

VACD Australia CHAIRMAN’S 2021/2022 ANNUAL REPORT to the VACD Australia Board & Fellows

Dear Colleagues,

It gives me immense pleasure to present to you my annual report of our mission for the period 1st July 2021 to 30th June 2022. This report is of special significance to our VACD Australian and Sri Lankan team members, sponsors, supporters, and well-wishers given that we celebrated our 10th anniversary of the founding of VACD in the township of Bandarawela on 27th December 2011, where we pledged to uplift, assist, support, and rehabilitate children with congenital impairments and their families in Sri Lanka.

Let us, as a group of likeminded humanitarians remind ourselves of the true meaning and spirit of altruism, having navigated past this significant milestone in our most gratifying of journeys.

Quote

Every man must decide whether he will walk in the light of creative altruism or in the darkness of destructive selfishness....

The first question which the priest and the Levite asked was “ If I stop to help this man, what will happen to me?”

But the good Samaritan asked, “If I do not stop to help this man, what will happen to him?”

Unquote

- Martin Luther King Jr -

We are often reminded that it is far better to “ give” than to “receive”. However, in reality, how many of us truly realise how altruism affects us? Scientific research finds that those who spend time volunteering or engaging in charitable deeds are unswervingly more emotionally and spiritually elevated and impulsively and intuitively more optimistic.

In fact, in the 1980’s a Harvard University study established that the mere act of observing charitable deeds such as watching video clips of Mother Theresa caring for orphan children in Calcutta gave a significant immunity boost to the viewers. This phenomenon is referred to as the ‘Mother Theresa Effect’.

Our Vision & Mission

As a group of committed volunteers, we continue to concentrate our collective skills and energy and deploy all available resources to fulfill the objectives and goals that are enshrined in our mission statement:

“To empower and uplift children with disabilities and their families living in the poorest regions of Sri Lanka and to build strong and engaged communities who embrace children with disabilities and encourage a life of fulfilment and inclusion”

Our History

We had many challenges and obstacles to surmount in Sri Lanka, during the first five years of our 10+ years journey. However, the dedication, commitment, and steadfastness of our new Sri Lankan leadership team and the wisdom and commitment of our own Australian team enabled us to successfully prevail over these challenges and accomplish many of our mission’s aims and objectives over the recent five years.

Initially set up to help 11 children with disabilities in response to a request by a staff member of St Joseph’s College, Bandarawela, we now have close to 350+ registered children within the Uva Province. Our first centre “ Sir Robert Clark Centre for Children with Disabilities” was established in Bandarawela, followed a few years later by the “Dora Jeanne Centre for Children with Disabilities” in Badulla. Our third centre sponsored by Teardrop Hotels in Sri Lanka will be established in Welimada no sooner the troubled social, political, and economic

situation in the country stabilises. We expect the number of registered children to double once we establish our presence in the Welimada/Uva Paranagama region.

Unfortunately, most of our projects and programs since mid-2020 had to be put on hold or postponed due to the COVID pandemic closely followed by political, economic, and social instability in Sri Lanka.

OUR PEOPLE

While the Australian Board of Directors remain unchanged, a new Board has been appointed in Sri Lanka made up of dynamic, professional, prominent, and highly respected members from the local community.

VACD Sri Lanka Board 2022

Patron: Mr. Mr. Sisira Ratnayake – Retired High Court judge and Secretary to the Judicial Services Commission

Chairman: Mr. J S L Fernando – Businessman, Rotarian & Church Worker

Deputy Chairman: Deshamanya Mr. N.G.R.D. Kumarawansa - Managing Director K.Y.S. Security Service & Enterprise

Deputy Chairman: Mr. A.S. De Alwis – Businessman & Social Worker

Secretary: Col. R M Kumarasinghe (Retd.) – Retired Army Officer and Retired Banker – Bank of Ceylon

Assistant Secretary: Mr. Sujeewa Abeynayake – Senior Government School English Teacher

Treasurer: Mr. R.M. Abeysinghe Bandara - Retired Divisional Assistant Engineer

Assistant Treasurer: Mr. Padmasiri Weraniyagoda – Retired Bank Manager – Bank of Ceylon

Director: Mr. Athula Ratnayake - Retired Accountant Sri Lanka Transport Board

Director: Mr. R.M. Dayarathna - Retired District Export Agriculture Officer

Director: Dr. Ranjith Amarakoon – Medical Superintendent – Base Hospital Diyatalawa

Director: Mr. L.M.P. Lankadikara – Retired Deputy Chief Secretary and Provincial Secretary Uva Province

