



Annual Report and Accounts
2019



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A yellow-fronted barbet in the nearby forest

About this report

This report sets out the progress and financial statements of the Forest Healing Foundation (Guarantee) Limited, a non-profit organization registered in Sri Lanka. Registered address: 69/1 Wepathana, Gomagoda 20184 via Digana, Sri Lanka. The time period covered by this report is 1 April 2019 to 30 March 2020, referred to as “2019”. Please note that at the time of publication, financial statements are not audited.

2019 HIGHLIGHTS

3ha
restored
of degraded high biodiversity value forest

550
trees planted
by the end of 2019, primarily endemic species

70%
survival rate
through effective sapling care by our team

\$4k
donations
to the Forest Healing Foundation in 2019

30+
local families
supported by community shop initiative

BULULAND GROWTH

The Bululand forest regeneration project began to shift from the planting phase into solely care phase. As some of the 550 trees planted head into their third year in the land, we have seen fantastic growth this year and gained more insights on preferred conditions for different species.



January 2018



December 2018



December 2019



CEO STATEMENT

Putting down roots

Dear Friends,

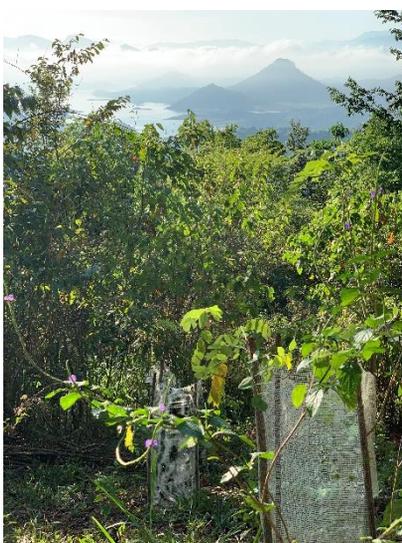
As our exciting first year as a registered non-profit foundation, 2019 has been focused on putting down roots and setting ourselves up for success. We have established an ambitious vision and mission, kick-started our fundraising efforts and continued our forest regeneration work near Digana. I am thrilled with the progress and momentum built up and am looking forward to the Forest Healing Foundation achieving great things.

In early 2019, we took the decision to formalize the initial work already commenced by the Forest Healing team by registering as a foundation limited by guarantee in Sri Lanka. This step has already enabled us to start broadening our impact as we begin to pursue forest conservation, regeneration and advocacy initiatives beyond the boundaries of our original project land.

As a newly-established, grassroots organization, initial fundraising is key to upscaling our operations. In 2019, we concentrated our efforts primarily on the Netherlands and Sri Lanka where we have the strongest connections. In the Netherlands, we approached friends and family, organized workshops on the healing energy of trees and made a contribution from books sold on this topic. In Sri Lanka, funds were raised locally from a community shop and through fixed contributions from visitors attending yoga retreats at Polwaththa Eco Lodges. We also studied approaches for making donors feel more connected to the land they support and a Scottish model of souvenir plots of land (known as “tiles”) came out as a promising approach. This is something we will pursue in the coming year.



Henk Kieft, CEO



A view of Bululand overlooking Victoria Lake

On the operational side, we focused on planting another 100 trees and monitored their performance. We continued to centre our work on the 2 hectare Bululand forest regeneration project but also invited neighbouring landowners to join our regeneration work by planting trees on their own land. However, over the course of this year we have seen an increased threat to local forest areas around Digana from expanding urban development. The loss of forests here is a very real and urgent concern and so developing models for sustainable development in the area will be key for us as an organization. We have been connecting with likeminded organizations in Sri Lanka to share experiences in this and look forward to working in partnership with others to drive change.

I am very proud of the team and of this initiative. It may seem small now but we strongly believe that many local initiatives together will contribute to solving global challenges.

Best wishes and thank you for your support,

Henk Kieft, CEO

HISTORY

Sri Lanka is widely thought of around the world as a stunning green island of lush, diverse forests. While this is thankfully still true in many areas, overall the perception can be a damaging one as it does not reflect the urgency of the conservation situation in the country.

Sri Lanka is estimated to lose around 6 million trees per year and in 2005 the World Food and Agriculture Organization reported that it had the fourth highest deforestation rate in the world. Research by Dr Ravindra Kariyawasam found that Sri Lanka had a forest density of 82% in 1882. In 2019, forest density stood at just 16.5%.

