975,001)	(68,833,090)
Other income	7	3,488,208	1,953,320
Net surplus before income tax	8	46,593,417	10,077,447
Income tax expense	9	(2,545,624)	(1,638,498)
Net surplus after income tax		44,047,793	8,438,949

Statement of financial position

(all amounts in Sri Lanka Rupees)

	Note	As at 30 June	
		2015	2014
Assets			
Non current assets			
Property, plant and equipment	11	15,970,124	13,375,295
Homeowner receivables	12	5,746,424	9,970,218
Investments	13	13,430,813	12,577,419
		35,147,361	35,922,932
Current assets			
Inventories	14	Nil	603,851
Homeowner receivables	12	8,951,143	9,484,987
Prepayments and other receivables	15	24,615,657	14,331,097
Cash and cash equivalents	16	82,083,556	63,711,673
		115,650,356	88,131,608
Total assets		150,797,717	124,054,540
Reserves and liabilities			
Funds and reserves			
Accumulated fund		137,370,778	93,322,985
Total funds and reserves		137,370,778	93,322,985
Non current liabilities			
Defined benefit obligations	17	7,805,915	7,587,762
		7,805,915	7,587,762
Current liabilities			
Income tax payable		3,841,156	1,611,994
Creditors and other payables	18	1,276,631	8,894,851
Borrowings	19	503,237	12,636,948
		5,621,024	23,143,793
Total liabilities		13,426,939	30,731,555
Total reserves and liabilities		150,797,717	124,054,540

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

Finance Manager

The Board of Directors is responsible for the preparation and presentation of these financial statements. These financial statements were authorised for issue by the Board of Directors on:

..... Directors
.....

The notes on pages 6 to 25 form an integral part of these financial statements.

Statement of changes in accumulated fund

(all amounts in Sri Lanka Rupees)

	Accumulated Fund
Balance as at 1 July 2012	70,785,977
Net surplus for the year	14,098,059
Balance as at 30 June 2013	84,884,036
Balance as at 1 July 2013	84,884,036
Net surplus for the year	8,438,949
Balance as at 30 June 2014	93,322,985
Balance as at 1 July 2014	93,322,985
Net surplus for the year	44,047,793
Balance as at 30 June 2015	137,370,778

The notes on pages 6 to 25 form an integral part of these financial statements.

Independent auditor's report on page 1

Statement of cash flows

(all amounts in Sri Lanka Rupees)

	Note	Year ended 30 June	
		2015	2014
Cash flows from operating activities			
Net surplus before taxation		46,593,417	10,077,447
Adjustment for:			
Depreciation charge	11 (a)	4,972,689	5,234,897
Provision for defined benefit plans	17	1,136,178	905,700
Profit on disposal of property plant and equipment	7	-3,485,449	-1,828,436
Interest income	5 (e)	-3,202,171	-3,248,012
Net cash inflows before working capital changes		46,014,664	11,141,596
Changes in working capital			
Proceeds in home owners		4,757,639	4,346,965
Decrease / (increase) in inventories		603,851	(300,228)
Increase in prepayments and other receivables		(10,284,560)	(11,356,752)
(Decrease) / increase in creditors and payables		(7,618,220)	6,991,564
Cash generated from operations		33,473,374	10,823,145
Income tax paid		-316,462	-725,843
Defined benefits paid	17	(918,025)	(1,047,600)
Net cash generated from operating activities		32,238,887	9,049,702
Cash flows from investing activities			
Addition of property, plant and equipment	11 (a)	-8,863,797	-2,701,700
Investment in interest bearing instruments	13	-853,394	-12,577,419
Proceeds from sale of property plant and equipment		4,781,728	1,936,499
Interest received	5 (e)	3,202,171	3,248,012
Net cash used in from investing activities		(1,733,292)	(10,094,608)
Increase / (decrease) in cash and cash equivalents		30,505,595	(1,044,906)
Movement in cash and cash equivalents			
At start of year		51,074,725	52,119,631
Increase / (decrease) in cash and cash equivalents		30,505,595	(1,044,906)
At end of year	16	81,580,319	51,074,725

The notes on pages 6 to 25 form an integral part of these financial statements.

Independent auditor's report on page 1

Notes to the financial statements

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

1 General information

- 1.1 The Habitat for Humanity - Sri Lanka (Guarantee) Limited (HFHSL) is a non governmental organisation and is registered with the Department of Social Services under the Voluntary Social Service Organisation (Registration and Supervision) Act, No. 31 of 1980 as amended by Act, No. 8 of 1998.