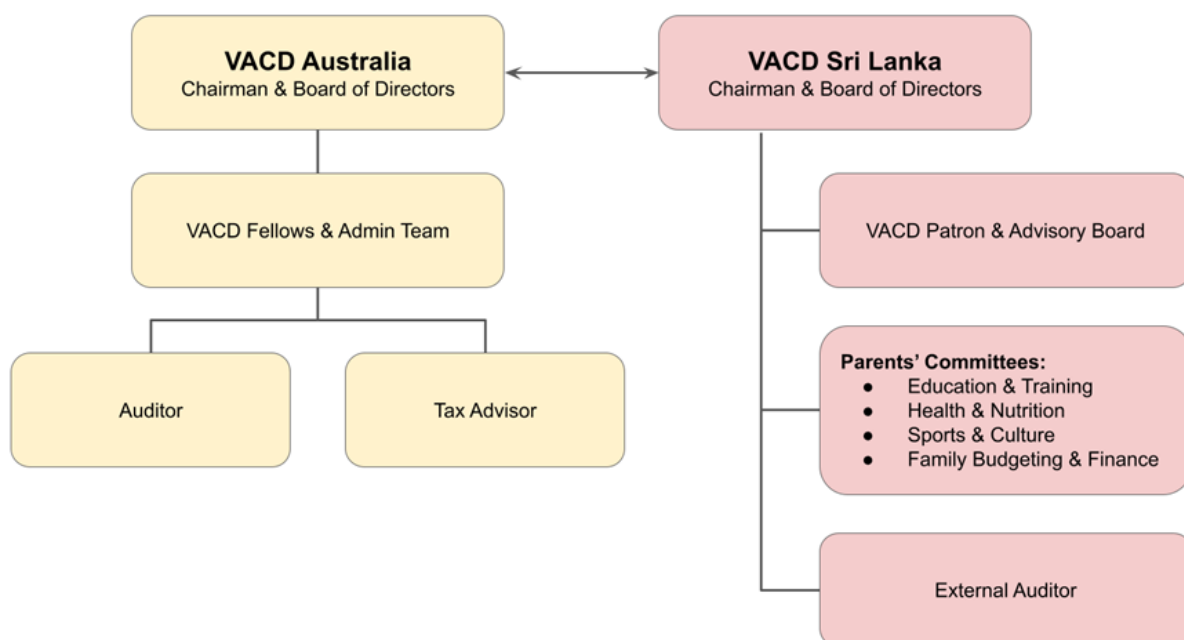
Director: Mr. J.M. Kapila Jayasekara – Retired Secretary State Ministry of National Policies and Economic Affairs

Director: Mrs. Chandra Abeysinghe - Retired Assistant Labour Commissioner

VACD STRUCTURE & MANAGEMENT

We are a benevolent limited liability publicly listed company registered with the Australian Securities and Investment Commission (ASIC) and listed in the Australian Charities and Not-for-profits Commission (ACNC) register. We received ACNC's "tick of approval" that reassures the public that our mission is transparent, accountable, and well administered. VACD was granted "Deductible Gift Recipient Status" by the Australian Taxation Office (ATO) on 1st December 2015.

VACD Sri Lanka is a benevolent limited liability publicly listed company registered with Registrar General of Companies in the Democratic Socialist Republic of Sri Lanka.



VACD Australia's Board of Directors are at the helm of the overall administrative and organisational structure of our mission with sole responsibilities for marketing, fundraising, financial management, media & communications, reporting & publications, and compliance & governance oversight.

The VACD Sri Lanka chapter functions autonomously while being closely integrated with VACD Australia under a Memorandum of Understanding (MOU) that also incorporates our governance and compliance policies such as code of conduct, child protection, privacy, anti-money laundering and anti-

terrorism policies that regulate the day-to-day operations and delivery of services to our registered VACD children and their families in Sri Lanka.

Mrs. Yasmin Stephen (VACD Australia Communications & Administration Secretary) and I remain volunteer non-executive Advisory Board members to the VACD Sri Lanka Board.

Detailed financial and activity Reports from VACD Sri Lanka are regularly furnished to the Australian team under the MOU so that consolidated financial, financial analysis and activity reports can be prepared by us on a monthly basis for the VACD Australia board and comprehensive annual reports and financial reports compiled are filed by us with the Australian Charities and Not-for-profits Commission (ACNC).

All programs and projects in Sri Lanka are planned and implemented by the Sri Lankan leadership team with the assistance of four committees chaired by VACD Sri Lanka directors and made up of volunteer parents.

VACD presently employs 10 paid staff all of whom are based in Sri Lanka, consisting of 1 special education teacher, 5 assistant teachers, 3 caretakers and 1 office administrator. The number of volunteers (including Directors) in Australia and Sri Lanka are approximately 130+. We are deeply indebted for the unstinting and unpaid services tendered by all our volunteers to our mission over many years.