The biggest causes of deforestation include illegal tree cutting, mining, cattle damage and conversion to agriculture. This leads to either degraded land or complete loss of forest and also causes a series of knock-on issues, including decreased local water availability, erosion issues and biodiversity damage.

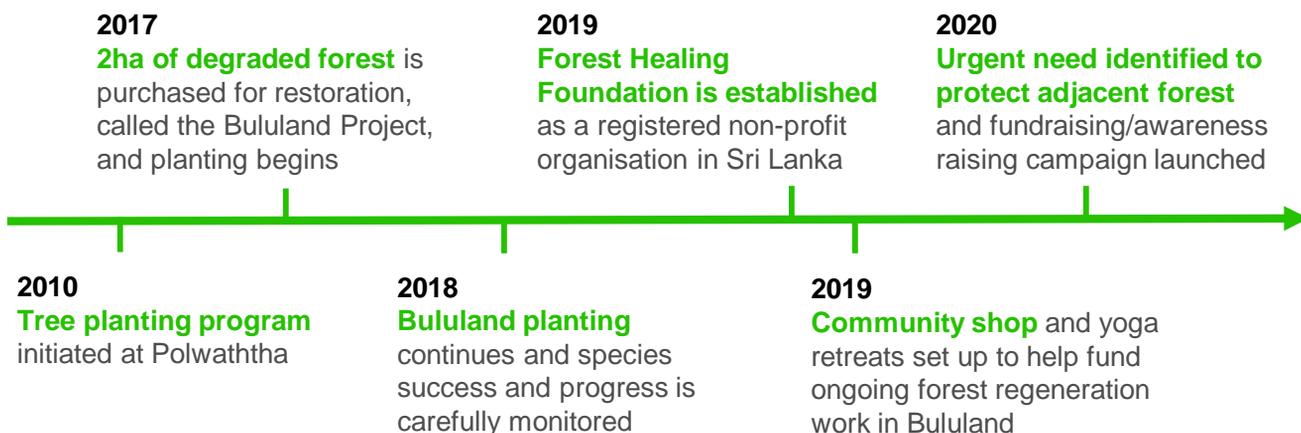
The Forest Healing Foundation is a grassroots conservation organisation located near Digana just outside the Knuckles World Heritage Site in Sri Lanka. Our work began in 2017 when a group of conservationists and a local business came together to purchase 2 hectares of degraded forest for regeneration, called Bululand after its resident native Bulu tree. The trees had been heavily damaged due to people cutting them for firewood and so a replanting programme commenced to restore forest health.

Following the success of the Bululand project, the team started to broaden their horizons and targeted enhancing their impact. The Forest Healing Foundation was formally registered as a non-profit organisation in 2019 and continued to work with the local community and forest restoration. The Foundation is currently working towards short-term and long-term goals set for each of our three strategic objectives, see page 6 for more details.



Map of Sri Lanka showing the Foundation's location

Forest Healing Foundation timeline



STRATEGY



This year we set a clear and ambitious strategy for the organization. This was developed by the Board and advisory group based on where we can make the biggest impact and how we can ensure we are addressing the root causes of the issues of deforestation in Sri Lanka.

During this development process it became apparent that there are many different ways that we could design projects to deliver our objectives, therefore we also established a set of nine principles to govern how we work (see page 7).

For each of the three objectives, we have determined strategic priorities, listed below, and also have a detailed set of short-term (2020-21) and long-term (2022+) goals against which we measure our performance.

1. Protect forests under threat

- Monitor high biodiversity areas at risk of deforestation
- Proactively engage with landowners and community to design optimum conservation solution
- Build alliance with likeminded initiatives to generate additional financial incentives for preventing deforestation

