

**Foundation PH Switzerland  
Celigny**

**Report of the Auditors  
to the Foundation Board  
on the Financial Statements for  
the year ended 30 June 2006**

17 August 2007/00117207001-74071/12/PEA

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Report of the auditors  
to the Foundation Board of the  
Foundation PH Switzerland  
Celigny

As auditors, we have audited the accounting records and the financial statements (balance sheet, profit and loss account and notes) of Foundation PH Switzerland for the year ended 30 June 2006.

These financial statements are the responsibility of the Board of the Foundation. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements comply with Swiss law and the articles of association.

We recommend that the financial statements submitted to you be approved.

We also confirm that the financial statements comply with the requirements of the ZEWO foundation.

PricewaterhouseCoopers SA



C. Pointet  
Auditor in charge



E. Pineau

Genève, 17 August 2007

Enclosure:

- Financial statements (balance sheet, profit and loss account and notes)

# FOUNDATION PARTNERSHIPS IN HEALTH

Roufe des Coudres 60

CH - 1298 Céligny

## BALANCE SHEET

	30.06.2006	30.06.2005	Notes
	CHF	CHF	§
<b>ASSETS</b>			
Cash at bank	2'034'335	1'889'196	1.
Working Capital in the field	95'000	95'000	2.
Prepaid expenses & accrued income	44'994	1'385	3.
<b>Assets Total</b>	<b>2'174'329</b>	<b>1'985'581</b>	
<b>LIABILITIES FUNDS AND NET CAPITAL</b>			
Unused donations (projects)	1'733'026	1'541'399	4.
Unused donations (restricted/unrestricted)	197'125	130'875	5.
Sundry creditors	37'338	82'921	6.
Accrued expenses	0	16'268	
Liabilities Total	1'967'490	1'771'462	
Capital	150'000	150'000	
Accumulated profit	64'118	64'118	
Net result for the period	-7'279	0	
Net capital	206'839	214'118	7. & 8.
<b>Total Liabilities, Funds &amp; Net capital</b>	<b>2'174'329</b>	<b>1'985'581</b>	

**FOUNDATION PARTNERSHIPS IN HEALTH**  
Route des Coudres 60  
CH-1298 Céligny

**Statement of Income & Expenditures**  
**FROM JULY 1, 2005 TO JUNE 30, 2006**  
**GRAND TOTAL**

	Total Projects CHF	Total Golf & Oth. CHF	Total Admin. CHF	Grand Total CHF
Donations Received	3'876'085.00	108'550.00	31'730.00	4'016'365.00
Donations transferred to administration	0.00	0.00	400'219.00	400'219.00
<b>Total</b>	<b>3'876'085.00</b>	<b>108'550.00</b>	<b>431'949.00</b>	<b>4'416'584.00</b>
Donations used for projects	-3'876'085.00	0.00	0.00	-3'876'085.00
Donations used for Golf & others	0.00	-108'550.00	0.00 <sup>46</sup>	-108'550.00
Allocation to Golf & others	0.00	0.00	0.00	0.00
Administration expenses	0.00	0.00	-439'228.00	-439'228.00
<b>Total</b>	<b>-3'876'085.00</b>	<b>-108'550.00</b>	<b>-439'228.00</b>	<b>-4'423'863.00</b>
<b>Net result</b>	<b>0.00</b>	<b>0.00</b>	<b>-7'279.00</b>	<b>-7'279.00</b>

