



Volunteers to Assist Children with Disabilities Ltd. Australia CHAIRMAN'S FY 2022/2023 ANNUAL REPORT to the VACD Australia Board & Fellows

Dear Colleagues,

I am delighted to present to you my Annual Report for FY 2022/23 summarising our activities, collaboration agreements, financials, performance, ongoing projects & programs, and future programs & plans etc. for your deliberations.

Spiritual leaders, philosophers and philanthropists through the ages have highlighted the value of and need for charity. Some of their insightful pronouncements on this theme should inspire and guide us on our own journey and mission to uplift and support children with disabilities and their families in Sri Lanka:

“A man’s true wealth is the good he does in this world.”

“What does love look like?

It has the hands to help others.

It has the feet to hasten to the poor and needy.

It has the eyes to see misery and want.

It has the ears to hear the sighs and sorrows of men.

That is what love looks like.”

“Anticipate charity by preventing poverty; assist the reduced fellow man, either by a considerable gift or a sum of money or by teaching him a trade or by putting him in the way of business so that he may earn an honest livelihood and not be forced to the dreadful alternative of holding out his

hand for charity. This is the highest step and pinnacle of charity's golden ladder."

OVERVIEW

FY 2022/23 was a difficult year for us to implement a majority of our planned programs and projects due to the COVID pandemic and ongoing social and political uncertainties in Sri Lanka. However, VACD Sri Lanka continued to accomplish as much as they could notwithstanding these difficult circumstances and challenges.

VACD Sri Lanka's accomplishments were largely due to a strong focus, deep commitment, and intense devotion towards our mission, our children, and their families by Retd. Col. Kumarasinghe – Secretary VACD Sri Lanka who dedicates a significant portion of his time, resources, energy, and leadership skills to fulfil his administrative, project and programs implementation responsibilities for our mission.

OUR VISION & MISSION

Since inception, VACD has held firmly to its philosophy, vision and mission and implemented all projects and programs through the prism of values enshrined in our ethos, namely:

"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 these children, encourage, support and nurture them to live a life full of promise, success, contentment, potential and inclusion."

To accomplish our mission, we establish VACD Centres and engage with local communities, religious groups, business, government, and medical authorities. Through engagement, awareness, and communication we strive to eliminate poverty, ignorance, discrimination, social isolation, vilification, and abuse. We promulgate and encourage communities to value, uphold and respect the rights of children with disabilities.

GOVERNANCE

VACD is governed by a team of directors in Australia and Sri Lanka who volunteer their time, resources, expertise, and services, and are committed to

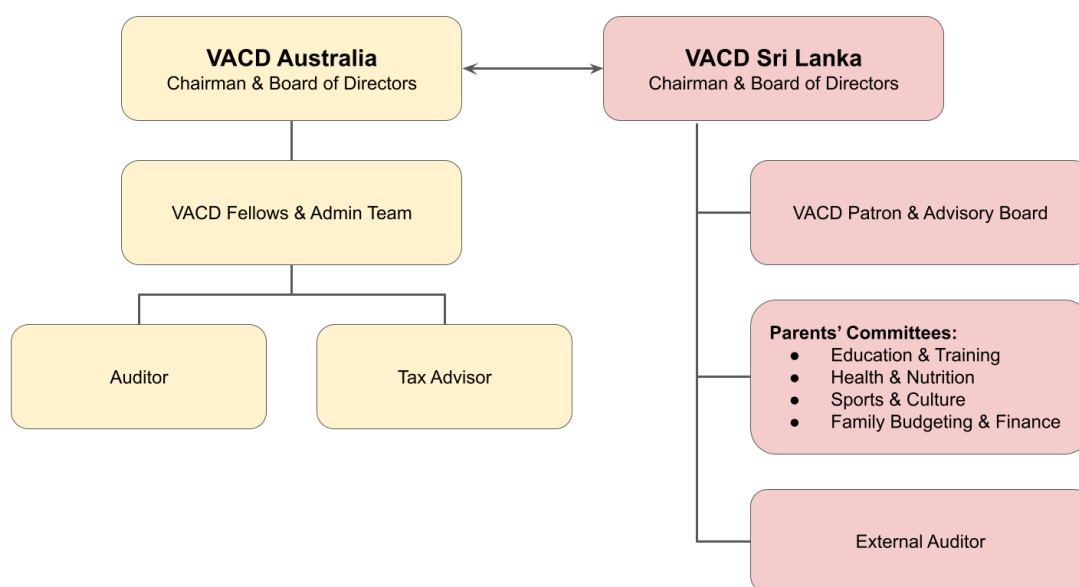
advancing our mission with no monetary or economic benefits accruing to them.