HFHSL has been incorporated under the Companies Act, No. 17 of 1982 and re-registered under Companies Act, No. 7 of 2007 on 1 September 2009 as a Company limited by guarantee. In the event the Company is wound up the liability of the members is limited to Rs 2,500 per member.

- 1.2 The principal activity of HFHSL is the provision of financial assistance in the form of re-imburement of expenses on construction, to needy families to assist in constructing houses.

- 1.3 The Organisation had entered in to agreements with the following donor organisations to conduct activities in furtherance of its objectives:

- Kabbalah Centre
- Indian High Commission
- Millennium IT
- Habitat of Humanity - Australia
- Habitat of Humanity - Japan

2 Summary of significant accounting policies

2.1 General policies

2.1.1 Basis of preparation

The financial statements have been prepared in accordance with the Sri Lanka Accounting Standards for Small and Medium - sized Entities (SLFRS for SMEs) except for income tax, interest income and other income as disclosed in Note 2.1.3 and 2.5.1.

The preparation of financial statements in conformity with the SLFRS for SMEs requires the use of certain

critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Organisation's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in note 3.

2.1.2 Foreign currency transactions

(a) Functional and presentation currency

Items included in the financial statements of the Company is measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Sri Lankan Rupees, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within support service expenses.

2.1.3 Current taxes

Income tax is provided in accordance with the provisions of the Inland Revenue Act, No. 10 of 2006 and subsequent amendments, Inland Revenue (Amendment) Act, No. 10 of 2007, and is based on the elements of income and expenditure reflected in the statement of comprehensive income and on the elements of grants received, subject to exemptions referred to in Note 14 to the financial statements.

Habitat for Humanity Sri Lanka (Guarantee) Limited Financial Statements 30 June 2015

2.2 Accounting for receipts and utilisation of funds

2.2.1 Funds

Funds received from donors

Funds received from donors are those that are available for use by HFHSL at the discretion of the Board, in furtherance of the general objectives of the Company and which are not designated for other specific purposes.

Surplus funds are returned to the relevant donors or retained in accumulated funds in terms of the relevant Donor Agreements or with the subsequent approval of the Donor.

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

2.2.2 Grants and subsidies

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

Grants and subsidies related to assets are generally deferred in the balance sheet and credited to the statement of comprehensive income over the useful life of the asset.

2.3 Valuation of assets and their bases of measurement

2.3.1 Property, plant and equipment

All items of property, plant and equipment are stated at cost less accumulated depreciation. The cost of self-constructed assets includes the cost of materials, direct labor and an appropriate proportion of production overheads.

Buildings owned are used for purposes of the Organisation and therefore do not fall under the definition of investment property.

All property, plant and equipment is initially recorded at cost and stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items and also includes the initial estimate of the costs of dismantling

and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefit associated with the item will flow to the Organisation and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All repairs and maintenance costs are charged to statement of comprehensive income during the financial period in which they are incurred.

During the year the entity has reassessed the useful life time of each non current asset and resulting amendments have been taken into account in the current year financial statements.

Depreciation is calculated on the straight-line method to write off the cost of each asset, to their residual values over their estimated useful lives.

Estimated useful life time of the non current assets after the reassessment is as follows:

	2015	2014
Building	10 years	10 years
Warehouse and construction equipment	03 years	03 years
Office equipment	05 years	05 years
Computer hardware and software	02 years	02 years
Motor vehicles	04 years	04 years

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining excess of income over expenditure.

Habitat for Humanity Sri Lanka (Guarantee) Limited Financial Statements 30 June 2015

2.3.2 Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the price at which inventories can be reasonably expected to be sold in the market place, less any estimated cost necessary to make the sale.

Cost incurred to bringing inventories to its present location and condition include cost of raw materials on a first in first out basis, any direct labour, and an appropriate portion of any other direct overhead.

Items donated for distribution or resale are not included in the financial statements until such time as they are distributed or resold.

2.3.3 Receivables

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

2.3.4 Cash and cash equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits, short term investments readily convertible to identified amounts of cash and which are not subject to any significant risk of change in value.

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks and fixed deposits held at banks, net of bank overdrafts.