# FOUNDATION PARTNERSHIPS IN HEALTH

Route des Coudres 60

CH - 1298 Céligny

## PROFIT AND LOSS ACCOUNT FROM JULY 1, 2005 TO JUNE 30, 2006

HEAD OFFICE	2005/2006 CHF	2004/2005 CHF	Notes
<b>Income</b>			
<b>Donations received</b>			
Donor: Access Vienna (A. Schneider)	6'101		
Donor: Glaxo Smith Kline AG	10'000		
<b>Total</b>	<u>16'101</u>	18'500	
Allocation for administrative expenses	400'219	427'303	
Foreign exchange gain	629	20	
Other revenue	15'000	0	
<b>Total income</b>	<u><b>431'949</b></u>	<u><b>445'823</b></u>	9.
<b>Charges</b>			
Salaries	317'124	305'072	
Social security	44'373	36'877	
Membership fees, taxes and duties	3'858	5'342	
Office supplies / printing	13'499	16'591	
Telephone expenses	6'502	7'798	
Computer / software expenses	1'907	16'729	
Insurance	5'465	4'815	
Postage expenses	1'806	2'644	
Audit and accounting fees **	21'724	6'000	
Transition fees relating to Project Hope	485	3'651	
Other fees	0	2'568	
Travel expenses	1'889	12'623	
Entertainment allowance	652	848	
Public relations	2'350	1'030	
Office rent & charges	14'279	13'268	
Office miscellaneous	2'742	9'200	
Banking expenses	574	767	
<b>Total expenditure</b>	<u><b>439'228</b></u>	<u><b>445'823</b></u>	10.
<b>(Loss) for the period</b>	<u><u><b>-7'279</b></u></u>	<u><u><b>0</b></u></u>	

\* includes \$US 10'000.- to be received from UNFPA

\*\* audit offered by PriceWaterhouseCoopers

# FOUNDATION PARTNERSHIPS IN HEALTH

Route des Coudres 60

CH - 1298 Céligny

## DETAIL OF DONATIONS RECEIVED FROM JULY 1, 2005 TO JUNE 30, 2006

### UNRESTRICTED DONATIONS

<b>GOLF TOURNAMENT</b>	<b>CHF</b>
HSBC PB Geneva	12'000.00
Banque Privée Edmond de Rothschild Genève	6'000.00
KPMG Fides. Zurich (hole 1)	5'000.00
Citigroup Global Markets LTD.	12'000.00
Mirabaud & Cie (RES)	7'000.00
P&G Intl OPS	6'000.00
PDP	7'450.00
Crédit Agricole Sa	6'000.00
Pricewaterhouse Coopers AG	6'000.00
General Mills Europe	1'000.00
Axia Investments	3'150.00
M. G Favre	1'500.00
M. Reinhardt	100.00
M. Heikki Reenpaa	100.00
Mme Florence Hauchmann	1'500.00
M. Gerard Lachenal-Taballet	100.00
L. Robertson	1'800.00
Tombola Golf	10'400.00
M. F. Sauerlander	1'800.00
M. A. de Mandato	2'000.00
M. E. de Bourgknecht	1'500.00
M. D. Finazzi	100.00
M. Anthony Travis	1'500.00
M. Eric Schaerer	6'500.00
M. O. Kneubuehler	500.00
Swisspro S.A.	6'000.00
M. Stuart Crocker	400.00
M. Jean-Francois Lagasse	100.00
Firmenich SA	100.00
M. Matthew Stevenson	200.00
M. John von Wartburg	100.00
M. Ivan Rufer	100.00
Mme Maria G. Mastrangelo	200.00
Citigroup	100.00
<b>Total golf tournament</b>	<b>108'300.00</b>
<b>Other donations</b>	
Anthony Travis	250.00
<b>Total other donations</b>	<b>250.00</b>
<b>Total of unrestrictd donations</b>	<b>108'550.00</b>
Golf tournament's unrestricted donations used	102'300.00
Provision golf tournament 2006	6'000.00
Other unrestricted donations used	250.00
<b>Total of unrestricted donations used</b>	<b>108'550.00</b>