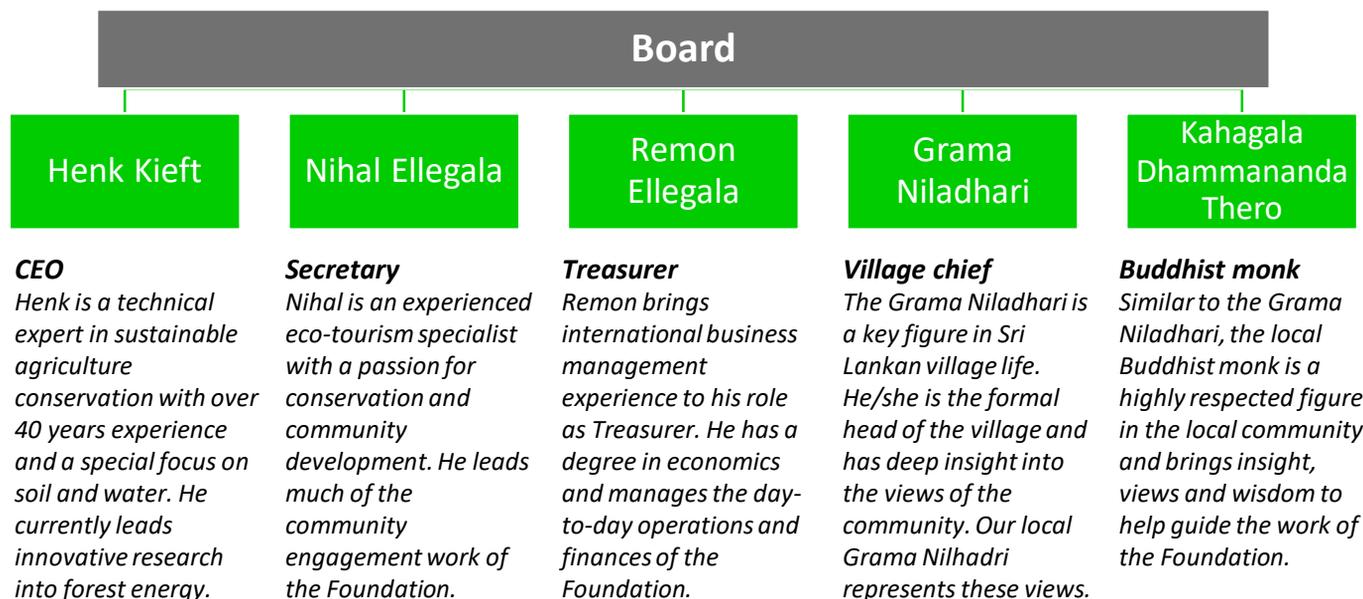
2. Plant and rewild degrading land

- Identify opportunities to regenerate degraded areas
- Work with partners to develop planting programmes for forest restoration
- Train local teams to enable project handover for community management

3. Advocate for the value of forests

- Deliver educational programmes about the environmental and wellbeing benefits of trees and forests
- Encourage a feeling of connectedness with and stewardship of forests in stakeholders from near and afar

GOVERNANCE



The Board are also supported by an Advisory Group of professionals in the fields of agronomy, forestry and project management.

In 2019 we held one Board meeting, attended by three Board members (CEO, Secretary and Treasurer) and three members of the Advisory Group. Minutes and actions were translated and provided to the two remaining Board members for comment. During the meeting, the Board approved the strategy and short/long-term goals will review progress against them quarterly going forwards.

Principles

We are committed to our Foundation's nine key principles:

- ① Place community engagement at the heart of all our projects;
- ② Promote human-animal cohabitation opportunities;
- ③ Use the best available research to inform decision-making;
- ④ Act with pace to address conservation issues;
- ⑤ Invest funding carefully for maximum impact;
- ⑥ Design for the long-term viability and sustainability of the projects;
- ⑦ Prioritise conservation solutions with existing landowners and communities, purchasing land on behalf of the Foundation as a last resort;
- ⑧ Challenge ourselves to innovate and think differently to develop creative conservation solutions;
- ⑨ Hold ourselves to account and continuously review our approaches to ensure we always meet the highest standards.

YEAR IN REVIEW



Nel Kapteyn on Bululand

BULULAND

The Bululand forest regeneration project went from strength to strength this year, led by Nel Kapteyn. Nel has volunteered over 1000 hours to planting and caring for the tree saplings every morning and evening, supported by her team of one and by visitors to Polwaththa Eco Lodges. This year we began switching the protective mesh around the newly planted trees to chicken wire supported by sticks, which is proving more effective against grazing damage by deer.

Nel has also planted trees on nearby areas with permission from local landowners. This means that there has now been over 550 trees planted on 3 hectares of land in the area since the reforestation work started in 2017. We continue to monitor their growth and record the performance of different species growing under different conditions.

COMMUNITY SHOP

In order to help fund the ongoing forest regeneration work and to support local economic development, we have established a community shop located at the Polwaththa Eco-Lodges. The shop sells a range of items made by local craftsmen, such as carvings and paintings, of which all of the profits go to the individual. However, Nel also purchases cheap, leftover fabrics and designs clothes which she pays women in the local community to make. The profits from the sale of these items to visitors helps cover the costs of new plants and materials for the Bululand project. The shop additionally supports other local economic development projects by selling the goods made in similar projects nearby.



