



ANNUAL
REPORT
2018

PAIDA ORPHANAGE ANNUAL REPORT 2018

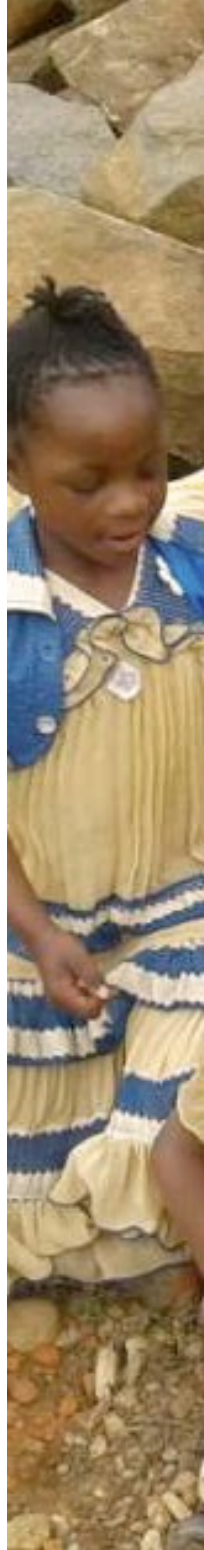








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FOREWORD

2018 continued to be a challenging year for the North-Kivu due to Ebola and continued violence. Therefore we have not being able to reintegrate the orphans to Beni-Paida orphanage and they still are living in Butembo-Musienene since August 2016, a city around 50 kilometers west from Paida.

As per the National Coordination Committee, effective January 2019, there were 640 confirmed Ebola cases in the North Kivu with 372 deaths, of which more than 100 were in Beni alone and 2 in Musienene where the children have been evacuated.

A report released by MONUSCO states that hundreds of cases of extrajudicial killings, torture and sexual violence against civilians have been documented from January 2017 to October 2018 in the Democratic Republic of Congo (DRC), with the North Kivu being the most affected. The expanding number, and evolving nature, of armed groups fighting both against the security forces and among themselves in order to control territory or natural resources has been a significant factor in this deterioration.

Despite of the issues, we manage to further advance with the construction of our school by completing class rooms number 7 and 8. On December 31st 2018, a total of 157 pupils were enrolled in 6 classes supervised by 13 teachers. Moreover we managed to open the section "Commercial informatique" to provide a more technical education to the students.

A safe and cost efficient transfer of funds from Switzerland to the DRC remained the main challenge, but we managed to transfer funds early and late in 2018, which allowed us to progress and complete almost the $\frac{3}{4}$ of the school construction as of 31st December 2018, slightly behind schedule, due to transfer and contextual difficulties. Indeed we have 8 classrooms



(out of 12 planned) as well as the administration offices and the latrines for the whole school complex already finished.

The orphans remain well settled in Musienene and from the 18 children currently accommodated, 10 orphans are being sponsored while 3 go daily to primary school thanks to the donations received.

We hope you enjoy reading this report, which shows the continuous progress of PaídaOrphanage.

A big "Thank You" to all our generous donors and other helpers for all their support.

Daniel Hoff
President
PaídaOrphanage



Marie-Laure de Quina
Vice-President
PaídaOrphanage



PURPOSE OF THIS REPORT

This report is directed towards sponsors, donors, beneficiaries, staff members and everyone interested in the activities of PaidaOrphanage. It gives an outline of the work of the orphanage and the progress we have made during 2018 to achieve our objectives.





WHO WE ARE

The orphanage was created in 1929 in the neighborhood of Paida, city of Beni in the Democratic Republic of the Congo (DRC). It is managed, together with a hospital and a school, by Sisters from the order of the Soeurs Oblates de l'Assomption..

In the summer of 2010, Marie-Laure de Quina and Daniel Hoff, visited the orphanage in DRC. They were both moved and impressed by the work of the Sisters and decided to support them by creating a European association – PaidaOrphanage. This was set up in January 2011 in Switzerland.

The collaboration is a partnership between the order of the Soeurs Oblates de l'Assomption and the association PaidaOrphanage in Switzerland. The current objective of the association is to support the orphanage in Paida and build a new school complex in Beni.



