

WakaWaka foundation - Annual Report 2012

1. Introduction

The board of the WakaWaka foundation is pleased to present its first annual report for the period April 12, 2012 to December 31, 2012.

On April 12 the WakaWaka foundation was presented during a press conference in Nieuwspoord, The Hague. TV-presenter Harm Edens moderated the event, in which the Supervisory Board was presented, consisting of chairman Wouter Scheepens, Sywert van Lienden en Froukje Jansen. During this meeting, the symbolic first WakaWaka was presented to Stichting Vluchteling.

The WakaWaka Foundation was established by the founders of Off-Grid Solutions (OGS), the producer of WakaWaka solar LED-lights. A large part of humanity still lives without access to the electricity grid. OGS intends to provide these people with sustainable power and light solutions. However, a large part of this group is not able to purchase solar solutions, even at a reduced, developing country price. To also service this group of individuals, the WakaWaka foundation was founded. Over the course of 2012, the Supervisory Board has met three times with Maurits Groen, the director of the foundation, to discuss the structure and methods of the foundation.

2. Our Mission

The WakaWaka Foundation is an internationally operating NGO combating energy poverty. We focus on providing safe, sustainable and self-sufficient energy and light solutions to people living at the bottom of the pyramid.

These solar solutions are comprised of the WakaWaka Light; providing up to 80 hours of LED lighting, and the WakaWaka Power; the smartest and most efficient solar LED light and charger in the world. Using the WakaWaka products provides life-changing benefits for health, the environment, safety, education and financial stability. Not only do we focus on providing the technological device to escape energy poverty; we also provide necessary life skills and support.

The WakaWaka Foundation has two main goals:

- We devise strategies to make sure solar solutions become available to those who suffer from extreme poverty, live in remote regions or are a victim of forced migration, for example due to wars.
- We educate children in developing countries about the health benefits and money-saving benefits of making sustainable choices for their family and community.

3. Governance

The day-to-day operations of the WakaWaka Foundation are managed by the president of the foundation, Maurits Groen.

The supervisory board is assigned with the task of supervising management, advising on strategic matters, authorizing financial statements and appointing, suspending and discharging members of the management team. The supervisory board consists of:

- Wouter Scheepens (Chairman)
- Sywert van Lienden
- Froukje Jansen

4. Activities 2012

a) Donors & Partners

Off-Grid Solutions

The founders of Off-Grid Solutions, the producer of WakaWaka products, have agreed to donate 10% of annual profits to the WakaWaka Foundation. In addition to this, in 2012 OGS made a number of in-kind contributions to the foundation, including office space and staff time.

LightRec

The Dutch organization responsible for collection and recycling of discarded lighting equipment, LightRec, made a generous donation of € 30,000 to the WakaWaka Foundation. Thanks to this contribution, the foundation was able to provide 1,000 WakaWaka Lights to children in Tanzania.

Zonline

Zonline, a distributor of solar panels in the Netherlands agreed to donate € 10 for every 2 solar panels installed by the company. Shortly thereafter, the first symbolic WakaWaka provided by Zonline was presented to Willemijn Verloop, the founder of WarChild.

Other Donors

In addition to these donations, a number of smaller fundraising activities and donations took place in 2012. Individuals were able to donate to the foundation through the foundation website. Fundraising activities by a school in Zwolle and a school in Wellington, New Zealand, also contributed to donations.

b) Impact

Haiti

After the earthquake in Haiti in 2010, there are still large numbers of people displaced and homeless. In December 2012, Off-Grid Solutions dedicated the crowd funding campaign for the WakaWaka Power to Haiti. For every WakaWaka Power bought through the crowd funding campaign, one WakaWaka Power will be distributed to earthquake survivors in Haiti. During the

campaign, OGS and the foundation sold 12,000 WakaWaka Powers. The donation of 12,000 WakaWaka Powers will take place in 2013. Distribution will take place based on the 'free, but not for nothing' principle, meaning that the receivers have to do something in return. This can range from helping rebuild a school to cleaning a neighborhood or planting a tree.

Tanzania

Thanks to a generous contribution from LightRec, the foundation was able to provide 1.000 WakaWaka Lights to children in Tanzania. The WakaWaka Lights were provided to a number of schools and other institutions in Tanzania, including an orphanage.