VACD ADMINISTRATION & OPERATING STRUCTURE

VACD Australia - is a benevolent limited liability publicly listed company registered with the Australian Securities and Investment Commission (ASIC) and the Australian Charities and Not-for-profits Commission (ACNC).

We received ACNC's 'tick of approval' that reassures the public that our mission is transparent, responsible, and well administered. VACD was granted Deductible Gift Recipient (DGR) Status by the Australian Taxation Office (ATO) on 1st December 2015 that entitles Australian taxpayers to claim tax concessions for financial donations made to our mission.

VACD Sri Lanka - Volunteers to Assist Children with Disabilities (Private) Limited is registered with the Registrar-General of Companies in the Democratic Socialist Republic of Sri Lanka under the companies Act No:7 of 2007 and registration No: P V 111248 dated 27th January 2016 as a private benevolent limited liability company with a volunteer Board of Directors who oversee all VACD Sri Lanka activities and programs within the country.



SELF-COMPLIANCE & EXTERNAL CONDUCT STANDARDS

VACD Australia, as a public limited liability benevolent company registered with the Australian Charities and Not-for-profits Commission (ACNC), the Australian Securities and Investments Commission (ASIC) and licensed to procure funds for our mission to be deployed exclusively in Sri Lanka in order to meet our vision, mission, and objectives, must observe and adhere to the legal and compliance framework outlined to us by our Australian oversight authorities, namely the ACNC.

ACNC's new prudential guidelines place compliance and oversight responsibilities directly on the VACD Australia Board under a Self-Compliance structure and emphasises the importance of our continued transparency, accountability, and strict adherence to their External Conduct Standards that regulates how an Australian registered charity should diligently manage its activities and resources when deploying funds outside Australia in order to retain its Australian Charity status and license.

Our VACD Australia director Mrs. Shanthi Manamperi was appointed as VACD Australia Compliance & Governance Director to ensure that we fulfil ACNC's Self-Compliance and External Conduct Standards directives.

VACD Sri Lanka and VACD Australia are bound by a Memorandum of Understanding that compels our mutual fulfilment of common policies that govern our two entities registered in two different legal jurisdictions. These include self-compliance, fulfilment of our external conduct standards obligations, transparency, responsibility, accountability, safety, and wellbeing of our children and upholding and protecting the reputation of our missions in Australia, Sri Lanka, and rest of the world.

Common policies that have been in force since inception of our mission are Child Protection Policy, Anti-Money Laundering Policy, Privacy and Refund Policy, Anti-Terrorism & Anti-Fraud Policy, and Code of Conduct Policies.

Given that VACD Australia has comprehensive oversight of VACD Sri Lanka activities, Yasmin and I will discuss and motivate our fellow VACD Sri Lanka Directors to ensure that they meticulously apply all of the above policies including the implementation of Self-Compliance and External Conduct Standards.

Yasmin and I are scheduled to meet with the VACD Sri Lanka Board of Directors at a special board meeting during our upcoming, self-funded visit to Sri Lanka in August/September 2023. We will ensure that all VACD Sri Lanka Board members are thoroughly mindful of their legal and fiduciary responsibilities as a Board in a privately registered company and that they are legally obligated to discharge their duties and responsibilities in a manner that enables VACD Australia to retain our license with the ACNC and procure funds for the mission in Sri Lanka.