2.4 Liabilities and provisions

2.4.1 Retirement benefit obligations

a. Defined benefit plan - Gratuity

The retirement gratuity is a defined benefit plan. The Company is liable to pay gratuity in terms of Gratuity Act, No. 12 of 1983. In order to meet this liability, a provision is carried in the balance sheet that is based on the half-month's salary as of the last month of the financial year for all employees for each completed year of service commencing from the first year of service. The difference between the provision that is brought forward at the beginning of the year and the provision that is required to be carried forward at the

end of the year is adjusted through the statement of comprehensive income.

This provision is not externally funded. However, in accordance with the Payment of Gratuity Act, No. 12 of 1983, this liability arises only on the completion of five years of continued service of any employee.

b. Defined contribution plans

All employees are eligible to contribution to the Employee's Provident Fund and the Employee's Trust Fund in accordance with the relevant statutes and regulations. The Company contributed a defined percentage of the gross emoluments of the employees to the Employees' Provident Fund and to the Employee's Trust Fund respectively.

2.5 Statement of comprehensive income

2.5.1 Income recognition

a. Support and revenue

Funds received from donors are accounted on a cash basis.

Gifts and donations received in kind are recognised at valuation at the time that they are distributed to beneficiaries, or if received for resale with proceeds being used for the purposes of the Company at the point of such sale. Items not sold or distributed are inventorised but not recognised in the financial statements.

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

b. Revenue

Interest earned is recognised on cash basis.

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

Other income is recognised on cash basis.

Habitat for Humanity Sri Lanka (Guarantee) Limited Financial Statements 30 June 2015

2.5.2 Expenditure recognition

Expenses in carrying out the projects and other activities of the Company are recognised in the statement of comprehensive income during the period in which they are incurred. Other expenses incurred in administering and running the Company and in restoring and maintaining the property, plant and equipment to perform at expected levels are accounted for on an accrual basis and charged to the statement of comprehensive income.

3 Critical accounting estimates and judgments

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

Critical accounting estimates and assumptions

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

(a) *Estimated impairment of non-current assets*

The carrying value of property, plant and equipment is reviewed for impairment either annually or when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount the assets are written down to their recoverable amount. Impairment losses are recognised in the statement of comprehensive income unless it reverses a previous revaluation surplus for the same asset.

(b) *Contingent liabilities*

Determination of the treatment of contingent liabilities in the financial statements is based on the management's view of the expected outcome of the applicable contingency. The Organisation consults with legal counsels on matters related to litigation and other experts both within and outside the Organisation with respect to matters in the ordinary course of business.

(c) *Provisions*

The Organisation recognises provisions when it has a present legal or constructive obligation arising as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. The recording of provisions requires the application of judgments about the ultimate resolution of these obligations. As a result, provisions are reviewed at each date of the statement of financial position and adjusted to reflect the Organisation's current best estimate.

(d) *Useful life times of assets*

The organization has reviewed the useful life time of all non current asset as of 30 June 2015, and amend the financial statements accordingly as per the accounting policy stated above.

4 Going concern

These financial statements are prepared on the assumption that the Organisation is a going concern, i.e. as continuing in operation for the foreseeable future. It is therefore assumed that the Organisation has neither the intention nor the necessity of liquidation or of curtailing materially the scale of its operations.

Habitat for Humanity Sri Lanka (Guarantee) Limited
Financial Statements 30 June 2015

5 Support and revenue

	Hrcs	2015		2014		
		National Office	Company	Hrcs	National Office	Company
Fund received from HFHI / other countries	Nil	34,197,510	34,197,510	Nil	27,837,250	27,837,250
Donations - local	Nil	69,490,569	69,490,569	Nil	89,143,087	89,143,087
Donations - work camps (other countries)	Nil	22,602,428	22,602,428	Nil	18,283,585	18,283,585
Sale of home	10,318,588	Nil	10,318,588	14,809,144	Nil	14,809,144
Other income	1,471,757	3,077,870	4,549,627	696,144	3,313,272	4,009,416
Special event income	210,140	4,640,180	4,850,320	Nil	Nil	Nil
	12,000,485	134,008,557	146,009,041	15,505,288	138,577,194	154,082,482

