



THE FREGENET FOUNDATION 2008 ANNUAL REPORT

It's been five extraordinary years since the establishment of the *Fregenet Foundation*, and in that time, we have made tremendous strides. In just five years, the *Fregenet Kidan Lehitsanat* School ("FKL") in Addis Ababa, which started with only 31-students, has grown almost six-times over. Now with 179 students, we are truly blessed to see our mission manifest before our very eyes. Thanks to our donors, volunteers and dedicated staff members, we are able to continue our development. We are inspired more than ever to continue our work and to expand our vision in 2009.

Mission

The goal of the Fregenet Foundation is to provide opportunities for children from poor families to succeed in life. Our four-pronged mission is as follows:

- To provide early educational opportunities to needy children and to create conditions that will help them succeed in life.
- To promote early education as a means to overcome poverty, reduce AIDS, gender inequality and political oppression.
- To establish schools to be used not only as centers of education, but as community resources and health centers for the benefit of students, their families and the communities in which these schools are located.
- To establish bonds between students in Ethiopia and children all over the world by sponsoring music, travel, language and cultural education programs.

About the School



FKL started with grades K1 and K2 in [2004]. Now the same children are finishing grades 1, 2 & 3. All five grades are following the first students on the course to quality early education and eventually, we believe, to self empowerment.

FKL is a Primary School and Kindergarten for children from underprivileged families. The school is located in the southern part of Addis Ababa in an area commonly known as Kera. The address is

Kirkos Sub City, Kebele 11/12, House No. 581, and Tel. No. 011-4166786.

Most of the FKL's students come from families in need, such as single parent households and households where parents are unemployed or lack stable employment. Students are selected in a non-discriminatory system in accordance with the Foundation's and FKL's non-discrimination

policy. We believe that some of the students, if not all, may not have the opportunity to go to school were it not for the Foundation.

Highlights of 2008

This year has continued to enrich and enhance FKL and the Foundation.

- The LA Marathon saw many enthusiastic runners earning donations directly benefiting the Foundation. The Fregenet Foundation was designated as one of the official charity organizations of the LA Marathon, a great honor for the runners and the Foundation.
- We have constructed a new school library at FKL, as well as new classrooms for 3rd and 4th graders. The library will benefit not only our students, but also their families and the surrounding community. As you may recall from our previous newsletter, The Royal Netherlands Embassy in Addis Abeba donated approximately USD \$10,000 directly to FKL for furnishing the library. We are pleased to report that this donation has inspired others to promise more assistance to funding the library.
- On May 27, 2008, the Foundation completed a reorganization of the Foundation as a California nonprofit public benefit corporation. We believe that our new status as a California nonprofit corporation will benefit our fundraising and outreach efforts and provide a strong base for our future growth. The Foundation had originally been incorporated in Minnesota in 2003.
- The Foundation's 4th anniversary celebration on October 18, 2008 was a great success. Close to 100 supporters gathered for the occasion. The highlight of the event was a new documentary film commissioned by the Foundation called "*The Way Forward*." The documentary provides a visual history of the Foundation, FKL, our staff and our students, during the first four years of our existence. Nicholas Lam, the producer and director of *The Way Forward*, gave a speech about the film and his passionate interest in Ethiopia and our mission since his visit and work there.
- Women to Children ("WTC"), an independent fund raising group, held a fund raising event for the second consecutive year to support the Foundation. WTC was formed by seven dedicated women out of their strong belief in giving educational opportunities to all needy children. The group is dedicated in raising funds and finding sponsorship for the Foundation.
- Wells Fargo Bank, during its annual Wells Fargo tribute to local organizations, recognized the work of the Foundation, as one of 30 local California non-profits among its customers, with a donation of \$1,000.



- In early December, The Ethiopian Community Association of Oklahoma also honored the Foundation by donating \$2,000 in support of the Foundation's work and efforts to provide educational opportunities and social services to the needy children of Ethiopia.
- Mr. Tafesse Woubshet, President of the Foundation, spent the months of April, May and June at FKL. During this time, Mr. Woubshet met with several local government officials in the Addis Abeba city administration to seek a plot of land for the construction of the Foundation's state of the art model school. Mr. Woubshet also entered into contracts with architects and engineers in Addis Abeba for the detailed design of the Model School Project. The design is posted with a 3D model on our web site.



Financial Report

Our revenue and expenditure including pro bono services, for fiscal year 2008 amounted to approximately \$214,000. Out of this, over \$174,000 consisted of in-kind donations of administrative, legal (non-litigation), accounting and architectural services. Actual cash contributions amounted to \$38,374.00, collected through our Student Sponsor Program, Marathon Sponsorship and different donations from individual supporters.

Using the donations collected during 2008, we were able to pay \$35,014.00 for the following items: FKL rent, facility renovations and painting, staff salaries, playground equipment, classroom furniture, school uniforms, office administration expenses, school supplies, utilities, and general maintenance.

A detailed income and expense spreadsheet for the year 2008 is available upon request.

Acknowledgements

Our friends and donors made the Foundation's progress in 2008 possible. Many of you have stood beside the Foundation since its inception and have supported us not only monetarily but also with your good will and your time. You have campaigned and spread the good word for the Foundation's mission.

To recognize a few of our volunteers and staunch supporters:

- Our pro-bono corporate restructuring special counsel, including Lars Carlson, Michelle Carpenter, Jason Choi and their wonderful firm, Latham & Watkins LLP.
- Mr. Dejene Habte-mariam, a Senior Architect at UCLA, for designing our Model School.
- Mr. Feleke Teka, a Certified Public Accountant for auditing our financial records
- Nicholas Lam and Will Driscoll for producing, directing and editing our documentary film *The Way Forward*.
- The FKL Board members lead by chairman Fikre Mariam Yifru, and all the staff and teachers at FKL.
- Yewoinishet Zewde, Tsedale Wolde-Selassie, Hezkeal Ayele and Elizabeth Asrat for their service as Board members of the Foundation.
- We would also like to express our deepest gratitude for individuals and organizations who continue to sponsor our children year after year.

Whatever the nature of your contribution, we sincerely thank you. In the year ahead, the Foundation reaffirms its commitment and assures you that we will work even more diligently to bring real change and hope to the lives and families of the children of Ethiopia

In Conclusion

As we wrap up the year's achievements, we are excited to announce the opening of the new school library in Addis Abeba, Ethiopia, on January 3, 2009. The library is now furnished, complete with books on the shelves and computers on the desks. This exciting new learning center will benefit not only our students, but also the surrounding neighborhood community. The library's opening coincided with the School's annual Children's Day celebration.



2008 has been a great year for the Foundation, the School and our students. We have accomplished many of the objectives that we outlined for the year despite our limited resources. Slowly and surely, we are marching forward!

The Fregenet Foundation and its School Fregenet Kidan Lehitsanat admits students of any race, color, national and ethnic origin, gender, disability and religion to all the rights, privileges, programs, and activities generally accorded or made available to students at the school. It does not discriminate on the basis of race, color, national and ethnic origin, gender, disability or religion in the administration of its educational policies, admissions policies, scholarship and loan programs, and athletic and other school-administered programs.