Local community members with a nutmeg sapling

YEAR IN REVIEW



Visitors connect with the forest

FOREST HEALING WORKSHOPS

In 2019 our CEO, Henk Kieft, and Advisory Group member Marga De Jong held a series of nature-sensing workshops to help build the connection between attendees and the forest. These workshops focussed on sensing the energy of trees, discovering the impact of nature on man, exploring eco-psychology and listening to the 'Music of the Trees'.

A small device clips to a leaf of the plant and to near the base and measures the electromagnetic variations flowing from the leaves to the roots. By converting these into soundwaves, the device allows attendees to listen to the plant and is a powerful way of helping to change our human perception of plants and trees. Finding new and innovative ways to develop human-forest connection is key to achieving our third strategic pillar of advocating for forests.

MUDALALI LAND

The government recently announced the rebuilding of two roads to the area where the Foundation is based, paving the way for further infrastructure development and significantly increasing the risk of deforestation.

We launched the Mudalali Land project to protect three hectares of forest from harm and engage the local community in discussions on forest conservation to co-create future projects. We want to develop a best practice model of community partnership for conservation in Sri Lanka to roll out more widely in the future.

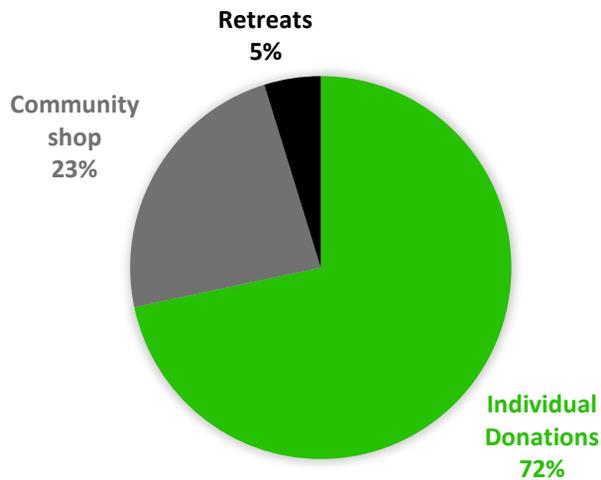
We have started fundraising for purchasing the land to create a protected area and for planting additional nutmeg and gorikayi trees to help the local community generate income from the forest. This will be a key focus for the Foundation in 2020.



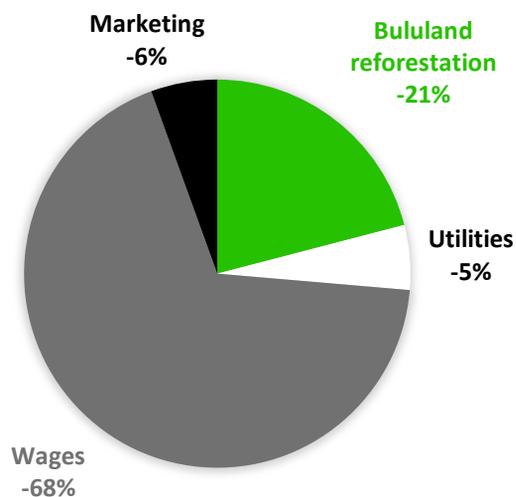
Sunset in the forest near Mudalali Land

FINANCIAL STATEMENTS

INCOME



EXPENDITURE



FINANCIAL STATEMENTS

2019 Income and Expenses Statement				
Income	Current Year 2019		Previous Year N/A - Registered in 2019	
	USD	LKR	USD	LKR
Individual Donations	4,189	762,000		
Corporate Donations	-	-		
Grants	-	-		
Events and Fundraising				
<i>Community shop</i>	1,374	250,000		
<i>Retreats</i>	280	50,937		
Membership Fees	-	-		
Interest Earned	-	-		
Other	-	-		
Total Income	5,843	1,062,937	0	0
Expenses	USD	LKR	USD	LKR
Programmatic Activities				
<i>Bululand reforestation</i>	- 385	- 70,000		
Overhead				
<i>Utilities</i>	- 99	- 18,000		
<i>Wages and salaries</i>	- 1,250	- 227,396		
<i>Marketing</i>	- 102	- 18,556		
Other				
Lobbying activities	-	-		
Total Expenses	1,836	333,952	0	0



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