

Annual report 2012

The Hunger Project Switzerland



THE HUNGER PROJECT SWITZERLAND

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Pascal Koepfel

Dear Members
Dear Partners
Dear Friends of the Hunger Project Switzerland

The incoming funds of CHF 422'072 were 6.75 % less than the year before but this could be more than compensated by our costs, which were 35 % lower than in 2011. Once more, with their great commitment, the investors have contributed to help overcome chronic hunger and extreme poverty.

We can also point to some highlights from the year 2012:

- The Hunger Project was present at the Afro-Pfingsten Symposium with an information booth and participation in the panel discussion.
- In November The Hunger Project organized a Yoga fundraising in Basel.
- The event on the subject of «female quota – what does that mean globally?», which was planned for August 29, 2012, was adjourned because of the cancellation of a main speaker and carried out with great success in May 2013.
- New communities have been approached successfully. This strategy is to be continued.



Alexandra Koch

The following annual financial statements have been drawn up in compliance with Swiss GAAP FER 21 specifications.

As always, this result would not have been possible without your extraordinary commitment and financial support. We are deeply grateful to you for this and for your future support.

Turgi, April 2013

Pascal Koepfel
President

Alexandra Koch
Managing Director

1. Purpose

On the basis of the three-pillar strategy of the Global Hunger Project for a sustainable end to chronic hunger and extreme poverty comprising:

- Grassroots-level mobilisation of people to build self-reliance;
- empowering women as key change agents;
- working in partnership with local government.

The association pursues the following purpose:

- The association collects funds in order to provide financial support for the programmes and activities of the Hunger Project in Africa, Latin America and South Asia.
- The bulk of the funds go towards projects planned, implemented, monitored and evaluated by the association from Switzerland, in close cooperation with the local Hunger Project concerned and the Global Hunger Project.

Through events, publications and media work, the association promotes broader awareness of the Hunger Project and attracts new donors who identify with the purpose of the association.

The association may also forge partnerships with other non-governmental organisations in order to derive optimum benefit from synergies in respect of its resources.

2. The governing bodies and the corresponding terms of office

Board of Trustees	Dr. sc. techn. Pascal Köppel Head Investment Management President	since 2007, re-elected as President 2012 for 3 years
	Dr. jur. Daniel Heini Attorney-at-Law	since 2001, re-elected 2012 for 3 years
	Max J. Koch former Vice-Director	since 2006, re-elected 2012 for 3 years
	Andreas Ragaz Federal Diploma in Banking	elected 2011, for 3 years
	Ursula Willimann Executive Assistant	since 2007, re-elected 2010 for 3 years

3. Persons responsible for management

Alexandra Koch, lic. rer. pol., MBA, Managing Director (since 2011, for an indefinite duration).

4. Links to similar organisations where such information is not provided in the Annex

The Hunger Project Switzerland is an independent association with headquarters in Switzerland. It supports the Global Hunger Project (The Hunger Project), which is headquartered in New York, NY/USA, with member contributions and voluntary contributions from partners as well as other receipts, pursuant to its Bylaws. The Global Hunger Project was established on 25 October 1977 under «Part 1, Division 2, Corporation Code» in the State of California as a «not-for-profit corporation» and, on the basis of its charitable purpose pursuant to «Section 501 (c) (3)» of the «Internal Revenue Code», is tax-exempt.

The rights and duties of the Hunger Project Switzerland and of the Global Hunger Project are regulated by a cooperation agreement.

With a view to the ZEW certification the Hunger Project Switzerland concluded an agreement of indefinite duration with the Global Hunger Project on 25 April 2009.

5. The targets set and a description of actual accomplishments in relation to the utilisation of the available funds

The budget target of CHF 550'000 was too optimistic. The incoming funds amounted to CHF 422'072. However, the costs were 43'791 lower than budgeted.