- (a) Fund received from Habitat for Humanity International/ other countries mainly consist of fund received for Kabbalah centre project Rs 25,030,201 (2014 - Rs 27,837,250) and fund received for resource development department of Rs 5,340,000 (2014 - Rs Nil).
- (b) Donations-local mainly includes cash contribution - restricted funds for Indian Project of Rs. 67,637,500 (2014 - Rs 27,778,000), for the current year. Previous year Donations-local mainly consisted of funds received for MIT Project of Rs. 58,696,055.
- (c) Donation for work camps in 2015 comprise funds received for Global village work camp Rs 22,602,428 whilst in 2014 it included Rs 11,376,321 and Land rights Project (Australian Aid) of Rs 3,496,014.
- (d) Sales of home comprise administration fee of Rs 1,860,252 (2014 Rs 1,902,046) and loan amount of Rs. 8,458,336 (2014 - Rs 12,907,098).
- (e) Other income mainly include interest income of Rs 3,202,171 (2014 - Rs 3,248,011) and recoveries from previous year's write offs Rs 1,172,483 (2014 - Rs 520,663).
- (f) Special event income includes donations and participation fee received for Habitat Youth Build programme.

Habitat for Humanity Sri Lanka (Guarantee) Limited
Financial Statements 30 June 2015

6 Project activity summary

Project name	Code	Restricted funds		Unrestricted funds			Project costs		Surplus/ deficit	Opening fund balance	Closing fund balance
		Description	Amount	Description	Amount	Direct	Indirect	Direct			
Sponsor a house project	LK11023	Nil	Nil	Cash contributions	380,969	Nil	(5,050)	Nil	375,919	204,844	580,763
Cleaning of 1600 wells & 5 Pre-Schools- Central & East	LK11024	Nil	Nil			Nil	Nil	Nil	Nil	1,066,387	1,066,387
Housing mapping project	LK12001	Nil	Nil	Fund transfers	(339,268)	Nil	Nil	Nil	-339,268	339,268	Nil
Building core houses for IDPs	LK12006	Nil	Nil	Fund transfers	1,251,454	(282,440)	(106,625)	(106,625)	862,389	8,606,340	9,468,729
Resource centre training project	LK12012	Nil	Nil	Fund transfers	(37,017)	Nil	(629,948)	(629,948)	(666,965)	666,965	Nil
IDP housing in Oddusudan	LK12014	Nil	Nil	Fund transfers	7,278,620	Nil	690	690	7,279,310	(7,279,310)	Nil
Indian embassy houses	LK12025	Cash contributions	67,637,500	Interest income	147	Nil	(40,469,994)	(40,469,994)	27,177,653.06	9,992,283	37,169,936
				Fund transfers	10,000						
MIT- Repairs	LK13001	Nil	Nil	Fund transfers	(8,493,056)	(62,430)	(426,415)	(426,415)	(8,981,901)	8,981,901	Nil
Community centre-Oddusudan	LK13009	Nil	Nil	Cash contributions	726,599	Nil	Nil	Nil	726,599	(726,599)	Nil
			67,637,500		778,448						
Capacity building & development	LK14000	Nil	Nil	Fund transfers	18,134,078	Nil	Nil	Nil	18,134,078	(18,134,078)	Nil
Capacity building & development	LK15000	Cash contributions	95,500	Cash transfers from HFHI	166,180						
		Cash transfers from HFHI	145,499	Interest Income	3,202,024						
		Cash transfers from HFH									
		Global network - global									
		village - hosting	483,840	Special event revenue	4,850,320						
				Application fee revenue	15,750						
				Recoveries	1,172,483						
				Fund transfers	(18,546,893)						
				Foreign currency gain/loss - revaluation	2,760						
				Gain/loss on sale of fixed assets							
					3,485,449	326,932	(19,975,201)	(24,575,357)	(24,575,357)	Nil	(24,575,357)
			724,839		(5,651,928)						

Habitat for Humanity Sri Lanka (Guarantee) Limited
Financial Statements 30 June 2015

