

A large, stylized, light green 'Y' shape serves as a background for the title. Inside the 'Y' is a landscape scene with a blue sky, a yellow sun, green hills, and a blue body of water.

YANAPUMA FOUNDATION AND SPANISH SCHOOL

Annual Report

2009

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The following report details the work of Yanapuma Foundation and Spanish School during 2009. At the close of the year we have been operating for 3 and a half years, continuing to build on previous successes and learning from previous mistakes as we work towards our three goals of developing a professional Spanish School, providing a reliable service that connects willing volunteers with communities and projects in need, and using the income derived from these activities to develop a foundation that excels in the field of sustainable development.

This year, 2009, has been a remarkable year in the development of Yanapuma Foundation and Spanish School. It has been a source of great satisfaction to recognize that the hard work and dedication of the Yanapuma founders and staff and interns has produced significant results both in terms of the growth of the Spanish school and volunteering activities and in the development of the Foundation.

Despite a difficult international situation with the global recession, the Spanish School has grown 50% in 2009, up from an average of 10 students per week in 2008 to 15 students per week in 2009. The "Volunteer Ecuador" program that we launched at the start of 2009 attracted more than 90 individual volunteers. For its part, the Foundation has succeeded in attracting project financing from two major

organizations; the Interamerican Foundation and the Small Donations Fund of the United Nations as well as other smaller grants. These projects will comprise the major part of our work in 2010.



It has also been a year of great learning for all of us. We started the organization in September of 2006 with a vision of developing a self-supporting foundation through income from its own Spanish school and volunteering activities, but without a great deal of experience. Thus it was a great leap of faith for all of us, investing our energy and financial reserves in this new social venture. Last year we finished the year with a slight negative balance in the bank of around \$1100.00. This year, although we had hoped to end the year with enough funds to provide us with something of a cushion against future potential fluctuations, we actually ended the year more or less even again. So we continue to seek ways to balance the needs of a growing foundation with the income generated through our Spanish school and volunteer activities while generating a reserve against possible downturns in the economy.

Each new stage of our development brings fresh challenges, and we expect that 2010 will present us with its fair share of surprises. What we do know is that we must continue to work to “professionalize” Yanapuma, both the school and the foundation, and moves in this direction are already well under way. Two significant developments in this respect were the creation of a Code of Ethics and Conduct to give concrete form to our philosophy as an organization, and the development of a Strategic Plan that covers all areas of the organization for 2010 to 2012.

We will be helped this year by two familiar faces and one new. Academic Director of the school, Edison Rendon, and local Project Director, Giovanni Toapanta, have both proven exceptional in the development of their particular areas. In light of their contributions and ongoing support we have invited them to become part of the governing

body of Yanapuma, serving in the capacity of “socio adherente.” In addition, Janet Rocanova, former Director of Study Abroad Programs for the University of Kentucky also joins us as “socio adherente” in the role of Director of Academic Study Programs. She will be responsible for developing study abroad and service learning programs with international universities and organizations.

As we look ahead to 2010, we realize that none of our success during 2009 would have been possible without the support of our students, teachers, volunteers, interns, and staff as well as our former students and volunteers who have continued to support our work in one way or another from afar. We are grateful to all of them for their support, no matter how small, conscious that each contribution has added something significant to our development. It is a source of great satisfaction to the founders and especially to myself personally to be involved daily in a network of people, friends whose good intentions can really make a difference to the world we live in.

The phrase “think globally, act locally” has never seemed more appropriate as we witness the increasing effects of climate change brought about by global processes on a local scale. The communities we work with are not only struggling to adapt to the effects of globalization, but are also experiencing changes to the traditional climate patterns that have sustained them for centuries, as a result of processes in developed countries. This added level of challenge requires our full attention in order to be able to continue to help develop sustainable solutions.

Andrew Kirby, Ph.D.
Executive Director



Introduction to Yanapuma

Mission Statement

The mission of Yanapuma Foundation is to promote sustainable development in marginalized and indigenous communities in Ecuador. To accomplish this, the foundation has adopted an integrated and collaborative strategy that promotes participation of the client communities and ownership of the processes, and seeks to work across all the major axes that contribute to a sustainable life. In order to accomplish the latter Yanapuma seeks to collaborate with other agencies and organizations, coordinating delivery of the necessary services. We aim at all costs to avoid paternalism and dependency as this is antithetical to the self-reliance that supports sustainable development.

Yanapuma also seeks to develop a level of independence from outside funding in order to maintain the ability to continue working without fear of funding shortfalls. This is accomplished through administration of a Spanish school for international students in Quito, as well as group and individual volunteer activities that provide funding to cover some staff and administrative costs. On this platform, the foundation can then seek funding for particular projects, without the addition of large overhead costs.

Organizational Structure

At the start of 2010 Yanapuma Foundation and Spanish school comprises 6 founder members and 3 new associates. In addition we have one full time staff for the school and 2 and a half full time staff for the foundation, as well as 2 full time staff to deal with the volunteer department and two full time staff in accounts and general duties. In



addition the school employs a number of regular contract teachers. This gives us a total of 17 full time staff and around 10 contract teachers.

During 2009 we engaged in a process of reforming the statutes of the organization which had been poorly drafted by the lawyers who originally guided us through the process of establishing the foundation. These more accurately reflect our overall aims and strategies, and have been submitted to the Ministry of Social Inclusion for ratification.

In addition we drew up a series of "reglamentos," internal documents that lay out in more detail important points contained in the statutes. These efforts were also dovetailed with the creation of a Code of Ethics and Conduct that guides our internal processes and establishes clearly our values as an organization. These are published on our website.

Part of this process involved our intention to create a Board of Trustees. Initially we had conceived of appointing suitable Ecuadorians for this task, the idea being to satisfy international standards regarding oversight of the activities of the organization. However, we realized that the system of appointing a Board of Trustees is not within Ecuadorian rules or norms. As an alien concept it has proven impossible to request that suitable Ecuadorian candidates assume the responsibilities of a Board of Trustees without receiving payment, which goes against the principle for which the board was proposed in the first place. Thus we resolved to begin to seek candidates for an international Board of Trustees that will help to inspire confidence in Yanapuma as a trustworthy organization.

In addition to these activities Yanapuma became a registered charity in Scotland. It is actually a separate organization whose stated aim is to support the work of Yanapuma Foundation of Ecuador through providing resources, support, and financing for its work, as well as to promote cultural exchange between children of developing and developed countries.

The Executive Director of Yanapuma Foundation of Ecuador is one of the members of the Board of Trustees of



Yanapuma Foundation of Scotland.

Under the newly developed statutes Yanapuma is governed by the following bodies:

- The "Directorio." This is composed of the relevant heads of each department.
- The "Asamblea General." This is composed of the 6 founder members and the 3 newly appointed "Socios Adherentes."