1. The orphanage building with the Rwenzori Mountain as surroundings



2. The inside of the orphanage with some of the children



3. The kitchen, dining area and playing area that was built in 2012 with the help of our donors



4. Part of the complex that comprises the orphanage, a school and a hospital

A) Governance

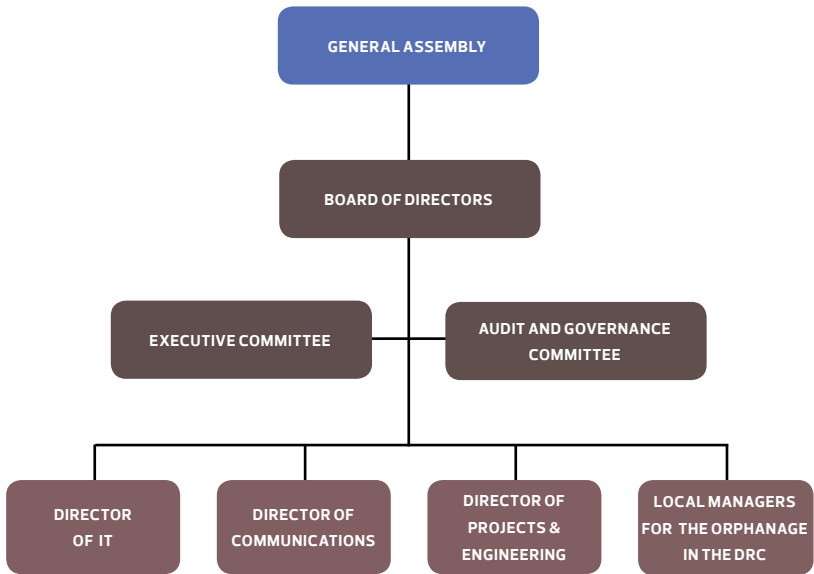
The highest level of governance of PaidaOrphanage is the General Assembly, which is constituted by all members of the organization.

The main governing body is the Board of Directors together with the Audit and Governance Committee.

The Executive Committee manages day-to-day business and is supported by the Director for Communication, the Director for IT, the Director for Projects & Engineering as well as the Local Managers for the orphanage in the DRC.



5. Daniel Hoff meeting with Sister Joséphine in Kampala, July 2017.



Board of Directors	Audit and Governance Committee	Executive Committee	Director of IT	Director of Projects & Engineering	Director of Communications	Local Responsible
Daniel Hoff		x				
Marie-Laure de Quina		x				
Martin Keller	x					
Delphine Menezes Cordeiro	x					
Josephine Mantombela						x
Patience Kahambu Tsavuliki						x
Ruben Nascimento			x			
Marc Suchet				x		
Maria Lecanda					x	

B) Biographies

Daniel Hoff [PRESIDENT]

I am a German national working in human resource management.

Relationship to PaidOrphanage: In 2010 I stayed for some months in the orphanage in Paida, building strong relationships with the Sisters who manage the orphanage and with the children. I was hugely impressed not only by the compassion of the Sisters, but also by their effectiveness and efficiency in managing the orphanage, despite the minimal resources.



Marie-Laure de Quina [VICE-PRESIDENT]

I am a French national working in supply chain in the Humanitarian sector.

Relationship to PaidOrphanage: In 2010 I worked in the city of Beni as logistician for the International Committee of the Red Cross (ICRC). During my time there, I decided to support the orphanage and learned to know and trust the orphanage and the Sisters managing it. I really believe in their work, in their honesty and in their will and dedication to improving the lives of these orphans.



Ruben Nascimento [DIRECTOR OF IT]

I am a Portuguese national and have been a web designer and developer since 2003.

Relationship to PaidOrphanage: For PaidOrphanage, I am responsible for all online communications such as the



website and social media content. I have known Daniel Hoff for several years now and admire his and Marie-Laure's dedication to this orphanage. I passionately believe that with projects like this, it is possible to change our world by helping other people's lives, and I feel fulfilled by doing it.



María Lecanda [DIRECTOR OF COMMUNICATIONS]

I am a Mexican national, formed as an industrial designer and working as a professional photographer.

Relationship to PaidOrphanage: When learning about PaidOrphanage, I found Daniel and Marie-Laure's personal motivation to help the children quite contagious. I help with designing printed media to raise funds for the Bungulu school project, processing images for the children's sponsors and editing informative and promotional video spots about PaidOrphanage. I am very pleased to have this opportunity, hoping that my background as a photographer and designer can help improve these children's lives.



Marc Suchet [DIRECTOR OF PROJECTS AND ENGINEERING]

French, I am an engineer from the Special School of Public Works (Ecole Spéciale des Travaux Publics) in Paris.