6 Project activity summary

Project name	Code	Restricted funds		Unrestricted funds		Project costs		Surplus/ fund balance	Opening fund balance	Closing fund balance
		Description	Amount	Description	Amount	Direct	Indirect			
Global village teams	LK14001	Fund transfers	Nil	Fund transfers	3,292,505	Nil	Nil	3,292,505	(3,292,505)	Nil
Global village teams & youth teams	LK15002	Cash transfers from HFHI	10,441	Cash transfers from HFHI	5,340,000					
		Cash transfers from HFH global network - global village - hosting	17,145,984							
		Cash transfers from HFHI - global village donations	4,972,604	Application fee revenue	4,800					
			4,983,046	Fund transfers	(3,206,362)	(8,333,336)	(7,128,952)	8,805,179	Nil	8,805,179
Low income & housing solution for 17 nos-West-Central	LK14002		Nil		Nil	(125,000)	(23,046)	(148,046)	148,046	Nil
Sale of homes (loans-GV and small loans)	LK14003	Fund transfers	Nil	Fund transfers	(73,078,837)	Nil	Nil	(73,078,837)	73,078,837	Nil
Sale of homes	LK15003	Fund transfers	Nil	Fund transfers	73,078,837					
		Sale of homes	10,318,588		10,318,588	Nil	Nil	83,397,425	Nil	83,397,425
			83,397,425							
Land rights tenure awareness -North & East-SL-Ph-II	LK14005	Cash transfers from HFH global network	3,205,188	Fund transfers	810,364	(8,037)	(1,626,374)	2,381,141	Nil	2,381,141
Kabbalah funded project for Sannar village, Mannar	LK14006	Cash transfers from HFHI	25,330,201		Nil	(16,853,089)	(5,035,443)	3,441,670	18,180,530	21,622,200
House for a down syndrom family	LK14009		Nil		Nil	(1,162,912)	(327,163)	(1,490,075)	1,490,075	Nil
House-Ms. Nagarasa at Kiran - by MIT- apprcn X-CEO	LK15001	Cash contributions	Nil	Cash contributions	650,000	(428,520)	(221,480)	Nil	Nil	Nil
TOTAL			101,880,774		47,616,477	(26,928,832)	(75,975,001)	46,593,418	93,322,984	139,916,403
Total income tax expense included under indirect costs (Note 9)					Nil	Nil	(2,545,624)	(2,545,624)	Nil	(2,545,624)
TOTAL (Note 5 + Note 7)					149,497,250	(26,928,832)	(78,520,625)	44,047,794	93,322,984	137,370,778

Habitat for Humanity Sri Lanka (Guarantee) Limited
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7 Other income

	Hrcs	2015		Hrcs	2014	
		National Office	Company		National Office	Company
Profit on sale of property, plant and equipment	1,062,955	2,422,494	3,485,449	1,828,436	Nil	1,828,436
Net foreign exchange transaction gain	Nil	2,759	2,759	Nil	124,884	124,884
	1,062,955	2,425,253	3,488,208	1,828,436	124,884	1,953,320

8 Net surplus before income tax

The following items have been charged in arriving at net surplus before income tax:

	Hrcs	2015		Hrcs	2014	
		National Office	Company		National Office	Company
Directors' emoluments	Nil	Nil	Nil	Nil	Nil	Nil
Auditors' remuneration - Audit fee	Nil	465,000	465,000	Nil	465,000	465,000
- Other fees	Nil	110,000	110,000	Nil	133,416	133,416
Depreciation charge on property, plant and equipment (Note 11)	3,164,282	1,808,407	4,972,689	3,091,151	2,143,746	5,234,897
Staff costs (Note 10)	25,131,611	16,508,358	41,639,969	18,029,274	16,288,391	34,317,665
Provision for impairment - home owner receivables	1,440,983	Nil	1,440,983	1,851,081	Nil	1,851,081
Professional services	5,500	1,951,349	1,956,849	120,469	5,491,302	5,611,771

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9 Taxation

Effective from 1 April 2011, the Company was liable to income tax at the rate of 30% on 3% of grants received as per Section 102 of Inland Revenue Act, No. 10 of 2006. In addition to the tax on the grants received, interest and other income, if any, are liable for income tax at the rate of 10%.

As explained in Note 1.1 to the financial statements, the Company had been registered as a Non Governmental Organisation with the Secretariat Branch of the Inland Revenue for the purposes of applying for remission of income tax from the Commissioner General of Inland Revenue and applied for remission in respect of the Years of Assessment and 2013/2014 and 2014/2015. The Inland Revenue had granted remission of 72.72%, 62.82% for 2011/2012, 2012/13 respectively. Income tax remission in respect of the current year (Year of assessment 2014/2015) have not been filled with the Inland Revenue and company intend to submit those requisitions related due dates specified in the Income Tax Act.

