



ANNUAL REPORT

2019/2020





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OUR VISION & MISSION

VISION:

A world where growth is inclusive and diversity is celebrated

MISSION:

Chrysalis transforms communities and institutions to embrace diversity and catalyze inclusive growth for women and youth

OUR BOARD OF DIRECTORS



NELUN GUNASEKERA
(Board Chairperson)



**VIDUSHA
NATHAVITHARANA**
Hi5 Consultancy



**AUDREY
FERNANDO**
*Freelance HR
Professional*



TIM BISHOP
*International
Development and
Partnership Consultant*



TAMARA BERNARD
*Assistant General Manager,
Corporate Banking at
Commercial Bank of Ceylon
PLC.*

EXECUTIVE MANAGEMENT TEAM



ASHIKA GUNASENA
Chief Executive Officer



KUSHALA COORAY
Head of Operations



VINDHYA FERNANDO
Head of Advisory Services



AHAMED RISLAN
Head of Development Services



THARANGA SILVA
Finance Manager

MESSAGE FROM THE CEO

This year Chrysalis continued to consolidate its work, reputation and financial status, having secured a great deal of credibility in promoting inclusive growth for women and youth in Sri Lanka. We worked tirelessly to develop a suite of products and services that are holistic, innovative and sustainable, to address the deep-rooted causes of marginalization of women and youth.

During the period under review our work focused on promoting inclusive businesses for women and youth in many parts of the country recognizing the specific challenges faced by women in the micro, small, and medium enterprises and supporting them to grow their businesses. We also worked across the country to increase the voices of women and young people in decision making forums – especially working with women councillors elected to local government. We are particularly excited about their leadership and courage in representing their constituencies. We continued our work to end gender-based violence in all its forms through provision of technical assistance to the Government, private sector and civil society actors locally and globally and engaging in policy advocacy. Our work in the tea sector engaged workers, residents, regional plantation companies, tea buyers and local authorities to address issues that impact the lives of communities working and living on tea plantations and the challenges within the industry. Our work with youth is growing: we engaged with youth to build their leadership enabling them to engage in key development and reconciliation processes in the country. We recognized the need for doing more to engage youth through innovative approaches such as the use of art and culture as an entry point to increase their interests and motivation to lead social change. We remain a trusted partner to many key stakeholders in the sector.

This year we also focused on improving our operations, to meet the increasing demands of our work. As such finance, procurement, HR, administration and IT policies, systems and infrastructure were reviewed and changes will continue in the next one and a half years. As an Affiliate we have continued to represent Sri Lanka in CARE's global forums and contribute to its impact.

Our team based across the country is our biggest asset: their expertise, experience and dedication are no doubt the reason for our success. We look forward to making a real difference in the lives of women and youth and contributing to Sri Lanka's inclusive growth!

ASHIKA GUNASENA | *Chief Executive Officer*

MESSAGE FROM THE CHAIR OF THE BOARD

Although still a relatively young organization, we take pride in the impact we continue to have through our work with tea plantation communities, women entrepreneurs, infrastructure provision and establishing new local institutions such as Praja Mandalas/Community Development Centres as well as Business Service Centers to serve the wider communities.

This past year saw Chrysalis' Board expand when we welcomed Tamara Bernard onto it. Currently the Assistant General Manager, Corporate Banking at Commercial Bank of Ceylon PLC, she brings a wealth of experience from the corporate world.

We realize that the changing socio-economic and political context will create long-term and drastic changes in local and global systems. Yet we remain confident in our ability and the commitment of our staff and partners to surmount obstacles and remain true to our agenda and vision.

