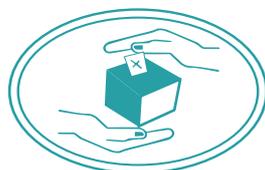
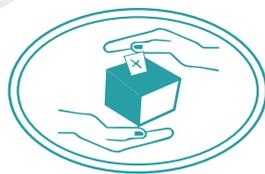


PAFFREL ANNUAL REPORT 2019



PEOPLE'S ACTION FOR FREE AND FAIR ELECTIONS



**PEOPLE'S ACTION FOR FREE AND FAIR ELECTIONS
- ANNUAL REPORT 2019-**

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PAFFREL

PAFFREL was established by the representatives of several national-level civil society organizations in 1987. It has been incorporated registered as a companies limited by guarantees under the Company Act No. 07 of 2007 and registered as a voluntary service organization with the Ministry of Social Services and Social Welfare.

It was formed at a time when the need arose for civil society to intervene to ensure democratic elections as the contests were marred by violence and violation of election laws. One of the main aims of setting up Paffrel was to promote a people's effort to prevent violence and malpractices before, during and after elections.

Since, its formation, Paffrel has observed and monitored all the elections held in the country- local authority, Provincial Council, Parliamentary and Presidential - in collaboration with a large number of civil society organizations. It has, throughout the years, conducted advocacy and awareness programmes in different parts of the country covering issues such as voters' rights, democracy, human rights, good governance and co-existence In all its activities Paffrel has maintained absolute neutrality.

The Vision

A democratic Society with an empowered citizenry who ensure accountability and transparency in governance.

The Mission

Implementation of a citizen-based and non-partisan programme of action for awareness creation, advocacy and observing and monitoring the elections in all parts of the country.

The prime objectives of Paffrel are;

- To motivate and encourage voters to exercise their basic democratic right to vote and cast their vote at all elections at which they are entitled to vote.
- To promote a community effort that would prevent violence and malpractices before, during and after elections.
- To undertake an election watch to observe the conduct of the poll throughout the country in as many areas as possible and record and document the abuse and violations of the election law.
- To make recommendations for the improvement of the existing processes and institution pertaining to elections.
- To educate the voters in order to promote civic consciousness that helps in establishing and main taining standards of good governance in the country.
- To propagate values and criteria for selection of candidates and voting that would help in electing a political leadership and representatives who are free of corruption and truly accountable to the people.

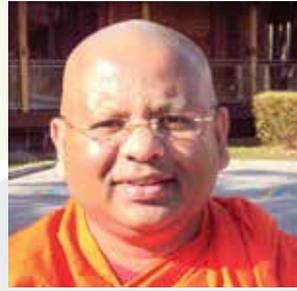
BOARD OF DIRECTORS



Deshabandu
Mrs. Jezima Ismail
Chairperson



Dr. Jehan Perera
SECRETARY GENERAL
Dec 1999 - Aug 2017



Ven. E. Saddhajeewa thero



Mrs. C. M. Saverimuthu
TREASURER
Apr 2016 - to-date



Mrs. Saroja Sivachandran



Mrs. Visaka Dharmadasa



Mr. K. N. Deen



Mr. V. Sooriyabandara



Prof. M.S. Mookiah



Prof. K. Karunathilake



Mrs. Seela Ebert



Dr. Mr. Gehan Gunatilleke

CHAIRPERSON'S MESSAGE

The year 2019 was not a very auspicious period especially if one considers the fissured government and the political confusion caused by the actions of those in governance. While going through these events fraught with negatives the horrendous event of the terrorist - Easter attacks on Churches reduced the country to a low depth of despair.

The Nation whose people were making efforts to work at equality and peace unity and reconciliation however were not deterred and went on with their work.



Amidst all this PAFFREL as an organization stood sturdy and tall in its March forward. Its message of Free and Fair Election blazed in all its banners. Two important events celebrated were the 30th Anniversary celebration and its programme as the “Dream President” which brought in to focus realities useful for the foundation of National Unity and Harmony.

The significance of my message is the appreciation which I would like to focus on everyone involved both within the organizational structure and those also without who have exerted a collective co-operative effort to works towards democracy and while so doing creating an atmosphere that spread only positive thoughts and feelings.

I would like to thank all those involved from the Board of Directors, Senior Administrative Officers, the Executive and Financial Staff the organizational members and those who have serviced the office regardless of the nature of the work and the time involved.

The office bearers of the Board of Directors have indeed contributed only their best. I would like to specially mention the Executive Director, especially his precept of equanimity that has thrown a mantle around the whole atmosphere of PAFFREL and giving it a positivity that has bonded the members of PAFFREL in one united body.

While wishing all of you the best there is, I would like to hope that the years to come will help us to give fruition to all our cherished objectives.

Jezima Ismail

A handwritten signature in black ink that reads "Jezima Ismail". The signature is written in a cursive, flowing style.

Deshabandu Mrs. Jezima Ismail
Chairperson

GENERAL SECRETARY'S MESSAGE

2019 was a year of transition in which PAFFREL played a critical role in civil society. The Easter bombing of April 2019 undermined public confidence in national security and governance. The increase in ethnic and religious polarization to capture bloc votes added to the urgency and importance of PAFFREL's work to rebuild inter-community relations during this period. The presidential election that followed in November provided the opportunity for PAFFREL to engage in sustained education on values that needed to be included in the governance structures. In addition to voter education on the electoral system, these included canvassing the values of good governance, separation of powers and checks and balances and the need to strengthen the rule of law and the ability of state institutions to function independently of political interference.



The change of government that occurred at the presidential election has led to more centralized governance. This emphasizes the need for more a stronger civil society presence that is independent of the state and government to play an advocacy, educational and watchdog role in the system of checks and balances that is necessary in a healthy democracy. During 2019 PAFFREL worked with university teachers and students, with local government representatives, women's groups, provincial journalists and its partner organizations in the March 12 Movement to independently analyze political developments in the country and propose necessary steps to improve the electoral system in particular and governance in general.

The non-partisan education and advocacy engaged in by PAFFREL has earned it the respect of civil society, the national media and also political society. We take pride that PAFFREL's Executive Director Rohana Hettiarachchi is frequently interviewed by the national print and electronic media and invited to talk shows where his tempered and non-partisan views are highly valued. We also take pride that in the run-up to the presidential election that PAFFREL played a lead role in organizing the first ever presidential debate between candidates vying for the presidency. We are grateful for the support given by our staff, Board of Directors, partner organizations and donors and are happy to note that our collaboration continues through support given to other newer projects that meet the needs of the time.

Jehan Perera

EXECUTIVE DIRECTOR'S MESSAGE

2019 was a turbulent year for Sri Lanka. On the one hand, a deep sense of frustration prevailed among the people while the confused political atmosphere led to create an anarchic trend in the country. The political tugs-of-war between the President and the Prime Minister resulted in creating an ambiance of political instability in the country, challenging the national security.



Consequently, the country lost hundreds of precious lives due to merciless terrorist attacks made on several Catholic Churches on April 21, 2019. Even on this ruthless incident which led to tarnish the reputation of the country, the struggle for political power did not come to an end.

Despite having to deal with such a confused environment, 2019 still proved to be a crucial but successful year for PAFFREL. It was mainly because we were able to celebrate our 30th anniversary in 2019. In fact, it would be apt to call it more an appreciation of the invaluable service rendered by our pioneers than an anniversary celebration.

I deem it a great honour that I was able to invite the founders of PAFFREL, Civil Society Organizations and all those who have contributed to it for a long time, District Coordinators, Observers and Journalists, as well as those who have contributed immensely to the forward march of PAFFREL, to the Bandaranaike Memorial International Conference Hall, and to honour & pay them tribute in appreciation of their service and commitment, in the presence of political and community leaders.

It is also gratifying to be able to educate “Youth Groups” during the year 2019, and through which to develop an intellectual dialogue on social structure, raise awareness of voters on a) the revision process of the Electoral List, and b) the need for establishing a clean political culture, and also raise awareness of the MPs in collaboration with the March 12 MPs Collective and to bring, in association with the March 12 movement, all main candidates of presidential election 2019, to a common public platform for the first time in the election history of Sri Lanka, which we believe is a great achievement. It can be described as a significant turning point in the political culture of this country.

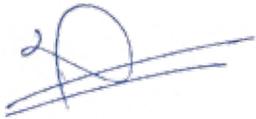
We were also able to initiate an effective social dialogue on the theme of the “Dream President” which sought to promote awareness of the Voter on the merits and demerits of the prospective Presidential candidates. Further, PAFFREL was able to make its contribution towards holding the election within a just and fair framework, through monitoring the conduct of the Presidential Election.

I wish to thank the PAFFREL Board of Directors, especially the Chairman, the Treasurer, the Vice Chairman and the Secretary who provided necessary guidance in these entire endeavors.

I owe my respect and thanks to our senior management team and all the staff who have discharged their obligation treating it as a social responsibility rather than a mere job, in making all our work a great success. Also, I wish to take this opportunity to extend my sincere thanks to our District Coordinators, Election Observers, Members of the March 12 Steering Committee, the Election Commission, the Police Department and all Media institutions and all those who have extended their unstinted support and cooperation for the forward march of the PAFFREL.

EXECUTIVE DIRECTOR'S MESSAGE

Last, but not least, I wish to thank all our support agencies and facilitators for their generous support in making all our work a success.