Once VACD Sri Lanka fully implements all these policies, we would automatically be fully compliant with ACNC guidelines and be able to continue to retain our license to raise funds for our stated mission in Sri Lanka.

OUR PEOPLE

While the Australian and Sri Lankan Directors on our respective Boards remain unchanged, a VACD Melbourne Chapter was established as part of our expansion and leadership succession planning intentions, consisting of:

Ms. Adrika Sri Bavan – Head of Marketing

Mrs. Farrah Carim - Head of Finance

Mrs. Netaisha Harvey - Head of Inclusive Education & Partnerships

VACD Australia's Director Ms. Gabriella Vascotto (Visiting Consultant to VACD centres in Sri Lanka) will be the leader, mentor, and coach of this team.

Along with Ms. Vascotto, Yasmin and I will play a key role to groom our new members over the next two to three years so that they are fully competent to assume their specified roles performing VACD's marketing, accounting, reporting and project planning and management responsibilities as part of our long-term leadership succession program.

All VACD Directors in Australia and Sri Lanka offer their services to our mission on a purely voluntary basis and play an active role in all major executive and administrative decision making.

ABOUT VACD CENTRES & FACILITIES

In response to a concerned teacher's appeal to help a classroom of children with disabilities who had no proper facilities or services, our mission was established in Bandarawela, Sri Lanka on 27th December 2011.

Sir Robert Clark Centre for Children with Disabilities was our first centre established in Bandarawela sponsored by the Clark Family, followed by the Dora Jeanne Centre for Children with Disabilities in Badulla sponsored by the Fendler family. Our third centre, sponsored by Teardrop Hotels in Sri Lanka was established in Ambagasdowa on 20th June 2023 after a considerable delay chiefly due to the ongoing troubled social, political, and economic environment in the country. Each centre is staffed by a head teacher, two assistant teachers and a caretaker.

All VACD centres are safe and welcoming places for our children with congenital disabilities and their families regardless of their race, religion, or caste. Children attend our centres for rehabilitation, computer, numeracy and literacy training, life skills, physical, music and dance training and learn to socialise and care for one another at these centres. They are also taught basic cooking skills on how to prepare nutritious meals which they share among themselves. Children are also taken on excursions to broaden their horizons and participate in local social and cultural events that will equip and groom them to integrate with their local communities.

Parents receive coaching and training in feeding, nutrition, childcare etc. so that they can cope with the challenges at home. They also receive instructions on craft, home gardening and income generating skills to manage their household finances at our seminars, workshops and at VACD centres. Parents are encouraged to play active roles in the administration of our centres by serving on parent committees such as Education & Training, Health & Nutrition, Sports & Culture and Family Budgeting & Finance and also participating in working bees etc.

However, as a result of the long duration of the COVID lockdown coupled with social and political unrest and stressful living conditions in Sri Lanka, some of our programs such as the children's music & computer literacy and coaching and training for parents have been disrupted but will be revived relatively soon over the coming months.

We presently have 1 office administrator at our main centre in Bandarawela and 12 staff allocated across the three centres. There are 425 children registered with us (previously 356) of which a total of around 60 to 90 of these children attend our centres on a regular basis. VACD Sri Lanka are in the process of recruiting an assistant office administrator to help cope with the increasing administrative workload.

All our VACD centres, staff, visitors etc. are covered by comprehensive public liability, personal accident, and workman's compensation insurance cover.

OUR ACTIVITIES DURING THE PERIOD UNDER REVIEW

VACD's activities gradually picked up pace during the latter stages of this financial year after being impeded by the pandemic lockdown and economic, social, and political unrest. While some programs continued to be implemented unabated, dire financial pressures faced by many of the VACD families due to soaring cost of living inflation and food shortages motivated us to focus on solving more pressing needs of our VACD families and to introduce new initiatives.