Relationship to PaidOrphanage: Having visited PaidOrphanage several times with Marie-Laure and Daniel, I consider their project of support extraordinary. The orphanage is a place of serenity for the children. The peaceful atmosphere that exists there as well as the dedication of the Sisters who take care of it, in spite

of the minimal means at their disposal, convinced me of the value of Marie-Laure and Daniel's project. I have committed to them all my technical support to ensure a successful construction of the school.

Sister Joséphine [LOCAL RESPONSIBLE]

I am born in the Beni area of the North Kivu and joined the Soeurs Oblates de l'Assomption at the age of 25. When I met Marie-Laure and Daniel, I was responsible for the management of the orphanage in Païda. That included the management of the staff, the infrastructure and the various resources of the orphanage, i.e. some plots of land, the garden, livestock and the available financial means of the orphanage. As a member of our religious order, I also served as counsel for various activities, e.g. the management of a hospital and pharmacy, a school, the construction of a wedding hall to generate rental income etc.. Currently I manage another school from our congregation in Beni.



Sister Patience [LOCAL RESPONSIBLE]

I am a native of Beni in the North Kivu and a member of the Soeurs Oblates de l'Assomption. When I first met Marie-Laure and Daniel, I was working as a staff member in the orphanage in Païda. Recognizing the need to improve the reintegration of the children to their surviving families and the society, Païda Orphanage sponsored my studies in Child Psychology in Goma. After concluding these studies in 2016, I took on more responsibility in the orphanage and I follow the reintegration of children into host families.





AIMS OF THE PAIDAORPHANAGE ASSOCIATION

In general, the purpose of the association is to support schools in developing countries, in particular to provide access to basic education for the local population, especially children. Special attention is given to orphaned children. As far as possible, the association will also facilitate access to basic nutrition and promote health.

More specifically, PaidaOrphanage aims to build a school complex for at least 400 children, including an orphanage with the capacity to accommodate at least 50 orphans, in the city of Beni, district North Kivu in the DRC.

In order to achieve the aims of the organization, various projects have been established, some of which have already been completed. Further information can be found at www.paidaorphanage.org.

The following projects are ongoing and have progressed in 2018:

SPONSORSHIP – Sponsor an orphan

BUNGULU – Creation of new orphanage and school complex

We present below an update of the progress made in 2018 for each of these projects.

PROGRESS UPDATE

1. Project SPONSORSHIP *“Sponsor an orphan”*

Occasional or monthly contributions (ideally of USD 25 per month per child) will enable PaidaOrphanage to significantly increase the quality of life of the orphans through better nutrition, health care and education.

To maximize the effect of these vital funds, we have ensured that no administrative costs are deducted from contributions.¹ Each contribution made by our donors goes *directly* to support the children and the staff of the orphanage. The sponsor will be able to follow the development of the child sponsored, but his or her financial donations will also be used to purchase food and medication for all the orphans as required. The fact that the donation is not specific to a child avoids inequalities between the orphans. Nevertheless, if a sponsored child is of school age, the donations will be used in the first place to guarantee his or her tuition fees.

On December 31st 2018, 10 out of our 18 orphans were being sponsored. The total income from the sponsorship of orphans amounted to CHF 4'352.59 in 2018.

¹ All administrative costs (fees for transfer of funds, office cost and resources) are borne by Marie-Laure de Quina and Daniel Hoff.



Sponsor one of our 18 orphans
through occasional or monthly
contributions.

Please contact us by email to
info@paidaorphange.org
if you would like to help, or if you
wish to have more information.



An aerial photograph of a densely populated settlement, likely in a developing country, showing numerous small, simple dwellings with corrugated metal roofs. A large, irregularly shaped green area is outlined with a white dotted line, indicating a designated site for a new school and orphanage complex. A red location pin is placed on the right side of this green area. The surrounding area is a mix of dirt paths, trees, and more buildings.

Ground for
new school &
orphanage
complex

2. Project BUNGULU

“Creation of new orphanage and school complex”

PaidaOrphanage is currently working on the construction of a new school for approximately 400 children from the surrounding areas. As soon as the school is finished, plans are to build an accommodation building for approximately 50 orphans up to the age of 18 years.

Land has already been provided and PaidaOrphanage has a dedicated budget and plan for the construction of the infrastructure provided by a local architect and approved by our Director for Projects & Engineering. Further details related to the new orphanage can be found under **www.paidaorphanage.org**.