Rohana Hettiarachchi
Executive Director,
PAFFREL.



OVERVIEW 01.

ALL INCLUSIVE FREE & FAIR ELECTION

1.1. All Inclusive Voter Base

In collaboration with the Election Commission (EC), PAFFREL produced a sticker in three languages (Sinhala, Tamil and English) for marking the voters' day of 1st June in 2019. No of 14,500 stickers were printed and pasted in public places, vehicles etc.. A booklet was published on Elections and Citizen detailing the electoral process and citizen's responsibilities. 1,500 copies were printed in Sinhala and Tamil languages and distributed among interested public, students etc..



Besides that, PAFFREL issued press leases and Media briefing time to time in related to the annual process of voter registration in 2019, during the period of annual process PAFFREL functioned a facilitation desk at PAFFREL Secretariat in Colombo to facilitate the voters who needs assistance for registering in 2019 list, through connecting over the phone/email or Facebook etc... these exercises voters were made aware on the process such as due date of returning the filled BC form to Gramaniladhari/Special Officer , the period of exhibition of the drafted list and view its online , time period of objections file and the completion of the final list.

EU grant - 47 voter education meetings were held after the elections on Annual Revision of Electoral Revision of 2019. This initiative was implemented with the approval and support of the Election Commission and the Village Officers of the respective Divisions were of immense help in people faced with issues on registering.

1.2 Equality in Candidates

Legal Intervention on Vote Buyin

During the pre-election period of the Election to Local Authorities in 2018 in the District of Monaragala election law was violated by a candidate who had made payments to National Water Supply and Drainage Board and Ceylon Electricity Board on behalf of voters in his constituency in order to get their votes at the local poll. This complaint was made to PAFFREL during the election period. The complaint was referred to



Uva Provincial High Court in Monaragala

ALL INCLUSIVE FREE & FAIR ELECTION

the Election Commission and an inquiry was held by an officer of the Election Commission sent from Colombo. The opponent candidate filed action in the High Court of Monaragala under 2018 S 01 on 22-01-2018 requesting the court to take action on this issue. He requested PFFREL to support the case by collecting evidence making use of the provisions of the Right to Information Act. PAFREL- further assisted him by providing legal officers to appear on his behalf. The case was first taken up for hearing on 8th May 2018. The second hearing took place in September 10th and 11th of 2018. The next date has been fixed for 2nd and 3rd of May 2019.

1.3. Independent Commissions Uphold Justice and Fair Play

The researchers have compiled a comprehensive analytical study regarding the history, current functionality, critically presenting its flows and its importance of independent commissions to keep the check and balances of governing structure. The research was completed and published in a critical juncture of social discourse as the country is discussing a new constitution. Independent Commission review was conducted in an inclusive interview series and focus group discussion. Thus civil society, commission members, academia has come together to produce a substantial research document, which elaborates the functionality, importance and the suggestions for improvements of 8 independent commissions. Thus this document could be used as a critical base document for formation of commissions in the future, which serves as a vital pillar of check and balance in the governance.

1.4. Proactive and Non-Partisan Election Observation

1.4.1. Observing and monitoring the conduct of Alpitoya Local Authority Election.

The local authority election to Alpitoya LA was held on 11th October 2019, the election was postponed due to the legal intervention in relating to nomination list rejection. Since, PAFREL did its observation and monitoring exercise, training and deploying 19 Stationary observers, two mobile teams including 8 observers and 4 Postal voting observers. During the election period there was not any major incidents reported, beside of minor incidents like illegal propaganda, transportation of voters on the day of election.

1.4.2. Observing and Monitoring the Conduct of Presidential Election 2019

The presidential election was due in November 2019 and hence the few months prior to that date were decisive and set the tone to the election. In late October 2018 the disagreements between President Sirisena and Prime Minister Wickremasinghe came to a head with the unconstitutional sacking of then Prime Minister Ranil Wickramasinghe by President Sirisena and installing Mr. Mahinda Rajapakse as the new Prime Minister. After seven weeks, the Supreme Court determined that the action of the President was unconstitutional and Mr. Wickremasinghe was reappointed as the Prime Minister. Indecisiveness of the Good Governance Government became all too apparent in the months that followed.

With the 21st April Easter bombings where more than 250 people lost their lives and many wounded, the political situation became very complicated as it took an ethno-religious guise in addition to national security concerns and the economic downturn that came in its wake. Anti-Islamic

ALL INCLUSIVE FREE & FAIR ELECTION

phobia was evidently stoked and society became polarised - majority and minorities.

Gotabaya Rajapaksa's candidacy was announced just days after the Easter bombings. Starting from there, throughout the election campaign, he made national security as the focus and promised to keep Sri Lankans safe.

This was the first Presidential election in Sri Lanka where no sitting President, Prime Minister or

November 2019 can be considered as an Election with less incidents of violence and violations of election laws. Hence we can say the Presidential Election is fairly peaceful. Though the number of reported incidents were few compare to other elections, this election cannot be considered as totally free and fair. Some incidents of violence and violations of law prevailed right through, though at a lower scale. The biggest violator of the level playing field for all candidates was Social Media.



Opposition Leader contested at the Election for the country's highest position. Although the incumbent President Maithripala Sirisena was eligible to contest, he decided not to. The incumbent Prime Minister, Ranil Wickramasinghe didn't contest and the Deputy Leader of the party Sajith Premadasa was assigned the candidacy to contest. The incumbent Opposition Leader, Mahinda Rajapaksa, was barred from contesting as per the 19th Amendment, as he has already served for two terms.

This Presidential election held on the 16th

There were organised groups misleading the public with false news, hate speech and misinformation, disinformation and manipulations throughout the election. Print and other electronic media both private and state owned were biased towards their preferred candidate.

PAFFREL mounted its tested observing and monitoring mechanism throughout the country with some vital improvements to the reporting formats of the observers; information transfer methods, and the use of a new centralised database for recording and processing data.

ALL INCLUSIVE FREE & FAIR ELECTION

On the political plane, the contest was predominantly between the two main candidates of the two major parties. The highest number of violations were reported during the Pre-Election Period in the Western Province and in the Colombo District. “Carrying out Illegal Election Propaganda” was the most reported violation type during the Pre-Election period and it is well grounded for the entire country. The police acted fast against

information on social media continued on Election Day too.

The Post-Election period was relatively calm but more violent compare to 2015. Acts of violence between different political party members and incidents of Electoral/General Law violations were recorded all over the country and mainly in the Western Province.



violence and violations especially with regard to illegal posters, banners and party offices in the event of such reports. The abuse of State Resources during Pre- Election period should also be highlighted. Use of State Vehicles and State Officials for election campaigns, appointments, transfers and promotions targeting elections and livelihood grants manipulating during this period were the main violations. Spread of misleading information and hate speech via social media during the period puts strains on democracy.

Though the day of Elections ended with no major incident leading to affect the end result of the Presidential Election, several illegal incidents such as illegal propaganda, intimidation of voters and transportation of voters had been reported. The biased propaganda activities and misleading

PAFFREL recommends more powers to the EC in order to be able to hold media accountable, and make available user friendly facilities for the visually impaired and differently able persons to cast their votes; an advance voting system for all those unable to cast their vote on election day due to essential duties; honour the voting rights of Sri Lankan migrant workers and diplomatic personnel. In addition PAFREL advocates to introduce laws to regulate and limit campaign finance; a more effective Electoral Dispute Resolution and Mitigation Unit; limit the number of candidates, and new laws on registration of political parties to keep out those who are not genuinely interested on contesting the election.

On 7th October 2019 was the Nominations Day. There were 35 candidates accepted by the Election

ALL INCLUSIVE FREE & FAIR ELECTION

Commission as presidential candidates. When the nomination period commence there were 41 persons from political parties and independent candidates deposited the sum of money as per the election law for showing their interest to become presidential candidate for election. This was significant number and 35 candidates contested was recorded number in the history of Presidential election history that never happened before. These nominations consisted of 18 popular political parties, 2 other political parties and 15 independent candidates. Dr. Ajantha Perera was the only female candidate contesting and represented the Socialist Party of Sri Lanka.

PAFFREL ELECTION OBSERVATION MISSION

The election observing exercise of PAFFREL comprised of two principal interventions - one was voter education and awareness and the other was election observing. The objective of voter education is to provide voters with information and knowledge that will help them to assess candidates in a rational manner so that their choice is informed and devoid of extraneous considerations. It included also the technical aspects of marking the ballot validly. The act of observing elections is understood to act as a deterrent to violence and violations and also allows citizens' participation in the election process. The overall objective is to contribute to a credible Presidential Election 2019.