The Executive Director is responsible for reporting to the Asamblea General regarding both the school and foundation.

Within the organization exist four separate departments that are further divided into sub-departments:

The Department of Projects undertakes the work of the Foundation in sustainable community development.

The second department oversees the development and running of the **Spanish School**. This is divided into three sub-departments, one for academic development, one for international programs, and one for social activities.

The third department runs the **Volunteer Programs** for both groups and individuals, and coordinates its activities with both the Spanish School and the Department of Projects.

Separate accounts are maintained for each of these departments. The Spanish School and Volunteer Programs contribute profits to support the work of the Department of Projects.



Finally, the fourth department oversees the **Institutional Development** of the organization itself including administrative tasks and financial reporting.

The goal of this new organizational structure is both to facilitate communication within the organization across the

various departmental activities as well as to clarify the roles and responsibilities of each position within Yanapuma. Included within this new structure is a comprehensive system of individual and departmental work plans, self-evaluations and interpersonal evaluations. Our aim is to clarify the objectives and activities of each member of the organization. This will help to streamline the day-to-day working environment of Yanapuma as well as provide a much more organized, efficient and professional service to our donors, students, interns, and volunteers. As this entire process is still in development it will continue to be modified according to our needs, resources and own internal evaluations. Finally, with this process we aim to put our principles of participation, communication and transparency into action

Methodology

At Yanapuma we utilize an integrated strategy for sustainable development based upon encouraging participation and collaboration and avoiding paternalism. Within this model project development takes place in discrete phases and areas, but always with an understanding of how the parts will fit together into a unified strategy. To this end projects are always developed with a long-term view of facilitating and sustaining change processes through the creation of economic opportunities, delivery of services and capacity development. This approach entails a holistic programmatic vision of sustainable development always grounded upon the view that it is the people themselves who are the true drivers of their own future. Over the last two years the dialogue of defining our methodology has led us down a path that incorporates seven basic elements, all of which help to sustain a participatory action oriented and community driven approach to sustainable development:

-Collaboration

Build confidence and transparency between the foundation and local beneficiaries

- Participation and Communication

Construct spaces of dialogue in order to understand community needs and resources

- Networks

Form organizational networks for project financing, development and implementation

- Capacity Development

Promote social responsibility and dialogue through participatory project planning and action group formation

- Sustainability

Promote sustainability through working alongside community action groups in project development

- Integration

Implement multi-sectoral programs that integrate agriculture, health and education to promote a sustainable future together with local beneficiaries

- Evaluation and learning

Monitor and evaluate projects with community action groups to improve project implementation

Strategies

As a young and growing organization we recognize that we must collaborate with other Non-Governmental Organizations, community groups, Universities, volunteer groups and government agencies. Our strategy is to work in a participatory manner together with these groups to realize integrated sustainable projects. Our specific strategies to accomplish this includes the following:

- Jointly design and implement projects with community groups, local stakeholders and partner organizations
- Motivate and improve capacities of local citizens to organize and plan projects creating spaces for long-term social change
- Promote spaces for dialogue and participation among local beneficiaries

- Utilize resources of foreign interns with practical knowledge alongside Ecuadorian students to further an exchange of ideas for mutual benefit

-Work in an integrated way that confronts the reality of poverty and deprivation in Ecuador

Program Development

Yanapuma Foundation aims to facilitate community driven sustainable development. In order to realize such a goal, we recognize the need of working alongside community beneficiaries in an integrated manner with long time frames. To this end the foundation jointly with the communities in

which it works and based on their most urgent needs, develops multi-sector programs laying the foundation for a more prosperous and healthy future. We focus on program areas that are essential to sustainable well-being: agriculture/environment, health promotion, education/capacity development and economic opportunity.

Within this process we promote the capacity of local beneficiaries to plan, organize and implement projects. If resources can be obtained from local government authorities Yanapuma helps in the facilitation of communication between community groups and local government. In this way, local people increase their knowledge and capacity to advocate for themselves at the same time as government and other authorities increase their capacity to deliver resources to their constituents. This participatory type of planning and implementation promotes ownership and dialogue around the issues that local community members deem most necessary.



Financial Systems

Yanapuma Foundation is committed to transparency in its financial affairs; both to the donors and organizations that support our work, and to the communities who receive our help. We are committed to complying with all national reporting requirements, as well as seeking to satisfy international standards for financial reporting.

We have worked this year to develop an integrated system of accounting that will produce reports whenever they are needed. We are in the process of setting up accounts for each project and each donation, so that at any moment we can respond to inquiries about the state of a particular account.

We have been unfortunate during the first two years of operation to have received inadequate advice and management from our accountants and have dedicated resources during 2009 to recuperating from this situation and creating a reliable system of accounts. This process was terminated successfully at the end of 2009.

Our general principle is to use income from the Spanish school, Volunteer Ecuador and other programs to cover the administrative overheads, committing 100% of funding received to direct project costs.

We disburse funds to projects and communities according to procedures that ensure that the funds will be properly used, and have reporting procedures in place with each community to validate all expenses. In part this process is also designed to teach sound financial practices to members of the communities.



Summary of 2009

Yanapuma Spanish School in 2009

The year 2009 was a successful one for Yanapuma Spanish School. The average number of students rose from 10 per week in 2008 to 15 per week in 2009, a 50% increase, despite the difficult economic

conditions worldwide. We did notice a very different pattern to previous years, with lower numbers than predicted over the peak summer months, but higher numbers than predicted at other times. More students booked up at the last minute, especially later in the year.

Programs

At the start of the year we launched new programs for traveling Ecuador with a teacher. These programs proved very popular, especially during the summer when we were challenged to find enough teachers to travel with students.

In light of these successes we have increased the offerings in the Traveling Classroom Programs for 2010.

Also successful were our online class offerings. Most of the students who chose this option for study either took classes before coming to study with us here in Quito, or chose to continue studying online after they had returned home in order to keep up with their Spanish.

We also began a pilot program to teach Spanish to some of the children of Sotogrande International School (SIS) in Spain. Forty five minute classes were given to around 16 children on different days between September and December. This program is part of a funding arrangement with SIS that provides support to some of the work of the foundation.

Our Medical Spanish program got off to a good start with enough students to allow us to refine the program without being overwhelmed. We are encouraged to begin promoting the program more widely in 2010. The program as originally developed is an intensive and high-level Spanish course for medical students and professionals. We became aware however of the need to develop a second and less intensive course for those whose Spanish level is not as high, and whose need to learn medical Spanish is not quite so stringent. Thus we are developing a 2-week course that is less demanding and more general that should also



appeal to a wider range of people working in the medical and related fields. Our 4-week Medical Spanish Program will remain as a high standard flagship program that we will promote as such.

