

# ANNUAL REPORT 2018

USTHI FOUNDATION



# CONTENTS / EDITORIAL

## PROJECT OVERVIEW

3

## EDUCATION

4

## VOCATIONAL TRAINING: EXPANSION

6

## HEALTH

8

## HUMAN TRAFFICKING PREVENTION

10

## FINANCES

12

## USTHI FOUNDATION

14

## OUTLOOK AND THANKS

15

**“There can be no great discoveries and advances,  
as long as there is still an unhappy child on earth.”**

– Albert Einstein

### DEAR READER

2018 goes down in Usthi history as Year 1 after the complete retirement of Usthi founder Kurt Bürki.

Thanks to your generous donations, we have been able to continue our programmes successfully, despite the continual local challenges and the unavoidable resource limitations of a small foundation. We thank you for your support on behalf of the Usthi children, young people and women, but also on behalf of the entire Usthi Staff, the Board of Trustees and our long-standing local programme partners.

In the new year, existing programmes are to be continued and further consolidated. Local financing options and the long-term future of projects will continue to be critically scrutinised. On the other hand, a new project is to be launched progressively in Nepal. The focus of new projects continues to be on all-encompassing approaches in the areas of education, health and the welfare of young people and/or adult women. Competition in today's plethora of relief organisations is fierce. The administrative burden for well-founded and sponsor-compliant applications for financing is becoming ever greater. Most important, however, is and remains the trust of the donors. It is therefore good to know that Usthi can look back on a 41-year proven record of sustainable activity in the difficult environments of India and Nepal. This performance is reflect-

ed anew in the concrete results shown in each annual report. We should like to thank you sincerely for your trust in us and hope this report provides you with interesting insights.

Simon Widmer

President of The Board of Trustees 2018



# PROJECT OVERVIEW



Since 1977, Usthi has been providing comprehensive assistance to people in need, regardless of race, nationality, religion or language. Existing projects were successfully continued in 2018 when the focus continued to be on education, health and the prevention of human trafficking.

A school education forms an important basis for a life with independence and dignity. Many children are denied the opportunity to attend school for economic reasons and on social grounds. With three schools, the Back-to-School Project and eleven tutoring centres,

Usthi is working to ensure that children affected by poverty and marginalisation also have access to education.

Many young people and young adults were never given the opportunity to attend school. Today they find themselves with no school-leaving qualification and are often forced to work under adverse conditions. Usthi trains these young people in vocational training courses and thus opens up good prospects for them on the Indian job market.

Hyderabad is still one of the centres of human trafficking. In order to protect children from these dangers, Usthi of-

fers street children safety in children's homes and carries out human trafficking prevention campaigns. Young women who have been victims of abuse find refuge in women's shelters and are given the opportunity to make a fresh start through professional skills training.

The indigenous population of the Somagiri tribal region remains one of the sections of Indian society most faced with discrimination. They live a simple life in untouched nature and have only extremely limited access to medical care. Usthi has developed a comprehensive medical infrastructure for these people, because health is probably the greatest asset and a fundamental right of every human being.

Usthi's commitment to education began in 1977 with the foundation of their first school and has grown steadily ever since. Today, the Usthi Foundation has overall responsibility for 12 projects which reach almost 3,000 children, adolescents and young women every year.

INDIEN	Focus	Project	Location	No.	Beneficiaries
	Education	Ananda School	Hudarait (1)	246	Children
		Penthakata School	Puri (2)	384	Children
		Thaddeus School	Bhastara (1)	289	Children
		Back-to-School Project	Hyderabad (3)	140	Children
		Tutoring Centres	Hyderabad (3)	275	Children
		Vocational Skills Training	Hyderabad (3)	1,110	Young people
1	Health	Tribal Health Centre	Somagiri (4)	133	Villages
		Health Network	Somagiri (4)	42	Villages
		Health and Education Project	Somagiri (4)	264	Children
2	Human trafficking prevention	Children's Homes	Hyderabad (3)	50	Children
		Women's Shelters	Hyderabad (3)	80	Women
		Prevention Campaign	Hyderabad (3)	11,840	All