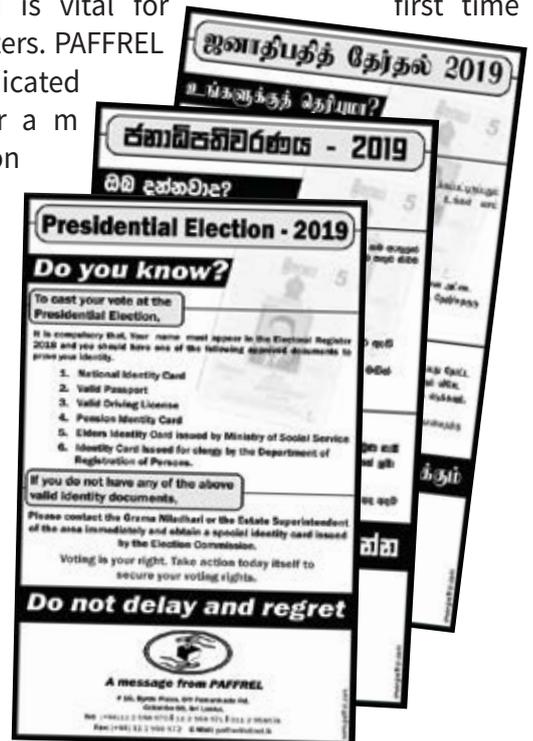
Voter Education

PAFFREL's electoral effort is not limited to the election period, but is a round the clock involvement throughout the year. PAFFREL focuses on the registration of voters and voter education during pre-election periods, improved public understanding of principles of good governance and the election of candidates. Information to voters regarding voters' rights and obligations,

procedures relating to registration, use of polling cards, voter identification, criteria for choosing a candidate and casting the vote were made available to the public through booklets, pamphlets, and hand posters



procedures relating to registration, use of polling cards, voter identification, criteria for choosing a candidate and casting the vote were made available to the public through booklets, pamphlets, and hand posters. bills—both in Sinhala and Tamil. A country-wide media campaign was also mounted using the electronic media. Voter education is vital for young voters. PAFFREL has a dedicated program focusing on



ALL INCLUSIVE FREE & FAIR ELECTION

community participation in good governance efforts, a key element of which is the election of candidates who uphold these values.

About 40,000 pamphlets printed and distributed among the identified target groups. Electronic and print media campaign was also conducted on voter education to reach mass. 13 spots were conducted in the Electronic media (75 seconds each) and 74 spots on Radio (45 seconds each). In the print media, 06 number of ¼ page paper advertisements were carried out to educate voters.

Election Observing

The exercise of election observing has the following objectives:

- ❖ To observe and report the violation of election laws and violence of the electoral process to help carry out preventive and corrective actions.
- ❖ To observe and report on the conduct of the election to ensure that it is conducted legitimately.
- ❖ To promote greater involvement of the public to minimize the violation of election laws and violence.

A number of activities were carried out in this regard, the principal of which was the observation effort and a few specific systems and mechanisms that supported election observation task.

- ◆ **Mechanism for Reducing Violations of Election Laws** – Dispute Resolution and Mitigation Unit, (formerly called the All Party Operations Unit) - This unit comprises representatives of all major political parties proved to be very useful in preventing and mitigating violence and violations. At this election however, party representatives did not actively participate in the unit.

- ◆ **Serious Incidents Reporting or Mitigation Unit at PAFFREL** – This special unit manned by two experienced lawyers and central database operators was established at PAFFREL's head office to record, confirm, report and share information on critical incidents that occur during pre-election to post-election periods. The complaints received from PAFFREL's observation system are handled by the unit. Once the complaints are confirmed/verified, they are shared with civil society groups, political parties, independent groups and any other person or organisation interested in election related work on request.

- ◆ **Observers** - PAFFREL's volunteer observers are drawn from the national, district and divisional levels mostly from non-partisan, civil society organisations known for their impartiality and



interest in promoting democratic values. Most of them are young men and women willing to dedicate their valuable time and effort to ensure free and fair democratic election. They are trained and equipped with election observing guidelines, check lists, reporting formats, and communication and transport facilities.



ALL INCLUSIVE FREE & FAIR ELECTION



14 Media Releases and 06 interim reports and this final report on the election.

VOTE COUNTING CENTER OBSERVATIONS BY PAFFREL

Counting Centre Observer Identification and Selection

A set of standards were prepared to identify and select appropriate individuals to deploy as counting centre observers. The District coordinators provided the selection criteria. Due to short time availability, applicants were contacted over the phone and selected the persons on their responses. According to the guidelines given by the EC, appointment letters were issued. The Assistant/Deputy Commissioner of the particular

1. Number of Observers - 4524
2. LTOs - 142
3. STOs - 2538, Postal Voting - 879
4. Mobile - 209 Teams with 836 Observers
5. Counting - 129 Observers

◆ Reporting on the Elections by PAFFREL

Reporting to the entire country about the conduct of observing the election by PAFFREL is one of the



principal elements of the design of the observation exercise. In the dissemination, communication and sharing of the report lies the hope that concerned parties will take appropriate action for ensuring more democratic elections conforming to accepted democratic standards to which Sri Lanka has committed itself.

There were 200 daily briefing, 06 press conferences,

district issued the necessary identity cards permitting them to access the counting halls.

Training - Sessions were held in Colombo and Mannar and conducted by a set of experienced consultants on counting laws and rules. The instruction booklet prepared for the counting agents/observers, were distributed to the trainees.

ALL INCLUSIVE FREE & FAIR ELECTION

Counting centre observers - Trained 133 and deployed 129. Six observers were allocated per district but in actuality the deployed number varied from 4- 8 average per district.

Observations - No serious issues were reported by the observers. The process had been smooth and orderly and the rules and regulations had been followed.

All observers had reported for duty and followed the rules and ethics at the optimal level to keep the counting process clean and fair.

The members of the counting staff were required to be attentive during the ballot paper counting process and they had to work without interruption until the counting was completed. All stages in the vote counting process, there was an Officer (CCO) in each counting hall who was responsible for conducting an accurate and fair counting process. Function of observers; database

All the PAFFREL observers expect the counting center observers were reporting through the Kobo database. All the questioners and subsequently trainings has been changed to facilitate observers to install the reporting app to their smart phones and send a test run during their training. This test run assured the quality of the reporting during the observation as well as the quality and the trainings. Observers were given on call support by the database developers as well as PAFFREL database management team. Long term observers submitted weekly summary every week and incident reporting as the situation arises. This reporting covered violence and violations of election law, campaign process and covid pandemic prevention actions taken by the relevant stake holders. Postal voting continued for 2 weeks and more than 75% reported via the database. On the election day all PAFFREL mobile teams across the country have reported exclusively through database reporting app, enabling PAFFREL to produce updates throughout day on the voting

progress, election day atmosphere and any discrepancies on district basis.

More than 4800 individual entries from the mobile units contributed to above mentioned election day progress updates. A sample of 261 reported for the conduction of opening and closing of polling again which feed into PAFFREL Election Day communiqués. A team of 20 call and data operators functioned as the Election Day calling center, much scaled down from the previous elections due to the introduction of online database data collection. More than 95% of the stationary observers who observed on the Election Day managed to send in their individual reports via mobile app on the Election Day and the rest of the reports were gathered day after elections by the calling center. A total 2521 short term observers reports were submitted and processed by the end of 06.08.2020, with special reference on the health precautions and women participation in the election day processes.

(Please refer the printed final report for more details on the Presidential Election 2019 - by PAFFREL.)



OVERVIEW 02.
**PEOPLISING AND ACTIVATING
DEMOCRATIC VALUES.**

2.1. The March 12 Movement

March 12 movement for clean politics, brain child of PAFFREL led coalition of civil society organizations in 2015 working towards positive political culture change in Sri Lanka. PAFFREL joined hands with like-minded civil society activists, youth, religious, business community and academics to conduct island-wide consultation to obtain peoples' perspective on political culture, criteria for political candidates and their aspirations for a better political culture in Sri Lanka. In 2015 March 12 these criteria for political candidates were adapted in a nationally broadcasted event by 17 party leaders of all political parties who represented then parliament. In 2015, 2016 these criteria was taken into public all over the country collecting 1 million signatures. In 2016 MP collective for clean politics were formed comprising 27 MPs from across isles to intervene policy level decision making, collectively working for common prevailing issues regardless of their political affiliations.

In 2019, prior to the 6th presidential election March 12 movement held islandwide campaign on public perspective for their dream president and as a result of that campaign, countries' first ever presidential candidate manifesto presenting with the participation of 9 candidates in one stage - 'Public platform' was held, in front of more than 3000 civic and youth leaders, broadcasted live television and more than 1 million viewed online. This concept of presenting politicians' manifestos and their plans for development for their constituencies were carried out into the local authority levels by the district committees.

2.2. Public Assemblies Upholding Integrity, Democracy and The Common Good of the Citizenry

2.2.1. Our Dream President

The March 12 Movement led by PAFFREL launched a campaign titled "Our Dream President" in March 2019 to create a platform for the citizens to speak up as to what qualities a Presidential Candidate should have. The forum was opened to youth, academics, students, trade unions, professionals and businessmen etc. The program aimed at communicating to the political parties as to what the people seek in a Presidential Candidate.

'Our Dream President' is a public disclose with the purpose of collecting people's aspirations and perspectives of different relevant sectors on Ideal Presidency. The objective of 'Our Dream President' is to create a strong dialogue among general public which can also make an impact on the potential presidential candidates and their election manifestos in an upcoming Presidential Election.



March 12 Movement firmly believes that if citizens could strongly demand for a presidential candidate with certain characteristics, the candidates who will be running for the Presidential Election will try their level best to cater that public demand.