ONGOING PROGRAMS

- Educational Assistance Program (EAP) under which 20 registered children with disabilities or their siblings who show academic promise and potential are given a monthly allowance to meet their educational expenses, thereby ensuring that they are not forced to abandon their education due to household financial stresses.
- A monthly allowance under our Family Assistance Program (FAP) to 30 families enduring household financial hardships.
- Nutrition Program that provides VACD children who attend our centres with a nutritionally dense meal every day.

WHAT WE HAVE ACHIEVED DURING THIS FINANCIAL YEAR

- The second distribution of food care packages to all VACD families across the Uva province was done in April 2023 having previously limited this special support facility to 110 families whose children attend our centres. There are a number of VACD registered children who due to various reasons (distance, lack of public transport, lack of mobility of

disabled child, household financial stress etc.) are unable to attend our centres.

- All staff members were paid a one-off allowance of a month's gross salary to cope with spiralling cost of living challenges late last year.
- New custom designed furniture to ensure the comfort, health and safety of children with disabilities were manufactured for VACD and distributed to all centres with the assistance and guidance of Dr Gopi Kitnasamy (Chartered Physiotherapist) costing us approximately A\$10,000.
- The recruitment and training of specialist assistant teachers to ensure that the teacher/child ratio is maintained in each centre in keeping with medical & rehabilitation expert recommendations.
- Opening our third VACD centre in Ambagasdowa named 'Teardrop CARE Centre for Children with Disabilities' sponsored by Teardrop Hotels on 20th June this year.

COLLABORATIVE AGREEMENTS

- The trustees of MJF Charitable Foundation and the VACD Australia Board agreed to collaborate our activities initially in the Uva region and subsequently across the rest of the country. MJF Foundation is the charitable arm of the world famous Dilmah tea enterprise founded by Mr. Merrill J Fernando. This agreement will be formalised during the upcoming visit to Sri Lanka by Yasmin and myself.
- A collaborative agreement was reached between Cargills (Ceylon) Ltd and VACD to facilitate the distribution of prescription medicine to VACD registered children. Cargills (Ceylon) Ltd are an island-wide chain of supermarkets cum pharmacies. The shortage of medicines in public hospitals and inflated prices being charged by some private pharmacies have made prescription medicines unaffordable for families to purchase for their disabled children. This collaboration will enable us to distribute free prescription medication to our children providing immense relief to them and their families. Our aim is to find a sponsor for this program to mitigate funding costs. This agreement will be formalised during the upcoming visit to Sri Lanka by Yasmin and myself.
- The collaboration with Teardrop Hotels who are the sponsors of our VACD Ambagasdowa centre will be formalised during the upcoming tour of Sri Lanka by Yasmin and myself.

FUTURE PROJECTS & PLANS

1. Continuation and extension of our Education Assistance Program.
2. Continuation and extension of our Family Assistance Program.
3. Continuation and enhancements of the Nutrition Program.
4. Resumption of quarterly visits to VACD centres by Paediatricians and General Practitioners from local government hospitals to examine our VACD children, monitor and prescribe medications to them with priority given to our children when they visit government hospital clinics.
5. Provide medical assistance to children from impoverished regions and financially stressed households and work out a program to assist these children to attend our centres on a regular basis.
6. Provide free prescribed medication to all our VACD children.
7. Conduct quarterly health camps/clinics/workshops for our children and their parents.
8. Conduct regular leadership, vocational, computer, Excel/Word, motivational & other skills training etc. for VACD children, their parents, siblings and young VACD club members.
9. Revive our Sri Lanka Young VACD Members Club, motivate, coach, and train young supporters of our mission to be potential future leaders and implement a medium-term leadership succession plan at VACD Sri Lanka.
10. Implement our household income generation program by providing resources, training in-home gardening, animal husbandry, bee keeping and other income generating prospects for VACD parents in collaboration with Teardrop Hotels and other local & provincial government agencies/specialists.
11. Provide sewing machines, overlockers, sewing material etc. at our centres to help parents learn to sew and earn additional household income.
12. Provide additional hands-on specialist training for our newly recruited assistant teachers at the MJF Charitable Foundation and Ayati Centre.