**FOUNDATION PARTNERSHIPS IN HEALTH**

Route des Coudres 60  
CH - 1298 Céligny

**USE OF FUNDS ON PROJECTS  
FROM JULY 1, 2005 TO JUNE 30, 2006**

	Donations received in period	Allocation to/from other projects	Balance available from previous period	Expenses paid during the period 1)	Allocation for administration expenses	Balance available for future years
Golf Tournament	102'300	0	0	-20'825	-81'475	0
Non-attributed project	2'250	-2'000	0	0	-250	0 2)
Bosnia FAMl	1'304'070	0	1'66'092	-1'037'704	-85'457	347'001
Bosnia BFM	430'076	0	345'000	-621'178	-9'750	144'148
Bosnia Non Smoking	0	0	21'239	-15'448	-5'550	241
Macedonia Cardiologie	0	0	10'290	-8'790	-1'500	0
Mozambique RR	0	0	112'442	-111'442	-1'000	0
Macedonia Kozle 2	0	0	22'630	0	0	22'630
Balkan AIDS	1'948'049	0	774'453	-1'438'298	-201'163	1'083'041
WWW-HC	0	0	12'650	-4'754	-1'750	6'146
Uzbek-ARH	2'000	0	76'603	-51'237	-200	27'166
Peru - Humanitarian aid	18'092	0	0	0	0	18'092
Central Asian Programm Development	0	7'700	0	-1'969	0	5'731 3)
UNFPA Bosnia	130'223	0	0	-86'844	-12'124	31'255
Diabetes	47'575	0	0	0	0	47'575
<b>Total projects</b>	<b>3'984'635</b>	<b>5'700</b>	<b>1'541'399</b>	<b>-3'398'488</b>	<b>-400'219</b>	<b>1'733'026</b>
Total Projects	3'984'635					
Donation specifically for the administration	16'101					
Foreign exchange gain	629					
Other revenue	15'000					
Allocation for administrative expenses	400'219					
<b>Grand total</b>	<b>4'416'584</b>					
Total Administration expenses	-439'228					
Total Project expenses	-3'984'635					
<b>Grand total expenses</b>	<b>-4'423'863</b>					
<b>(Loss) for the period</b>	<b>-7'279</b>					

Total Projects 3'984'635  
Donation specifically for the administration 16'101  
Foreign exchange gain 629  
Other revenue 15'000  
Allocation for administrative expenses 400'219  
**Grand total 4'416'584**

Total Administration expenses -439'228  
Total Project expenses -3'984'635  
**Grand total expenses -4'423'863**  
**(Loss) for the period -7'279**

- 1) This column includes expenses paid and accrued
- 2) Allocation of unrestricted donations to Central Programm Development
- 3) Allocation of unrestricted funds to projet Central Asian Programm Development

# FOUNDATION PARTNERSHIPS IN HEALTH

Route des Coudres 60

CH - 1298 Céligny

## FUNDS FLOW STATEMENT FROM JULY 1, 2005 TO JUNE 30, 2006

	<u>2005/2006</u> CHF
<b>Operating surplus / (deficit)</b>	<b>-7'279</b>
Increase / (decrease) in working capital	0
Increase / (decrease) in prepaid expenses and accrued income	-31'485
Increase / (decrease) in receivables	-12'124
Increase / (decrease) in unused donations	191'627
Increase / (decrease) in sundry creditors	-45'582
Increase / (decrease) in accrued expenses	-16'268
Increase / (decrease) in Balkan restricted funds	2'652
Increase / (decrease) in unrestricted funds	63'598
<b>Funds flow from operations</b>	<b><u>145'139</u></b>
Opening cash balance	1'889'196
Closing cash balance	2'034'335
<b>Changes cash in the period</b>	<b><u>145'139</u></b>

**FOUNDATION PARTNERSHIPS IN HEALTH**  
**Route des Coudres 60**  
**CH - 1298 Céligny**

Exercise from July 1<sup>st</sup>, 2005 to June 30<sup>th</sup>, 2006

**I. Accounting principles for the presentation of the accounts**

This is the first year that the Foundation PH has applied the accounting standard Swiss GAAP RPC 21, as detailed by Swiss Quality Label ZEWO for non-profit organizations.

The accounts are presented in Swiss Francs.

Assets and liabilities in foreign currency are translated into Swiss Francs at the balance sheet date of June 30<sup>th</sup>.