The Launching Ceremony of 'Our Dream President' was held on 12th of March 2019 at Independence Square, Colombo in connection with 4th year anniversary celebrations of March 12 Movement. In explaining the objectives of the Programme, it was emphasized by Mr. Rohana Hettiarachchie, the Co Convener of March 12 Movement and Executive Director of PAFFREL, that this exercise is not to

PEOPLISING AND ACTIVATING DEMOCRATIC VALUES.

oppose the ongoing discussion spearheaded by some civil society organizations on abolishing the Executive Presidency, but to build a productive dialogue among public on what kind of a political leadership we need for the country no matter whether it is an executive presidency or not. Since the position of the Executive Presidency is still existing, March 12 Movement decided to go ahead with this slogan, he further mentioned.

After the opening remarks, there were few guest speeches representing different sectors such as academia (Dr. Baskaran from the University of Peradeniya), art (Mr. Nishshanka Digdeniya), youth (Mr. Sachnda Dulanjana – Former Speaker of the Youth parliament of Sri Lanka) , agriculture(Mr.

several times by the guest speakers as well the participants that the our dream president must be a selfless person who consider the country before him or her own self.

This public gathering was witnessed by religious leaders, youth representatives, civil society members, stakeholders of March 12 Movement, Trade union representatives, district civil society delegations from Monaragala, Galle , Nuwara Eliya , Ratnapura and Puttalam districts , media personals, representatives from local governments and general public. The next step of this program would be to cascade the dialogue to the grassroots levels to create a strong public demand for a President with good qualities who can serve the



Ranjith from Hanguranketha) , and fishery (Mrs. Surangi Wasana from Matara) . The guest speakers were more focusing on the characteristics of an ideal president. The guest speeches were followed by a panel discussion and an open forum where the participants were also allowed make interventions by expressing their opinions on ideal presidency for the country. Many of the participants were emphasizing that this country needs a strong personality with integrity and courage who can even make less popular decisions for the betterment of the country. Also it was mentioned

country with his or her fullest capacity while maintaining the law and order which ultimately creates a better society for everyone regardless their ethnicity, religion, caste, gender, sexuality etc.

2.2.2. Public Platform

March 12 Movement of the PAFREL organized an event to bring the candidates of the Presidential election onto one stage where they could reveal their strategies in resolving certain issues in the

PEOPLISING AND ACTIVATING DEMOCRATIC VALUES.

country. (As the number of candidates were too many, PAFFREL had to develop some criteria to choose a number of manageable candidates) Accordingly, the candidates were called on to one platform at the Sugathadasa Indoor Stadium on the 5th of October where they were given opportunity to present their solutions for 5 common issues faced by the people.

The candidates were presented the questions forwarded by the public chosen by a committee. Every candidate was received three minutes of open time at the end of the program. Pledges from the candidates were obtained on the manner in which they would carry out their election campaign.

Except Sri Lanka Podujana Peramuna candidate Mr. Gotabaya Rajapaka (where his party excused for his inability to attend due to various reasons) all other invited candidates attended the event. The

movement held a series of consultancies from a cross-section of citizens across the country to collect a comprehensive list of the qualities and qualifications of a presidential candidate and hopes to present it the political leadership. Along with this March 12 movement and its member



organizations urge all the leading political party presidential candidates will present their solutions to citizen formulated questions of national level, on a one platform in front of 3000 youth and citizens



presidential candidates have never been to the same stage ever before in the electoral history of Sri Lanka. This was organized to shape the country's political culture and make it people centred.

As the president is the first citizen of the country and represent the aspirations and the future of the whole citizenry. Hence the policies and the attributes of the presidential candidates are of utmost important for the citizens, March 12

representing all 9 provinces, representatives of religious, academic, artists, business community, trade unions and on live television. This is the first of kind in Sri Lanka, and March 12 movement hopes to get a pledge signed by these candidates specially on their conduct during the campaign, with special preference to an environmentally friendly, refraining from rational or religious bigotry and from hate speech.

PEOPLISING AND ACTIVATING DEMOCRATIC VALUES.

2.3. Enlightened Citizenary

2.3.1. Formation of Academic circles

45 academics from Jayawardanapura university and approximately 172 academics from Jaffna university participated in the discussion. Conveners and the guiding principles were put forward in a manner which ensures inclusiveness and ownership. Meetings were conducted in the university premises, after or between the lecture hours for the ease of participation. Resource persons were selected from the region, in order to give depth, perspective and home-grown solutions to the area specific issues such as land ownership, voter registration and reconciliation.

2.3.2. Facilitate open inter-faculty discussions at the universities

PAFFREL have had working relationship with some of the University Dons of Jaffna university, but the formation of academic circle PAFFREL had approached to other faculties which are not traditionally involved with political discourse. During the Interfaculty meetings, complete representation could be achieved from other faculties such as Science, Medical and management other than the Dons from traditionally subject related faculties such as Arts and Law. In Jaffna university 23 academics participated and 24 academics from Sri Jayawardanapura university participated the inter faculty meetings.

2.3.3. meetings conducted by academic circle members with university students

04 of meetings were held with academics and undergraduates. Jaffna university students, specially the final year undergraduates were incorporated in the discussions hence increase

their exposure to the practical aspects of functioning democracy and their roles and responsibilities in it. 175 students and academics participated in the discussions. Lecturers participated in the discussion. Students gain knowledge and experience on aspects of living democracy.

2.3.4. meetings conducted by academic circle members with university students

In Jaffna university total number of 232 outside experts, corresponding subject professor and university students conducted awareness programs on journalism, electoral reform, land issue, HR commission functionality to the university students.



OVERVIEW 03.
**INFLUENTIAL AND SUSTAINABLE
CIVIL SOCIETY COLLABORATION**

3.1. Cohesive Collective Force

Note 09 - Issues for good governance advocacy developed through participatory stakeholder consultations

The 12 Stakeholder meetings were instrumental in gathering and refining peoples' aspirations of ideal presidency and qualities and qualifications of presidential candidate. A Total 319 participated in the meetings. Document was produced as a result of the discussions, this was instrumental in producing the questions for the presidential candidates and the list of qualities and qualifications of ideal presidency by the selection committee.

3.2. Synergetic Networking

3.2.1. Networking for Peoplising and Activating Democratic Values.

Steady number of participants attended to the periodic meetings of both districts. 152 from Rathnapura and 208 from Galle participated in periodic meetings. Apart from the district committee members, youth, district level journalists, LGA members and religious leaders participated in the periodic meetings.

263 in Puttalam district participated and 06 number of meetings held in the districts, regionally demarcating the Puttalam district M12 district committee, in order to expand and achieve representation from throughout the district.

EU Grant - 46 sector dialogues were held during the period on promoting clean politics and promoting the M12 Movement among different stakeholders. They included religious dignitaries, teachers, politicians, public officers, youth, women, trade unionists, persons with disabilities, elders, members of mediation board, university students and volunteers from the civil society organizations. The Dialogues were facilitated by activists of the

M12 Movement from different schools.

159 small group meetings were held in both Divisions on promoting clean politics and expanding the M12 Movement. A total of 4,057 volunteers took part in the discussions. The trained activists were the facilitators of the events. 1,476 men and 2,581 women were present in the discussions. The women participants showed deeper enthusiasm towards transforming the political culture in their Divisions.

Meetings to Combine District M12 Committees with Local Government representatives, provincial journalist's associations & women caucuses

District committees have engaged with their respective district govt. officials, journalists and politicians and earn their name a formidable civil society collective actively engaged in vase ray of issues both district specific.



OVERVIEW 04.

CAPACITATING THE ORGANIZATION

4.1. Unique Organizational Identity

Recognising the Pioneers and Celebrating the 30 year Journey of PAFFREL

People's Action for Free and Fair Elections (PAFFREL) is the pioneer elections monitoring organization in Sri Lanka, which was established in 1988 for ensuring the conduct of elections in a free and fair manner. Since its inception, 44 elections have been observed on the strength of its volunteer election observers throughout the country. In 2018 PAFFREL will mark its 30 years of continuous service in protecting the sovereign franchise of the citizens of our Mother Land.

During the past 30 years, PAFFREL's pioneer leaders have contributed immensely through their diverse services as members, directors of the board, social activists and the staff. We celebrated their pioneering, voluntary work on the completion of the 30 years of Paffrel's work.

On 14th February 2019, at BMICH, was conducted the event to recognize and appreciate the pioneers of PAFFREL, which were honored by the participation of, the Speaker of the Parliament, the Ministers, Members of Parliament, the Members of the Elections Commission, Government Officers and Religious Dignities.

The training provided a comprehensive knowledge on subjects; such nationalism, Race and related social norms, gender and sexuality, Role of Civic activism and Civil society in current context which were rarely discussed in conventional civic training.

4.2. Quality, Standard and Professionalism

Ms. Upekshi Fernando, Program officer was selected among more than 120 applicants, second gen young civic leaders from all over the country, and completed the CORE VALUES training program conducted by MSI-IDEA. She attended to a series of residential training's held at Kandy, Kilinochchie, Colombo, Dambulla and 5 day field visit to Jaffna.



OVERVIEW 05.