# EDUCATION

From the very beginning, education has been the main focus of Usthi's work. In the forefront have always been children whose poverty denies them the opportunity of attending school. Usthi currently has three schools of its own and also offers sponsorships to enable these children to attend school. In addition, children are supported towards academic success at school in tutoring centres. Usthi provides work-related skills training to help young people without school-leaving qualifications to enter the world of employment. In 2018, Usthi provided more than 2,200 young people with access to education.

## SCHOOLS

The three schools Ananda, Penthakata and Thaddeus are located in regions where many families are affected by poverty and for whom a good education for their children is almost certainly beyond their means. In Usthi schools, these children are given the opportunity to learn in a protected environment and thus build a solid foundation for their future. Nearly 1,000 children, about half of them girls, attended an Usthi school in 2018.

## BACK-TO-SCHOOL

Through school sponsorships, young people in Hyderabad are given the opportunity of returning to school. This also ensures that children, from families in difficulty who can no longer afford

a school education, are able to stay in school. In a city like Hyderabad, where children and young people are exposed to the dangers of human trafficking, the school also represents a safe place. In 2018, Usthi enabled 140 young people to continue their education.

## TUTORING CENTRES

Many children find little space and peace at home to do homework. The Tutoring Centres offer them a safe space and support for their school homework. The children are often the first in their family to attend school and the parents can offer little help in the case of problems with school work. In Tutoring Centres children are able to help each other to solve their open questions. In 2018, 275 children received tutoring in one of the eleven Usthi Centres.

## VOCATIONAL SKILLS TRAINING

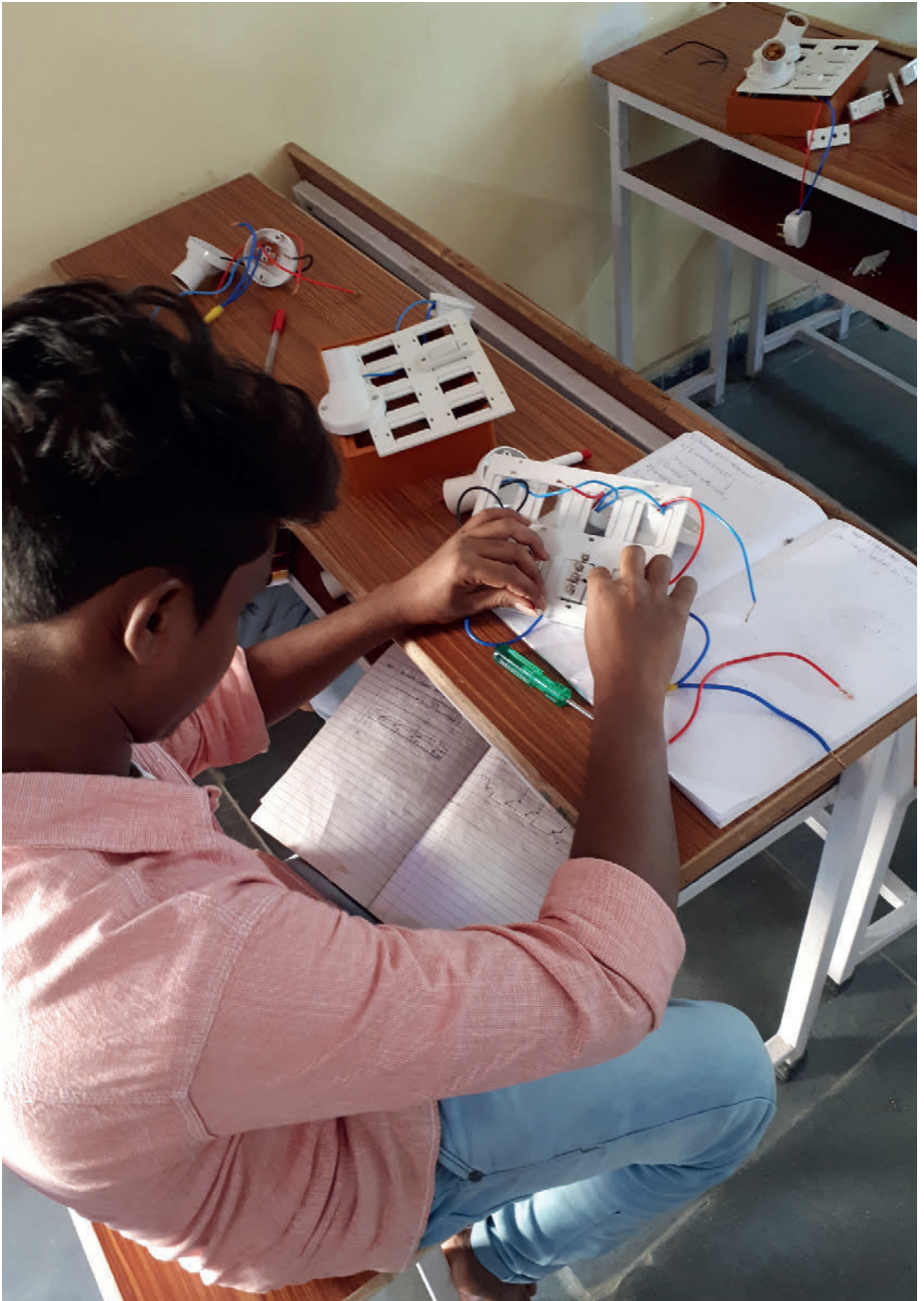
It is difficult to find a fairly paid job without a school-leaving certificate. To address this, Usthi has been offering work-related training courses in textile processing, accounting and beauty care since 2008. Since 2018, it has also been possible to train as an electrician, plumber or metal worker. Computer and English courses can be taken at the same time. In 2018, 1,110 young people completed vocational skills training and were able to gain a foothold in the job market under fair conditions.











