

Annual Report 2011

1. Medical Summary and Further Development of the Children's Hospitals Kantha Bopha in the Year of Account

Once more, the figures for the hospitalisation of very sick children for 2011 have increased, that is from 108,000 (2010) to 120,000 (2011). There were 16,512 births at the maternity hospital Siem Reap Angkor (2010: 15,374), of which 8.5% were caesarean sections.

From the **table "Global Admission"** (see attachment), it is clear that 2011 has seen the largest number of children ever hospitalised at Kantha Bopha. This is despite the fact that there has been no Dengue Fever epidemic, as e.g. in 2007. (2007: 22,000 severe cases of Dengue Fever, 2011: "only" 7,200 severe cases.) There are three reasons for this increase in need for hospitalisation: the network of roads is being improved nationally, so that patients can more easily be transported to the hospitals from around the country, but the state of the public health systems has deteriorated due to corruption and lastly, the heavy flooding in August/September 2011 in Cambodia have all contributed to the rise in patient numbers.

The number of out-patients treatments increased to around 800,000 (2010: 733,000), although 2011 medical triage was introduced in all polyclinics and therefore the healthy or only very slightly affected children are not included in the statistics.

There were 14,683 surgical operations (caesarean sections in the maternity hospital at Siem Reap not included).

Inauguration of the Annexe Building at Siem Reap Angkor

On July 1st 2011, a new annexe for Kantha Bopha III (Jayavarman VII) was festively inaugurated by the King of Cambodia, Norodom Sihamoni. The ceremony also included the Vice Prime Minister of Cambodia and the Minister of the Palace, Kong Somol, the Minister for Health and the Defence Minister, who on this

occasion once again said that without Kantha Bopha, Cambodia would have more deaths on a daily basis than in the worst war.

In addition, the President of the Senate and further political representatives were present. Our Foundation was represented by the President Dr. Alfred Löhner, the Vice President Dr. Peter Studer and the Foundation Board Prof. Dr. Andreas Fanconi.

The new annexe contains 6 wards, making a total of 200 beds. One of the wards is equipped as an intensive care unit. This means there are 3 intensive care units in Siem Reap, 2 in Kantha Bopha II on Phnom Penh and 2 large ones in Kantha Bopha IV in Phnom Penh. Up to 100 seriously ill children have to be admitted daily to the intensive care units for immediate, life-saving measures.

Interventional Cardiac Catheter and Heart Surgery

In March 2011 Prof. Oliver Kretschmar, Head of Cardiology at the Children's Hospital Zurich and the Chief Nursing Officer of Cardiology at the Children's Hospital Zurich, Ms Hanny Steiner, introduced interventional cardiac catheterisation. A second successful, connected, mission followed at the end of 2011. Already, a Cambodian team is able to perform PDA (patent ductus arteriosus) interventions.

In November 2011, a French team from Chaîne de l'espoir carried out the first open-heart surgery under Prof. Gérard Babatasi and subsequently, a team from Zurich with Prof. René Prêtre. For 2012, heart surgeries will be carried out for 10 days each month with the French team.

The decision to introduce interventional cardiac catheterisation and cardiac surgery is based on the following empirical data: 20% of the child mortality in our hospitals (presently only 0.4%) is children who are born with a congenital heart defect and complications thereof, such as untreatable pneumonia. In March 2012, an article was published about this in "**The Lancet**", entitled "**Interventional Cardiology and Cardiac Surgery in Cambodia**" by Beat Richner, Chour-Sok, Oliver Kretschmar, René Prêtre, Gérard Babatasi and Antoine Lafont (see attachment).

Further Training for Cambodian Doctors

The second training seminar for Cambodian medical staff about specialising in paediatrics, taken by professors and lecturers of the Children's Hospital Zurich was carried out in 2011. Each individual lecturer remained in Cambodia for a week to this end. The final evaluation in May 2012 with Prof. Felix Sennhauser, Director of the University Children's Clinic in Zurich, together with the medical faculty of Phnom Penh and the Vice-President of our Foundation, Dr. med. Peter Studer, has meanwhile been completed. The following professors and lecturers from Zurich gave week-long courses for the 60 registered Cambodian doctors from the Kantha Bopha Hospitals and for advanced medical students from Phnom Penh:

Ms Traudel Saurenmann, Rheumatology; Markus Schmutz, Haematology; Alex Möller, Pulmonology; Eugen Schönle, Endocrinology/Diabetology; Dominik Stambach, Cardiologist; Felix Niggli, Oncology; Christian Braegger, Gastroenterology; Ulrich Willi, Diagnostic Imaging Technique/Radiology; Reinhard Seger, Immunology; Frau Francesca Navratil, Paediatric Gynecology; Hans Ulrich Bucher, Neonatology; Frau Giuseppina Spartà, Nephrology; David Nadal, Infectology; Dr. Beat Steinmann, Metabolism.

Further courses are provided by our own Cambodian doctors from the Kantha Bopha Hospitals, who are now also professors of the University of Phnom Penh, such as e.g. Prof. Yay Chantana (Tuberculosis, Dengue Fever, Japanese Encephalitis) and Prof. Keo Sokha (Paediatric Surgery).