STAFF OUTING

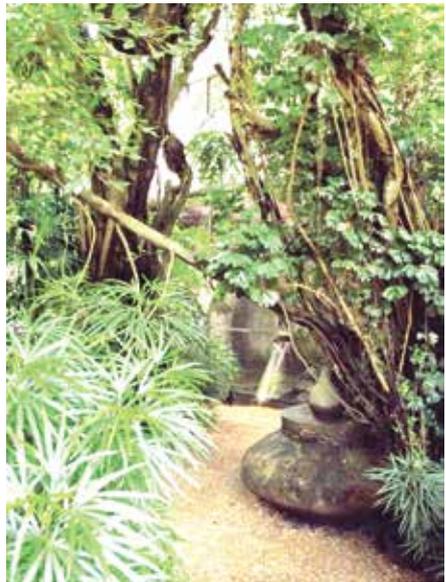
05

STAFF OUTING

PAFFREL's Staff spent a day out on 9th April 2019, at G.L.P Birds Park at Buthgamuwa Road, Kolonnawa. On that day staff have organized "A Avurudu Uthsawaya" to practice the Sri Lankan traditions of the Sinhala and Hindu New Year and refresh the team spirit among the staff members.



STAFF OUTING





OVERVIEW 06.

INTERNATIONAL PARTNERSHIPS

6.1. Membership in ANFREL

In 1999, PAFFREL became a member of the Asian Network for Free Elections Foundation -ANFREL and look a very active part in its activities. During the year under review, Mr. Rohana liettiarachchi, Executive Director of PAFFREL, continued to function as the General Secretary of Asian Network for Free Elections ANFREL. www.anfrd.org



6.2. Membership in ASPBAE

PAFFREL is a member of the Asia South Pacific Association for Basic and Adult Education Asia South Pacific Association ASPBAE - ASPBAE was established in Sydney. for Basic and Adult Education Australia in 1964. It is a regional association of more than 200 organizations and individuals. www.aspoac.org



6.3. Membership in GNDEM

PAFFREL is a member of Global Network for Domestic Election Monitors – GNDEM since 2008. GNDEM is operating in more than lection monitoring efforts to safeguard electoral integrity, help create governmental and political accountability, contribute to mitigating potentials for politically motivated violence and promote the right of citizens to participate in public affairs. The widespread development of nonpartisan election monitoring around the world is a tangible evidence of the citizen’s desire for responsive, transparent, democratic governance.



6.4. Membership in URI

United Religious Initiative (URI) was established in San Francisco in 2000. Its mision is “A Diverse Community that Works Together to Overcome Shared Problems & Achieve Real Peace”. Currently URI is functioning in over 96 countries networking with 786 CCs (Cooperation Circles). PAFFREL is a member of URI since 2012 as an Interreligious Initiative for People’s Democracy (Colombo-CC) and presently has12 CCs networking and working together in Sri Lanka covering all districts.





OVERVIEW 07.

**PEOPLE'S ACTION FOR FREE AND FAIR ELECTIONS
(GUARANTEE) LIMITED
(PAFFREL)**

**FINANCIAL STATEMENTS FOR
YEAR ENDING 31st DECEMBER 2019**



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APAG/KPS/LD/TW

**INDEPENDENT AUDITOR'S REPORT
TO THE DIRECTORS OF PEOPLE'S ACTION FOR FREE AND FAIR ELECTIONS (GUARANTEE) LIMITED**

Report on the audit of the financial statements

Opinion

We have audited the accompanying Financial Statements of People's Action for Free and Fair Elections (Guarantee) Limited ("the Company"), which comprise of the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in reserves and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with the Sri Lanka Statement of Recommended Practice for Not-for-Profit Organisations (Including Non -Governmental Organisations) (SL SoRP-NPO's (including NGO's)) issued by the Chartered Accountants of Sri Lanka.

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other of Matter

The Financial Statements of the company for the year ended 31 December 2018 were audited by another auditor who expressed an unmodified opinion, on those statements on 29 March 2019.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Sri Lanka Statement of Recommended Practice for Not-for-Profit Organisations (Including Non -Governmental Organisations) (SL SoRP-NPO's (including NGO's)) issued by the Chartered Accountants of Sri Lanka, 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

(Contd...2/)

Partners: W R H Fernando FCA FCMA, R N de Saram ACA FCMA, M. N. A. De Silva FCA, Ms. Y. A. De Silva FCA, W R H De Silva ACA ACMA, W K E S P Fernando FCA FCMA, Ms. K R M Fernando FCA ACMA, Ms. L K H L Fonseka FCA, A P A Gunasekera FCA FCMA, A Herath FCA, D K Hulangamuwa FCA FCMA LLB (Lond), H M A Jayasinghe FCA FCMA, Ms. A A Ludowyke FCA FCMA, Ms. G G S Manatunga FCA, Ms. P V K N Sajeewani FCA, N M Subitman ACA ACMA, B E Wijesuriya FCA FCMA

Principals: G B Gaudish ACMA, A A J R Perera ACA ACMA, T P M Ruberu FCMA FCCA

A member firm of Ernst & Young Global Limited



Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.



28 July 2020
Colombo

FINANCIAL STATEMENTS FOR YEAR ENDING 31st DECEMBER 2019

People's Action for Free and Fair Elections
STATEMENT OF FINANCIAL POSITION
 As at 31 December 2019.

	Note	2019 Rs.	2018 Rs.
ASSETS			
Non Current Assets			
Property Plant and Equipment	4	1,243,919	1,233,191
Leasehold Assets	4	401,653	2,030,581
		<u>1,645,572</u>	<u>3,263,772</u>
Current Assets			
Receivables	5	6,173,144	6,178,899
Fixed Deposits		6,092,663	5,546,831
Cash and Cash Equivalents	6	24,038,468	6,891,444
		<u>36,304,275</u>	<u>18,617,174</u>
		<u>37,949,847</u>	<u>21,880,946</u>
FUNDING AND LIABILITIES			
Accumulated Funds			
Restricted Funds	12	27,079,572	14,063,702
Unrestricted Funds		1,014,634	993,711
Fixed Assets Grant Fund		725,107	1,136,075
		<u>28,819,313</u>	<u>16,193,488</u>
Non Current Liabilities			
Interest Bearing Loans and Borrowings	7	224,912	841,293
Retirement Benefit Liabilities	8	4,088,009	2,728,214
Other Provisions	9	862,400	862,400
		<u>5,175,321</u>	<u>4,431,907</u>
Current Liabilities			
Interest Bearing Loans and Borrowings	7	616,379	537,613
Tax Payable	16	1,246,165	2,422
Accrued Expenses	10	2,092,669	501,504
Bank Overdraft	6	-	214,012
		<u>3,955,213</u>	<u>1,255,551</u>
		<u>37,949,847</u>	<u>21,880,946</u>

These Financial Statements are in compliance with the requirements of the companies Act No. 07 of 2007.



 Accountant

The Board of Directors is responsible for these financial statements. Signed for and on behalf of the Company by:



 Chairperson



 Treasurer

The accounting policies and notes on pages 07 through 18 form an integral part of the financial statements.



FINANCIAL STATEMENTS FOR YEAR ENDING 31st DECEMBER 2019

People's Action for Free and Fair Elections
STATEMENT OF COMPREHENSIVE INCOME
 Year ended 31 December 2019

	Note	2019 Rs.	2018 Rs.
OPERATING INCOME			
Incoming Resources	11	86,421,070	61,295,556
OPERATING EXPENDITURE			
Project Expenses	13	(71,567,470)	(52,091,823)
Net Surplus/(Deficit) on Operating Activities		<u>14,853,600</u>	<u>9,203,733</u>
Revenue Earned from Other Activities	15	1,575,486	1,753,365
Administration Expenses	14	(13,185,757)	(10,842,092)
Finance Expenses		(156,563)	(225,264)
Net Surplus/(Deficit) Before Tax		<u>3,086,766</u>	<u>(110,258)</u>
Tax Expenses	16	(1,280,292)	(2,422)
Net Surplus/(Deficit) After Tax		<u>1,806,474</u>	<u>(112,680)</u>
Other Comprehensive Income	8	(694,427)	(439,258)
Total Comprehensive Income/(Loss) for the Year		<u>1,112,047</u>	<u>(551,938)</u>

The accounting policies and notes on pages 07 through 18 form an integral part of the financial statements.



FINANCIAL STATEMENTS FOR YEAR ENDING 31st DECEMBER 2019

People's Action for Free and Fair Elections STATEMENT OF CHANGES IN RESERVES Year ended 31 December 2019

	Restricted Funds Rs.	Unrestricted Funds Rs.	Fixed Assets Grant Fund Rs.	Total Rs.
Balance as at 1 January 2018	20,828,053	(605,750)	4,254,619	24,476,922
Total Comprehensive Loss for the Year	-	(551,938)	-	(551,938)
Balance before transfer to Reserves	20,828,053	(1,157,688)	4,254,619	23,924,984
Funds Received During the year	53,576,045	-	-	53,576,045
Funds Transferred to Statement of Comprehensive Income	(60,525,556)	-	-	(60,525,556)
Fund Receivable for the year	4,427,509	-	-	4,427,509
Project Assets Depreciation Charge	-	2,154,092	(3,118,545)	(964,453)
Funds Transferred to Other Organisations	(4,245,042)	-	-	(4,245,042)
Funds Transferred to Restricted Funds	2,693	(2,693)	-	-
Balance as at 31 December 2018	14,063,702	993,711	1,136,074	16,193,488
Total Comprehensive Loss for the Year	-	1,112,047	-	1,112,047
Balance before transfer to Reserves	14,063,702	2,105,758	1,136,074	17,305,534
Funds Received During the year	94,969,409	-	-	94,969,409
Funds Transferred to Statement of Comprehensive Income	(79,817,173)	-	-	(79,817,173)
Fund Transferred (to) Unrestricted Funds	(6,603,897)	-	-	(6,603,897)
Fund Transferred from Unrestricted Funds	1,091,124	(1,091,124)	-	-
Funds Receivable at Year End	3,376,408	-	-	3,376,408
Depreciation of Project Assets	-	-	(709,617)	(709,617)
Purchase of project Assets	-	-	298,650	298,650
Balance as at 31 December 2019	27,079,572	1,014,634	725,107	28,819,313

The accounting policies and notes on pages 07 through 18 form an integral part of the financial statements.