NELUN CHRISANTHI GUNASEKERA | *Chairperson - Chrysalis*

OUR WORK

WEAVE II: WOMEN'S EMPOWERMENT: ACTION, VOICE, ENTERPRISE

The project is designed and implemented to address the needs of women-headed households who are socially and economically vulnerable, with a special focus on women and youth. The objective is to develop an environment which allows for the promotion of entrepreneurship, as a means to increase opportunities to earn income and contribute to the overall economic development of the provinces. The project is funded by H&M Foundation through CARE Netherlands. The project extends support to the weavers who were supported in phase 1 of this project. The overall objective of the project is to empower women headed households in northern Sri Lanka, economically and socially, in order to enhance their safety, security and dignity.

Milestones

1. **Networking with state agencies:** Continuously engaging relevant officials in project activities (joint field visits, involvement in the entrepreneur selection process) and seeking their input for the project implementation, helped strengthen our rapport with state agencies.

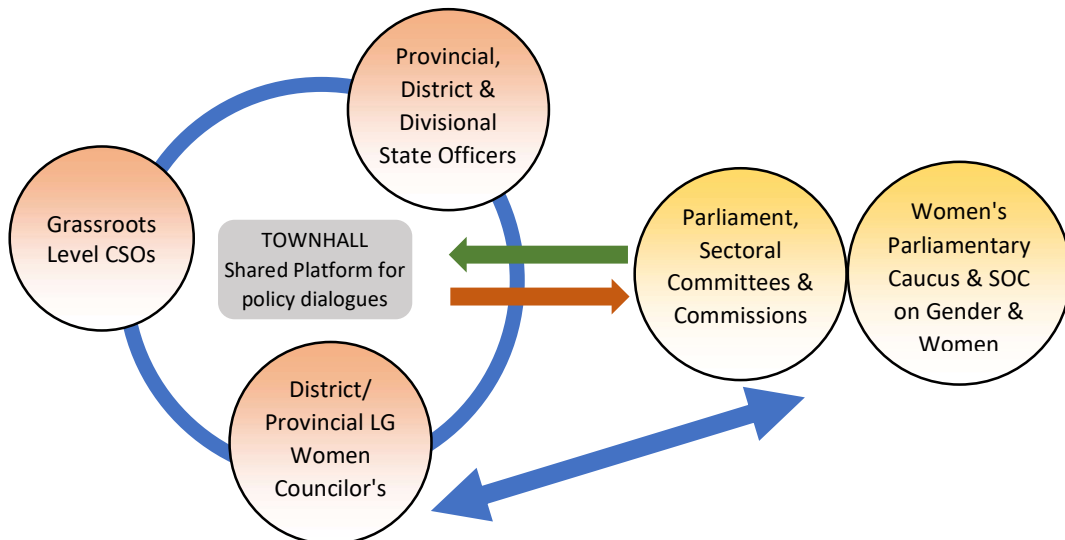


2. **“Women mean Business” Campaign** – Chrysalis engaged in the campaign conducted in Netherlands, to raise funds and create awareness about the successes of women in the sector.
3. **Selection of new grantees:** Following the selection of new enterprises, a total of 4 grants were disbursed to develop their existing businesses. The loans helped provide employment opportunities for 21 women and assisted 77 family members indirectly.
4. **Capacity building programmes:** A series of trainings for business proposal development was conducted and 21 women entrepreneurs submitted their business proposals to obtain seed grants. 12 women entrepreneurs participated in training programmes in book keeping, together with the employees responsible for accounts-related tasks. A three-day residential training programme was conducted in Jaffna for 9 selected weavers.
5. **COVID 19 Impact Assessment:** A telephone interview was conducted to understand the impacts of the pandemic on the business and lives of such entrepreneurs, and a report was submitted.

SHARED PLATFORMS – INCLUSION AND DIALOGUE



Chrysalis introduced the concept of a “Shared Platform” that brings diverse actors such as state officials, local government women councillors and grassroots level CSO representatives to discuss and share their collective agreements and make demands from the relevant commissions and parliamentary sectoral oversight committees. The project followed a five-way approach to achieve the set objectives as shown in the diagram below:



Milestones

1. Establishing and strengthening grassroots level CSO Federations in the relevant districts
2. Establishing and strengthening District and Provincial level Women Councillors' Caucuses that enable networking between elected women across the province and their connectivity to national dialogue
3. Established the concept of a "Town Hall" – to promote dialogue between citizens, elected officials and other duty bearers.