Kenya

The Foundation was able to make a substantial contribution to the work of the Wenzu foundation, a non-profit organization providing aid to an elementary school in Kenya. 800 WakaWaka Lights were provided to students of the school, at a price of roughly \$1.

Other Projects

A number of other smaller projects took place in 2012, including a number of donations of WakaWaka products to NGO's working with schools in developing countries.

5. Finances

c) Balance Sheet

December 31, 2012

CURRENT ASSETS		
Debtors	3,065	
Cash, Bank	18,496	
TOTAL CURRENT ASSETS	21,560	
CURRENT LIABILITIES		
Trade creditors and trade credits		20,325
Accruals and deferred income		2,216
TOTAL CURRENT LIABILITIES		22,541
CURRENT YEAR LOSS	981	
TOTAL	22,541	22,541

d) Statement of Income and Expenses

For the period ended December 31, 2012

OPERATING CHARGES		
Personnel expenses	3,000	
Office expenses	85	
Marketing costs	1,762	
General expenses	1,830	
TOTAL OPERATING CHARGES	6,677	
FINANCIAL CHARGES		
Financial expenses	164	
TOTAL FINANCIAL CHARGES	164	
COSTS OF GOODS SOLD		
Costs of goods sold	51,503	
TOTAL COSTS OF GOODS SOLD	51,503	
INCOME		
Sales		56,080
Donations		1,282
TOTAL REVENUES		57,363
CURRENT YEAR LOSS		981
TOTAL: INCOME STATEMENT	58,344	58,344

e) Commentary on Financial Figures 2012

Actual vs. Budget

As the WakaWaka foundation was founded in April of 2012, no budget exists for 2012.

Income

In 2012, a total of 5,080 WakaWaka Lights were sold by the foundation to partner NGO's (at rates substantially reduced from the regular Off-Grid Solutions sales price), which led to a total sales income of € 56,080. In addition to that the foundation received € 1,282 in donations.

Expenditures

The majority of the expenditures consist of costs of goods sold. The 5,080 WakaWaka Lights sold by the foundation were bought from Off-Grid Solutions, the producer of WakaWaka products, at a reduced price. Off-Grid Solutions financed a majority of the operating charges represented in the income statement. In addition to that Off-grid solutions made a number of in-kind contributions, including staff time and office space.

Result

The balance of income and expenditures leads to a loss of € 981.

f) Budget 2013

INCOME	
10% of profit Off-Grid Solutions	36,000
Other Donations	1,500
TOTAL INCOME	37,500
EXPENDITURES	
OPERATING CHARGES	
Personnel expenses	21,000
Office expenses	2,200
Marketing costs	1,500
General expenses	1,500
TOTAL OPERATING CHARGES	26,200
FINANCIAL CHARGES	
Financial expenses	100
TOTAL FINANCIAL CHARGES	100
PROJECTS	
Development folders	3,200
Project Kenya	3,080
Project Haiti - Crisis Aid	3,080
TOTAL PROJECTS	9,360
TOTAL EXPENDITURES	35,660
Balance of Income and Expenditures	1,840

g) Commentary on Budget 2013

Income

An agreement has been made between Off-Grid Solutions and the WakaWaka Foundation, that 10% of Off-Grid Solutions profit will be donated to the foundation. In 2013 profits are expected to amount to € 360,000, leading to a contribution to the foundation of € 36,000. In addition to this, we expect donations adding up to € 1,500.

Expenditures

In 2013, we expect the majority of expenditures to consist of personnel costs and project expenses. Off-Grid Solutions will again make a number of in-kind contributions, including staff time and office space. It should be noted that as of 2013 the foundation will no longer sell WakaWaka products, as was the case in 2012. Instead the WakaWaka foundation will select partner NGO's who can buy WakaWaka products at a reduced rate from Off-Grid Solutions. WakaWaka will thus only act as an intermediate in the contact between Off-Grid Solutions and the partner NGO's, and will no longer be a financial intermediary.

Result

In 2013 we expect a profit of € 1,841, this result will be appropriated to the continuity reserve of the foundation.