FINANCIAL STATEMENTS FOR YEAR ENDING 31st DECEMBER 2019

People's Action for Free and Fair Elections

STATEMENT OF CASH FLOWS

Year ended 31 December 2019

	Note	2019 Rs.	2018 Rs.
Cash Flows From/(Used in) Operating Activities			
Net Surplus Before Tax		3,086,766	(110,258)
Adjustments for			
Depreciation	4	2,409,162	1,696,608
Provision of Retirement Benefit Liabilities	8	665,368	450,140
Interest Expense		156,563	225,264
Interest Income	15	(743,443)	(587,068)
Operating Profit before Working Capital Changes		5,574,416	1,674,686
(Increase)/ Decrease in Receivables		176,484	2,918,501
Increase /(Decrease) in Payables		1,591,165	(241,149)
Cash Generated From/(used in) Operating Activities		7,342,065	4,352,038
Retirement Benefit Paid		-	(124,713)
Tax Paid	16.2	(36,549)	-
Net Cash Flows from/(used in) Operating Activities		7,305,517	4,227,325
Cash Flows From/(Used in) Investing Activities			
Acquisition of Property, Plant & Equipment	4	(790,962)	-
Interest received		572,711	65,573
Investment in Fixed Deposits		(545,832)	-
Net Cash Flows (used in)/from Investing Activities		(764,083)	65,573
Cash Flows From/(Used in) Financing Activities			
Net Movement of Restricted Fund		13,015,870	(8,076,007)
Fund Transferred from Unrestricted Funds		(1,091,124)	-
Repayment of Finance Leases	7	(694,176)	(694,176)
Net Movement of Capital Reserves		(410,967)	(3,118,545)
Net Cash Flows (used in)/from Investing Activities		10,819,603	(11,888,728)
Net Increase/(Decrease) in Cash and Cash Equivalents		17,361,036	(7,595,831)
Cash and Cash Equivalents at the Beginning of the Year	6	6,677,432	14,273,263
Cash and Cash Equivalents at the end of the Year	6	24,038,468	6,677,432

The accounting policies and notes on pages 07 through 18 form an integral part of the financial statements.



FINANCIAL STATEMENTS FOR YEAR ENDING 31st DECEMBER 2019

People's Action for Free and Fair Elections (Guarantee) Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

1. CORPORATE INFORMATION

1.1 General

People's Action for Free and Fair Elections (PAFFREL) was initially incorporated under the Companies Act No 17 of 1982 as a Company Limited by Guarantee and then re-registered under the Companies Act no 07 of 2007.

The Company is registered with the Department of Social Services and has been established under the Voluntary Social Services Organisation (Registration and Supervision) Act No 31 of 1980 as amended by Act No 08 of 1998. The registered office of the Company is located at 12/3, Robert Gunawardena Mawatha, Robert Terrace, Colombo 06. Its principal place of operation is situated at No 16, Byrde Place, Off Pamankada Road, Colombo 06.

1.2 Principle Activities of the Organisation

The principal activities of the Company are,

- To motivate and encourage voters to exercise their basic democratic rights and go to poll.
- To promote community effort that would prevent violence before, during and after elections.
- To undertake an election watch which would help prevent abuses and violations of election Law and which would observe the manner in which the poll was being conducted throughout the country in many areas as possible.

1.3 Date of Authorization for Issue

The financial statements of People's Action for Free and Fair Elections (Guarantee) Limited for the year ended 31 December 2019 was authorized by the members on 28 July 2020.



FINANCIAL STATEMENTS FOR YEAR ENDING 31st DECEMBER 2019

People's Action for Free and Fair Elections (Guarantee) Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The Statement of Financial Position as at 31 December 2019 and the Statement of Comprehensive Income, the Statement of Changes in Reserves and Statement of Cash Flows for the year ended 31 December 2019, and a Summary of Significant Accounting Policies and other Explanatory Notes of People's Action for Free and Fair Elections (Guarantee) Limited have been prepared in accordance with Sri Lanka Statement of Recommended Practice for Not-for-Profit Organisations (Including Non-Governmental Organisations) (SL SoRP-NPO's [including NGO's]) issued by the Chartered Accountants of Sri Lanka.

2.2 Basis of Measurement and Presentation Currency

The Financial Statements presented in Sri Lanka Rupees have been prepared on a historical cost basis.

2.3 Comparative Information

The accounting policies adopted by the Company are unless otherwise stated is consistent with those used in the previous year. The previous year's figures and policies have been re-arranged wherever necessary to conform to the current year's presentation.

2.4 Going Concern

The Financial Statements have been prepared on the basis that the Company would be able to continue its operations in the foreseeable future.

2.5 Use of Estimates and Judgements

The presentation of Financial Statements in conformity with Sri Lanka Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of Accounting Policies and the reporting amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates and judgmental decisions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are reviewed affects only that period or in the period of the revision and future periods if the revision affects both current and future period.

a) Defined Benefit Plans

The cost as well as the present value of the defined benefit plan, gratuity is determined using formula method. The defined benefit valuation involves making assumptions about discount rates, future salary increases and other important related data. Due to the long-term nature of employee benefits, such estimates are subject to significant uncertainty.

b) Useful Lives of Property, Plant and Equipment

The Company reviews the assets' residual values, useful lives and methods of depreciation or amortization at each reporting date; judgment by management is exercised in the estimation of these values, rates and methods.



People's Action for Free and Fair Elections (Guarantee) Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Foreign Currency Translation

The financial statements are presented in Sri Lanka Rupees, which is the Company's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the Statement of Financial Position. All difference is taken as surplus or deficit. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates the date when the fair value was determined.

3.2 Receivables

Trade Receivables are stated at the amounts they are estimated to realise net of impairment for receivables (if any).

3.3 Cash & 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 purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash in hand and bank deposits, net of outstanding bank overdrafts. Investments with short maturity (i.e. of 3 months or less from the date of acquisition are also treated as cash equivalent).

3.4 Plant and Equipment

Plant and Equipment is stated at cost, excluding the costs of day to day servicing, less accumulated depreciation and accumulated in value. Such cost includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria are met.

Depreciation is provided on straight line basis at the following rates per annum, in order to write off the cost of such assets over their estimated useful lives.

Furniture & fittings	25%
Office Equipments	25%
Computers	25%
Motor Vehicles	25%

The Company provides depreciation from the date the assets are available for use up to the date of disposal, on a straight line basis over the periods appropriate to the estimated useful lives based on the pattern in which the asset's future economic benefits are expected to be consumed by the Company of the different types of assets, except for which are disclosed separately. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or the date that the asset is derecognized. Depreciation does not cease when the assets become idle or is retired from active use unless the asset is fully depreciated.

Asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate on an annual basis.



People's Action for Free and Fair Elections (Guarantee) Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

3.4.1 Project Assets

Where Plant and Equipment is purchased as a part of a project through restricted funds, until the conclusion of the project or, on conclusion of the project, the asset is not handed over to the beneficiary or returned to the original donor, the cost of the asset is included in a memorandum inventory of Plant and Equipment identified as such in the Financial Statements. Depreciation is not provided on such assets.

3.5 Leasehold Property

Leasehold Property is stated at recorded carrying value. Such carrying amounts are amortised over the remaining lease term or useful life of the Leased Property whichever is shorter.

Operating Lease payments are recognised as an expense in the statement of profit or loss on a straight-line basis over the lease term.

3.6 Grant Assets

Grants and subsidies related to assets are deferred in the Statement of Financial Position and recognized as income over the life of the depreciable asset by way of a reduced depreciation charge in the Statement of Comprehensive Income over the useful life of the asset.

3.7 Investments

Other investments in fixed deposits are measured at cost less impairment.

3.8 Liability and Provisions

3.8.1 Provisions

Provision are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resource embodying economic benefit will be required to settle the obligation and the reliable estimate can be made to the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial activities net of any reimbursement.

3.8.2 Retirement Benefit Obligations

a) Gratuity

Gratuity is a Defined Benefit Plan. The Company is liable to pay gratuity in terms of the Act No.12 of 1983. In order to meet this liability, a provision is carried forward in the Statement of Financial Position, equivalent to an amount calculated based on the formula method issued by the Institute of Chartered Accountants of Sri Lanka which complies with the Sri Lanka Accounting Standards.

b) Defined Contribution Plan- Employees Provident Fund & Employee Trust Fund

Employees are eligible for Employee's Provident Fund and Employee' Trust Fund Contribution in line with respective statutes and regulations. The Company contributes 12% and 3% of gross emoluments of employee to Employee's Provident Fund and Employee' Trust Fund respectively.



People's Action for Free and Fair Elections (Guarantee) Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

3.9 Taxation

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act.

Income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the Taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

3.10 Funds

a) Unrestricted Funds

Unrestricted funds are that are available for use by the Company at the discretion of the management, in furtherance of the general objectives of the Company and which are not designated for any specific purpose by the donors.