Sponsorship – A big and Sincere Thank you!!!:

- We are deeply indebted to Mr. William R H Clark and the Clark family who sponsor and have pledged to continue sponsoring our “ Sir Robert Clark Centre for Children with Disabilities” in Bandarawela and for their financial support for our mission since our inception.
- We deeply appreciate and thank our VACD Australian Director Mr. Greg Fendler, his wife Mrs. Jenny Fendler and rest of the Fendler family for sponsoring our ““Dora Jeanne Centre for Children with Disabilities” in Badulla.

- We were delighted that Mr. Henry Fitch – Chief Executive Officer **Teardrop Hotels in Sri Lanka** ([Luxury Boutique Hotels, Sri Lanka | Teardrop Hotels | Official Site \(teardrop-hotels.com\)](#)) and his team pledged to sponsor our new Welimada centre for three years commencing March 2022.

Teardrop Hotels in Sri Lanka offer guests and visitors a unique opportunity to stay in small, private, professionally managed properties that work in harmony with the environment and local communities while advocating sustainability of the environment and upholding and promoting social, ethical, and cultural values as part of their core philosophies.

Their exceptional brand of hospitality, facilities and arranged tours to historic and cultural places of interest, local cuisine at each unique location etc. make Teardrop Hotels outstandingly special in the hospitality industry in Sri Lanka.

- We are also delighted that Mr. Russell Taylor – Managing Director - **Golden Tree Asset Management** (<https://www.goldentree.com/>) Australia and their US parent have pledged to sponsor and support VACD projects and programs over the next two years.

Golden Tree was founded in the United States in 2000, has over 250 employees, is 100% employee-owned and has offices located in New York, West Palm Beach, London, Singapore, Sydney, Tokyo, and Dublin.

They are one of the largest independent global credit asset managers with over \$46 billion in assets under management across a broad spectrum of alternative and fixed income strategies within the credit universe in sectors such as high yield bonds, leveraged loans, distressed, structured products, emerging markets, and credit-themed equities.

Our activities during FY 2021/22

- **Bandarawela Base Hospital upgrade** – VACD raised funds for critically needed medical equipment and medication for the Bandarawela Base hospital that served a large number of communities from the surrounding region including VACD families, during the height of the

Covid pandemic. Our collaborative partners Australia Sri Lanka Medical Aid Team and MJF Charitable Foundation in Sri Lanka also provided crucially required equipment and medication towards this cause.

- Upgrading our Webpage – <https://www.vacd.org.au/>
We are deeply appreciative and are delighted that the VACD Australia webpage was re-designed and upgraded for us on a pro bono basis by Mr. Stefan Jaro – VACD’s Web & Technical Consultant, honoring his pledge made to us a few years ago to design a leading-edge webpage to help us advocate and accomplish our mission.

Stefan is a Consultant in Data Analytics at Stax, a US-based strategy consultancy company that caters to research and analytical needs of Private Equity firms. He leads projects, is involved in business development and the development of analytical products.

- Recruitment and training of teachers – We commenced recruiting teaching staff to meet our growing staffing needs at our centres so that we could allocate one head teacher and two assistants per centre. In-house theoretical and practical training sessions were conducted for these teachers who have since been placed to work directly with our children at our centres. The Ayati Foundation, the MJF Charitable Foundation and the Specialised Training & Disability Resource Centre at the Employers' Federation of Ceylon have pledged to provide these teachers with additional training at their respective facilities.
- Welimada centre: Teardrop Hotels undertook to sponsor our proposed Welimada centre where parents’ committees have been formed and families with children with disabilities registered with us. The Sri Lanka team is now searching for the ideal premises for the centre to be located and commence no sooner the social and political situation in the country stabilizes.
- Custom designed furniture – We have placed an order for specially designed furniture suited for children with congenital impairments to be manufactured for our VACD centres under the guidance of Dr. Gopi Kitnasamy - Head of Rehabilitation Services at the MJF Charitable Foundation and have since made several advance payments in instalments towards this project with the final payment due during the 2022/23 fiscal year.
- New sponsor and supporter - Golden Tree Asset Management in Sydney, Australia undertook to sponsor and support VACD projects and programs over the next two years with the support of their US parent.