Methodology



An important development that got under way was to begin to define our methodology and develop related methods for teaching Spanish. Edison Rendon, our Academic Director, reviewed existing method-ologies in education, and together with other staff identified those that are most consonant with our overall values and aspirations. This was a process

of formalizing ideas that were already current in our thinking and development of the school, but underpinning them with a more academic base. We estimate that it will take up to a year for us to fully diffuse this methodology through our materials and train our teachers.

New Space

A major event for the school occurred in April when we jumped at the chance to rent a new and bigger space in the same building. The move upstairs to the top floor of the historic building we occupy increased our capacity to up to 16 students at time, 32 per day with morning and afternoon classes. We maintained also the foundation offices which connect to



the Spanish school by an internal staircase. The space is very welcoming and makes a comfortable space for Spanish classes.

Two thousand and nine saw us begin to work with a number of new teachers. We have found that there are many who are only interested in coming to give class using what they already know, and are not interested in their professional development as teachers. Thus we engaged in a process of selecting those teachers who appear most open to integrating new methods into their teaching so that we can fully develop our identity as a professional Spanish school with a unique methodology.

At the end of 2009 we offered Edison the opportunity to become one of the "Socios" of Yanapuma, an invitation that he accepted. Thus, from 2010 onwards aside from his current duties he will take an expanded role in guiding the organization.

At the end of November we were proud to launch from our website a short video about the school made by Friederike Hoppe, a German intern who was with us for 3 months. We are hoping that it will serve to convince more students to study with us in 2010. Along with our

recent inclusion in the new edition of Lonely Planet, it is an important publicity tool.

Average number of weeks of classes sold per month:

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Av
49	69	61	52	47	62	74	59	65	64	65	65	51

Programs Sold (in weeks)

Regular classes	610
Quito Cultural	14
Volunteer Quito	24
Study and Travel	47
Medical Spanish	14
Online classes	9



Yanapuma Foundation in 2009

Yanapuma Foundation realized significant growth during 2009 in all areas. Principally these can be defined as

- developing our internal structure and coherence
- achieving significant project funding
- considerable expansion of our work in Bua

Internal Capacity Building

During 2009, our Projects Coordinator, Kyle Muther, was instrumental in carrying forward the development of the foundation on an organizational level. In tandem with volunteer Klaus Boas who spent three months working in Quito with us and who continued subsequently from his home in Spain, they put together a strategic and financial plan which forms the basis for our ongoing development in 2010-2012.

The strategic plan covers the three areas of our activities as an organization – the Spanish school, the foundation, and the volunteering activities, as separate but inter-related areas for development. In its totality the strategic plan marks out our path for the next 3 years, and will guide the planning of our activities as we continue to develop as an organization.



Part of this work was made possible through funding from an anonymous source during 2009.

Throughout the year the foundation members engaged in processes to improve their abilities to manage their particular areas of responsibility, and to communicate the need for change in positive and constructive ways that would avoid the resistance that is a common factor in limiting growth in organizations. Although at times difficult and personally challenging, such growth work is a vital part of the overall growth of the organization. It has become something of a mantra in the organization that we learn to accept criticism in the professional realm without seeing it as personal criticism or failure on a personal level. The taking and giving of feedback is an essential component of organizational growth and one which strengthens our ability to deal with the conflicts and confusion that is part of the life of the communities that we deal with.

Project Funding Successes

Kyle was also instrumental in developing our grant-seeking capacities. Two funding applications that we made were successful, providing funding for our work in Bua in 2010 and 2011 for nearly \$80,000.

The Interamerican Foundation will sponsor a project to increase leadership, self-esteem and organizational skills in Bua, especially in the area of cacao production, as well as working to improve nutrition in the local school.

And the United Nations Small Donations Fund will fund a two year project to reforest river banks to protect the water courses of local rivers as well as continuing our work to improve cacao production.

Other projects that received funding for 2010 include a grant from the Souter Charitable Trust of Scotland which will go towards education in Estero de Plátano, particularly in the areas of sexual and reproductive health and rights for adolescents.

We also received funding from the Royal Geographical Society and the Royal Shell Company to provide bursaries to 3 Masters level students from the Universidad Central in Quito. The funds will sponsor 3 theses in Bua, in reforestation, improvement in cacao production, and post-harvest processing of cacao.

We are grateful to have also continued our relationship with Sotogrande International School (SIS) who pledged a total of \$15000 in funding for the scholastic year 2009/10. This is awarded in a mix of earned activities through online classes given to their students in Spain, and project funding. Projects in development include:

- ways of encouraging cultural exchange between children of developed and developing countries, linking schools with marginalized rural schools in Ecuador



- working on piloting the EcoSchools (EcoEscuelas) concept here in Ecuador
- continuing with projects already in process such as the ecological sanitation and educational projects in Bua

In addition to the above mentioned sources of funding the foundation also received several small grants from private and individual sources during 2009 that are listed in the appendices.

Expansion of our work in Bua

Two thousand and nine marked a watershed in our work with the Tsa'chila, which you can read about below.

The past three years have seen a steep learning curve for those of us involved in the development of the foundation and its work. Our determination not to fall into the standard pattern of what might be termed short-term, "hit and run" development has led us to commit ourselves to the development of a "development relationship" with communities like Bua. This involves becoming very closely related with the community over whatever period of time is necessary to see positive changes take place. A frequent comment during the year from some members of the community of Bua is that they have had any number of "experts" arrive, lecture to them for a couple of hours on how to do one or another thing, collect participant's signatures and leave. In contrast, Giovanni, our agricultural expert, was the first outsider to actually work alongside the Tsa'chila, to get his hands dirty, and to teach by example rather than from a whiteboard or PowerPoint presentation. It took a great effort on his part to convince the Tsa'chila this way that positive change is possible, and we heard several Tsa'chila refer to him as "almost Tsa'chila" throughout the year.

In this way Yanapuma has broken through some of the many layers of the history of deception and disappointment, mistrust and disbelief, that characterizes the Tsa'chila's experience with outsiders.



Under the patient guidance of Azalia Cruz, Yanapuma's Director of Projects, along with Giovanni and other members of the foundation, we are developing a relationship of trust that opens up the possibility for education, learning, and growth that is inspiring to witness.

Communities and Projects in 2009

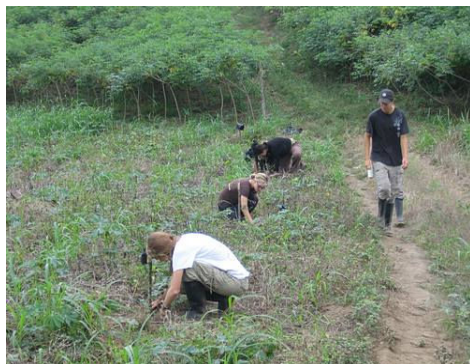
Bua de los Tsa'chila

Breakthrough in Bua

It was a decisive year in the work of the foundation in the community of Bua de los Tsa'chila, as signalled above, with a sudden and widespread acceptance of Yanapuma within the community, and even beyond from other Tsa'chila communities.