# **VOCATIONAL TRAINING: NEW MANUAL SKILLS COURSES**

Since the end of June 2018, adolescents and young adults in Hyderabad have also been able to attend vocational skills training for manual trades. The programme has got off to a good start and has already, pleasingly, its first female participants.

The vocational skills training courses have proven very successful over the past few years and most graduates find a good job immediately after completing their course. Since the demand for courses is constantly high and there is an increasing demand for technically skilled workers, Usthi has decided, together with its local partner, to include such manual courses in its programme.

Infrastructure expansion for the new courses went well and courses started as planned on 25 June 2018. The new infrastructure offers places for 150 participants. In addition to adolescents who attend the already existing courses, up to 150 more young people can now find a secure job through Usthi every year and lead a self-sufficient life.

It is particularly gratifying to see that not only young males attend the manual courses, but that a few young women have also signed up. This shows the female participants' courage and gives hope that not only poverty but also classical role models can be overcome through our courses. 47 young people have already completed technical vocational training in 2018 and numbers are expected to continue to grow in 2019.

During the summer break, the infrastructure will also be used for crash courses. These short courses could particularly motivate young women to develop basic technical knowledge to be able to carry out small household repairs independently and thus reduce expenditure.



# HEALTH

In the Tribal Belt within the Indian state of Odisha, Usthi has built up a comprehensive health care system over past decades. The majority of people here live close to nature and far from urban infrastructure. Although the indigenous peoples of Odisha are recognised as Scheduled Tribes (and should therefore benefit from support measures), the indigenous population is still exposed to discrimination and marginalisation. Projects in the Somagiri region give these people access to good medical services.