Rate of exchange applied  
1 USD = CHF 1.2467  
1 EUR = CHF 1.5645

**Balance sheet notes**

**1. Cash**

Cash includes petty cash as well as the bank and post office accounts of Headquarters and all program and project accounts.

**2. Working Capital**

This entry includes the working capital allocated to the field offices as follows:

- Bosnia and Herzegovina	CHF	50'000
- Macedonia	CHF	40'000
- Serbia	CHF	5'000

**3. Prepaid expenses and accrued income**

This entry includes:

- Prepaid charges	CHF	32'870
- Accrued income	CHF	12'124

**4. Unused donations (projects)**

This entry includes the opening balances per project at the date of the balance sheet calculation. (Please refer to the "Follow up of projects" spreadsheet)

**5. Unused donations (restricted / unrestricted)**

This entry includes:

- The invoices to be paid by FPH to its field offices for current projects
- The unrestricted funds to be allocated
- The revenues from the Golf tournament to be allocated

**6. Sundry creditors**

This entry includes the following suppliers:

- Sundry creditors:	CHF	20'918
- Social charges creditors:	CHF	6'484
- Social charges provisions:	CHF	9'936

## 7. Net capital

This entry includes CHF 150'000 of capital transferred from Project Hope, CHF 64'118 of accumulated profit and CHF 7'279 of net result of the period.

## 8. Variation of funds

	Balance sheet as at 30.06.2006		Balance sheet as at 30.06.2005	
Capital of the Foundation	CHF	150'000	CHF	150'000
Accumulated profit	CHF	64'118	CHF	64'118
Net result of the period	CHF	-7'279	CHF	0
Total net Capital	CHF	206'839	CHF	214'118

## Profit and loss notes

### 9. Income

This entry includes the donations received for the head office and the administrative share allocated from projects. (See detail on "follow up of projects" spreadsheet)

### 10. Charges

This entry includes the charges related to the head office operations. (See detail on "profit and loss" spreadsheet.)

### 11. Leasing

The Foundation PH signed 2004 a leasing contract for an office photocopier and printer. The leasing contract ends on December 31st, 2008. The remaining balance to pay at the balance sheet date is CHF 14'850.

## II. Additional Information

### The Foundation's Organization

The Foundation's goal is to deploy philanthropic programs and to implement training and education programs abroad to improve the hygiene and health of the most impoverished populations; to encourage health awareness amidst the less advanced; and to encourage and support private groups as well as other organizations sharing the same goal.

### Foundation Board Members

<u>Name</u>	<u>Domicile</u>	<u>Title</u>
Dr. Friedrich Sauerländer	Céligny	President of the board
Dr. André Schneider	Plan-les-Ouates	Secretary, member
Eric Schaerer	Trélex	Treasurer, member
Dieter Hoffmann	Gingins	Member
Dr. Louis Loutan	Grand Lancy	Member
Dr. Konrade Von Bremen	Bussy-Chardonnay	Member

### List of bank Signatories

Name	Domicile	Title
Dr. Friedrich Sauerländer *	Céligny	President of the board
Dr. André Schneider *	Plan-les-Ouates	Secretary, member
Eric Schaerer *	Trélex	Treasurer, member
Dieter Hoffmann *	Gingins	Member
Dr. Louis Loutan *	Grand Lancy	Member
Dr. Konrade Von Bremen *	Bussy-Chardonnay	Member
Bettina Schwethelm *	Nyon	Director

\* All payments require two signatures

### Auditor

PricewaterhouseCoopers S.A.  
50, avenue Giuseppe-Motta; CP 2895  
1211 Genève 2

### Compensation Paid to the Members of the Board

No compensation is paid.

### Tax Exemption

Cantonal tax: the foundation is exempt by decree of the Conseil d'Etat  
on August 1, 1992

Federal Tax: the foundation is exempt by decree of the Conseil d'Etat  
on July 21, 1995