After nearly 3 years of work with the Tsa'chila of Bua, during which time on a couple of occasions we came close to throwing in the towel, frustrated by the lack of involvement and commitment, the complicated politics, and the negative rumors and gossip that seemed a constant facet of life there, we seemed to break through the barrier and achieve recognition and acceptance for our ongoing efforts.

We recognize that the Tsa'chila are accustomed to failure, to being taken advantage of, and lack basic skills to manage in the context in which they find themselves living. And our experience explains why no other organizations are working with them regularly or long term. But that is exactly why they need our help, and we are glad that we persisted to the point of gaining their trust and respect.



Towards the end of the year Giovanni called a meeting with the cacao promoters and other community members so that Yanapuma could explain very clearly to them how our financing works. Various community members seemed to have developed the belief that the foundation was sitting on

the money and that they could ask for things like Christmas canastas, and became annoyed when we said that we could not hand out presents like that. We explained to them that we receive our basic financing from our own activities in the Spanish school and with the volunteers, and that the project funding that we receive is all destined to the community. Financially it makes no difference to the foundation if we have funding for a particular project or not. Additionally, our reporting requirements to our funders are very strict and there is no option for spending outside the agreed categories.

The meeting went very well with everything appearing much clearer for community members. We learned the lesson that although we talk about transparency in all our dealings, we still have some way to go to making that explicit to the communities that we work with, something that we will work to improve for 2010.

The success of the year was crowned late in the year by two grant awards for the community of Bua, from the Interamerican Foundation and the UN Small Donations Fund. These grants written by Kyle Muther, our Projects



Coordinator, will provide nearly \$55,000 of funding for 2010, while the UN grant also provides another \$25,000 for 2011. The projects are complementary, working in the areas of cacao production and reforestation of the river banks, with a strong component to develop leadership, organizational skills and self-esteem. At the end of November we hired Guadalupe Peralta as a social/community worker to manage these processes in the community.

In May we took on Paulina Sanguano as a part time staff member to work in Bua on monitoring and evaluation of the ecological sanitation projects there. We are committed to producing reliable scientific evaluations of the ecotoilets that will serve as a foundation to promote this kind of ecological sanitation solution on a wider scale in the future. During the year these generated a great deal of interest from local authorities, other schools, and individuals keen to adopt this simple

technology. To this end we also began working on designs for prefabricated ecotoilets with the idea of seeking a larger scale pilot project that might prove a good model to help solve the desperate sanitation problems of the entire Santo Domingo area.



Another important moment was the inauguration of the new Center for Integrated Health in Bua. This took place in October after a couple of months of renovation work. The local Ministry of Health, on seeing that the

formerly derelict building had been repaired promptly requested that the community hand it over to them to establish as a health center. As we always seek to encourage community participation, we let the community decide what they would like to do with the new facility. After some debate they decided not to hand it over to the Ministry of Health. This was much to our relief, as we understand that the Tsa'chila are reluctant to use conventional medicine, and being distrustful of outsiders they would not accept the services that would be offered there. Thus we felt sure that the building would once again fall into disuse if the Ministry of Health were allowed to take it over.

Instead we continue to work with the community to define how they would like to develop the center (there is no word for health in Tsa'fiki, their native language). We have suggested a mix of visiting medical brigades, training for local parents in themes of nutrition, hygiene, pre and post natal care, elderly care, and other preventive themes, including elements of traditional medicine. Our goal is to get the community to learn to take care of its own health.

We were pleased to witness the graduation with a Masters degree in Environmental Engineering of Tatiana Espinosa in February.

Tatiana carried out a study of the ecological sanitation projects that we have done in Bua, the first study of its kind in Ecuador.

Former volunteer Maria Marone returned during 2009 having secured a grant from the Dutch Patent Office of 4619 Euros to build and equip a library in Abraham Calazacon school as well as to work with the teachers on curriculum development. There is as yet no Tsa'chila bilingual education curriculum, and Yanapuma remains interested in working with the Tsa'chila to develop this area.

During 2009 several volunteer groups were active in Bua, many working on cacao related projects, preparing and sowing seeds for 3000 thousand cacao plants. The group from Thinking Beyond Borders planted 6000 trees in October, seedlings that were sown by 22 families in small nurseries beside their farms. Yanapuma was able to buy these trees from them, an incentive to develop the sowing of timber and fruiting trees as an extra form of income in the future as we seek to expand our reforestation efforts in the area.

Groups from the LEAP UK also constructed a new cabaña at the Shinopi Bolon cultural center.

All these groups helped in the process of cultural exchange, exposing local families, many for the first time, to people from another culture. The results were overwhelmingly positive on all sides. One community member commented to us that 3 years ago it was an extreme rarity to see a foreigner in the community, but now it is a common and welcome sight.

Estero de Platano

Lack of resources, financial and human, prevented us from expanding greatly on our work in Estero de Plátano. The community suffers generally from a lack of organizational ability and equally from a lack of enthusiasm for collaborative effort among its members. We used volunteer groups as a means of trying to encourage community members to take leadership and organizational



roles, and this was successful up to a point. It was noticeable to groups though the difference between Estero and other communities they had visited in this respect. Due to this we decided not to send groups in the latter half of the year hoping that community members would generate a little more initiative in order to continue receiving groups in the future. It is a gradual process, we understand.

The volunteer groups that went to Estero de Plátano worked on the construction of a new dining room for the school and also terracing the land behind the school to plant productive fruit trees.

Yanapuma was fortunate to count on the presence of long-term volunteer Lesley Arney, who spent a year living in the community. During this time she was able to begin work with youth on questions of sexuality, sexual and reproductive health and rights, as well as work in the local school, and monitor the progress of the students that we gave scholarships to.

At the start of the year we carried out a public health survey with the help of American intern and nursing graduate, Marc Jumlis. This was coordinated with the formation of community action groups around the themes of health, education and youth.

Seven scholarships to study at secondary level were awarded following our Christmas fundraiser in December of 2008. At the behest of the community we offer these as a means of increasing the educational level of the community so that they will stand a better chance in the future of controlling their own development. We hope to increase the number of scholarships to 10 in 2010.

Despite our best efforts however, two of the students we sponsored did not complete the year which was disappointing for us. However, we will learn from this experience and move forward more positively in 2010, increasing our monitoring of student's progress, demanding more input from their families, and working to ensure that those students who receive the scholarships will make good use of the funds so generously provided by our donors.