## TRIBAL HEALTH CENTRE

With the Tribal Health Centre in Somagiri, Usthi gives people from 133 villages access to primary medical care. The hospital offers out-patient and in-patient treatment. If required, the Usthi field ambulance can also arrange transport to a larger hospital in the city. The Usthi maternity ward is an important part of the hospital and helps to counteract the high infant and maternal mortality rates in the region. Since 2016, the Tribal Health Centre has been State-approved and part of its costs are covered by insurance contributions. In 2018, 36% of the operating costs were covered locally.





### **HEALTH NETWORK**

The 44 health care workers, all from the region and trained by Usthi in the Tribal Health Centre, are of great importance in reaching people in the region and providing treatment. Their work on the ground creates trust among the indigenous peoples, who often have great distrust of medical treatment and would otherwise shy away from going to the hospital. In addition, the health network provides these women with a regular income and strengthens their status in the villages.

### **HEALTH AND EDUCATION PROGRAMME FOR YOUNG CHILDREN**

In eight day-centres in the tribal region, small children are encouraged in their motor and cognitive abilities. In each of these centres, between 30 and 35 pre-school children are given a safe place to play and learn. Women from the region look after the children, thus lightening the load on the families during their hard work in the fields. Since schooling is not considered a high priority in the region, this initial contact with education also helps to reduce scepticism and facilitates their subsequent enrolment in school.



# PREVENTION OF HUMAN TRAFFICKING



The increase in human trafficking over recent years is a global phenomenon and a sad reality for people worldwide. South and Southeast Asia are particularly affected. Tens of thousands of children disappear every year without a trace and are forced to do humiliating work. Countless children and young women are victims of abuse. Hyderabad is considered one of the centres of this terrible development. The urgent need for Usthi to become active here was self-evident. Usthi, as a consequence, protects street

children from these dangers in children's homes. Victims of abuse find safety in women's shelters and the chance of a new beginning. The prevention campaign also raises awareness within the population. In 2018, Usthi reached a total of 11,840 people in activities against human trafficking.

## **CHILDREN'S HOMES**

Countless children flee from problems at home on to the streets. The often seemingly adventurous life on

the street is actually full of dangers for the children and the risk of becoming a victim of human trafficking is high. The children are all too often picked up by traffickers and sold as cheap labour. With their children's homes, Usthi has created a safe environment for these children. In children's homes they are looked after, cared for and given a school education. In 2018 Usthi was able to offer 50 children a safe home in one of the three family communities.





## **WOMEN'S SHELTERS**

Girls and women in India are exposed to a particularly large number of dangers. In society they are often regarded as worthless. For families they are a great financial burden due to their need for a dowry. Women who have been victims of abuse in their private surroundings or of temple slavery, find refuge in the women's shelters. Here they receive protection, psychological counselling and the opportunity to complete work-related training.

Over a period of eight to twelve months, they take steps towards a new, self-determined and financially independent life. Due to positive experience with the women's shelter for victims of temple slavery, the Women's Shelter Programme was expanded in 2018 and the number of places increased from 30 to 40.

## **PREVENTION CAMPAIGN**

Usthi conducts an annual prevention campaign in the greater Hyderabad area to provide information about the dan-

gers of human trafficking. It warns families about the tricks used by human traffickers. In 2018 the campaign reached about 12,000 people. Families affected particularly heavily by poverty give their children away in the belief that they and the family will have a better future. The children disappear and become victims of the most devastating circumstances. In the greater Hyderabad area, Usthi is well networked with other organisations and self-help groups which can be activated in case of suspicion.



# FINANCES

In 2018, Usthi spent a total of CHF 676'721 on direct project work in India. At the same time, it was possible locally to finance 13 % of the total expenditure for the 12 projects.

Administration and fundraising expenses were reduced again in 2018 and made up less than 13% of the total. Usthi is thereby far below the sector average.

