A close-up portrait of a young woman with dark hair, a bindi on her forehead, and a nose ring. She is smiling broadly, showing her teeth. She is wearing a pink top with blue and white floral patterns. The background is dark and out of focus.

*Mother of two, war survivor,  
entrepreneur, breadwinner*

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ANNUAL REPORT 2017

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**PALMERA**

WE ARE WORKING TOWARDS

# *a day where no one is left out*

*How we do this is* by working in communities where we have deep relationships and having wider impact by sharing our approach with global partners who leverage our model – Village2Markets and training in other countries where deep community trust has been established.

*What we do is* support farmers and rural entrepreneurs to start and grow their businesses so they can stand on their own two feet.





IN 2017 WE IMPACTED **25,000**  
people by increasing income, savings  
and strengthening communities.

“I was unsure whether I could do it, but I watched other women do it and they encouraged me, now I am earning from my farm, land that went to waste for so many years”

– Women entrepreneur in our programme



## TO INCREASE INCOME, SAVINGS AND REDUCE VULNERABILITY WE UNDERTAKE

*a range of different interventions.  
Below is just a snap shot of the  
impact we had in 2017.*

In 2017, we invested in measuring our impact. We developed new systems and resources for understanding if and how we are reaching our goals and whether our communities are better off. It means collecting more data than we ever have before and that's not always easy to do across oceans, time zones and languages but it has provided us with evidence of our impact and a deeper understanding of what works for our communities.



850 women previously who did not have any formal savings practices not engaged in women's village banks and regularly saving



On average increased yield and incomes by 35% across the entrepreneurs that we support



Strengthened 5 sectors where the vulnerable work through improving the ecosystem, connections with buyers and strengthened market support services.



90% of those with whom we worked reported that because of their increased income they are better able to support their families needs.





**WE ACHIEVED THIS BY CO-DESIGNING**  
*a bundle of market-based solutions*  
*with our communities, that we call*  
*village2markets.*





# *easy as peanuts – increasing income through groundnuts*

## TRANSFORMATION IN THE ECONOMIC INCLUSION OF FAMILIES



Saranya is almost unrecognisable to me now.

She was one of the first people to join our Village2Markets program, located in our pilot village in Sri Lanka's north. In September 2015 when we kick started the project she reluctantly joined our first batch of groundnut farmers. I remember meeting her then, encouraging her to adopt the innovation as we struggled to get our first group. Little would she realise that her first small batch of 18 people which took over 3 months of engagement would lead to 600 farmers following her in the next 18 months.

She had under utilised land, worked as a daily labourer to supplement income and living week by week.

Today with continued mentoring and deep engagement she's scaled her peanut farm from 0.25 acres to 5 acres, doubling her farm productivity through technique we've introduced. She used the funds to purchase her first cow and by working in our dairy program she's improved yield by over 150%. This has allowed her to purchase 7 more cows. She's then built up to 70 chickens in her poultry business. She's joined our savings bank and now connected to the mainstream financial sector.