In 2012 we liquidated restricted funds from 2010 and 2011 in the amount of CHF 226'750. These funds were invested according to their purpose in the following projects:

- Burkina Faso: Epicenter (CHF 9'622), Education and Literacy (CHF 26'734), HIV/AIDS (CHF 29'627), Food Security (CHF 56'210)
- Mozambique: Epicenter (CHF 59'057), Food Security (CHF 10'500), Integrated Development (CHF 15'000)
- India: Women's Empowerment (CHF 20'000)

The reserves in restricted funds amount to CHF 294'385. They are destined for the funding of the following projects:

- Education and Literacy in Burkina Faso (CHF 20'552)
- Microfinance Program in Burkina Faso (CHF 81'000)
- Advancement of Health and Gender Equality in Burkina Faso (CHF 16'000)
- Integrated Development in Mozambique (CHF 15'000)
- Food Security in Mozambique (CHF 136'393)
- Women's Empowerment in India (CHF 25'440)

In 2012 no non-restricted funds were transferred.

Given below is a comparison of 2011 and 2012 figures:

Review of contributions 2011 / 2012			
2011	2012	Change	
CHF	CHF	CHF	%
452'626	422'072	-30'554	-6.75

Source of contributions	2011		2012	
	CHF	%	CHF	%
Individuals / companies	279'426	61.7	302'072	71.6
Public bodies	135'700	30.0	95'000	22.5
Foundations	37'500	8.3	25'000	5.9
Total	452'626	100.0	422'072	100.0

Use of contributions	2011		2012	
	CHF	%	CHF	%
Project expenditure	302'292	66.8	226'267	53.6
Allocation to restricted funds	198'000	43.7	294'385	69.8
Fundraising expenditure	125'136	27.6	81'209	19.2
Use of designated funds	- 246'592	- 54.4	-226'751	- 53.7
Annual result	73'790	16.3	46'962	11.1
Total	452'626	100.0	422'072	100.0

6. Restricted funds

6.1 Literacy and Education in Burkina Faso

Education is crucial in the fight against hunger and poverty. The projected sum of CHF 20'552 will be invested in programs for education and literacy in Burkina Faso. The target is that every THP-Burkina Faso epicenter provides primary education for girls and boys and functional literacy for adults, especially women. In the process of building the epicenters, villagers gain the influence to successfully convince government to provide and pay for teachers, literacy trainers and materials for their classrooms.

With increased family income through acquiring income-generating skills and financial tools, more girls and boys are able to stay in school. The preschool frees women's time for more education, training and participation as leaders. Animators reach out to remote villages to build more classrooms. Men as well as women begin participating in adult literacy classes.

THP-Burkina Faso's Literacy & Education program expects to meet or surpass the following outcomes:

- train over 3'000 women and men in functional adult literacy.
- train over 30 women and men as literacy facilitator training of trainers (TOTs), enabling epicenter TOTs to spread functional adult literacy throughout the surrounding villages. TOTs sensitize and train other community members in literacy and its importance in lifting themselves out of poverty.
- enroll over 1'300 girls and boys in the nursery school program, where they receive a balanced meal every day they attend morning classes.



6.2 Microfinance Program in Burkina Faso

The amount of CHF 81'000 will benefit the Microfinance Program in Burkina Faso. The epicenter's Microfinance Program is led by women and primarily serves women. It is a training, credit and savings program through which micro-credit is distributed to groups of women and men and a culture of savings is promoted. The program eventually gains the financial means for economic self-reliance and official government certification to operate as a Rural Bank. Small loans are used primarily for farming and small trade and succeed in increasing household incomes. By running the Microfinance Program, women gain a strong voice in the community.



THP-Burkina Faso's Microfinance program expects to improve material conditions and increase economic opportunities within the community with the following outcomes:

- train 363 partners on basic accounting, financial literacy, and microenterprise management skills, and other topics
- distribute 3'600 loans
- the epicenters in Burkina Faso gain 28'300 savings deposits
- THP plans that two rural banks in Burkina Faso become government-certified; a crucial step to become self-reliant



6.3 Health & Nutrition and Gender Equality in Burkina Faso

THP-Burkina Faso's Health & Nutrition and Gender Equality Program in Burkina Faso expects to meet the following outcomes:

- educate 600 people to increase gender equality and human rights awareness in 10 Women Empowerment Program (WEP) workshops and train 36 people to become trainers
- educate 2'600 people in HIV/AIDS-prevention in 13 workshops
- train 274 women and 42 men in 18 HIV/Aids Animator Trainings to become HIV/Aids-Trainers
- weigh 8'300 children (girls and boys) between ages 1 and 5 years at health centers of epicenters
- enroll 500 children in school feeding programs

THP Switzerland supports the program with the amount of CHF 16'000.