We received a grant at the end of the year from the Souter Charitable Trust of Scotland for a project to continue with the scholarships, as well as to carry out a program of work on sexual and reproductive health and rights for the youth of the community. Our surveys have revealed that teenage pregnancy is the norm in the village,

with girls as young as 11 getting pregnant. Thus in 2010 we will work towards creating an assertive attitude in young girls regarding their bodies and rights, as well as working with the young males on respecting those rights.



date we are waiting for the community to resolve where they can site the facility before proceeding.

Azalia, our Director of Projects, has also begun to organize the women of the community to carry out various projects as it seems they are more reliable than the men in general and hold out greater promise of being able to organize themselves. There is a local community bank that is run by a group of women, and one of our plans is to use this facility as a means of dispersing the funds for the scholarships that we will award in 2010.

The principal challenge in Estero de Plátano remains the lack of organization among the community. This year they have succeeded in electing a committee to direct the affairs of the community, and we will work to support their efforts to organize and lobby on behalf of the village. Progress will be a series of small steps, some of them backwards probably, but overall we remain cautiously optimistic that progress will be made. We often have to remind frustrated young volunteers and interns who are working there that this is exactly why Estero de Plátano needs our help. If they could organize themselves well and make positive changes they would not need our assistance.

Kamak Maki/Puca Chicta



Our work in the project to construct an ethnographic museum and visitor center in Kamak Maki mainly consisted of sending volunteer groups there to continue with the construction work. We also sent Spanish students with their teachers to experience

life in an indigenous community in the Amazon, and individual volunteers to work on different projects.

At a meeting in November, local director Alonso Andy expressed his dissatisfaction with the collaboration of the foundation during the year, a fact that we had to acknowledge as being somewhat valid. The previous year we had helped them to become a legal entity and had begun to work on training in accounting and administration. But due to lack of resources, both human and financial, we were unable to work in this way in 2009. However we were not clear enough on this issue with them, and merely saw Kamak Maki as a reliable place to send volunteers. Hopefully during 2010 we will be able to rectify this shortcoming, and we have already set up a small fund to work with the community on the areas that they need.

During 2009 two visits from members of the Portland, Oregon branch of Engineers Without Borders investigated the options to install a potable water system in the community. They have been dependent on supplies that come from outside the community, which sometimes get contaminated or interrupted and they are helpless to remedy the situation. But there do exist abundant year-round springs close to the community that will be potential sources to develop in 2010.

Chilcapamba

Chilcapamba has served as a reliable place for us to send volunteer groups, under the responsibility of local director Alfonso

Morales. Groups have been active in projects to improve the facilities and infrastructure of the community, its school, community and visitor center, and agriculture.

It has also been a destination for Spanish students to study in an indigenous community with their teacher, as well as an occasional weekend destination for Spanish school student excursions.



Caimito

We have continued sending volunteer groups to Caimito where they have worked with biologist George Fletcher on projects related to production of cacao, reforestation, and construction of a new classroom for the local school.

We have also begun to work with George on projects of mutual interest in the realm of cacao and sustainable agriculture in general. George will be providing training workshops for the Tsa'chila of Bua in 2010, and we look forward to working more with him to develop a strategy for development on a more regional scale in Cabo San Francisco.

Mushuk Muyu and Yanawka

Interns Linda Westberg and Mather Tasker finished their internships with Yanapuma in May of 2009. Their projects to create interactive educational materials to teach Kichwa (the language of the Kichwa people of the Andean sierra) and Sápara (a small and isolated indigenous group of the Amazon) were adopted by the Ministry of Bilingual Education. They pledged to publish 64,000 books of the materials as well as develop the interactive website materials. Publication was due in September, but inevitably delayed. The date is now set for February 2010. However, the use of the audiovisual materials has already been implemented in several schools in the sierra, and the ministry has begun to upload the materials onto the website of the

Ministry of Bilingual Education:

(<http://www.dineib.gov.ec/pages/interna.php?txtCodiInfo=193>)

The projects also received official recognition from UNESCO for their efforts to preserve endangered languages, with the right to use their logo on the publications.

We were also pleased to learn that Microsoft has confirmed that it will be pre-loading the developed materials onto the laptops that they will be providing for their one-laptop-per-child project in Ecuador.

We continue to look for suitable interns who could continue the project that Matt and Linda started, with special emphasis on working with Tsa'fiki, the native language of the Tsa-chila.

Volunteering and Volunteer Ecuador

The volunteer department of Yanapuma consists of three areas – the interns that work with Yanapuma either in our office or in the communities that we work with, the individual volunteers that form part of our Volunteer Ecuador program, and the volunteer groups that we manage.

Interns

Yanapuma offers internships to suitable candidates to work both in our offices in Quito and in the communities that we work with. Internships differ from volunteering in that an internship is a focused period of work of tangible benefit to the organization, defined at the start and monitored throughout the process. Thus we are much more selective in accepting candidates for internships, especially when it involves working in a community as our early experiences taught us that having too many volunteers in a community who lack the focus and drive that we need can confuse residents and cause misunderstandings which can damage the work the foundation is carrying out.

During 2009 we accepted 13 interns in total, some working more in the offices while others worked in one or other community on specific projects in areas such as health surveys and promotion, community

organization, sustainable agriculture or education. One intern worked in Bua, 4 in Puca Chicta, 7 in Estero de Plátano, and 1 worked in Caimito.

The principal benefit is that interns offer the foundation a chance to extend its range and work without great cost. This has always to be weighed against the potential negative consequences of an inexperienced person working with an indigenous population and the ability of the foundation to supervise and monitor the interns work. Happily, during 2009 the results produced by our interns were overwhelmingly positive.

Volunteer Ecuador

The project "Volunteer Ecuador" was launched at the start of 2008 with the idea of linking willing and enthusiastic volunteers with reliable and deserving organizations and communities to create a win-win situation, while charging a nominal fee that would cover the expenses of the project with any surplus going towards the foundation's own projects.

During 2009 the project received 91 volunteers (44 to volunteer in Quito and 47 to volunteer outside Quito), generating around \$10750.00, which represents roughly a break-even in costs. However, the two coordinators, Fran Henry and Shanti Freitas, also looked after other volunteer groups, interns and projects throughout the year, and a good number of the volunteers also took Spanish classes which added to the revenue of the organization as a whole. We had aspired to receive 100 volunteers during the first year of the program, so the total of 91 represents an acceptable first year for the program.

We hope to increase this number to 150 for 2010, at which point it will become a reasonable contribution to the income of the organization. During the year we received several volunteers through the agency Het Andere Reizen in Holland, and began to work with the UK





Gap Year organization Frontier. Along with other new contacts, we expect the numbers to grow from these organizations in 2010.