- Food relief - With the economic situation leading to food shortages and spiraling food prices in Sri Lanka, VACD donated 15 kg food care packages to families of children who attend our centres in Bandarawela, Badulla and the proposed Welimada centre.
- Financial Relief - in addition to EAP and FAP and in response to the economic situation in Sri Lanka financial assistance was also given to families undergoing severe hardship.
- Nutritional Program – We extended our nutritional program at our centres to every day of the week to ensure that our children receive at least one nutritious meal a day that is critically important for their health, rehabilitation, and wellbeing.
- Functions - Low key Sinhala/Tamil New Year, Christmas and religious functions were held at our Bandarawela and Badulla centres for our children, their families, and staff.
- Strengthening our Compliance & Governance - We appointed VACD Australia director Mrs. Shanthi Manamperi as VACD Australia's "Compliance & Governance Director" and VACD Sri Lanka appointed their director Mr. Kapila Jayasekara to a similar post so that these two directors will have overall oversight of our mission's compliance and governance accountabilities in keeping with Australian Charities and Not-for-profits Commission (ACNC) counselling.

Programs on hold & Future programs

- The introduction of the "Early childhood supported playgroup program" at our VACD by centres by our VACD Australia Director Ms. Gabriella Vascotto (Bachelor Special Education., Visiting Consultant to VACD schools in Sri Lanka, Learning Consultant Autism/Behaviour and Supported Playgroup Project Consultant for Catholic Education Melbourne, Victoria) when it is convenient and safe for her to travel to Sri Lanka.
- Once the acute shortage of fuel is resolved we would extend our "Food Relief Assistance" program across the Uva province to regions where we have VACD registered families who do not or are unable to attend our centres because of traveling difficulties and other difficulties.
- We will be recruiting 2 more specialist teachers, 1 Assistant Teacher and 1 Assistant Teacher/Assistant to our office administrator during the 2022/23 fiscal year.

- Implement our outreach program and community awareness seminars and workshops in urban and rural areas across the Uva Province with the assistance of the Uva Health and other relevant Provincial Ministries to encourage parents with children with congenital impairments to seek counselling, medical treatment and rehabilitation for themselves and their children in local hospitals, ministries, and agencies nearest to them.
- Encourage and promote home gardening, poultry, animal husbandry, beekeeping and other household income generating prospects for VACD parents in collaboration with Teardrop Hotels and other local & provincial government agencies/specialists.
- Replace old and unsafe rehabilitation and exercise equipment, provide audio visual and other equipment for workshops, seminars, and public events at all our centres.
- Provide special hands-on training for our teachers at recognized institutions and organisations in Colombo.
- Ensure that all our centres are better facilitated and sourced to cope with increasing numbers of children attending our facilities.
- Introduce more social and community events to enable our children and their families integrate with their local communities.
- Re-commence regular medical specialist visits to our VACD centres to examine and monitor rehabilitation progress being made by our children.
- Review and expand our Family Assistance Program and Educational Assistance Program as we continue our outreach program to remote parts of the province.
- Continue with our fund-raising drive via all opportunities open to us to ensure that we have sufficient funds to meet all our ongoing and future projects and programs and build strategic/prudential reserves to meet future financial demands as recommended by our oversight authorities.
- Conduct quarterly health clinics, leadership skills, computer and excel training, motivational and vocational training etc. for VACD children, young VACD club members and VACD parents with the assistance of recognized specialists who have already pledged their pro bono services to VACD at our centres and key townships across the Uva province.
- We deeply appreciate and value the pro-bono services pledged to us by experts listed below:

Ms. Lasanthi Daskon - Attorney at Law, Deputy Director The International Foundation for Electoral Systems - Sri Lanka, Visiting Lecturer Centre for

Disability Research, Excellence & Practice at the University of Colombo and visiting Lecturer, Department of Disability Studies at the Faculty of Medicine at the University of Kelaniya,

Dr. Ranil Sugathadasa - Keynote speaker on Mindset, Motivation, Transformation, Peak Performance & Happiness, and Leadership & Management Coach.

Ms. Lakmini Balasuriya - Clinical Audiologist at Faculty of Medicine, University of Kelaniya & Ayati Centre Ragama

Dr. Chaminda Liyanage - Consultant Paediatrician at Ministry of Health of Sri Lanka and Base Hospital Badulla

Mr. Kevin George - Head of Cloud & Automation at ANJN Group

Mrs. Gaya Hapuarachchi – Public, Business, Human Resources and Management Training, International Human Resources, Advanced Promotional Practice & Marketing and Technical & Electronics Engineering

Dr. Gopi Kitnasamy – Founder & Chairman Cerebral Palsy Lanka Foundation & Head of Rehabilitation Services at MJF Charitable Foundation.

Mr. Asoka Walpitagama - Partner – IKAD Consultancy & Corporate Trainer – ICT and soft skills.