	2015			2014		
	Hrcs	National Office	Company	Hrcs	National Office	Company
Tax on income	Nil	2,545,624	2,545,624	Nil	1,936,385	1,936,385
Income tax remission granted for 2013/2014	Nil	Nil	Nil	Nil	-639,127	-639,127
Income tax under provision in respect of prior years	Nil	Nil	Nil	Nil	341,240	341,240
	Nil	Nil	2,545,624	Nil	1,638,498	1,638,498

10 Staff costs

	2015			2014		
	Hrcs	National Office	Company	Hrcs	National Office	Company
Wages and salaries	21,608,174	13,721,413	35,329,587	15,269,174	13,788,561	29,057,735
Other employee benefits	398,871	320,749	719,620	421,758	318,048	739,806
Defined contribution plan	2,752,424	1,702,160	4,454,584	1,887,117	1,727,307	3,614,424
Defined benefit obligations (Note 17)	372,142	764,036	1,136,178	451,225	454,475	905,700
	25,131,611	16,508,358	41,639,969	18,029,274	16,288,391	34,317,665

Average monthly number of persons employed by the Company during the year:

	2015	2014	2013	2012	2011	2010
Full time	44	19	63	37	19	56

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11 Property, plant and equipment

(c) Habitat Resource Centre

	Freehold land	Buildings	Warehouse and construction equipment	Office equipment	Computer hardware	Motor vehicles	Total
Year ended 30 June 2014							
Opening net book amount	4,333,000	586,712	494,228	296,432	567,310	4,666,362	10,944,044
Additions / transfers: Cost	Nil	Nil	Nil	242,200	766,500	1,427,400	2,436,100
Accumulated depreciation	Nil	Nil	Nil	Nil	(114,745)	Nil	Nil
Disposals / transfers : Cost	Nil	Nil	(129,820)	(18,240)	Nil	(824,025)	(972,085)
Accumulated depreciation	Nil	Nil	113,548	15,717	Nil	734,754	864,019
Depreciation charge (Note 8)	Nil	(132,710)	(362,477)	(216,544)	(451,040)	(1,928,380)	(3,091,151)
Closing net book amount	4,333,000	454,002	115,479	319,565	768,025	4,076,111	10,066,182
At 30 June 2014							
Cost	4,333,000	1,327,102	2,639,875	1,742,094	2,642,850	16,736,735	29,421,656
Accumulated depreciation	Nil	(873,100)	(2,524,396)	(1,422,529)	(1,874,825)	(12,660,623)	(19,355,473)
Net book amount	4,333,000	454,002	115,479	319,565	768,025	4,076,112	10,066,183
Year ended 30 June 2015							
Opening net book amount	4,333,000	454,002	115,479	319,565	768,025	4,076,112	10,066,183
Additions / transfers: Cost	Nil	Nil	Nil	159,600	332,000	2,274,400	2,766,000
Disposals / transfers : Cost	Nil	Nil	(36,750)	Nil	Nil	(3,329,471)	(3,366,221)
Accumulated depreciation	Nil	Nil	36,750	Nil	Nil	3,195,187	3,231,937
Depreciation charge (Note 8)	Nil	(132,710)	(26,702)	(105,700)	(552,460)	(2,346,710)	(3,164,282)
Closing net book amount	4,333,000	321,292	88,777	373,465	547,565	3,869,518	9,533,617
At 30 June 2015							
Cost	4,333,000	1,327,102	2,603,125	1,901,694	2,974,850	15,681,664	28,821,435
Accumulated depreciation	Nil	(1,005,810)	(2,514,348)	(1,528,229)	(2,427,285)	(11,812,146)	(19,287,818)
Net book amount	4,333,000	321,292	88,777	373,465	547,565	3,869,518	9,533,617

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12 Homeowner receivables (Contd)