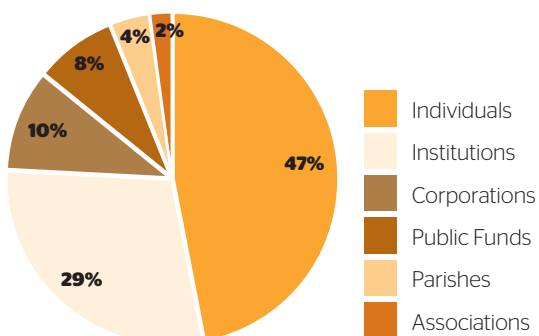
In the financial year 2018, donations totalled CHF 728'888. This is 10% less in comparison to the very successful Usthi Anniversary year 2017. Usthi is financed exclusively by donations from private and public sources. The share of private donors decreased slightly after the founder retired from operations with their contributions totalling CHF 345'605. However, success with institutional donors meant the latter's donations (CHF 383'284) made up the higher proportion in 2018. Increasing demands on professional fundraising and the great challenge of appealing to new donor generations have also not left the Usthi Foundation untouched. Usthi closes the year with a deficit of CHF 46'107, which increases the accumulated balance sheet loss to CHF 143'021.

The complete audit report is publicly available for consultation on our website [usthi.ch/en/annual-report-2018](https://usthi.ch/en/annual-report-2018) or can be ordered free of charge from the Usthi office.

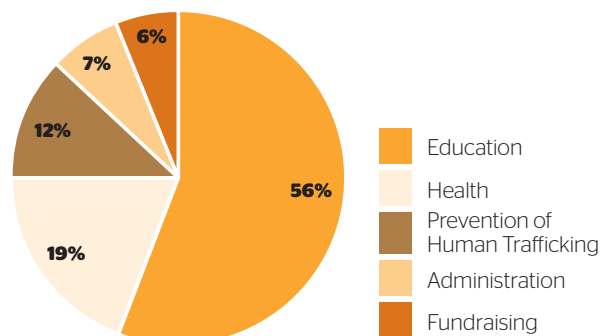
## TRANSPARENCY

Usthi is politically and religiously independent. As a charitable foundation, it is tax-exempt and subject to Federal Supervision

**INCOME 2018**



**EXPENDITURE 2018**





## BALANCE SHEET 2018

Assets	2018	2017
	CHF	CHF
<i>Liquid Assets</i>	447'358.39	546'201.89
<i>Accruals and Deferrals</i>	84'071.00	9'224.50
<b>Current Assets</b>	<b>531'429.39</b>	<b>555'426.39</b>
<i>Rent Deposit</i>	4'210.80	4'210.40
<i>IT-Equipment</i>	1.00	1.00
<b>Fixed Assets</b>	<b>4'211.80</b>	<b>4'211.40</b>
	<b>535'641.19</b>	<b>559'637.79</b>

Liabilities	2018	2017
	CHF	CHF
<i>Accrued liabilities</i>	37'396.92	15'286.46
<b>Loan capital</b>	<b>37'396.92</b>	<b>15'286.46</b>
<i>Project Fund Thaddeus School</i>	78'539.61	51'834.00
<i>Project Fund Hospital Renovation</i>	16'010.49	20'673.49
<i>Project Fund HEP</i>	1'356.12	0.00
<i>Project Fund Skills Training</i>	4'900.02	0.00
<i>Project Fund Nepal</i>	9'750.00	0.00
<b>Tied Fund Assets</b>	<b>110'556.24</b>	<b>72'507.49</b>
<i>Foundation Assets</i>	530'708.55	530'708.55
<i>Accumulated Loss</i>	-143'020.52	-58'864.71
<b>Organisation Assets</b>	<b>387'688.03</b>	<b>471'843.84</b>
	<b>535'641.19</b>	<b>559'637.79</b>

for Foundations. Usthi has been awarded the ZEWO (Swiss Charity Certification Organisation) seal of approval since 2013 and was recertified in 2017. The seal of approval certifies transparency and meticulous handling of donations. According to ZEWO, Usthi is characterised by a large number of private donors and its effective utilisation of donations. It is important for Usthi to be seen to be trustworthy and transparent in its reporting on the use of donations. In 2018, 87% of all donations were used directly for projects.