We fondly and sadly remember:

The loss of three of our longstanding and ardent supporters who are sorely missed:

- Mr. Sunil Perera, a Sri Lankan vocalist, guitarist, songwriter and composer described as one of the most influential musicians in Sri Lankan music history who was the leader and lead vocalist of the band “The Gypsies”. Sunil was not only a leading musician and philanthropist but a humble, lovable, and zealous humanitarian who supported VACD financially and keenly followed our progress over many long years.
- Dr Tiraj Mendis, Consultant Paediatrician at Diyatalawa Base Hospital who visited our centres on a regular basis to provide medical attention to children whose families were deprived of these facilities due to their financial and other constraints. Tiraj inspired and encouraged VACD to

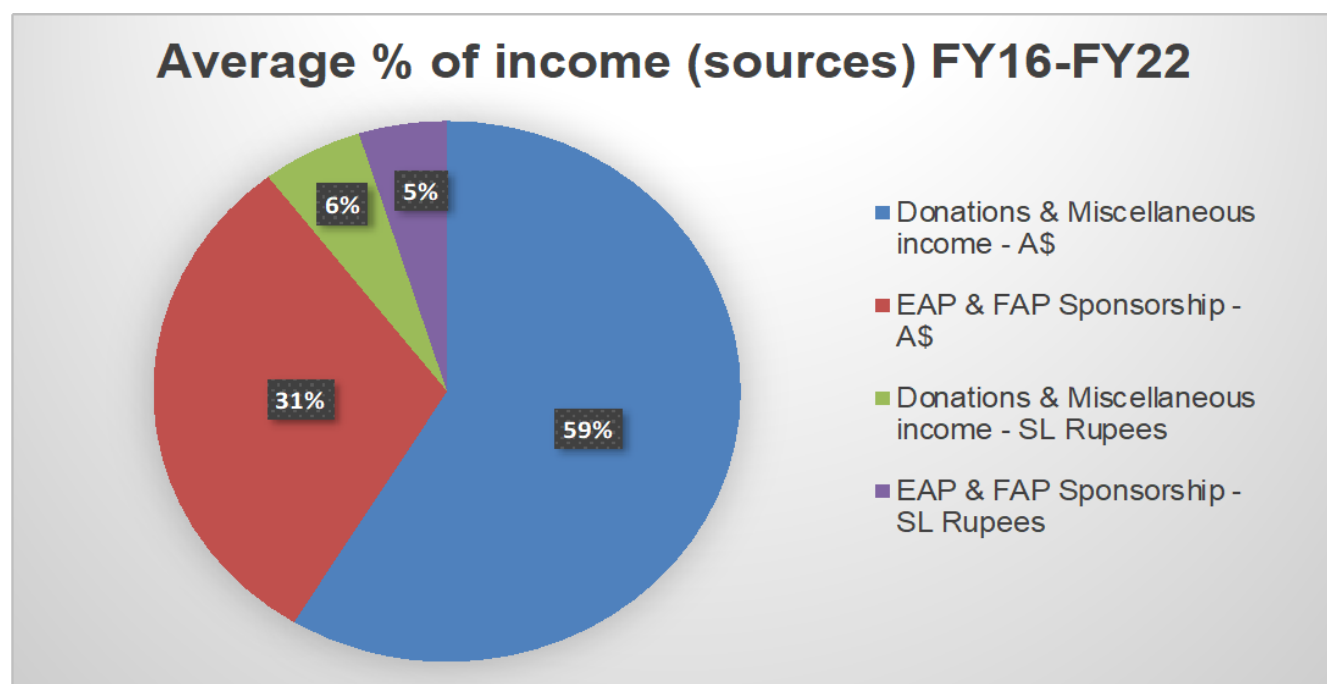
expand our reach to rural parts of the Uva province where the need for rehabilitation and support for children with congenital impairments and rehabilitation was extreme.

- Mr. Elmo Perera, a gentle, loving and kind philanthropist who introduced his cousin Dr. Tiraj Mendis to us, supported our mission and promoted our cause through his personal network for many long years.

VACD Finances & Financial Analysis FY 2016 to FY 2022

INCOME:

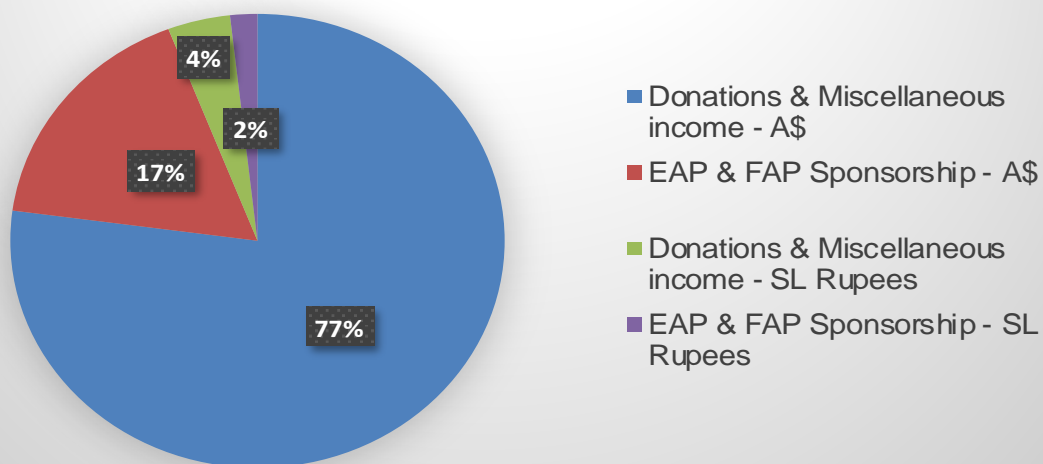
Income (FY16-FY22)	Average
Donations & Miscellaneous income - A\$	59%
EAP & FAP Sponsorship - A\$	31%
Donations & Miscellaneous income - SL Rupees	6%
EAP & FAP Sponsorship - SL Rupees	5%



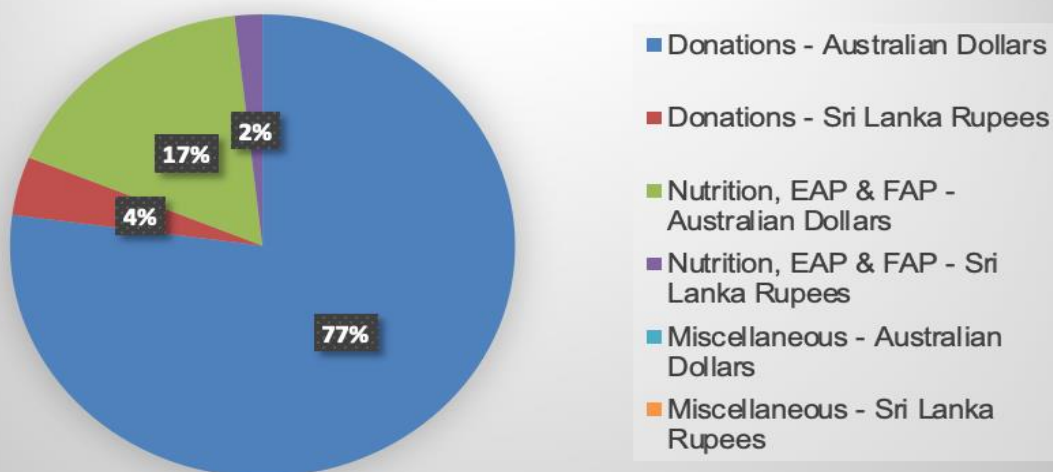
Note: Excel spreadsheet rounding to the nearest dollar makes the total 101% in the above summary and Pie chart.

Income sources breakdown- FY22	As a % of total income
Donations & Miscellaneous income - A\$	77%
EAP & FAP Sponsorship - A\$	17%
Donations & Miscellaneous income - SL Rupees	4%
EAP & FAP Sponsorship - SL Rupees	2%