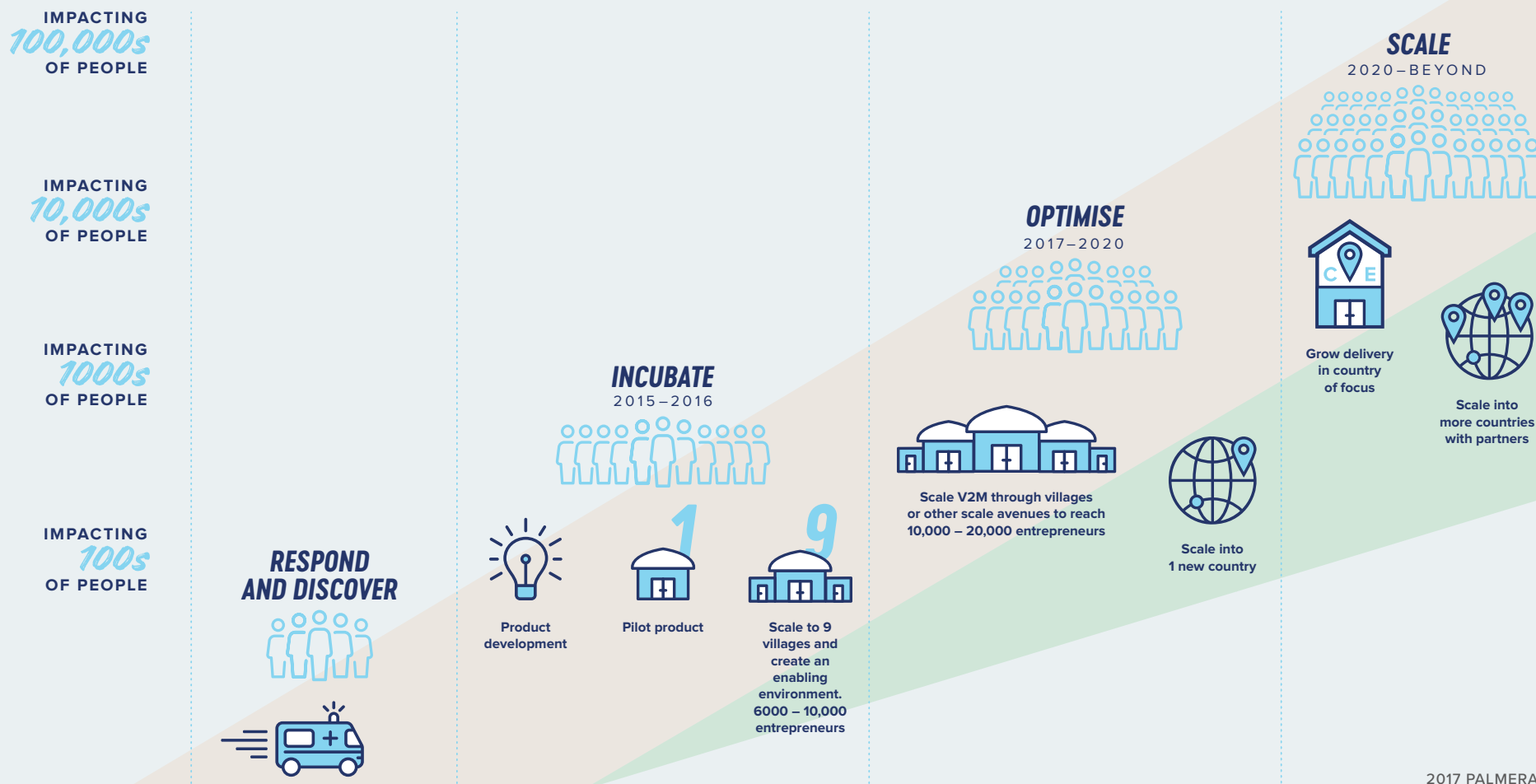
When we met she spoke about her brother who is in the Villawood detention centre in Australia and reflects "if only he knew that we could turn things around, maybe he would never have gone".

All it took was the opportunity and she's been able to do the rest.

# WE'RE ON TRACK TO MEET OUR BOLD 5 YEAR STRATEGY

*for impact and working towards  
a day where no one is left out.*

In 2017, we moved to the Optimise phase of our 5 year strategy. This included identifying ways to scale our work in Sri Lanka and position our model for growth into new global communities.





# IN 2017 WE *SCALED*

*the model in sri lanka and  
shared it with global partners*

Our goal for a day when no one is left out is best achieved when we prove and share our model for impact.

In 2017, we did just that. We took Village2Markets to three new locations in Sri Lanka. This didn't just mean that we were able to empower 25,000 people, it also meant we were able to learn more about scalability through reflection, research and co-design. It helped us share the model with our partner Transform Aid to reach new global communities. In 2017, we were invited to Bangladesh where we share our work with their Philippines, Nepal and Bangladesh local partners.





## *milking it – increasing income through dairy*

### TRANSFORMATION IN THE ECONOMIC INCLUSION OF FAMILIES



Parameswary is a 63 year old widow. In this part of the world, there is no pension, so finding ways to continually support oneself economically is critical. She joined our dairy programme and was trained on all the technical aspects. Here you can see her growing critical inputs, cattle feed, essential for increasing milk yield. She now can produce 6 litres per day from her cow and with that income she has been able to purchase another cow.