6.4 Food Security in Mozambique

The big amount of CHF 136'393 was collected in order to implement the successful Food Security Program in Mozambique:

The program expects to meet the following outcomes:

- train 1'500 women and men in 36 workshops in best farming practices, increasing their yields and income. Best practices address issues such as irrigation, fertilization, planting, food processing and income-generation, teach about food conservation, nutrition and cooking. By training farmers about food processing and conservation, they will learn methods that will help them smooth over their access to food throughout the year, even during lean months. In nutrition, partners will learn about the importance of good nutrition for children and pregnant women.



- establish community farms at epicenters, where agricultural experts from the government teach groups of small farmers from epicenter villages. Farmers have an opportunity to practice new methods before making changes on their own plots. Additionally, food processing stations and food banks add value and security to their yields. Partners will also learn about the importance of tree and soil conservation and their relation to farming.
- Train 15 local partners to become agricultural «Trainer of Trainers» to make sure that this program becomes sustainable. These trainers teach in best farming practices.
- distribute fertilizers to food security partners, which enable members to stock epicenter food banks with 30'000 kilograms of food. Partners have to return 2 kilograms of food for each kilogram seed they got for a loan.

The program is part of the Epicenter Strategy and is strengthened by the Microfinance Program.

6.5 Integrated Development in Mozambique

The amount of CHF 15'000 will benefit the Epicenter Strategy Mozambique generally.

6.6 Women Empowerment in India

For Women Empowerment in India CHF 25'440 were donated to strengthen elected women in local village councils (Gram Panchayats) to form federations to address hunger, poverty and social & gender justice issues.

6.7 Report of Women Empowerment in India

Andreas Ragaz, member of the board of management, visited the Hunger Project India from January 16 to January 19, 2012 in order to examine and appraise the projects in Uttarakhand and Tamil Nadu, which are supported by THP Switzerland. Such visits are asked for in the context of the ZEW0 re-certification. The report in English can be ordered from Alexandra Koch, managing director.



7. Moves in the Board of Trustees and in the Advisory Committee

We regret that Claude Heini, vice president of the board of management, resigned from his position after his long lasting affiliation. We are very grateful to him for his considerable commitment and for his suggestions on ending chronic hunger.

We also regret that Fred Zellweger resigned from his position as a member of the board of management at his own request. His great contribution to fund-raising advanced The Hunger Project financially. We hope to be able to profit from his support in the future as well.

8. Afro-Pfingsten-Symposium on May 26, 2012

Well-known speakers from politics, business, science and organizations gave short presentations and took part in two panel discussions. In between, the impressive documentary movie by David Syz «Hunger - enough is not enough» was shown. The Hunger Project was represented by Leni Rieppel, managing director of Germany and a well-placed information booth. In the panel discussion with Dr. David Syz, Peter Schmidt of Helvetas, Rudolf Rechsteiner of Swissaid and the moderator Erich Gysling Leni Rieppel held the view of The Hunger Project that people on site have to recognize their own potential, their own abilities, that they overcome their resignation and that they manifest their will to change their own future independently. The echo was very positive.



9. Yoga Fundraising for The Hunger Project on November 17

Sita Wachholz, an expert in different styles of Hatha Yoga, introduced beginners as well as advanced learners to Yoga exercises without charging a fee. The entire proceeds were given to The Hunger Project India.

10. Special Thanks

Our special thanks go to all volunteers, who devote themselves again and again to The Hunger Project. We are happy to see that this team for social commitment continues to grow.