Image of the plot from Zoom Earth

NEW SCHOOL

The new school will have 12 classrooms, an administrative building, one large room available either for studying or meetings, and a library. These 12 classrooms will allow us to welcome 400 students.

The total cost of building and equipping the school is estimated at 180'000 dollars (or Swiss Franc, exchange rate approx. 1:1).

We are proud to report the following progress effective December 31st 2018:

- 8 classrooms completed (out of 12 planned);
- Sanitary installations for the whole school complex completed;
- Administrative building completed.

On December 31st 2018, a total of 157 pupils were enrolled in 6 classes supervised by 13 teachers. Moreover we managed to open the section "Commercial informatique" to provide a more technical education to the students.



Despite of inflated cost for materials, due to increased insecurity in the area and more difficult logistics, we have been able to stay within the estimated cost for construction.

During 2018, we have not received any donations from private donors. However, we have received a total of CHF 4'000 from institutional donors.

In 2018 we have made limited progress on the construction of the school compared to 2017 as only 2 additional classrooms (7 and 8) have been completed. Despite having received several donations in 2017, transferring these funds to the DRC as resumed being a challenge in 2018 despite attempts through different channels.

Details of the layout of the school and orphanage as well as the cost estimate and the construction chronology can be found on our website www.paidaorphanlage.org under the section "Challenges and Projects" – "*Project Bungulu*" in the "*School Report – Phase 3*" (currently only in French).





The 8 classrooms already built are being used by 13 teachers and more than 150 students distributed in different class levels.

3. Progress against Key Performance Indicators

The following presents the progress for the following key performance in 2018 against targets:

MEASURE 1	Description	Comments
Disposal income per child per month	Total average monthly income from sponsorships divided by total number of children in the orphanage on January 1 st of that year	Total donations were 4'352.59. Total number of children on Jan 1 st 2018 was 15.
2017 Actual	2018 Actual (Target)	2019 Target
CHF 11.46	CHF 24.18 (CHF 12)	CHF 12

MEASURE 2	Description	Comments
Nursery attendance (ages 4 and 5)	Total number of children in the orphanage age 4 or 5 who regularly attended nursery during the year divided by total number of children age 4 or 5.	As no nursery school is available in Musienene (where orphans are displaced) for the 1 child who could attend (i.e., aged 4 or 5), this KPI is on hold.
2017 Actual	2018 Actual (Target)	2019 Target
0%	On hold	On hold

MEASURE 3	Description	Comments
School attendance (from age 6 onwards)	Total number of children in the orphanage above age 6 who regularly attended school during the year divided by total number of children above age 6.	
2017 Actual	2018 Actual (Target)	2019 Target
4 of 4 - 100%	3 of 3 - 100% (100%)	100%

MEASURE 4	Description	Comments
Completion of school project – Total progress	Amount budgeted for the completed constructions divided by total budget for school project (in USD).	There was some progress made compared to 2017, but still did not reach the target due to difficulties in 2018 to transfer further funds to the DRC which stalled progress.
2017 Actual	2018 Actual (Target)	2019 Target
47,4%	58.7% (65%)	75%

MEASURE 5	Description	Comments
School project fund raising	Total funding obtained during calendar year dedicated to the construction of the new school complex	In 2017 we had a major fund raising campaign that brought good results. However in 2018 we expected a more moderate result .
2017 Actual	2018 Actual (Target)	2019 Target
CHF 35'000	CHF 4'000 (CHF 10'000)	CHF 10'000

MEASURE 6	Description	Comments
Completion of school project – Financial discipline	Total expenditure for the completed constructions divided by the budgeted amount for the same constructions (in USD).	Actual spent was USD 85'702 compared to budget of USD 105'632 for the completed construction.
2017 Actual	2018 Actual (Target)	2019 Target
82%	81% (<100%)	<100%

FINANCIAL REVIEW

Expenses (in CHF)	2018	2017	2016	2015
Total funds transferred to PaidOrphanage DRC	9'921.27	29'800	0	17'317.61
Bank account fees	122.60	153.60	129.20	78
Fees for the transfer of funds to the DRC	0 ⁴	0 ⁴	25 ³	0 ⁴
Other ²	421.67	543.06	0	532
TOTAL	10'465.54	30'496.66	154.20	17'927.61

Income (in CHF)	2018	2017	2016	2015
Donations related to the sponsorship of orphans	4'352.59	3'163.45	2'512.24	2'334.35
Donations related to the construction of an additional orphanage and school complex	4'000	38'500	7'308.31	5'144.80
Unearmarked funding for PaidOrphanage ⁵	0	0	-	1'200.11
Additional donations to cover administrative cost of PaidOrphanage	421.67	544.75	-	1'056.11
Interest	-	-	1.44	0.78
TOTAL	8'774.26	42'208.20	9'821.99	9'736.15

SALDO	-1'691.28	11'711.54	9'667.79	-8'191.46
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We are proud to maintain very low administrative cost.