YOUTH 4 YOUTH



The project enabled youth to engage in decision-making processes and play an active role in the country's peacebuilding and development processes. It promoted synergies and cooperation, between provincial level youth leaders to develop mutual respect and understanding, promote resource sharing and encourage civic responsibility.

Milestones

- Conducted a Youth and Peace Building Survey in the Central Province
- Hosted a Youth4Youth (Y4Y) Symposium in the Central Province and the National Youth Symposium
- Establishment of National Youth Peace Panel (YPP)
- Capacity building of YPP
- Engaging Media: Sensitization Workshop for Media Professionals
- Developing youth action plans for Southern, Eastern and Central Provinces.

FILM 4 DIALOGUE

The Film for Dialogue initiative is funded by GIZ under the "Strengthening Reconciliation Process (SRP)" initiative in Sri Lanka which is financed by the EU. The objective of the initiative is to create dialogue between communities using cinema as a medium. Phase one of the project established a platform for the public to appreciate insightful films and enable them to engage in dialogue regarding co-existence, peace building, gender and other related socio-political themes. It also created a culture of film appreciation.

Milestones

- The Salaram Film Festival in Akkaraipattu and Matale Film Festival in Matale, were successfully organized. The film screenings in the festival were followed by post screening discussion sessions moderated by experts. Both film festivals attracted a total audience of 1,902.
- 9 small scale pocket screenings were organized in Kilinochchi, Trincomalee, Matale and Monaragala Districts. These small-scale film screenings were also followed by moderated discussion sessions, with directors of the films. These small-scale film screenings attracted a total audience of 669.
- The project created regional level film networks in the North, East, Uva and Central provinces.
- There were 350 applications received from young emerging film makers from above provinces who wanted to be the members of regional level networks.



FINANCIAL LITERACY FOR WOMEN AND YOUTH IN THE TEA PLANTATION SECTOR

The objective of the project implemented in Uva and Central provinces is to build the capabilities of tea plantation women and youth to enhance their financial management skills and access microfinance loans to embark on business ventures for additional income. This will be achieved through financial skill training, provision of micro-finance loans, provision of business management training and close monitoring and continued support for loan recipients. Standard Chartered Bank (SCB) Sri Lanka will work closely with Chrysalis to develop and deliver training in relation to Financial Literacy and allied subjects.



Milestones - Central Province

- 26 women completed financial literacy training. For new participants from Hatton, SCB identified those suitable for loan disbursement and 11 received loans. A total of Rs. 565,000.00 was provided as loans, for businesses like goat farming, tailoring, beauty salon, block making, grinding mills, poultry, grocery shop, and bag making.
- Steps have been taken by some beneficiaries for product diversification and business registration with relevant Divisional Secretariats as a result of business counselling sessions.



Milestones - Uva Province

- Enrolled 67 youth & women participants in SCB training and 50 of them completed all training modules successfully. SCB requested them to submit business proposals.

CDF REPLICATED IN MALAWI



CARE and Twinings are already seeing the successes of the Community Development Forum (CDF) model in Sri Lanka and have identified the opportunity to share this learning by adapting the CDF model for tea growing communities in Malawi. Chrysalis is currently providing technical support to the CARE Malawi team to establish 4 CDFs in Sayama and Minimini estates and with two tea small holder groups who provide tea green leaves to these two estates in Mulanje district.

ESSENTIAL WATER AND SANITATION FACILITIES FOR TEA PLANTATION COMMUNITIES

This project focused on providing essential water and sanitation facilities to marginalized village and tea estate communities. These communities did not have access to water sanitation facilities due to geographical remoteness, economic status and lack of awareness of the services and their rights. The project had an element of training on water and sanitation related health information and best practices.