As part of the programme, producers must pass on the first born calf to another family. She shares that this motivated her to earn well and buy another cow as she couldn't bear the thought of her cow being lonely – she knew that feeling all too well and wouldn't wish it on anything. Although the price of milk is fixed she is also achieving the top end of that fixed price through understanding and managing the fat content, all technical aspects that she has mastered through the training and mentoring.

Now a strong producer providing to Nestle, she proudly shares that she doesn't have to worry about the future.

# IN 2017 WE CONTINUED

*to get smarter about fundraising*

We're a small organisation with limited resources, so we know we have to be efficient about the way we fundraise. In 2017 we continued with our diversified fundraising strategy that didn't rely on us for running events and campaigns but instead handed over those reigns to you, our supporters.

By investing in our committed supporters and digital platforms for fundraising, we were able to exceed our fundraising goals. Most importantly, this allowed our team to focus on our programmes which is where we add the most value

## HOW WE RAISE FUNDS



D.I.Y Projects



Regular  
Monthly Givers



Corporate  
Partnerships



Crowdfunding



Merchandise



Government



High Net  
Donor Program





# Khyilan's 1st birthday



D.I.Y Projects

**PALMERA**

WHY LIVELIHOODS OUR PROJECTS OUR CAMPAIGNS THE VILLAGE HANDMADE ABOUT US

DONATE FUNDRAISE

## KHYILAN'S 1ST BIRTHDAY


**\$3,245** raised

**Goal** \$3,000

**37** donors

DONATE

Description



Our Khyilan, affectionately known 'Thamby' by most, is turning one and we can't think of a better way to celebrate than supporting the work of Palmera. Our boys have been born into a life of privilege, one that is safer, healthier, wealthier, and with far more opportunities than those of their counterparts in North-East Sri Lanka. With this small gesture, we hope to be able to contribute to changing that for future generations.

(We also hope to avoid further clutter and toys in our home! Thamby wants for nothing and really enjoys nothing more than emptying our kitchen cupboards and chasing his brother around).

We've set a high target for [Thamby's 1st birthday](#), but his Annah/big brother raised this much so we hope he'll be able to do the same !

Funds raised will go to the [Savings For Life](#) project.

xx

Loga Prasanna and Tammy

When Khyilan turned one, he had very little idea about what was going on.

But in a few years time he'll realise that on his first birthday he helped over 150 women in Sri Lanka build their financial literacy and start saving for a better future, through the SAVINGS FOR LIFE project.

Khyilan's first birthday campaign raised \$3245. (He also beat his big brother's record).

What's great about Palmera's crowd funding platform is that it is super easy to set up, we can select a project and as we raise funds we can see the project we chose getting closer to its goal. A dual crowd funding platform for such a small charity is very unique and shows just how much Palmera has invested in technology to improve the efficiency of their fundraising efforts!

# OUR FINANCIALS

*as always we kept palmera running efficiently*

**90%** EMPOWERING  
ENTREPRENEURS

---

**4%** ACCOUNTABILITY &  
ADMINISTRATION

---

**6%** FUNDRAISING COSTS  
*This was at a 5% cost ratio, which means for every \$1 we spent on fundraising efforts we raised \$20.*





*WE DON'T WANT PROMOTE A CULTURE OF LOW OVER  
HEADS AS AN INDICATOR FOR A GOOD ORGANISATION,  
BUT IT IS CONSTANT PRESSURE WE ARE UNDER.*

So we run hard every day with limited resources, to do things with even fewer resources while keeping our quality high. An impossible feat but this is just a few of the ways that we keep our costs so low.