The original programs were put together in 2008 by Jane Higgins, an Australian volunteer who traveled Ecuador to investigate suitable organizations. At the end of 2009

Shanti and Fran reviewed the year's statistics, decided to drop one or two of the original programs and visited several new organizations that will be included for 2010.

Volunteer Groups

During the year 2009 Yanapuma worked with a total of 11 volunteer groups in projects ranging from 5 days to 10 weeks overall. There were 4 groups from the LEAP UK, 4 from Outlook Expeditions (UK), 1 from West Point Grey's Academy (Canada), 1 from Thinking Beyond Borders (US), and one from the University of Aruba. In total these groups represent 173 volunteers.

These groups form an important part of the overall strategy of the foundation in terms of the income that they bring to the organization, the funds that they bring to the projects on which they work, and the socialization aspects through which they offer the chance for cultural exchange and the learning of new skills and attitudes to the residents of the communities where they work.

During 2009 these groups contributed to the income of the foundation, although to a lesser degree than in 2008 due to the sudden collapse of sterling at the end of 2008. This event drastically reduced the number of volunteers in the groups and also wiped out most of the profit for Yanapuma. We had to explain the situation to the communities that we were working with and renegotiate the costs with them to work within a budget that left us a slim margin at the end of the year.

The financial contributions of groups to the communities amounted to around US \$60,000.00 in accommodation and donations during the year, in addition to the work that each group carried out.

The projects that were realized with these groups include, reforestation, construction of new classrooms, teacher accommodation, and dining facilities in schools, renovation work on cultural centers and ethnographic museums, sustainable agricultural development work, creation of school vegetable gardens, and educational projects with children.

Another facet of the work of volunteer groups in the communities has always been the chance that they offer Yanapuma to work with community members on issues such as hygiene and nutrition in the care of visiting volunteers, and in general the exposure to a different culture and different practices that begins a process of change in residents.

This year for example was the first time that other families who form part of the Shinopi Bolon Cultural Center in Bua took on the responsibility for cooking and caring for groups of volunteers who stayed there. At first the women were too shy to come out and greet the volunteers, never having spoken to a foreigner before. But within a short time the ice was broken, the women overcame their fears, and they quickly learned to interact with the volunteers despite the language barriers.

Two important factors in this cultural exchange are that firstly, community residents begin to appreciate alternative viewpoints on the world, see different standards and have the chance to reflect on their own stand points. They may or may not be in agreement with what they see and experience through the volunteers, but the experience does serve to offer some flexibility in their way of seeing the world.

Secondly, the appreciation and importance that the visitors give to their host's culture and traditions encourages residents to believe in and strengthen their own cultural values. The unfortunate attitude at



times from residents of indigenous communities is that outsiders are somehow superior with their cameras and iPods, western clothing, and ability to travel. So it is something of a surprise to them to see just how much their own culture is appreciated by visitors and the experience serves to renew their pride in their own heritage.

Yanapuma aims to continue developing volunteer group activities and extending its relationships with current volunteer group organizers for the benefit of the communities in which we work.

Eos Ecuador

Yanapuma became involved in 2007 in the development of a new travel agency (Eos Ecuador) that would promote responsible tourism in Ecuador. It was also seen as a further extension of our social entrepreneurship model, with the possibility of generating additional income at some point in the future.

At that time the foundation was interested in community-based tourism as a means of generating sustainable income. However, in the ensuing period Yanapuma became less enthusiastic about tourism as an income generator for indigenous communities as a result of various experiences with different communities. Essentially there appears to be a large and ultimately unbridgeable gap between the experience and abilities of members of indigenous communities and the needs and expectations of paying tourists that makes community-based tourism a hard product to develop reliably and promote with confidence. Together with the international financial turmoil that negatively affected tourism during 2009, the promotion of community-based tourism projects is not now seen as a suitable area of work for Yanapuma.

At the close of 2009 Yanapuma has distanced itself from Eos Ecuador, which continues to develop as an independent travel agency with the aim of offering sustainable travel options and community-run tourism in Ecuador in addition to the more standard tourism offerings.



Looking towards 2010

Principal Challenges for 2010

The year 2010 promises to be a very busy year for the Foundation as it takes on its first two major grants. We will be learning as we go to adequately manage the processes involved. Neither grant includes a significant amount for our own overhead or project costs, and we will be dependent upon the Spanish School and volunteering activities to cover our share of these expenses.

In addition we will begin to look forward to 2011 and raising funds for projects that will further extend this work and take us into new areas.

The principal challenge for the organization as a whole will be to generate sufficient income from the Spanish school and the volunteer programs to cover the administrative and basic costs of running the foundation. The temptation is always to run slightly ahead of our ability to pay for the work we are doing as there is always so much that we could do, so many needs in the communities that we are working with, which puts us at some risk in case of any unforeseen events that may reduce our income stream suddenly and unexpectedly.

We are in the process of defining the limits of the school and volunteering to produce income for the foundation and to define the point to which we can support the foundation's work. For example, with an estimated net profit of around 12-15%, to pay an additional wage of \$500 per month in the foundation requires around \$4000 of extra income per month. It takes around 8-10 extra students to generate that level of income, which is a hefty challenge in terms of the development of the school, and one which would take a considerable time to realize.

Internal Challenges

The principal internal challenges that Yanapuma faces in 2010 can be summarized as follows:

- Continue with our internal organizational growth
 - Put our strategic plan into action
 - Seek professional growth for staff through appropriate training
 - Define our structure and growth in light of potential expansion in number of employees
 - Develop our communication skills and internal coherence
 - Define clearly our methodology and methods in order to ensure that we can continue to have an impact on the communities that we work with and deliver maximum results with minimum funding (evaluate our performance and develop a system for instructing new employees in our method)
 - Build our accounting system to the highest standards
 - Continue to raise our own and staff wages to appropriate levels (currently at about 50% for the founder members)
- Develop larger funding proposals for 2011
 - Begin to extend our work in Bua to other Tsa'chila communities
 - Seek funding for projects in Estero de Plátano and surrounding communities on the Pacific Coast
 - Develop further the potential of women in these communities to direct and take ownership of development processes
- Invest in a used all-terrain vehicle for our work in Bua and other Tsa'chila communities, in order to:
 - be able to reach more isolated farms and work with all the community, as well as neighboring communities in the UN reforestation project
 - optimize use of employee time getting to and from farms and reforestation projects
 - be able to transport tools, materials, saplings, etc without hiring outside contractors or experiencing delays in delivery

- Build on our success in ecological sanitation by designing reproducible systems for use in areas with poor water and sanitation infrastructure.
- Develop the EcoEscuelas concept through pilot projects and begin to build links with international schools to connect with Ecuadorian marginalized rural schools.