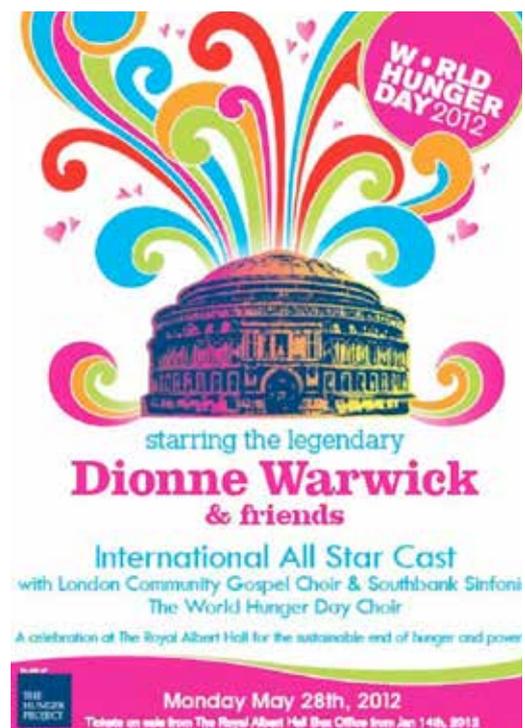
11. Highlights 2012 of The Global Hunger Project

- **Global Office:** More than 500 Hunger Project investors and friends from more than 20 countries around the world joined together on Saturday, October 13 for THP's Annual Fall Gala. The event raised well over \$1 million for the end of hunger and poverty and was supported by nine corporate sponsors! The



evening featured four speakers – from India, Uganda, Ghana and Mexico – who are on the front lines of ending hunger. After a personal introduction from a special Hunger Project investor or friend, each speaker shared about her or his groundbreaking efforts as a leader and advocate for social change, and President & CEO Mary Ellen McNish presented THP's new strategies to make our vision – a world without hunger and poverty – a reality. «This is not only about hunger. This is about sustainable social change.» – Mary Ellen McNish.

- **Global:** During the year, THP opened our Washington, DC Office, served on the official U.S. delegation to the UN Commission on the Status of Women, attended the Rio+20 Earth Summit, participated in revitalizing the Child Survival Revolution. THP also received a research contract from the World Bank and a grant from the UN Democracy Fund, through which the yearly State of Participatory Democracy report will be published. THP also became involved in discussions around the formulation of what the world's goals will be after the Millennium Development Goals (MDGs) expire in 2015. Several Country Directors were named to national commissions and represented THP in international forums.
- **Africa:** In July, THP held a conference on Strategic Planning for Sustainable Development in Africa in Ouagadougou, Burkina Faso. Staff from all eight THP-Africa Program Countries participated. Government officials, including the Minister for the Promotion of Women, the Minister of Scientific Research, the Minister of Agriculture and press from national television and the most widely read daily newspaper in Burkina, L'Observateur Paalga, joined for the launch of the conference.
- **London, UK:** In honor of World Hunger Day 2012, on May 28 THP-UK organized a gala concert featuring multi-Grammy Award Winning music icon Dionne Warwick at the Royal Albert Hall in London with more than 5,500 people. The all-star lineup included Sir Cliff Richard OBE, Boy George, Joe McElderry, Alexandra Burke, Mica Paris and more. THP partners and staff around the world also joined together on May 28 to honor World Hunger Day.



12. Auditor's Report of BDO, Baden-Dättwil

The auditor's report 2012 is included in the German annual report and is available for download from www.hungerprojekt.ch/services/jahresbericht.asp or may be requested from Alexandra Koch.