Chrysalis coordinated the project through the village based Praja Mandalaya (PM) and the tea plantations-based Community Development Forums (CDF). The project was funded by Knorr-Bremse Global Care



Milestones

- The total number of facilities supported by the project is 24 including 7 villages and 17 estate divisions located within the three districts of Kandy, Nuwara Eliya and Badulla.
- The project has benefited 1,438 families, including 6,086 individuals. Among them 2,717 were men and 3,369 were female.
- To enhance the WASH awareness amongst the beneficiaries, a half day training programme was conducted in each project village and estate. The facilitation role was mainly played by the Public Health Inspector (PHI) attached to the relevant MOH office. 267 men and 619 women received training.
- Furthermore, a series of 29 street dramas was performed in all CDFs areas on the importance of WASH and garbage disposal. It is calculated that approximately 3,046 (2, 296 females) spectators were watching the dramas.
- The project demonstrated a notable impact change in the attitudes and behavior of the beneficiary communities served. Following the completion of the WASH project, Chrysalis conducted a Focus Group discussion interviewing 426 beneficiaries to learn their view points about the WASH facilities they now enjoy.
- The project impact included, equal distribution of water to the households, improved community solidarity, minimized water wastage, time saved for productive work, saving of money and an overall feeling of ownership,
- There was a remarkable improvement in women's hygiene practices, reduction in water borne diseases and overall improvement in WASH best practices.



WOMEN'S ECONOMIC EMPOWERMENT IN THE NORTHERN PROVINCES OF SRI LANKA

In Aug 2019, Chrysalis entered into a partnership with UN Women (UNW) to implement the economic empowerment initiative to empower 480 military widows (MW) and war widows (WW) from the 3 districts across 19 DS divisions. The project included a needs assessment of selected women, activity-based training modules developed for Product Development, Financial literacy & Business Planning, Marketing Management and Technology Transfer and provision of in-kind grants.

Key Milestones



- The 184 (102% of the expected targeted participants) project participants gained knowledge to ideate and refine their business ideas and out of them, more than 90 % have developed their business plans with minimum support and submitted their business plans with grant applications to become eligible to apply for in-kind assistance to improve their businesses or to expand them.
- Further, 98 of the women have submitted business proposals, which is 109% of the initially targeted participants. Of these 97 pitched their business plans to a 5-member expert panel, of which 75 (77%) were awarded in-kind assistance within the reporting period.

EMPOWERING SRI LANKA'S TEA PLANTATION COMMUNITIES

The first phase of the “Empowering Sri Lanka’s Tea Plantation Communities project” which partnered with three Regional Plantation Companies, was implemented in seven tea estates in the districts of Nuwara Eliya and Badulla and successfully concluded in August 2019. The participatory dialogues promoted through the CDF has enhanced the worker-management relationship and mutual trust, benefiting nearly 26,799 people of 6,680 families in these seven estates.



Milestones

- Service linkage workshops were held with the objective to develop and strengthen the relationship with GOSL institutions and the CDF for sustainability
- Participatory monitoring and evaluation training: Developed 5 committees within the CDF to implement the estate development plans
- Two street dramas were conducted: one on gender discrimination, household money management, and high alcohol consumption and another on best practices and importance of WASH, Garbage disposal. Total spectators were 12,358.

ENTERPRISE

The ENTERPRISE project is funded by the European Union and implemented by Chrysalis in partnership with CARE Deutschland-Luxemburg (CARE DL) and the British Council (BC) in Sri Lanka. Chrysalis' enterprise development model promotes economic empowerment of youth and women by creating an enabling environment for micro, small and medium enterprises to generate income and employment for rural and plantation communities, while sustaining profitable and viable industries and businesses.