Income Analysis- FY22



Inflows- FY22

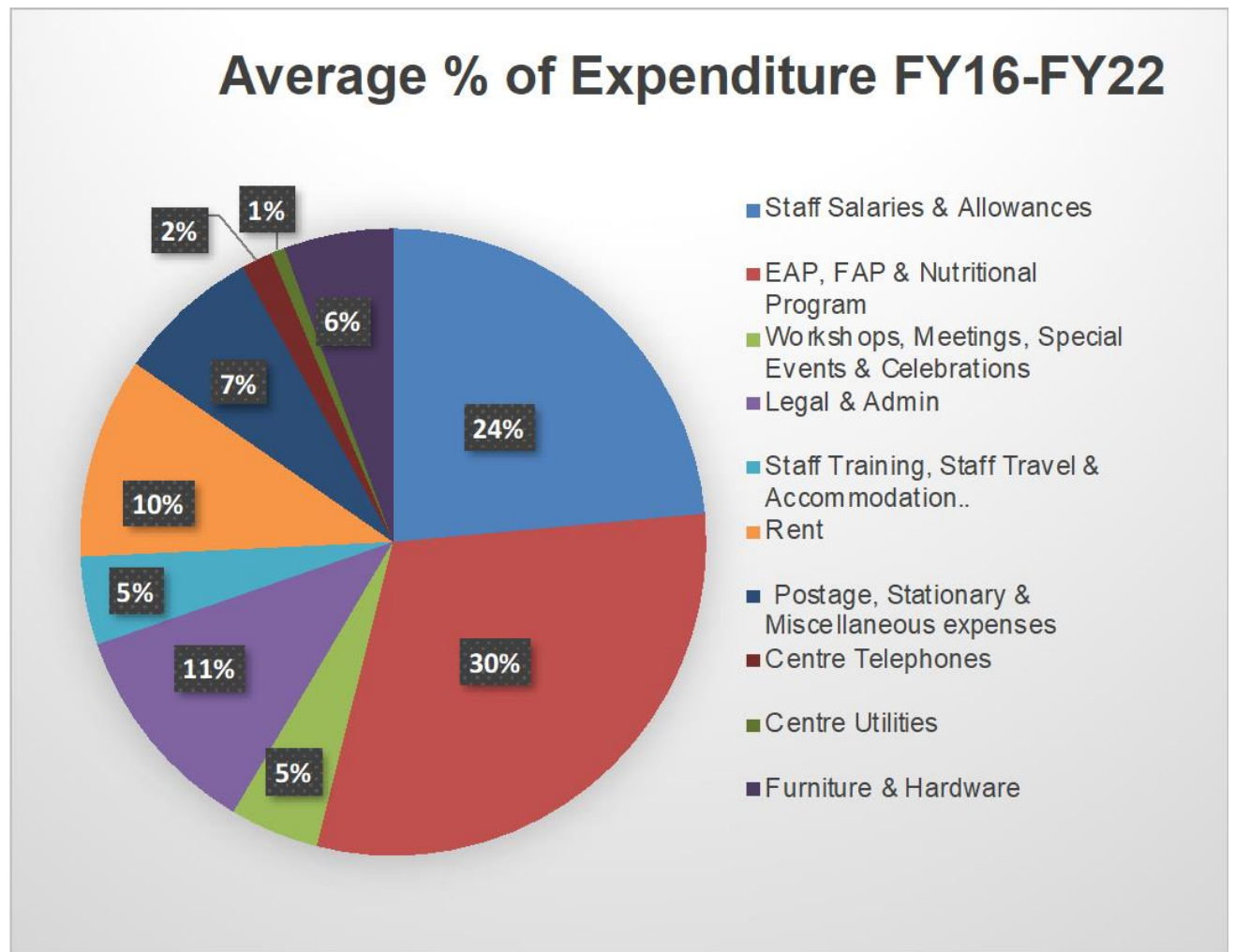


EXPENDITURE:

Expenditure ratios FY16-FY22	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Administration Expenses	13%	9%	3%	3%	1%	3%	7%
Indirect services to beneficiaries	11%	15%	11%	10%	10%	8%	7%
Direct services to beneficiaries	76%	76%	86%	87%	89%	89%	87%
Total	100%	100%	100%	100%	100%	100%	100%

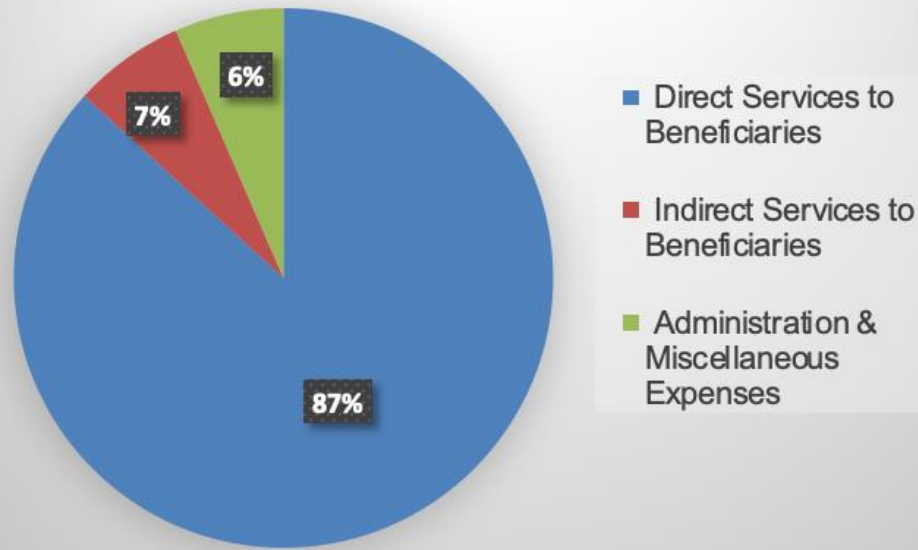
Note: Excel spreadsheet rounding to the nearest dollar makes the total 101% for 2021/2022 in the above summary

Expense Analysis - FY22	AUD	%
Direct Services to Beneficiaries	25,282.45	86.78%
Indirect Services to Beneficiaries	1,946.69	6.68%
Administration & Miscellaneous Expenses	1,903.98	6.54%
Total	29,133.13	100%