The Hunger Project Switzerland

BALANCE AS OF 31 DECEMBER 2012

(with figures from the previous year)

Designation	31.12.2012	31.12.2011
	CHF	CHF
ASSETS		
<u>CURRENT ASSETS</u>		
Postal Account	8'018.82	16'028.64
Bank Account	417'847.18	327'840.29
Receivables	0.00	1'956.00
Other receivables	91.64	91.34
Accrued income	15'000.00	0.00
<i>Total current assets</i>	<u>440'957.64</u>	<u>330'056.27</u>
<u>FIXED ASSETS</u>		
Property and Equipment	1.00	1.00
IT	2.00	2.00
<i>Total fixed assets</i>	<u>3.00</u>	<u>3.00</u>
Total Assets	<u>440'960.64</u>	<u>330'059.27</u>
LIABILITIES		
<u>CURRENT LIABILITIES</u>		
Accounts Payable	1'466.20	3'156.45
Accrued expenses	0.00	2'004.00
<i>Total current liabilities</i>	<u>1'466.20</u>	<u>5'160.45</u>
<u>RESTRICTED FUNDS</u>		
Funds Mozambique	136'392.85	69'556.65
Funds India	25'440.00	20'000.00
Funds Burkina Faso	145'108.05	149'749.93
<i>Total restricted funds</i>	<u>306'940.90</u>	<u>239'306.58</u>
<u>EQUITY</u>		
Profit		
- Beginning of the year	85'592.24	11'801.94
- Result of the year	46'961.30	73'790.30
<i>Total Equity</i>	<u>132'553.54</u>	<u>85'592.24</u>
Total Liabilities	<u>440'960.64</u>	<u>330'059.27</u>

The Hunger Project Switzerland

PROFIT AND LOSS ACCOUNT 2012

(with figures from the previous year)

Designation	2012	2011
	CHF	CHF
REVENUES		
Individual Members	37'800.00	28'850.00
Corporate Members	800.00	400.00
Donations Individuals	187'385.96	215'341.40
Donations UBS Employees	43'400.00	0.00
Donations Corporations	28'500.00	31'500.00
Donations Public Sector	95'000.00	135'700.00
Donations Foundations	25'000.00	37'500.00
Other Contributions	4'186.45	3'335.30
Total Revenues	422'072.41	452'626.70
EXPENSES		
Project Costs		
Payment direct Burkina Faso, Water & Sanitation	0,00	(67'000.00)
Payment direct Burkina Faso, HIV/AIDS	(29'627.00)	(70'372.47)
Payment direct Burkina Faso, Epicenter	(8'989.05)	0.00
Payment direct Burkina Faso, Food Security	(56'209.85)	0.00
Payment direct Burkina Faso, Literacy + Education	(27'102.29)	0.00
Payment direct India, Uttarakhand	0,00	(18'050.00)
Payment direct India, Tamil Nadu	0,00	(115'700.00)
Payment direct India, Women Empowerment	(20'000.00)	0.00
Payment direct Mozambique, Supporting 3 Epicenters	(2'057.00)	(31'169.35)
Payment direct Mozambique, Program + Epicenter	(56'782.20)	0.00
Payment direct Mozambique, Food Security	(10'500.00)	0.00
Payment direct Mozambique, Integrated Development	(15'000.00)	0.00
	(226'267.39)	(302'291.82)

Fundraising Costs		
Personnel	(63'575.40)	(66'213.70)
Office	(2'960.15)	(7'397.60)
Corporate and Exchange Loss	(447.60)	(913.86)
Telephone	(399.40)	(1'172.15)
Shipping	(1'159.67)	(1'307.84)
Travel	(2'511.75)	(7'438.30)
Data Processing	(918.80)	(7'757.60)
Consultants and Services	(5'104.00)	(15'104.00)
Conference	(1'069.25)	(7'090.50)
Production/Design/Translations	(2'562.95)	(6'960.90)
Advertising and Promotion	(507.31)	(1'393.35)
Project Controlling	6.88	(2'386.60)
	<u>(81'209.40)</u>	<u>(125'136.40)</u>
Total Expenses	(307'476.79)	(427'428.22)
Results prior to changes in funds	<u>114'595.62</u>	<u>25'198.48</u>
Allocation to Funds	(294'385.10)	(253'700.00)
Withdrawal from Funds	226'750.78	302'291.82
Changes in funds	(67'634.32)	48'591.82
Results after to Changes in Funds	<u>46'961.30</u>	<u>73'790.30</u>