	2015			2014		
	Hrcs	National Office	Company	Hrcs	National Office	Company
Institutional loan receivables	Nil	12,800,000	12,800,000	Nil	12,800,000	12,800,000
Less - repayments	Nil	(12,800,000)	(12,800,000)	Nil	(12,800,000)	(12,800,000)
	Nil	Nil	Nil	Nil	Nil	Nil
Current						
Receivables	8,954,522	Nil	8,954,522	12,174,113	Nil	12,174,113
Non current						
Receivables	210,125,285	Nil	210,125,285	196,587,106	Nil	196,587,106
Less - repayments	(162,215,693)	Nil	(162,215,693)	(148,580,586)	Nil	(148,580,586)
Less - write-offs	(38,629,597)	Nil	(38,629,597)	(35,209,607)	Nil	(35,209,607)
	18,234,516	Nil	18,234,516	24,971,026	Nil	24,971,026
Less - provision for impairment	(3,536,950)	Nil	(3,536,950)	(5,515,821)	Nil	(5,515,821)
Net receivable	14,697,567	Nil	14,697,567	19,455,205	Nil	19,455,205
Total receivables	14,697,567	Nil	14,697,567	19,455,205	Nil	19,455,205

13 Investments

	2015			2014		
	Hrcs	National Office	Company	Hrcs	National Office	Company
Investments in Fixed deposits	Nil	13,430,813	13,430,813	Nil	12,577,419	12,577,419
	Nil	13,430,813	13,430,813	Nil	12,577,419	12,577,419

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14 Inventories

	2015		2014	
	Hrcs	Company	Hrcs	Company
Raw Materials	Nil	Nil	Nil	Nil
Construction in process (WIP)	Nil	Nil	603,851	603,851
	Nil	Nil	603,851	603,851

15 Prepayments and other receivables

	2015			2014		
	Hrcs	National Office	Company	Hrcs	National Office	Company
Deposits and receivables	275,000	221,500	496,500	490,000	221,500	711,500
Advances	306,014	255,124	561,138	397,669	114,671	512,340
Other receivables	1,240,793	22,317,226	23,558,019	794,562	12,312,695	13,107,257
	1,821,807	22,793,850	24,615,657	1,682,231	12,648,866	14,331,097

- (a) Deposits and receivables mainly consist of refundable deposits made amounting to Rs 496,500 (2014 - Rs 711,500) to obtain premises for the Company.
- (b) Advances comprise of 1/3 of medical insurance recoverable from employee amounting to Rs.263,948 (2014 - Rs 264,339) , business advances receivable form employees amounting to Rs 156,690 (2014 - 89,500) , loan receivable from employee Rs 140,500 (Rs 158, 500)
- (c) Other receivables mainly comprise of fund receivable in respect of Indian housing project Rs 20849,500 (2014 - Rs 11,168,500) , fund receivable for MIT community center Rs 726,599 (2014 - Rs Nil), prepayments made in respect of vehicle insurance and 2/3 of health insurance.

16 Cash and cash equivalents

	2015			2014		
	Hrcs	National Office	Company	Hrcs	National Office	Company
Cash in hand	30,000	40,000	70,000	78,500	40,000	118,500
Cash at bank	3,926,010	78,087,546	82,013,556	12,565,679	51,027,494	63,593,173
	3,956,010	78,127,546	82,083,556	12,644,179	51,067,494	63,711,673

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For the purposes of the cash flow statement, the year-end cash and cash equivalents comprise the following:

	2015			2014		
	Hrcs	National Office	Company	Hrcs	National Office	Company
Cash and bank balances	3,956,010	78,127,546	82,083,556	12,644,179	51,067,494	63,711,673
Bank overdraft (Note 19)	Nil	(503,237)	(503,237)	Nil	(12,636,948)	(12,636,948)
	3,956,010	77,624,309	81,580,319	12,644,179	38,430,546	51,074,725

17 Defined benefit obligations

The movement over the year is as follows:

	2015			2014		
	Hrcs	National Office	Company	Hrcs	National Office	Company
At beginning of year	3,627,574	3,960,188	7,587,762	3,361,349	4,368,313	7,729,662
Current service cost (Note 10)	372,142	764,036	1,136,178	451,225	454,475	905,700
Benefits paid	(366,025)	(552,000)	(918,025)	(185,000)	(862,600)	(1,047,600)
At end of year	3,633,691	4,172,224	7,805,915	3,627,574	3,960,188	7,587,762

18 Creditors and other payables

	2015			2014		
	Hrcs	National Office	Company	Hrcs	National Office	Company
Accrued expenses	50,450	66,044	116,494	101,236	161,471	262,707
EPF, ETF and PAYE payable	Nil	Nil	Nil	224	2,456	2,680
Accounts payable	76,823	684,742	761,565	3,743,363	4,392,526	8,135,889
Other payables	69,107	4,193	73,300	93,385	74,918	168,303
Save and build - homeowner savings	325,272	Nil	325,272	325,272	Nil	325,272
	521,652	754,979	1,276,631	4,263,480	4,631,371	8,894,851