13. Continue with our food distribution program in impoverished and remote rural areas of the Uva province.
14. Provide equipment for physical training, sports, exercise, recreation, art, craft, painting, music, dance, singing, vocational and life skills training, audio-visual equipment, computers, printers/scanners for rehabilitation, workshops & seminars for computer literacy training and additional office furniture to facilitate our capacity enhancement program.
15. Implementation of our Early Childhood Supported Playgroup Program for young children with developmental concerns by VACD Australia Director Ms Gabriella Vascotto - Visiting Consultant to VACD centres in Sri Lanka, Learning Consultant Autism/Behaviour and Supported Playgroup Project Consultant for Catholic Education Melbourne, assisted by Mrs. Netaisha Harvey – VACD’s Head of Inclusive Education & Partnerships.
16. Implement an outreach program into remote and impoverished rural areas of the Uva province to guide and support parents with children with disabilities who are unaware of the reasons for their child’s health condition and how to obtain medical guidance and expert advice, in consultation with our collaborative partners in Sri Lanka and the Uva Ministry of Health. This project will be implemented only if sufficient funding can be sourced by us.
17. A luncheon to inaugurate our new VACD Melbourne Chapter to be held in Melbourne on Sunday, 8th October 2023.

OUR SPONSORS, SUPPORTERS & ACKNOWLEDGEMENTS

Our supporters hail from all walks of life, consisting mainly of long-standing friends, family, colleagues, directors of VACD and their contacts, and organisations both large and small.

ACKNOWLEDGEMENTS

I acknowledge and am deeply appreciative to the following for their support and pro bono services to our mission:

- First and foremost, I wish to place on record my sincere and deep appreciation to all of you members of the VACD Australia Board & VACD

Fellows for your selfless and sincere voluntary service to our mission, and your wisdom, guidance, encouragement, and commitment to our mission for almost 12+ years. You have given me the strength to persevere knowing that I always had your support to explore ways and means to enhance and improve our services to our children and their parents for whom we are their only hope.

- A very special thank you to Retd. Col. Kumarasinghe – Secretary VACD Sri Lanka for his continued voluntary service, commitment, and devotion to our mission.
- A special thank you to Mr. Nalin Perera, our volunteer VACD auditor who has helped us to produce a set of outstanding excel accounting reports that are self-explanatory, transparent, and useful as management and reporting tools.
- Mr. Stefan Jaro, (VACD website administrator) who honoured his pledge to create a new state of the art webpage for us on a pro bono basis and continues to support us by actively administering our new webpage.
- Mr. Maithri Panagoda (Partner) and Ms. Dianne Retief (Senior Associate) of Carroll & O’Dea Lawyers for their pro bono legal work and guidance to VACD.
- Teardrop Hotels – sponsor of VACD’s Teardrop CARE Centre for Children with Disabilities in Ambagasdowa who have supported us for many years and their offer to introduce home gardening and household income generating programs for our VACD parents.
- Mr. William Clark and rest of the Clark Family – sponsors of VACD’s Sir Robert Clark Centre for Children with Disabilities in Bandarawela. Mr. Will Clark has been an ardent supporter of our mission since inception.
- The Fendler family – sponsors of VACD’s Dora Jeanne Centre for Children with Disabilities in Badulla and their significant role of being an invaluable asset to our mission.
- Cheyne Capital, for their sponsorship support.
- Golden Tree Asset Management for their sponsorship support.
- Gryphon Capital Investment for their sponsorship support.
- Mr. Kevin Melder and his colleagues at Western Australia Sri Lanka (Ceylon) Association Inc. (WASLA) who have pledged their support to VACD.
- Dr. Gopi Kumar Kitnasamy (Founder/Chairperson Cerebral Palsy Lanka Foundation) for his expert guidance to manufacture specialist furniture

for our children and his continued support to conduct workshops and seminars for our children and their families.