The cash balance at December 31st 2018 is CHF 29'599.36.

² In this report, cost for marketing and communication is shown under "Other".

³ In 2016, we occurred CHF 25 transfer fees for an attempted transfer of funds which was not successfully completed and the funds have been return short of CHF 25.

⁴ All fees and commissions for the transfer of funds were directly covered by Marie-Laure de Quina and Daniel Hoff, and hence do not appear in these tables of the financial review (with the exception of the 25USD fee in 2016)

⁵ All administrative costs (e.g. transfer of funds, office costs and resources) are borne by Marie-Laure de Quina and Daniel Hoff, indicated as "unearmarked funding for PaidOrphanage" in the income table.





OUTLOOK

In December 2018, the governmental elections took place in the DRC with the inauguration of the new president expected to take place in January 2019. While there were spikes in violence and incidents pre and post election, so far the DRC has been spared from a major escalation. Whether the new government will be able to improve the security situation in the DRC or even maintain the status quo without a further escalation remains to be seen.

While the situation concerns us, we continue to focus on what we can control or impact, which is the well being of our children in the orphanage and the construction of the new school.

As we have been able to reduce the number of children in the orphanage by reintegrating more children to their direct or extended families (always ensuring in the short, medium and long run the quality of care that will be provided by the families to the children), the quality of care for the fewer remaining children has been improved. This comes simply from the fact that more funds per child are available, resulting in better quality food as well as hygienic and medical care.

Due to extended services from Western Union, we are currently able to transfer significantly higher amounts to the DRC which will enable us to make major progress with the construction of the school in 2019.

With more than 75% of the construction cost already secured, we will work on a full handover of the school project to our local partners by 2020. Further, we will evaluate and discuss with our local partners next steps regarding the construction of a new orphanage as part of the school complex.

AUDITOR'S COMMENTS

On June 15, 2019, Delphine Menezes Cordeiro and Martin Keller reviewed the annual report and in particular the annual financial statement and hereby acknowledge the correctness and completeness of the year-end reporting.

The audit committee confirms that the book-keeping was conducted in a careful and transparent way. There were no problems to address.

If the reader wishes to obtain additional information regarding the financial statement, he/she can contact the audit committee for more details (under **info@paidaorphanage.org**).



ANNEXES

A) List of children present in the orphanage on December 2018

No.	Name, Surname	Date of birth	Age
1	Euloge KAMBALE SAMBILI	09/07/11	7,4
2	Marie-Jeanne KAVIRA KAKULE	27/07/11	7,4
3	Marguerite Noella CHECHELA	25/12/12	6,0
4	Marie des Anges DEDASILOVE	26/07/14	4,4
5	Jean-Paul MBUSA KIKWAKO	06/02/16	2,9
6	Abigaëlle MUSIANDE	05/07/16	2,4
7	Jacques MUMBERE	27/07/16	2,4
8	Exaucé MUMBERE MOISE	01/09/16	2,3
9	Esther KAVUGHO	20/10/16	2,2
10	Arsène TSONGO MUMBERE	14/10/16	2,2
11	Marie Noella KASOKI MAHAMBAMBA	27/12/17	1,0
12	Christine KAVUGHO NDEKERUKA	28/01/18	0,9
13	Christian KAVUGHO KAMBALE NDEKERUKA	28/01/18	0,9
14	Wasingya KASEREKA KASIMBA	02/03/18	0,8
15	Jean-Paul KAMBALE MUKENGELU	14/07/18	0,4
16	Fortunat KAMBALE MUSONGOLUME	01/11/18	0,1
17	Marie Fortune KAHAMBU MUSONGOLUME	01/11/18	0,1
18	Dieu est Bon MUMBERE	19/11/18	0,1





CONTACTS

PaidaOrphanage

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www.paidaorphanage.org



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