Habitat for Humanity Sri Lanka (Guarantee) Limited
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- (a) Accrued expenses mainly consist of utility payables such as telephone, electricity and water in respect of services obtained.
- (b) Other payables mainly consist of unpaid gratuity for terminated employees amounting to Rs 69,107 (2014 - Rs 69,107) and staff welfare payable Rs 4,193 (2014 - Rs 99,195).
- (c) Accounts payable consist of audit fee payable Rs 575,000 (2014 - Rs 598,416) ,amounts payable towards the suppliers of building materials and other miscellaneous payables Rs 186,565 (2014 - Rs 7,537,473).
- (d) Save and build homeowner savings are the amounts initially received as deposit from homeowners for which action will be taken during financial year 2015/2016.

19 Borrowings

Borrowings in respect of the year 2015 wholly consist of bank overdraft.

	2015			2014		
	Hrcs	National Office	Company	Hrcs	National Office	Company
Commercial bank	Nil	503,237	503,237	Nil	12,636,948	12,636,948
	Nil	503,237	503,237	Nil	12,636,948	12,636,948

Agenda

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF HABITAT FOR HUMANITY SRI LANKA WILL BE HELD ON 29TH SEPTEMBER 2015 AT THE RENUKA CITY HOTEL, NO. 328 GALLE ROAD, COLOMBO-03 AT 5.30 P.M

AGENDA

- A.G.M./2015/01 - Confirmation of the previous Annual General Meeting minutes held on 10th December 2014
- A.G.M./2015/02 - To receive and adopt the Audited Balance Sheet as at 30th June 2015 and the Profit and Loss Account for the period ended 30th June 2015 and Report of the Auditors thereon;
- A.G.M./2015/03 - To elect Office Bearers and Member-at-Large Representatives
- A.G.M./2015/04 - To appoint Auditors for the period ending with the conclusion of the next Annual General Meeting and to fix their remuneration.
- A.G.M./2015/05 - Any Other Business which due notice is given

BY ORDER OF THE BOARD
HABITAT FOR HUMANITY SRI LANKA



ESJAY CORPORATE SERVICES (PRIVATE) LIMITED
SECRETARIES

08.09.2015

HABITAT FOR HUMANITY SRI LANKA

PROXY FORM

I/We, the undersigned being a member/s of HABITAT FOR HUMANITY SRI LANKA, hereby appoint
 (name) of (address) as my/our proxy to represent me/us and to vote for me/us and on my/our behalf for/or against the resolution and/or to speak at the Annual General Meeting of the Company, to be held on 29th September 2015 and at any adjournment thereof.

	For	Against
1. To receive and adopt the Audited Balance Sheet as at 30th June 2015 and the Profit and Loss Account for the period ended 30th June 2015 and Report of the Auditors thereon;	<input type="checkbox"/>	<input type="checkbox"/>
2. To elect Office Bearers and Member-at-Large Representatives	<input type="checkbox"/>	<input type="checkbox"/>
3. To appoint Auditors for the period ending with the conclusion of the next Annual General Meeting and to fix their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
4. Any Other Business which due notice is given	<input type="checkbox"/>	<input type="checkbox"/>

Signed this day of 2015
Shareholder

Instructions as to the completion of Proxy Form

A member is entitled to appoint a proxy to attend and vote in is/her/their place.

A proxy holder need not be a member of the Company.

A member wishing to vote by proxy at the meeting may use the form enclosed and interpolate the 'right to speak'.

To be valid, the completed form of proxy must be lodged at the registered office of the Company not less than 48 hours before the meeting.

In the case of a Company /corporation the proxy must be under it's Common Seal, which should be affixed and attested in the manner prescribed by its Articles

Corporate Information

Name of Company

Habitat for Humanity Sri Lanka

Legal Form

Voluntary Social Service Organization
Guarantee Limited Company

Registered Address

22/5 Station Road,
Dehiwela,
Sri Lanka

Auditors

Pricewaterhouse Coopers
100, Braybrooke Place
Colombo 2
Sri Lanka

Bankers

Commercial Bank
Commercial House,
21, Sir Razik Fareed Mawatha
P.O. Box 856
Colombo 1
Sri Lanka

Habitat for Humanity Sri Lanka

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