



# **Annual Report**

**Year ended 31 December 2012**



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## **Administrative Information**

Registered Office: Steinengraben 5  
CH-4003 Basel  
Switzerland

Auditors: KPMG  
Viaduktstrasse 42  
P.O. Box 4002  
Basel  
Switzerland



## Structure, Governance & Management

Human Dignity Foundation (HDF) is a Swiss registered charity established in 2004. The foundation is a pro-active grant-making foundation and does not carry out any other activities.

The foundation is governed by a board of seven Directors including the founder who is Chairman. There was no appointment or resignation of directors during 2012.

A strategic review in 2009 led to the board's decision to become a limited life foundation. The expected lifespan is ten to fifteen years during which the foundation will spend both its income and its capital to achieve its objectives. The foundation does not actively fundraise.

Taking advice from the Executive Director, and external advisers, the Directors make all decisions regarding the approval or otherwise of grant applications as well as the investment policy and practice of the foundation. Day-to-day running of the foundation is undertaken by the Executive Director supported by three staff members recruited in 2012. The full-time equivalent of the team is 2.8 staff.

Risk Management systems are in place to mitigate exposure to major risks and the risk register is continuously reviewed. A risk management report is provided to the Directors at each board meeting.

Two new policies were approved by the board in 2012 - Child Protection Policy and Monitoring, Evaluation and Learning Policy. These policies inform the foundation's practice and will enhance the quality of HDF's governance and performance on an on-going basis.

The appointment of external auditors was considered by the board and, after seven years with the same external auditor, a decision was taken to appoint new external auditors, KPMG AG, for 2012.

Two new board committees were formed, each of which meets a minimum of quarterly:

1. Investment committee – to oversee HDF's investment portfolio and act in an advisory capacity to the board of Directors. This committee is comprised of two board members and two external advisors.
2. Finance committee – to be responsible for, and to make recommendations to the board of directors in relation to, the financial reporting process, external audit function, system of internal financial controls and financial regulatory compliance of the foundation. This committee is comprised of two board members.

## Vision

Human Dignity Foundation envisages a world where all humans live in dignity; where root causes of poverty and social injustice are removed and rights are fulfilled.

## Mission

Guided by our vision Human Dignity Foundation works to:

- bring about positive and lasting change in the lives of poor people
- enable women & children to fulfil their rights

We do this by:

- providing financial and collegial support to relevant organisations
- collaborating with others to maximise impact and learning

- influencing other foundations and philanthropists to work towards our mission

## Target Group

Our target group is children and women in the context of their families and communities. The target ratio of grant beneficiaries was set at 4:1 children:women mid-way through 2012. The overall ratio since the foundation was established is 4.5:1 and the ratio is monitored on an on-going basis.

## Programme Outcomes

During 2012 HDF refined its programme outcomes to the following:

Outcome 1: Children, especially girl children, have improved access to quality secondary education and improved livelihood opportunities

Outcome 2: Families have increased and more stable income enabling them to better protect and support their children

Outcome 3: Children and women are less at risk of violence and have greater support and services when they are subjected to it.

## Grant-making Policy

In 2012 HDF employed a mixture of approaches to grant-making including:

- soliciting applications e.g. ActionAid International
- collaborative funding with other donors e.g. Girls Not Brides
- issuing a call for proposals e.g. child trafficking in India

This reflects a deliberate policy of experimentation and learning being employed by HDF during its sunrise period of 2011 to 2013.

The Board reviews and approves or declines grants on the basis of sound, written documentation; a signed agreement forms the basis of fund disbursement. Each funded project is monitored through site visits, reports and external reviews. Multi-annual commitments to a maximum of 5 years are made where that is deemed to be appropriate for the project, the grantee and the foundation.

## Investment Strategy

HDF pursues a conservative investment strategy in conjunction with external investment advisers to meet the following investment criteria:

- Security of capital
- Spread of risk
- Generation of income to contribute to project funding commitments

The investment committee undertook a comprehensive review of the existing portfolio in 2012 and will recommend a revised mandate in the first quarter of 2013.

Commitments to fund projects are only entered into to the extent that funds are available. As more projects are approved for funding the investment portfolio will be appropriately managed to ensure availability of cash against commitments.

## Our Work in 2012

During 2012 HDF approved **ten new grants** to organisations, eight of which were new grantees and two of which were previous grantees. In addition to new grants, HDF continued to deliver on **five existing grants** to organisations as per the table below. The amount of funds disbursed against existing and new commitments was USD3,270,925

The HDF team undertook **monitoring and exploratory trips to six countries**: India, Liberia, Malawi, Sierra Leone, South Africa and Uganda. The Chairman participated in a trip to India and 2 grantees presented their work to the HDF board.

As part of its commitment to learning, the foundation undertook an **online survey of 17 grantees**. While the findings were, in general, positive there were requests for greater clarity on reporting requirements which have been fulfilled.

HDF believes in collaborative funding, where meaningful, and to this end **joined two funders groups** in 2012:

1. International Education Funders Group – this in turn led to collaborative funding with MacArthur Foundation in India.
2. Child Protection Funders Group – this is leading to a number of potential opportunities

To enhance communication with existing and potential grantees, as well as other donors, HDF launched its **website** in June 2012 [www.human-dignity-foundation.org](http://www.human-dignity-foundation.org)

## Schedule of Grants FY 2012

Organisation	Country	Description	Year of Approval	Total Amount Disbursed US\$ 2012
Aajeevika Bureau	India	Safe Migration	2012	335,137
ActionAid International	Ghana, India & South Africa	Life choices for young urban women	2012	137,728
Amnesty International	EU	End FGM	2007	450,430
Azad Foundation	India	Skills & employment for resource-poor women	2011 & 2012	183,905
Breakthrough	India	Early Marriage	2012	66,050
Focus Ireland	Ireland	Early Childhood	2012	211,582

Foundation Nepal	Nepal	Integrated rural development	2011	29,224
Girls Not Brides	Global	Early Marriage	2012	200,000
Global March Against Child Labour	India	Ratification of ILO Conventions 138 and 182	2012	72,901
Link Community Development	Uganda, Ghana	Healthy schools programme	2011	128,296
Pavee Point	Ireland	Addressing supply and demand issues in education for Travellers	2012	180,333
Plan Ireland	Liberia & Sierra Leone	Univeral Birth Registration	2012	668,575
Protea	South Africa	IT as a learning enabler in primary schools in Western Cape	2010	361,764
Trócaire	Malawi	Addressing root causes of engendered vulnerability to HIV	2012	95,000
Women for Women International	Afghanistan	Economic empowerment of women	2011	150,000
<b>Grand Total</b>		<b>TOTAL</b>		<b>3,270,925</b>

## Plans for 2013

During 2013, HDF will focus on the following:

- Refined thematic and geographic focus to reflect learning, context and the founder's wishes
- Refined investment strategy to meet HDF's performance, liquidity and ethical requirements
- Increased identification of impactful grantees
- Strengthened management of grant finances
- Website enhancement