Surplus funds are returned to donors or transferred from restricted funds to unrestricted funds in terms of the relevant donor agreements or with subsequent approval of the donor.

Contributions received from general public are recognized in the Statement of Comprehensive Income on Cash Basis.

b) Restricted Funds

Where grants are received for use in identified projects or activity, such funds are held in a restricted fund account and transferred to the statement of financial activities to match with the expense incurred in respect of that identified project. Unutilized funds are held in their respective fund accounts and included under accumulated fund in the Statement of Financial Position until such time they are required.

c) Fixed Assets Grant Fund

Grants and subsidies related to assets are deferred in the statement of financial position and recognized as income over the life of the depreciable asset by way of a reduced depreciation charge in the statement of comprehensive income over the useful life of the asset.

3.11 Income Recognition

Income realized from restricted funds is recognized in the Statement of Comprehensive Income only when there is a certainty that all of the conditions for receipt of funds have been complied with and the relevant expenditure that it is expected to compensate has been incurred and charged to the Statement of Comprehensive Income. Unutilized funds are carried forward as such in the Statement of financial position as grant payable.

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

All other income is recognized 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.



People's Action for Free and Fair Elections (Guarantee) Limited

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2019

3.12 Revenue Earned from Other Activities

Revenue earned on services rendered is recognized in the accounting period in which the services are rendered.

Other income is recognized on an accrual basis. All other income is recognized when the Company is legally entitled to the use of such funds and the amount can be quantified.

Net gains and losses of a revenue nature on the disposal of plant & equipment and other non-current asset including investments have been accounted in the Statement of Comprehensive Income, having deducted from proceeds on disposal, the carrying amount of the assets and related expenses.

Gifts and donations received in kind are recognized at fair value at the time that they are distributed to beneficiaries, or if received for resale with proceeds being used for the purpose of the Company at the point of such sale. Items not sold or distributed are inventories but not recognized in the Financial Statements.

3.13 Expenditure Recognition

Expenses in carrying out the projects and other activities of the Company are recognized in the Statement of Comprehensive Income during the period in which they are incurred. Other expenses incurred in administrating and running the Company and in restoring and maintaining the Property, Plant & Equipment to perform at expected levels are accounted for on accrual basis to the Statement of Comprehensive Income.

For the purpose of presentation of Statement of Comprehensive Income, the management is of the opinion that the function of expenses method presents fairly the elements of the company's performance, and hence such a presentation method is adopted.



FINANCIAL STATEMENTS FOR YEAR ENDING 31st DECEMBER 2019

People's Action for Free and Fair Elections

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2019

4. PROPERTY, PLANT AND EQUIPMENT

4.1 Gross Carrying Amount	Balance as at 01.01.2019 Rs.	Additions During the Year Rs.	Disposals During the Year Rs.	Balance as at 31.12.2019 Rs.
Freehold Assets				
At Cost				
Furniture and Fittings	937,965	34,155	-	972,120
Office Equipment	3,182,776	723,607	-	3,906,383
Computer Equipment	4,043,630	33,200	-	4,076,830
	<u>8,164,371</u>	<u>790,962</u>	<u>-</u>	<u>8,955,333</u>
Leasehold Assets				
At Cost				
Motor Vehicles	6,515,709	-	-	6,515,709
	<u>6,515,709</u>	<u>-</u>	<u>-</u>	<u>6,515,709</u>

4.2 Depreciation	Balance as at 01.01.2019 Rs.	Charge for the Year Rs.	Disposals During the Year Rs.	Balance as at 31.12.2019 Rs.
Freehold Assets				
At Cost				
Furniture and Fittings	877,349	40,068	-	917,417
Office Equipment	2,740,665	299,951	-	3,040,616
Computer Equipment	3,313,166	440,215	-	3,753,381
	<u>6,931,180</u>	<u>780,234</u>	<u>-</u>	<u>7,711,414</u>
Leasehold Assets				
At Cost				
Motor Vehicles	4,485,128	1,628,928	-	6,114,056
	<u>4,485,128</u>	<u>1,628,928</u>	<u>-</u>	<u>6,114,056</u>

4.3 Net Book Values	2019 Rs.	2018 Rs.
Freehold Assets		
Furniture and Fittings	54,703	60,616
Office Equipment	865,767	442,111
Computer Equipment	323,449	730,464
<i>Total Net Carrying Amount of Freehold Property, Plant and Equipment</i>	<u>1,243,919</u>	<u>1,233,191</u>
Leasehold Assets		
Motor Vehicles	401,653	2,030,581
<i>Total Net Carrying Amount of Leasehold Property, Plant and Equipment</i>	<u>401,653</u>	<u>2,030,581</u>
Total Net Carrying Amount of Property, Plant and Equipment	<u>1,645,572</u>	<u>3,263,772</u>

4.4 Project Assets Not Included in the Statement of Financial Position

	Balance as at 01.01.2019 Rs.	Additions During the Year Rs.	Disposals During the Year Rs.	Balance as at 31.12.2019 Rs.
At Cost				
Office Equipment	416,700	-	(298,650)	118,050
Computer Equipment	191,400	173,300	-	364,700
Furniture and Fittings	-	64,155	-	64,155
	<u>608,100</u>	<u>237,455</u>	<u>(298,650)</u>	<u>546,905</u>

4.5 During the financial year, the Company acquired Property, Plant and Equipment to the aggregate value of Rs. 790,962 (2018 - Rs. NIL). Cash payments amounting to Rs. 790,962 (2018 - Rs. NIL.) were made during the year.



FINANCIAL STATEMENTS FOR YEAR ENDING 31st DECEMBER 2019

People's Action for Free and Fair Elections NOTES TO FINANCIAL STATEMENTS Year ended 31 December 2019

5. RECEIVABLES	2019	2018
	Rs.	Rs.
Receivable from Donors	3,376,408	4,428,353
Other Receivables (5.1)	1,413,705	957,692
Advances	1,367,031	776,854
Deposits	16,000	16,000
	<u>6,173,144</u>	<u>6,178,899</u>
5.1 Other Receivables	2019	2018
	Rs.	Rs.
Refundable Deposit	820,000	250,000
Insurance Prepayment	246,577	227,388
Interest Receivable	170,732	159,598
Staff Loans	131,400	225,206
Laptop Loan	44,996	77,500
Salary Advance	-	8,000
Festival Advance	-	10,000
	<u>1,413,705</u>	<u>957,692</u>
6. CASH AND CASH EQUIVALENT	2019	2018
	Rs.	Rs.
6.1 Favourable Cash and Cash Equivalent Balances		
Cash at Bank	24,035,495	6,868,354
Cash in Hand	2,973	23,090
	<u>24,038,468</u>	<u>6,891,444</u>
Unfavourable Cash and Cash Equivalent Balances		
Bank Overdraft	-	(214,012)
	<u>-</u>	<u>(214,012)</u>
Total Cash and Cash Equivalents for the Purpose of Statement of Cash Flows	<u>24,038,468</u>	<u>6,677,432</u>
7. INTEREST BEARING LOANS AND BORROWINGS	2019	2018
	Rs.	Rs.
Lease Creditors		
Balance at the Beginning of the Year	1,619,744	2,313,920
Obtained During the Year	-	-
Repaid During the Year	(694,176)	(694,176)
	<u>925,568</u>	<u>1,619,744</u>
Interest in Suspense	(84,277)	(240,838)
Balance at the End of the Year	<u>841,291</u>	<u>1,378,906</u>
Amount Repayable With in 1 Year	616,379	537,613
Amount Repayable After 1 Year	224,912	841,293
Total	<u>841,291</u>	<u>1,378,906</u>
8. RETIREMENT BENEFIT LIABILITIES	2019	2018
	Rs.	Rs.
Gratuity		
Balance at the Beginning of the Year	2,728,214	1,963,529
Charge for the Year	455,974	244,975
Interest for the year	209,394	205,165
Deficit/ (Surplus) for the year	694,427	439,258
Payments Made During the Year	-	(124,713)
Balance at the End of the Year	<u>4,088,009</u>	<u>2,728,214</u>
The principal assumptions used are as follows:		
Accountants Salary Increment Rate	7%	5%
Discount Rate Assumed	10%	11%
Retirement Age	55	55