- All sponsors of VACD's Educational Assistance, Family Assistance and Nutrition Programs.
- All donors who support VACD with financial gifts from small to large.
- All medical experts, fellow philanthropists, friends, family, ex-colleagues who give advice, facilitate important sponsorships, give moral support, and genuinely care for our mission.

FINANCES

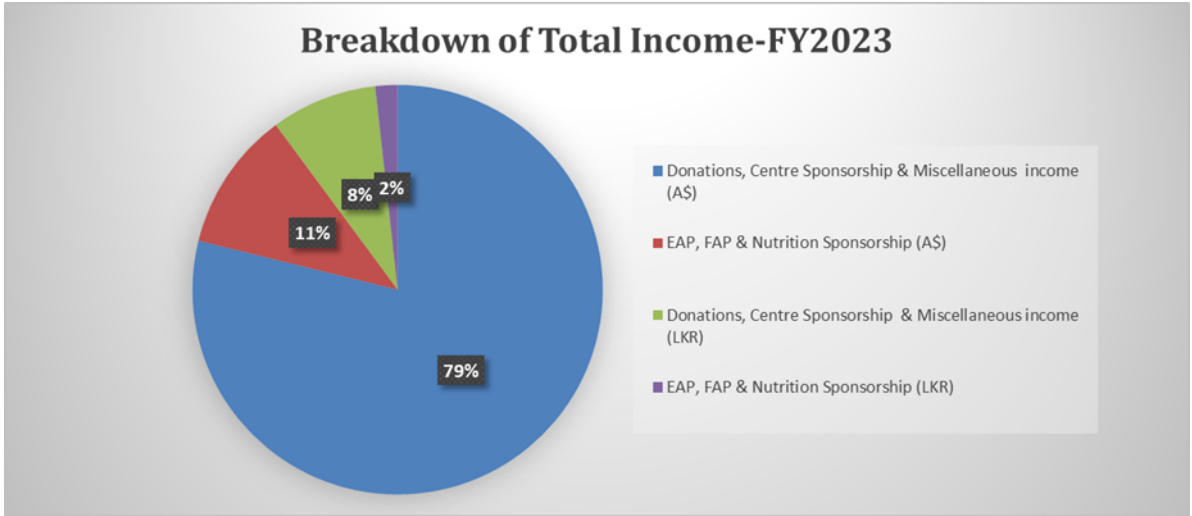
VACD is in a stable financial position, with reserves being strategically built to meet our funding costs of existing and future projects over the next three years, in keeping with guidance provided to us by ACNC, our Australian oversight authorities.

INCOME:

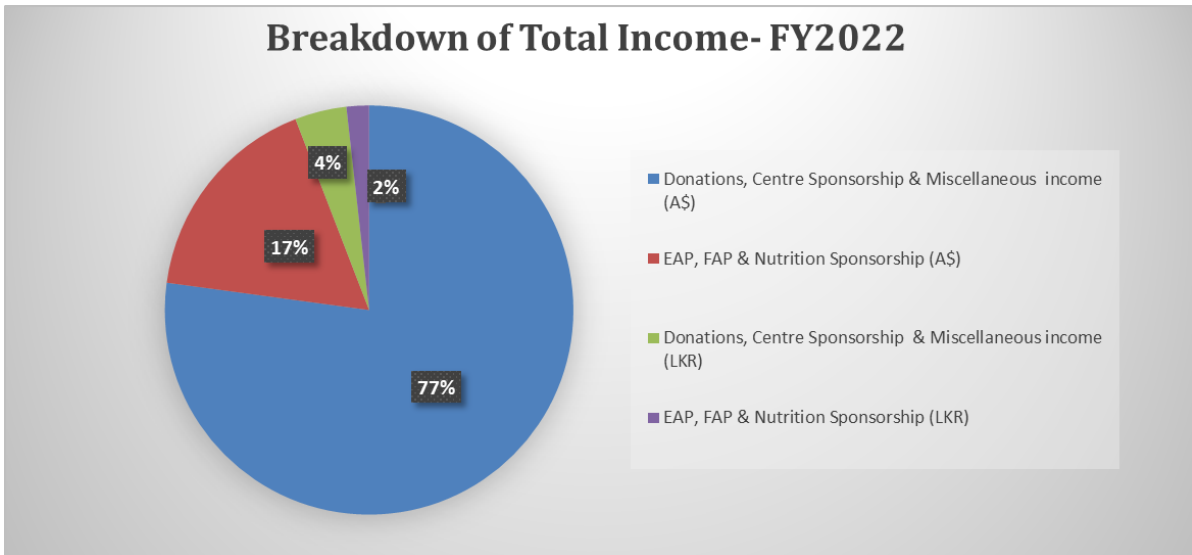
79% of our total income in Australian Dollars for 2022/23 was made up of regular and ad hoc donations and centre sponsorship and 11% under our Educational Assistance Program (EAP), Family Assistance Program (FAP), Nutrition Program (NP) sponsorships. Sri Lanka rupee donations towards centre sponsorships and ad hoc donations were 8% while 2% were for our EAP, FAP & Nutrition programs. Over the years, donations made to our mission have varied from month to month with most of them being made towards the end of each Australian financial year.

Geographically, 90% of financial support for our mission comes from Australia, USA and rest of the world while 10% comes from Sri Lanka.

The chart below shows the income rations for the financial year 2022/23:

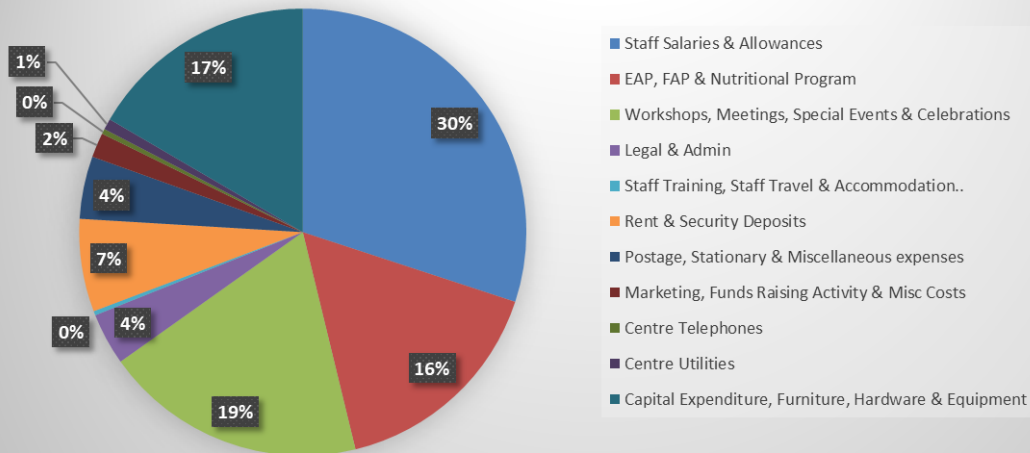


The chart below shows the income ratios for the financial year 2021/22.