## SOCIAL SUSTAINABILITY

Usthi employs exclusively local workers on site for their projects and offers employees fair working conditions and the opportunity for professional development. Usthi uses available local resources and secures project financing locally wherever possible. Local financing of the projects is a difficult task in the Indian context. In 2018, for example, Usthi had to discontinue the suc-

## OPERATIONAL STATEMENT 2018

	2018	2017
	CHF	CHF
<i>Non-specific Donations</i>	317'641.60	481'557.07
<i>Earmarked Donations</i>	411'247.03	333'083.50
<i>Sundry Operating Income</i>	0	223.00
<b>Fundraising Income</b>	<b>728'888.63</b>	<b>814'883.57</b>
<i>Project Expenditure</i>	-676'720.87	-655'111.83
<i>Administration Expenditure</i>	-51'723.64	-46'493.43
<i>Fundraising Expenditure</i>	-45'665.69	-77'681.78
<b>Operating Result</b>	<b>-45'221.57</b>	<b>35'596.53</b>
<i>Financial Income</i>	1'782.35	3'496.48
<i>Financial Expenditure</i>	-2'667.84	-6'459.31
<b>Annual Result Gross</b>	<b>-46'107.06</b>	<b>32'633.70</b>
<i>Project Fund Deposits</i>	-411'247.03	-333'083.50
<i>Liquidation of Project Fund</i>	373'198.28	338'394.73
<i>Liquidation tied fund capital</i>	0.00	0.00
<i>Change - Accumulated Profit / Loss</i>	84'155.81	-37'944.93
<b>Annual Result Net</b>	<b>0.00</b>	<b>0.00</b>

cessful „micro-loans for young entrepreneurs“, as these loans would have been considered illegal under new regulations. Despite setbacks, Usthi continues to pursue the goal of local self-financing, as this is the only way to guarantee the long-term, sustainable continuation of initiated projects.

## EFFICACY

The positive effect of our projects on the recipients, employees and their environment is monitored by the Usthi Switzerland Team at regular intervals and once a year directly on site. Close co-operation between the Swiss team and local partners in the project planning and development guarantees that international co-operation standards as well as local conditions are adequately taken into account. Since all projects are carried out by locally commissioned staff who are well acquainted with the local socio-political context and are well networked, Usthi is able to reach the desired target groups efficiently.



# USTHI FOUNDATION

Since April 2018 Olga Egli has been supporting the team in fundraising and in 2019, she will take over the responsibility for fundraising and public relations. Dona Suter, in 2018, continued to work tirelessly on a voluntary basis for the Usthi Foundation and is responsible for the finances and maintenance of private donor relationships. Stefan Schuhmacher supports the team with his know-how in graphic design and Tim Dean assists Usthi with translations. At the beginning of 2018, Thomas Schmid had taken over as Programme Manager to supervise the projects in India. Since his departure at the end of 2018, Tanja Lirgg has taken over responsibility for the programmes. The Board of Trustees remained unchanged in 2018, with a total of seven members and Simon Widmer as President of the Board. Gallus Römer, the previous Vice President, assumes this office from January 2019. We should like to thank Simon Widmer for his years of commitment as President and are delighted to be able to continue to count on him as a member of the Board. All members of the Board work on an honorary basis and receive no compensation or attendance fees.