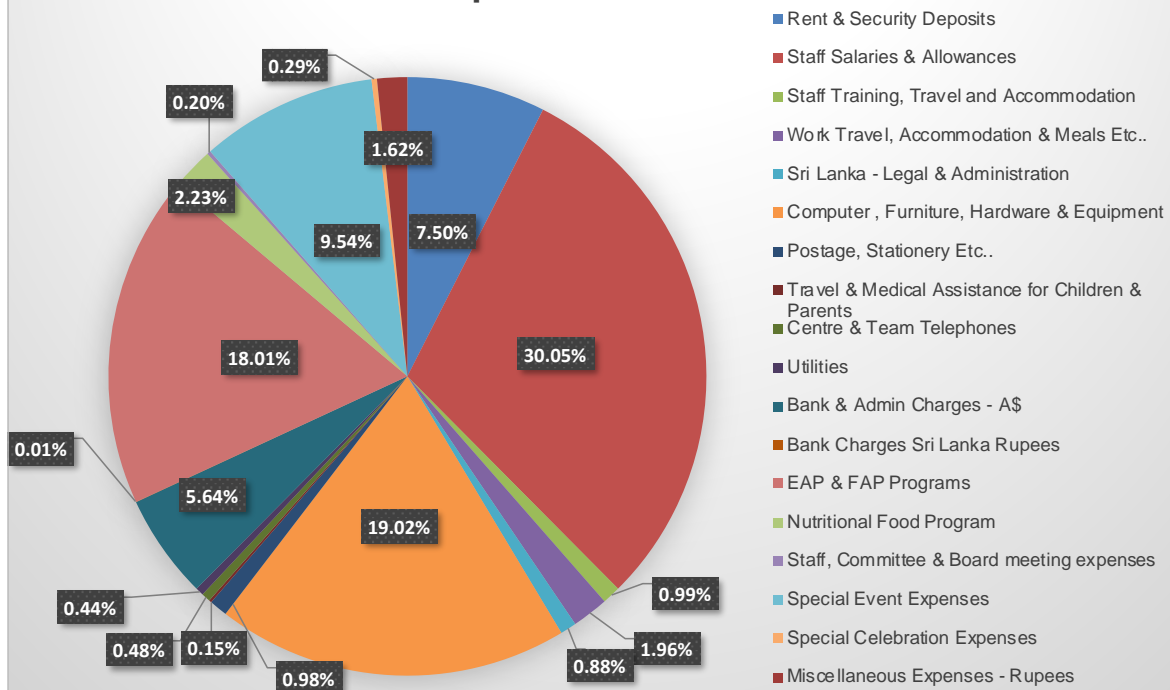


Note: Excel spreadsheet rounding to the nearest dollar makes the total 101% in the above Pie chart.

Expense Analysis - FY22



Expenditure- FY22



Notes: A) Adding more staff numbers to our centres will increase our salaries and allowances budget for FY 2022/23 and beyond. B) The provision of new specially designed furniture and equipment will make a one-off increase to our budget for FY 2022/23 C) Our budget for rent will increase with the opening of our new centre in Welimada.

VACD USA

The Australian Board of Directors reluctantly resolved to cease operations in the USA in January 2022 notwithstanding the time, effort, and personal funds expended by those directly involved in this project and the time spent, personal funds deployed, and overseas travel costs incurred by my wife Yasmin and myself to establish this mission.

I wish to place on record my deep gratitude and indebtedness for the encouragement, commitment, time, deployment of personal funds and the execution of various administrative functions performed by our VACD USA founding members Mr. James Gruver, Mrs. Marriane Gruver, Mr. Frank Fendler, Mrs. Ellie Fendler, Mr. Greg Fendler and Mrs. Jenny Fendler.

While very disappointing, the decision to cease operations of our USA mission was taken after a long period of thoughtful reasoning and considerable soul-searching, since the present USA leadership team found it difficult to devote crucially needed time and resources that were necessary in order to reach out to donors in USA and the North American and generate funds for our mission in Sri Lanka. The winding down process is presently underway.

Many thanks for your continued guidance, counselling and support that have made my responsibilities a pleasure to carry and duties to fulfill.

I wish you, your families, loved ones and colleagues the absolute best now and over the coming years and look forward to working with you closely to achieve the noble objectives of our mission and the continuation of our journey that began 10+ years ago.

Let me conclude my 2021/2022 annual report to you with a thought-provoking maxim "If not us, then who? If not now, then when?"

Sincerely yours in service.

Felix Stephen

Chairman of the Board of Directors,

***Volunteers to Assist Children with Disabilities Limited. Australia,
& Member of the Advisory Boards of VACD & VACD Sri Lanka***

1st August 2022