EXPENDITURE

Breakdown of Expenditure FY23

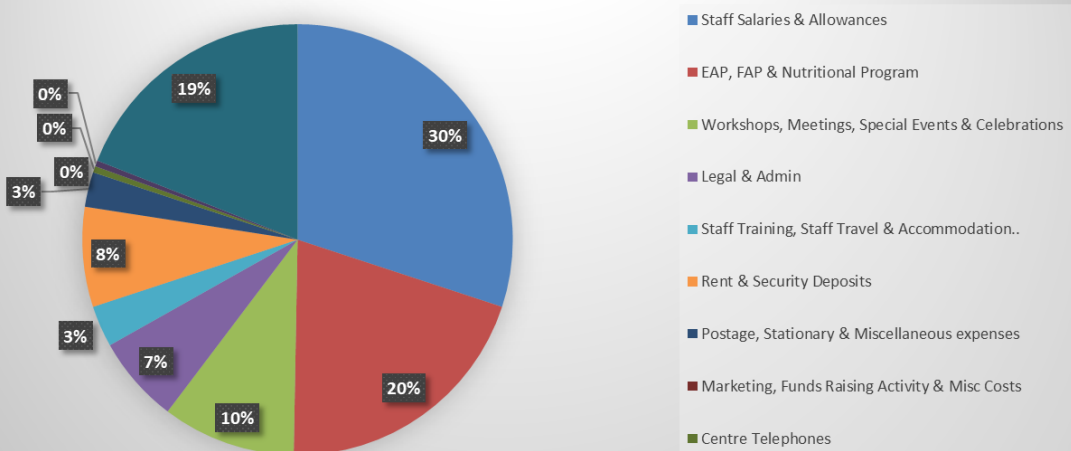


Major expenses during this financial year 2022/23 were staff salaries and allowances at 30%, special events and celebrations at 19%, furniture, hardware, and equipment at 17% and EAP, FAP and the Nutrition program at 16%.

Of our total expenditure during the 2022/23 financial year, direct services to our beneficiaries were 85%, indirect services 9% and administration and miscellaneous expenses 6%.

The chart below shows expenditure ratios for the financial year 2021/22:

Breakdown of Expenditure FY22



Of our total expenditure during the 2021/22 financial year, direct services to our beneficiaries were 86%, indirect services 7% and administration and miscellaneous expenses 7%.

We continue to maintain our administrative expenses at an exceptionally low level, which is made possible through our strict adherence to the principles of volunteerism and being recipients of pro bono services from supporters and well-wishers. Our operating model continues to ensure that a bulk of donations received by us are directed towards implementing projects and programs for the benefit of our children and their families and not administration expenses of the mission.

I anticipate our monthly expenditure to move significantly higher with the revival of our stalled projects and programs, administration of our third centre (see below) and additional expenditure that we will incur over the coming years as we provide free prescription medication to our children. We should look for ways and means to generate sponsorship support for the prescription medication program to mitigate this new expense.

The opening and maintenance of the newly established third VACD centre in Ambagasdowa is likely to be more expensive than our other two centres. The Welimada/Uva Paranagama local government administrative division, where our new centre is located has the highest number of children with congenital disabilities in the Uva province (possibly the country) with low household income generation.

I anticipate us having to allocate more funds to support families in this region under our Family Assistance Program (FAP) and our Education Assistance Program (EAP) and adding further teaching and support staff to this centre.

THE FUTURE

- I envisage the recent collaborative agreement with MJF Charitable Foundation with their administrative bandwidth, capabilities and facilities will help us further our mutual objectives to uplift the lives of children with disabilities and their families and expand our reach to more children and their families who need our assistance.

- We need to work out a detailed succession plan over the next two to three years for our Australian mission in order to consolidate and enhance our achievements over the longer term under the leadership of a team that is dedicated, passionate and committed to our humanitarian cause.
- We need to work out a detailed succession plan for our Sri Lankan mission by encouraging young members with leadership potential and who are philanthropically disposed to join the local leadership team.

I wish to place on record my sincere thanks to each and every one of you for your continued guidance, counselling, support and confidence in my leadership that have made my responsibilities a pleasure to carry and duties a delight 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 12+ years ago.

Let me conclude my 2022/2023 Annual Report to you with a thought-provoking saying by Theodore Roosevelt – “Do Something Now. If not you, who? If not here, where? If not now, 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 Board of VACD Sri Lanka***

10th July 2023