External Challenges

The principal external challenges that Yanapuma faces in 2010 can be summarized as follows:

- Find additional sources of income to cover the overhead costs of the foundation that will allow us to expand our work.
- Continue to promote the Spanish school and volunteer activities as a means of generating additional income
- Continue to form networks with other organizations to improve the implementation of our own work
- Utilize partnerships and networks to improve cooperation and collaboration among NGOs in Ecuador through meetings, forums, seminars and workshops to work together towards creating viable solutions to poverty and deprivation
- Establish goals, activities and agreements between participating organizations to improve the viability of integrated networks over time

Financial Report

During 2009 the accounting department undertook the mammoth task of restructuring our accounts after disastrous experiences with two previous accountants. Accounting in Ecuador is a time-consuming and laborious affair, further complicated by constantly changing regulations. At times even the SRI (state tax body) were unable to give us answers to the questions we posed them about how to correctly enter and process data on expenses and taxes into our accounts. But the process was terminated in December of 2009 and we now feel confident that we have in place a fully functional system that

allows us to comply with all state requirements, as well as being sufficiently clear and complete to permit external auditing.

A statement of profit and loss for the organization as a whole is included in appendix 1.2. This shows an overall income for the organization of \$273,429.89 against overall spending of \$274,173.61, with a balance of \$-743.72. The appendices also show the relevant contributions from income from the Spanish School, the volunteer activities, and direct donations to the foundation.

A significant challenge for 2010 is to be able to balance the income from these sources with the needs of the foundation. Overall our aim is to reduce the needs of the foundation to be able to fit comfortably within the ability of the Spanish School and volunteering activities to be able to finance the basic administrative overheads that keep the foundation afloat. While we intend to continue expanding these activities, we need to be able to generate a cushion against financial fluctuations and not simply dedicate all our income to the work of the foundation. This process will involve seeking sources of unrestricted funding that will allow us to maintain field workers active and assure continuity of our work, which is perhaps the most essential component of our methodology and on which our successful outcomes depend.

Conclusion

The year 2009 has been a successful year for Yanapuma despite the challenges of a difficult global financial situation. We have grown in size as an organization and have grown considerably in our ability to maintain and develop all three areas in which we work – the Spanish School, the volunteer activities, and the foundation. But we understand that the learning never stops, and we continue to seek better ways of doing things, greater efficiency, and to increase our reach in all areas.

However, we still survive by sacrifice to some degree, the founders paying themselves only around half of what a suitably qualified



candidate would consider working for if they were called upon to replace one of us. This has led us to problems in the work of the foundation, with good candidates turning down posts with us due to the low wage we are offering, and despite this being more than the founders actually receive in wages! Our aim is no more than to receive a fair wage for a good day's work, and we will continue in 2010 with the same level of dedication to building the organization and improving its ability to deliver its services to the communities that we work with as well as to pay a reasonable wage.

Thirdly, we will work in 2010 to develop a reserve fund, or to contain the level of activity of the foundation to within our ability to fund such work without compromising our long-term survival. But this is easy to say and hard to do in light of the level of need in the communities we are involved with. The temptation is always to stretch a little further, to fund one more activity that will really make a difference. Living on a financial knife-edge has been a necessary step in order to fund our continued expansion during the first three years, but now we are ready to seek consolidation and stability while continuing to grow.

Fourth, we will continue with the help of staff and interns to develop our methodology and method of working with the populations that we serve. It is easy to affirm that our aim is to help communities to help themselves, but the daily practice is fraught with inconsistencies and challenges as we seek to maintain the balance between promoting new ideas and ways of doing things with what is culturally appropriate and genuinely answers the needs of the



community. There are processes that cannot be hurried without threatening the overall sustainability, but there are also processes that should not be left until the need is more serious merely because the community has not acted or reacted in time.

A fifth point that we must bear in mind for 2010 and beyond is to put our commitment to transparency into practice more fully. We declare our commitment to transparency, but in practice have not had the human resources to be able to develop sufficiently ways of making public our actual situation; to the communities that we work with, our staff and teachers, our donors and supporters. This has led to one or two misunderstandings and frustrations during the year and has required remedial action. So we will keep this in mind for the future and put our transparency fully into practice.

Overall we have emerged from 2009 having learned a great deal and conscious of what we still have to learn, having grown significantly and aware of how we must continue to grow. And we approach 2010 with expectation and enthusiasm, aware of the challenges that lie ahead, but with a good team in place and confident that we can continue to learn and grow as a reliable, effective and committed sustainable development agency.



Appendices – Yanapuma Foundation Annual Report 2009

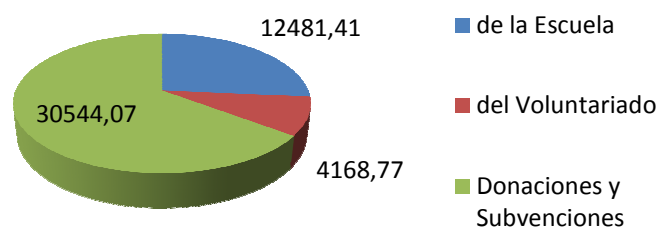
1.1. Foundation Donor List

Donor	Amount	Use
Sotogrande International School	\$ 5.638,50	Various projects
Anonymous donor	\$ 12.000,00	Institutional and project development
Ryklow Trust	\$ 1.100,00	Bua agriculture
Individual donors	\$ 1.969,81	Small projects in various communities
Volunteer Groups	\$ 4.025,00	Small projects in various communities
Maria Marone (Dutch Patent Office)	\$ 5.810,76	Library and training for teachers in Bua
Total:	\$ 30.544,07	
In kind donations	4 laptops	Estero de Plátano school and project work