Key Milestones

- 171 MSMEs have been selected for grant investment.
- 148 MSMEs have been awarded with LKR 100 Million grant investment in total.
- 1,615 direct employees and 6,933 farmers, contract producers and suppliers have benefited from business grant investment for 148 MSMEs.
- 234 entrepreneurs provided with business growth plan training.
- 100 economic development infrastructures identified with 84 Praja Mandala and CDFs.
- Established 2 district enterprise forums in Monaragala and Badulla
- Policy paper on Business Service Center (One Stop Center) was approved by Sri Lankan Government's cabinet with Chrysalis' intervention to implement in all 25 districts.
- Infrastructure development of first model Business Service Center of Sri Lanka initiated in Monaragala district with the partnership of Ministry of Small and Medium Businesses and Enterprise Development (SMBED) and Monaragala District Secretariat office.
- The project has reached 34,211 direct and indirect beneficiaries.

CHRYSALIS ADVISORY SERVICES

At Chrysalis, we offer services focused on improving the lives of women and youth through access to skills, resources and equal rights – enabling them to transform their lives and reach their true potential, while helping our clients improve their businesses and reach development goals. More specifically we work on strengthening gender equality and the voice of women and youth, promoting inclusive governance, economic empowerment, and a life free from violence.

LIFE FREE FROM VIOLENCE

Chrysalis, an affiliate of CARE International, is leading the global outcome on the right to a 'Life Free from Violence' (LFFV). This global outcome focusses on programming on prevention and response to Gender Based Violence (GBV).



Highlights

1. **'Conversations with Feminist Activists on CARE's Role in Engaging Social Movements'**. Consultations with ten feminist allies / activists and social movement actors drafted the ['CARE's Role in Supporting Social Movements: A Feminist Perspective'](#) which was used for internal advocacy to inform the vision 2030 process.
2. **Engagement in conceptualising Vision 2030 for CARE:** As a part of a gender core team in CARE to conceptualise a vision that put gender at the heart of its strategy for the next decade.
3. **Feminist Review of Village Savings & Loans Associations (VSLAs) in West Africa:** In January 2020, the LFFV Co-leads together with colleagues from CARE Niger, CARE Cote d'Ivoire, CARE Norway, CI Secretariat and CARE USA conducted a 'feminist review of selected VSLAs in Niger and Cote D'Ivoire' to understand gender transformative impacts beyond economic gains.
4. **Engaging with social movements sub-team:** The LFFV Co-leads are members of a sub-team that is working on how CARE can strengthen its engagement with social movements and related actors, in ways that are mutually respectful.
5. **Acted as a technical focal point and collaborated with other sectoral areas of work at CARE** including the Food and Nutrition Security (FNS), Sexual Reproductive Health and Rights (SRHR), Climate Change and Resilience Platforms (CCRP) and Gender in Emergencies (GiE) global teams.
6. **Developed and disseminated [Audio Voice Cuts by Feminists](#) for the 16 Days of Activism (26 Nov - 10 Dec 2019)** on CARE's role in supporting feminist social movements.

AUDIT REPORTS

Chrysalis

STATEMENT OF FINANCIAL POSITION

As at 31 March 2020

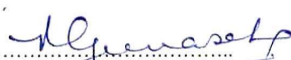
ASSETS	Note	2020 Rs.	2019 Rs.
Non Current Assets			
Plant and Equipments	5	1,148,010	1,225,144
Intangible Assets	6	320,771	241,175
		<u>1,468,781</u>	<u>1,466,319</u>
Current Current Assets			
Receivables	7	19,747,414	13,222,924
Cash and Bank Balances	8	290,686,465	109,125,141
		<u>310,433,879</u>	<u>122,348,065</u>
Total Assets		<u>311,902,661</u>	<u>123,814,384</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Restricted funds	9	239,569,624	53,424,063
Un Restricted funds		56,024,545	57,048,568
Total Equity		<u>295,594,169</u>	<u>110,472,631</u>
Non-Current Liabilities			
Retirement Benefit Obligations	10	5,867,801	4,456,156
		<u>5,867,801</u>	<u>4,456,156</u>
Current Liabilities			
Payables	11	12,481,655	7,163,827
Income Tax Payable	16.2	(2,040,964)	1,721,770
		<u>10,440,691</u>	<u>8,885,597</u>
Total Equity and Liabilities		<u>311,902,661</u>	<u>123,814,384</u>

These financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



 Finance Manager

The management is responsible for these financial statements. Signed for and on behalf of the Organisation by:



 Director



 Director

The accounting policies and notes on pages 07 through 19 form an integral part of the financial statements.



Chrysalis

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2020

	Note	2020 Rs.	2019 Rs.
Incoming Resources	12	294,885,017	268,785,856
Project Expenditure			
Direct Costs	13	<u>(284,083,893)</u>	<u>(250,652,416)</u>
Net Surplus on Projects Activities		10,801,124	18,133,439
Income from Advisory Services		16,785,690	22,832,205
Direct Expenses from Advisory Services		(16,627,673)	(19,904,161)
Revenue Earned from Other Activities	14	-	628,761
Administrative Expenses	15	(17,448,783)	(12,963,060)
Finance Income		9,328,895	6,369,352
Net Surplus/ (Deficit) Before Tax		<u>2,839,252</u>	<u>15,096,536</u>
Income Tax	16	(3,863,276)	(3,819,049)
Net Income /(Deficit) after Income Tax		<u><u>(1,024,023)</u></u>	<u><u>11,277,487</u></u>

The accounting policies and notes on pages 07 through 19 form an integral part of the financial statements.



Chrysalis

STATEMENT OF CASH FLOWS

Year ended 31 March 2020

Cash Flows From operating Activities	Notes	2020 Rs.	2019 Rs.
Net Surplus/ (Deficit) before Income Tax Expense		2,839,252	15,096,536
Adjustments for			
Provision for Gratuity, Retrenchment and Severance	10	3,297,370	2,425,510
Depreciation	5	626,475	558,811
Loss on Fixed Assets Disposal	15	-	20,945
Amortization	6	140,404	122,071
Interest Income		(9,328,895)	(6,369,352)
Exchange (Gain)/ Loss	15	(18,407)	628,761
Net Surplus before Working Capital Changes		<u>(2,443,800)</u>	<u>12,483,282</u>
Decrease/(Increase) in Receivables		(6,524,492)	6,069,376
Increase/ (Decrease) in Other Payables		5,317,828	(3,488,586)
Cash Flows from Operations		<u>(3,650,464)</u>	<u>15,064,072</u>
Realized Exchange Gain / (Loss) During the Year	15	18,407	(628,761)
Tax Paid	16.2	(7,626,009)	(5,530,846)
Interest Income		9,328,895	6,369,352
Gratuity Paid	10	(1,885,725)	(490,525)
Net Cash Flows from Operating Activities		<u>(3,814,897)</u>	<u>14,783,292</u>
Cash Flows from / (Used in) Investing Activities			
Acquisition of Plant and Equipment	5	(549,342)	(205,350)
Acquisition of Intangible asset	6	(220,000)	-
Net Cash Flows (Used in) Investing Activities		<u>(769,342)</u>	<u>(205,350)</u>
Cash Flows from / (Used in) Finance Activities			
Increase/(Decrease) in Received donations	9	186,145,561	(81,964,646)
Net Cash Flows from Finance Activities		<u>186,145,561</u>	<u>(81,964,646)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents		181,561,324	(67,386,704)
Cash and Cash Equivalents at the beginning of the Year	8	<u>109,125,141</u>	<u>176,511,845</u>
Cash and Cash Equivalents at the end of the Year		<u><u>290,686,465</u></u>	<u><u>109,125,141</u></u>

The accounting policies and notes on pages 07 through 19 form an integral part of the financial statements.