## REFLECTIONS FROM THE FOUNDER

*Looking back is necessary, all the more so as we are facing major social challenges in the future. Without reflecting on the past, we shall be unable to find better solutions for the future. Only an understanding of interrelations and wide-ranging competences will lead to innovative solutions. These are necessary in all areas of society in order to ensure a world worth living in for our children.*

*The past year has brought various incomprehensible decisions in our world of interdependencies. Unresolved problems lead to insecurity and questionable decisions resulting in isolation. Co-operation should normally be a basic prerequisite to overcoming social difficulties. Intentional misdirection and the spread of fake news via social media lead to hatred and vengeance. Whatever happened to respect for diversity in our world? Greater regard and more tolerance are urgently needed to eliminate inequality and discrimination. Usthi is committed to achieving justice and reducing discrimination and is more necessary now than ever before! It leaves*

*me extremely optimistic to see how the objectives set by the Usthi Foundation are approached and how the tasks of the local missions are successfully carried out by the competence of the Usthi team. Usthi is well prepared for the challenges of the future. However, Usthi also knows that we must constantly develop further in order to remain equipped and keep pace in a rapidly changing world. Be proud to be a part of Usthi because you are investing in a better future for our children.*

*Thank you for your loyalty to Usthi*

Kurt Bürki



### Board of Trustees

Gallus Römer, President since 2019, St. Gallenkappel, Member since 2012

Patrick Bürki, Vice President since 2019, Wetzikon, Member since 1999

Gabriela Knaurek, Rapperswil-Jona, since 1999

Simon Widmer, President until 2018, Neuheim, since 1999

Simone Thompson, Zurich, since 2011

Silvia Day, Meilen, since 2012

Dr. Josef Keller, Rapperswil-Jona, since 2012

### Auditors

BDO, Wetzikon

### Usthi Switzerland

Tanja Lirgg, Executive Director, since 2016

Olga Egli, Fundraising Director, since 2018

Dona Suter, Finance Director and Private Donor Relations, volunteer since 1985

Stefan Schumacher, Graphic Designer, volunteer since 2017

Tim Dean, Translator, volunteer since 2015

### Founder and external consultant

Kurt Bürki, since 1977



# OUTLOOK & THANKS

## OUTLOOK 2019

The reorganisation with a new website and a new donor database caused additional work at the turn of the year 2018/2019. However, the improvements promise leaner administrative processes in the future and thus more resources for fundraising, programme management and regular project updates for our supporters.

Existing programmes in India will be further expanded in 2019. The Back-to-School programme will continue to grow in 2019 and will provide a total of 200 school sponsorships from April onwards. The women's shelters are also continuing to expand, as we are still receiving more requests for places than we can offer. A new home with 10 additional places for former Joginis

(victims of temple slavery) will be available in 2019. The places offered in the new work-related training programme introduced in 2018, are to be filled completely in 2019 and the courses will then have 150 graduates.

In 2019 we are especially pleased with the start of a new Usthi project in Nepal. Usthi has previously been active in Nepal and, most recently, in emergency relief after the 2015 earthquake. In 2019 Usthi will launch an integrated educational project in Nepal, which should give children and young people from the marginalised Chepang people better prospects for the future. The implementation of our projects is only possible with your support. It is wonderful to have you at our side. THANK YOU!



## OUR THANKS TO...

... all private donors, who have formed the firm basis for our work from the very beginning.

... all companies, parishes, foundations and associations which promote Usthi and make our work in India and Nepal possible.

... the FADY Foundation for the generous support of our vocational skills training programme.

... the Plato Foundation for the long-term support of our health projects in Somagiri.

... the Migros Aid Fund for the support of our health projects in Somagiri.

... the Canton of St. Gallen for their generous support of our project against child trafficking.

... the Swissair Staff Foundation for Children in Need, which has been providing crucial support for the Penthakata School for 25 years.

... Tourasia Roemer AG for sponsoring our flights to the projects in India and Nepal.

... Thadde Getzmann and his friends and family for their continual support of the Thaddeus School.

... the Usthi family in Berlin, who have been supporting our work for many

years.

... all voluntary helpers who actively support Usthi again and again and make our events possible in the first place.

... our project partners and employees in India, who achieve the unbelievable every day.

... all those who have supported Usthi in one way or another - without them our work would not be possible.

Thank you for the trust you have placed in us - it is a privilege to be able to count on you!



## **DROP BY DROP, A RIVER IS FORMED**



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