1.2. Foundation Income Sources 2009



Contribuciones al Financiamiento de la Fundación

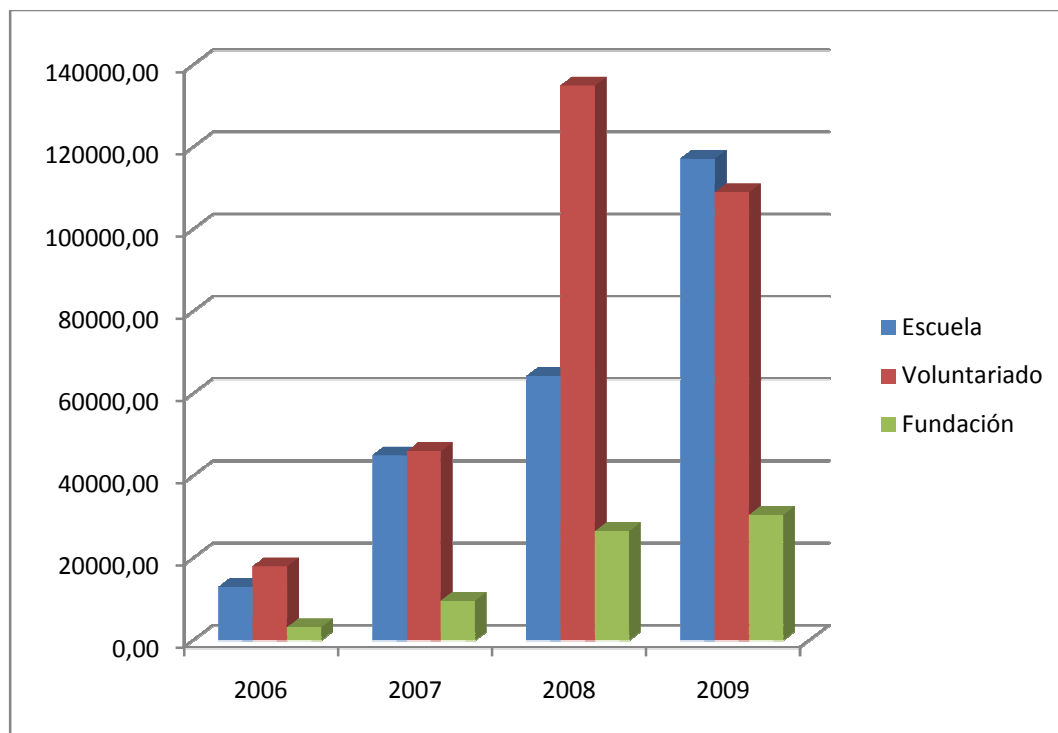


1.3 Profit and Loss Statement 2009

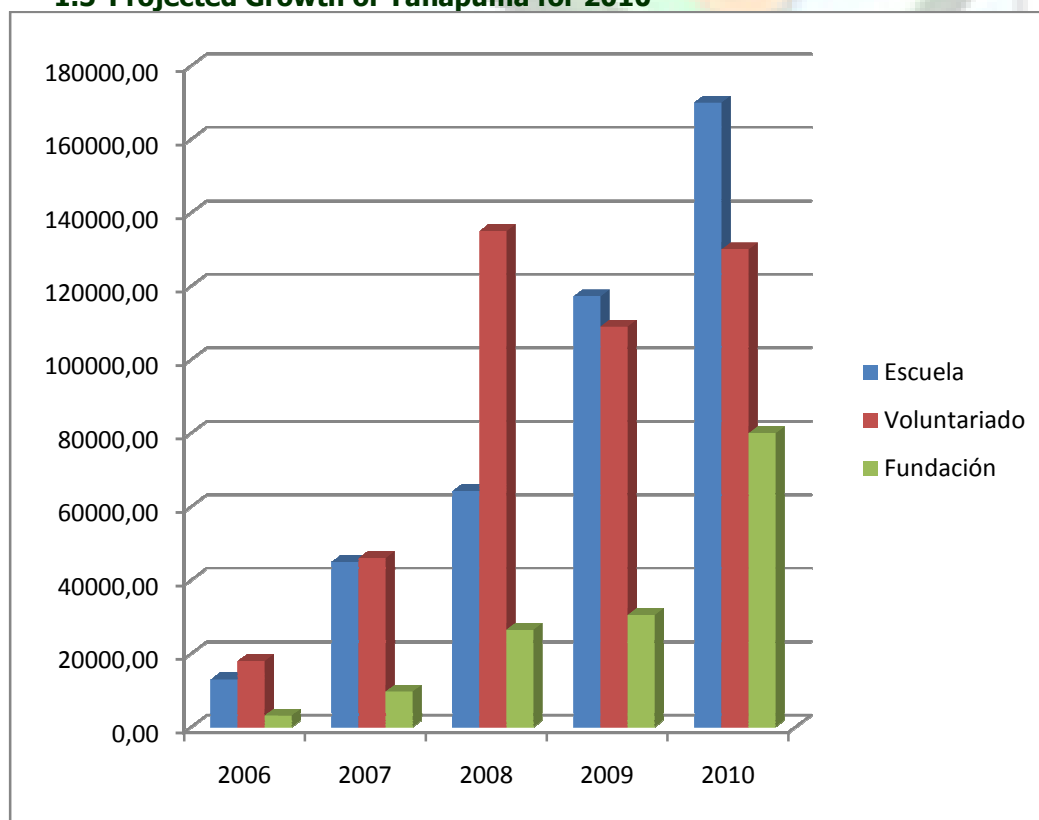
Profit and Loss Statement 2009 (*provisional - January 2010*)

SPANISH SCHOOL		
Spanish School Income		\$
	Sale of Classes	117205,75
Spanish School Expenses		
Cost of Sales	Teachers pay	41475,58
	Class expenses	16153,00
Gross Margin		59577,17
Operating Expenses	Administration	13683,09
	General	20027,10
	Capital expenses	4159,11
	R&D	5740,00
Operating Profit		15967,87
Taxes/Insurance		3486,46
Net Profit		12481,41
VOLUNTEERING		
Volunteering Income		
	Volunteer Groups	91357,12
	Volunteer Ecuador	17672,77
Total Income		109029,89
Volunteering Expenses		
Cost of Sales	Staff Wages	10500,00
	Expenses	30441,98
	Paid to communities	54569,80
Gross Margin		13518,11
Operating Expenses	Administration	3453,60
	General	5314,67
Operating Profit		4749,84
Taxes/Insurance		581,07
Net Profit		4168,77
FOUNDATION		
Foundation Income		
	from School	12481,41
	from Volunteering	4168,77
	Grants & Donations	30544,07
Total Income		47194,25
Foundation Expenses		
Project spending	Staff Wages	16632,70
	Contracted Personnel	1460,48
	Project Expenses	7587,65
	Donations & financing	4884,00
Gross Margin		16629,42
Operating Expenses	Administration	6907,30
	General	7560,45
Operating Profit		2161,67
Taxes/Insurance		2905,39
Net Profit		-743,72

1.4 Growth of Yanapuma 2006-2009



1.5 Projected Growth of Yanapuma for 2010



1.6 Link to Yanapuma Code of Ethics and Conduct:

<http://www.yanapuma.org/pdf/Yanapuma%20Code%20of%20Ethics%20&%20Conduct%202009.pdf>

1.7 Link to Yanapuma Annual Report 2008:

<http://www.yanapuma.org/pdf/Yanapuma%20Annual%20Report%202008.pdf>

1.8 Link to Yanapuma Strategic Plan:

<http://www.yanapuma.org/pdf/Yanapuma%20Strategic%20Plan%202008.pdf>