*WE DON'T HAVE OFFICES – WE WORK VIRTUALLY*

---

*WE LEVERAGE TECHNOLOGY TO FUNDRAISE*

---

*WE HAVE A TEAM OF VOLUNTEERS WHO IN 2017  
ALONE INVESTED OVER 1250 HOURS IN OUR WORK*

---

*WHEN IN THE FIELD, WE STAY IN THE VILLAGE & EAT IN THE HOMES  
OF THOSE WE SUPPORT. NO FANCY HOTELS OR RESTAURANTS FOR US!*

---

*WE LEVERAGE PROBONO OR LOWBONO SUPPORT*

---

CLAYTON UTZ

LEGAL PARTNER

accenturetechnology

TECHNOLOGY PARTNER

pinktank

DESIGN PARTNER

Accru.<sup>+</sup>

ACCOUNTING PARTNER

Fusion Labs

TECHNOLOGY PARTNER



# ACFID CODE COMPLIANT FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017.

This summary financial report is in accordance with the requirements set out in the ACFID Code of Conduct (Code). The report has been derived from and is consistent with the financial statements for the full financial year ended 31 December 2017.

For further information on the Code please refer to the ACFID website [www.acfid.asn.au](http://www.acfid.asn.au) A copy of the full financial statements for the year ended 31 December 2017 is available upon request by emailing [hello@palmera.org](mailto:hello@palmera.org).

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

REVENUE	2017	2016
Donations & Gifts	\$	\$
> Monetary	748,252	639,411
<hr/>		
<b>Grants</b>		
> Department of Foreign Affairs and Trade	140,533	162,969
<hr/>		
Other Income	13,233	673
<hr/>		
<b>TOTAL REVENUE</b>	<b>902,018</b>	<b>803,053</b>
<hr/>		
<b>EXPENDITURE</b>		
<hr/>		
<b>International Aid &amp; Development Program Expenditure</b>		
> Funds to International Projects	437,566	437,744
> Research Costs	69,418	63,922
> Program Support Costs	107,629	66,144
Fundraising Costs	43,468	52,561
Accountability & Administration Costs	24,662	30,148
<hr/>		
<b>TOTAL EXPENDITURE</b>	<b>682,743</b>	<b>650,519</b>
<hr/>		
<b>EXCESS OF REVENUE OVER EXPENDITURE</b>	<b>219,275</b>	<b>152,534</b>
<hr/>		
<b>Other Comprehensive Income</b>	-	-
<hr/>		
<b>Net surplus attributable to members of the entity</b>	<b>219,275</b>	<b>152,534</b>
<hr/>		
<b>Total comprehensive income attributable to members of the entity</b>	<b>219,275</b>	<b>152,534</b>
<hr/>		



**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2017**

	2017 \$	2016 \$
<b>ASSETS</b>		
Cash and Cash Equivalents	855,104	665,376
Trade and Other Receivables	5,009	1,964
<b>TOTAL CURRENT ASSETS</b>	<b>860,113</b>	<b>667,340</b>
<b>TOTAL ASSETS</b>	<b>860,113</b>	<b>667,340</b>
<b>LIABILITIES</b>		
Trade and Other Payables	57,984	80,388
Provisions	-	4,008
<b>TOTAL LIABILITIES</b>	<b>57,984</b>	<b>84,396</b>
<b>NET ASSETS</b>	<b>802,219</b>	<b>582, 944</b>
<b>EQUITY</b>		
Retained surplus	802,219	582, 944
<b>TOTAL EQUITY</b>	<b>802,219</b>	<b>582, 944</b>

**STATEMENT OF CHANGES IN EQUITY FOR THE  
YEAR ENDED 31 DECEMBER 2017**

	Retained Surplus	Total
	\$	\$
<b>Balance at 1 January 2016</b>	<b>430,410</b>	<b>430,410</b>
Comprehensive Income		
Surplus for the year	152,534	152,534
Other comprehensive income for the year	-	-
<b>Balance at 31 December 2016</b>	<b>582,944</b>	<b>582,944</b>
<b>Balance at 1 January 2017</b>	<b>582,944</b>	<b>582,944</b>
Comprehensive income		
Surplus for the year	219,275	219,275
Other comprehensive income for the year	-	-
<b>Balance at 31 December 2017</b>	<b>802,219</b>	<b>802,219</b>

## DIRECTOR'S DECLARATION

In accordance with a resolution of the directors of Palmera Projects, the directors declare that:

1. The ACFID Code Compliant financial statements are consistent with the statutory audited financial statements of Palmera Projects for the year ended 31 December 2017.
2. The full financial statements and notes, as set out on pages 6 to 15: a) comply with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012; b) give a true and fair view of the financial position of the company as at 31 December 2017 and of its performance for the year ended on that date.
3. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable. This declaration is made in accordance with a resolution of the Board of Directors.