FINANCIAL STATEMENTS FOR YEAR ENDING 31st DECEMBER 2019

People's Action for Free and Fair Elections

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2019

9. OTHER PROVISIONS	2019 Rs.	2018 Rs.
EPF & ETF Payable	762,400	762,400
PAYE	100,000	100,000
	<u>862,400</u>	<u>862,400</u>
10. ACCRUED EXPENSES	2019 Rs.	2018 Rs.
Printing Expenses	1,157,100	-
EPF & ETF Payable	243,270	-
Election Expenses	112,000	-
Project Expenses	63,000	-
Telephone	61,485	56,997
Electricity	56,384	-
Overtime	16,838	23,249
Resource Person Salary	15,000	35,000
Water	8,684	7,257
Stationary	4,940	6,300
PAYE Tax payable	3,967	-
Office Transport	-	4,200
Audit fee	350,000	343,500
Finance Manual Preparation fee	-	25,000
	<u>2,092,669</u>	<u>501,504</u>
11. INCOMING RESOURCES	2019 Rs.	2018 Rs.
Restricted Income (11.1)	79,817,173	60,525,556
Unrestricted Income (11.2)	6,603,897	770,000
	<u>86,421,070</u>	<u>61,295,556</u>
11.1 Restricted Income	2019 Rs.	2018 Rs.
National Democratic Institute (NDI)	20,137,126	-
The Norwegian Ministry Of Foreign Affairs (NMFA)	9,346,135	-
USAID Grant through Management System International, Inc (MSI) Project (IDEA)	8,813,921	-
European Union OCEAN	7,321,403	9,669,576
Canadian Funds for Local Initiatives (CFLI)	5,026,110	-
Foundation Open Society Institute 2018/2020	4,730,124	2,186,598
United Nations Development Programme (UNDP)	3,341,353	-
The United Nations Democracy Fund (UNDEF)	2,950,829	-
Peoples Action for Free and Fair Elections - Anniversary	2,638,778	117,346
Embassy of Netherlands	2,250,509	6,530,712
Dialonia	10,210,763	10,051,310
Strengthening Democratic Governance and Accountability Project	1,570,415	10,702,260
Dialonia Special Project Contribution Grant	799,856	1,273,020
Royal Norwegian Embassy	430,000	6,207,607
IDEA-M12 Anniversary	249,850	-
British High Commission	-	879,944
Foundation Open Society Institute	-	7,580,598
International Republican Institute	-	1,146,800
Embassy of Switzerland	-	2,034,752
Neelem Thiruchelvam Trust	-	1,651,134
International Institute for Democracy and Electoral Assistance	-	291,643
Westminster Foundation for Democracy	-	102,363
March 12 Movement	-	99,894
	<u>79,817,173</u>	<u>60,525,556</u>
11.2 Unrestricted Income	2019 Rs.	2018 Rs.
Transferred from Restricted Funds	6,603,897	-
Other Contributions	-	770,000
	<u>6,603,897</u>	<u>770,000</u>



FINANCIAL STATEMENTS FOR YEAR ENDING 31st DECEMBER 2019

People's Action for Free and Fair Elections
NOTES TO FINANCIAL STATEMENTS
Year ended 31 December 2019

12. MOVEMENT IN RESTRICTED FUNDS

Projects	Donor	Balance Brought Forward	Funds Received During the Year	Transferred from Unrestricted Fund	Transferred to Comprehensive Income	Funds Receivable at the Year End	Transferred to Statement of Comprehensive	Balance Carried Forward
			Rs.		Rs.	Rs.	Rs.	Rs.
Direct Project Cost								
Over Funding - 2019	Sri Lanka	-	10,210,791	-	-	-	10,210,791	-
British High Commission Colombo Supporting for Sensitizing, Democratization in Sri Lanka	British High Commission Colombo Royal Norwegian Embassy (RNE)	3,098	-	-	(3,098)	-	-	-
Supporting Movement for Strengthening the Role of Society and Government Administration through Analytic Action of Youth	Strengthening Democratic Governance and Accountability Project (SDGAP)	431,116	-	-	(1,136)	-	430,000	-
Empowering Electoral Integrity in the Electoral Process through Independent Election Observations & Remedial Action	European Union	4,095,688	4,071,490	-	(2,460,975)	-	1,576,415	-
Organizational Capacity Enhancement and Networking Project (OCC/EAN)	European Union (OCC/EAN)	2,587,703	5,000,000	-	(4,095,688)	-	1,431,415	266,101
People's Action for Free & Fair Elections (PAFFREL) 30th Anniversary To Institute progressive Governance Projects	PAFFREL - Anniversary Foundation to 'Promote Open society 2018/2020	477,654	1,070,000	1,091,124	-	-	2,638,778	-
Computer Finance Reform Towards Level Playing Field in Elections (Sri Lanka)	(USAID Grant through Management System International, Inc (MSI) Project (IDEA)	1,308,337	4,321,436	-	-	3,276,408	4,730,124	3,237,972
MI2 Anniversary	IDEA/MI2 Anniversary	-	249,850	-	-	249,850	8,817,921	-
Presidential Election 2019	Pakistan - SFC	-	809,000	-	-	-	299,856	144
Presidential Election 2019	The Embassy of Netherlands (United Nations Development Program) (UNDP)	-	2,380,000	-	-	-	2,380,000	129,891
Presidential Election 2019	Programme (UNDP)	-	4,800,000	-	-	-	3,341,353	1,058,647
Presidential Election 2019	The Norwegian Ministry of Foreign Affairs (NMF/A)	-	11,611,700	-	-	-	9,316,418	2,305,282
Presidential Election 2019	Canadian Funds for Local Initiatives (CFLI)	-	5,823,827	-	-	-	5,026,110	797,716
Election Monitoring 2019	National Democratic Institute (NDI)	-	27,184,895	-	-	-	20,117,426	7,067,468
Towards a Credible 2019 General Election in Sri Lanka	The United Nations Emergency Fund (UNEP)	-	9,169,099	-	-	-	2,790,829	6,378,269
Presidential Election 2019	Asian Network for Free Elections (ANFRELE) Foundation	-	3,601,700	-	-	-	-	3,601,700
Democracy Programme	Association for Friendship and Love	-	300,000	-	-	-	-	300,000
MI2 Anniversary	Individual Donors	-	103,000	-	-	-	-	100,000
		14,003,702	94,969,499	(1,091,124)	(6,600,977)	3,276,408	79,817,124	27,079,572



FINANCIAL STATEMENTS FOR YEAR ENDING 31st DECEMBER 2019

People's Action for Free and Fair Elections

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2019

13. PROJECT EXPENDITURE	2019 Rs.	2018 Rs.
Programme Cost	62,741,871	47,021,174
Personnel Cost	6,202,460	3,393,167
Support Cost	2,623,139	1,677,482
	<u>71,567,470</u>	<u>52,091,823</u>

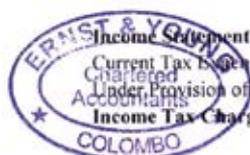
14. ADMINISTRATION EXPENDITURE	2019 Rs.	2018 Rs.
Salaries	3,984,720	3,885,632
Renovation of Office premises	2,526,891	-
Depreciation	2,409,164	2,661,060
Sundry Expenses	1,252,923	1,391,076
Gratuity	665,369	450,140
Purchases and maintenance	493,444	131,383
Communication, stationary & Printing	480,242	513,037
Utilities	443,914	669,736
Staff Travel	283,647	505,777
Vehicle Maintenance	114,348	49,775
Bank Charges	108,345	164,960
Medical	50,000	-
Audit fee	370,000	343,500
Staff training	2,750	76,016
	<u>13,185,757</u>	<u>10,842,092</u>

15. REVENUE EARNED FROM OTHER ACTIVITIES	2019 Rs.	2018
FD Interest Income	591,095	521,495
Money Market Interest Income	135,698	65,573
Miscellaneous	65,967	16,788
Vehicle Allowance	56,459	117,758
Staff Loan Interest	16,650	17,299
Audit fee over provision written back	-	50,000
Deferred Income-Grant Assets	709,617	964,452
	<u>1,575,486</u>	<u>1,753,365</u>

16. INCOME TAX EXPENSES

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act.

16.1 INCOME TAX EXPENSE	2019 Rs.	2018 Rs.
Current Tax Expense on Ordinary Activities for the Year	862,582	2,422
Under Provision of Tax Expense for the Previous Year	417,710	-
Income Tax Charges Reported in the Income Statement	<u>1,280,292</u>	<u>2,422</u>



FINANCIAL STATEMENTS FOR YEAR ENDING 31st DECEMBER 2019

People's Action for Free and Fair Elections

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2019

16. INCOME TAX EXPENSES (Contd...)

	2019 Rs.	2018 Rs.
16.2 Current Tax Expense on Ordinary Activities for the Year		
Accounting Profit Before Tax	3,086,766	-
Aggregate Disallowable Expenses	3,074,533	-
Aggregate Allowable Expenses	(743,443)	-
Taxable Profit	<u>5,417,856</u>	<u>-</u>
Investment Income	743,443	17,299
Total Taxable Income	<u>743,443</u>	<u>17,299</u>
Tax @ 14%	758,500	-
Tax @ 14%	104,082	2,422
Tax Expense	<u>862,582</u>	<u>2,422</u>
16.2 Tax Payable		
Balance at the Beginning of the Year	2,422	-
Tax Expenses	1,280,292	2,422
Tax Paid During the Year	(36,549)	-
Balance at the End of the Year	<u>1,246,165</u>	<u>2,422</u>

17. COMMITMENTS AND CONTINGENCIES

The Organisation does not have significant capital commitments and contingencies as at the reporting date.

18. EVENTS OCCURRING AFTER THE REPORTING DATE

There have been no material events occurring after the reporting date that require adjustments or disclosure in the financial statements.

19. ASSETS PLEDGED

There were no assets have been pledged as at the reporting date.

20. RELATED PARTY TRANSACTIONS

Transactions with Key Management Personnel of the Organization

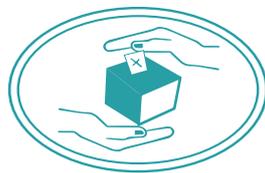
The Key Management Personnel of the Organization is the Board of Directors.

Short-Term Benefits



	2019 Rs.	2018 Rs.
	702,000	1,368,000
	<u>702,000</u>	<u>1,368,000</u>





PEOPLE'S ACTION FOR FREE AND FAIR ELECTIONS

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