This declaration is made in accordance with a resolution of the Board of Directors.



Director – Tamara Pararajasingham (Chair)



Director – Abarna Suthanthiraraj

## REPORT ON THE ACFID CODE COMPLIANT FINANCIAL STATEMENTS

The accompanying ACFID code compliant financial statements of Palmera Projects, comprising the Statement Of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Table of Cash Movements for Designated Purposes for the year ended 31 December 2017, and abbreviated explanatory notes, are derived from the statutory audited full financial report of Palmera Projects for the year ended 31 December 2016. We have expressed a qualified opinion on those statutory audited financial statements on our report date 29 April 2018.

The ACFID code compliant financial statements do not contain all the disclosures required by applicable Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012. Reading the summary financial statements is not a substitute for reading the audited full financial report for Palmera Projects.

### Responsibility for the ACFID code compliant financial statements

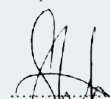
The directors of Palmera Projects are responsible for the preparation and presentation of the ACFID code compliant financial statements, and the basis of preparation is appropriate for the purpose in which they have been prepared in accordance with the Australian Council For International Development (ACFID) Code of Conduct.

### Auditor's responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 Engagements to report on Summary Financial Statements.

### Auditor's Opinion

In our opinion, the ACFID code compliant financial statements derived from the audited full financial report of Palmera Projects are consistent, in all material respects, with the audited financial statements from which it was derived. However, ACFID code compliant financial statements should be read in conjunction with our audit report on the statutory full financial reports which contain a qualified audit opinion.



Steven Zabeti

Partner

Felsers, Chartered Accountants





## WHAT WE HAVE LEARNT

*Just some of the many lessons we have learnt and how we have addressed them to improve our work*

- **Spend more time understanding the market barriers the poorest face before launching our programmes.** We have built in more capacity building and training for our local partners to strengthen their market analytic skills
- **Pilot our solutions before accelerating through the community – just because one solution worked in one community it doesn't mean it will work in another.** We have built stronger controls into our programming to ensure that we pilot all new innovations
- **Identify profitable sectors that are not reliant on water for growth.** We have expanded our criteria in our sector selection to ensure that we also include sectors that are not water reliant to mitigate the climate variability risks increasing present in our communities



## *growing strong – increasing income through improved farming techniques*



It was nearly 15 years ago now, but when you are in that much pain and bed ridden for over a year, you never quite forget it. I remember the shells piercing through my legs as we tried to escape the battle that had sprung up around us. I will never be able to repay my wife. How she looked after me and our 6 children I will never understand. Now its my turn to look after her.

Jekanathan is 56 years old and has just completed technical training in new farming methods and market mentoring through Village2Markets. The markets have changed so much since the 30 year war he survived and he was keen to learn new farming techniques and better understand how things work so he can get a fair price for his harvest.

I'm looking forward to telling my wife that we will be okay.



**WWW.PALMERA.ORG**



**Australian Government**

**Department of Foreign  
Affairs and Trade**



**ACFID**  
MEMBER

**TAX**  
**DEDUCTIBLE**

Along with our accreditation with the Australian government, we also ensure the highest standards of accountability and transparency as a member of the Australian Council for International Development (ACFID). This is demonstrated by our full commitment to the ACFID Code of Conduct.

We welcome any feedback on this report or our operations and conduct.

Please write to the following address: Company Secretary, Palmera Projects 57 Chalmers Road, Strathfield NSW 2135. Complaints relating to a breach of the ACFID Code of Conduct by an ACFID member can be made to the ACFID Code of Conduct Committee via [www.acfid.asn.au/code-of-conduct/complaints-and-compliance-monitoring](http://www.acfid.asn.au/code-of-conduct/complaints-and-compliance-monitoring).