Course for Advanced Medical Students from Switzerland

For the third time, we carried out our Post-Graduate course to show how a hospital is built, equipped and managed, in order to achieve the best correlation of cost/relation of healing, as Kantha Bopha shows. This time, the successful course was held for 82 advanced medical students from all five faculties in Switzerland and for 100 students from the medical faculty in Phnom Penh. This was made possible by a dedicated private donation (CHF 330,000) and a grant by the ZKB (CHF 20,000). The course was introduced by the Minister for Health, Prof. Mam Bun Heng, and the Ambassador to Cambodia for Switzerland, Christoph Burgener. Also present were the Secretary of State, Prof. Tyr Kruey, and the Under-Secretary of State Prof. Yit Sunnara, who was Senior Physician at the Kantha Bopha Hospitals for many years. The rector of the medical faculty at Phnom Penh also made an official visit to the course. All lectures were in the form of presentations based on original work done by the Kantha Bopha

Hospitals, and given by Cambodian doctors in a professional, informed, fascinating and absorbing manner, as all the young Swiss participants were very surprised to find.

Following the end of the course, the participants received a CD with all the medical presentations.

Training Cambodian Medical Students

The Kantha Bopha Hospitals are Cambodian University Hospitals. There are always 80 interns (doctors who are specialising) working and training at our hospitals for a period of 6 months in the specialist areas of paediatrics, surgery and obstetrics.

12 doctors from Kantha Bopha are regular professors and a further 21 are teaching lecturers for the medical faculty of Phnom Penh.

Research on Tuberculosis

In February 2011, our first article about the methods we have developed on the diagnosis of tuberculosis by spotting tuberculoma of the brain via MRI/MRS appeared in the European Journal of Pediatrics. It was structured and written mainly by Prof. David Nadal, senior physician of infectology at the University Children's Clinic Zurich. Further publications are in the works.

Study on Encephalitis

We also have a study going on about the many types of encephalitis (inflammation of the brain), together with the Institut Pasteur in Phnom Penh. A preliminary report has already been presented at a congress at Phnom Penh.

Concerts and Information at Siem Reap Angkor

As always, Dr. Beat Richner gives his concerts every Saturday evening at the Teaching and Conference Center in Siem Reap, along with information. From the end of October 2011, the beginning of the tourist season, these concerts were also carried out on Thursday evenings. Many donations are a result of these concerts, as people often hear about Kantha Bopha for the first time here and the difficult situation in Cambodia, seeing for themselves the immense poverty in the country.

2. Foundation Board and Management

At the two meetings of January 25th and May 10th 2011, the Foundation Board dealt with statutory business. The incredible personal efforts of Dr. Beat Richner, the continued strong cooperation with the University Children's Clinic in Zurich and the opportunities to save even more children from a certain death once more motivate the Foundation to stand fully behind Dr. Beat Richner's work this year, too. In order to rejuvenate the Foundation Board, they are happy to be looking forward to suitable new support in the years 2012/2013.

The Compensatory and Audit Committee met on March 21st 2011, presided over by Dr. iur. Florian von Meiss. He reviewed the compensation of the managing staff as well as the expenditure for bookkeeping, donations and public relations work.

The Foundation Board thanks Intercontrol AG for its transparent and precise bookkeeping and the excellent monthly reports on current financial status. We are also very grateful for the competent care of business in connection with legacies, bequests and all the correspondence with donators.

PricewaterhouseCoopers AG was once more used for auditing and controlling in 2011, also with the bookkeeping on-site in Cambodia. Their tips and suggestions for the internal controlling system are of great value to us.

The Federal Foundation Oversight Committee once more confirmed the faultless accountability of the Foundation in their letter of February 7th 2012.

In June 2011, a delegation of the SDC (DEZA) inspected the Kantha Bopha Hospitals in Cambodia and was most impressed with the running and effect of the hospitals. The Foundation is delighted that Ms Maya Tissafi, ambassador and new deputy director of the SDC (DEZA) was able to be present. For this reason, there will be no visit from the President and the Vice-President of the Foundation to inform the SDC (DEZA) in Berne in 2011. For 2012, visits are once intended by a foundation delegation in Berne, as 2012 will also see a new contract for 3 years (2013-2015). Regarding the future and the financial development of the foundation, the SDC (DEZA) is prepared to remain in talks with us.

The Foundation and Dr. Beat Richner are particularly pleased that Ms Calmy-Rey, Federal Councillor, expressed her gratitude and congratulations for Dr. Beat Richner's work via a video message at the 20th Knie Gala evening on May

10th 2011 in Zurich. In addition, she promised an additional jubilee contribution by the Federation of CHF 1 million, which was a wonderful surprise. The Federal Councillor Ms Calmy-Rey's speech was also distributed by a special flyer, with the addition of an impressive and friendly homage to Dr. Beat Richner by Prof. Felix Sennhauser.

3. Financial Concerns – Donations – Public Relations

3.1 Annual Financial Statement

The Annual Financial Statement for 2011, approved by the Foundation Board on May 10th 2012, closed with assets of CHF 29,229,301.76 and a surplus of CHF 9,631,633.29. 2011 has brought us the best result for 20 years!

As in previous years, the Annual Financial Statement was carried out according to the recommendations standard SWISS GAAP FER 21. The audit by PricewaterhouseCoopers AG of May 10th 2012 contains no limitations or details and recommends that the Foundation Board approve the Annual Financial Statement.

Our accounting contains two particularities:

- Due to the unstable political situation, the lack of legal security and for general administrative caution, the investments are debited directly from the expenditure.
- Since in Cambodian law, the purchase of real estate by a Swiss Foundation is not permitted, three plots of land are held in trust by Dr. Denis Laurent, member of hospital management and French-Cambodian dual national. There is written evidence of the corresponding trust relations.

Thanks to boundless acceptance of, and great trust in, Dr. Beat Richner's work, donations and contributions were enormously increased. This increase of around CHF 9.3 million is a result of extraordinary and unique circumstances. The reasons are as follows:

- The income from bequests has increased by CHF 4.7 million, thanks to generous legators.
- The contribution by the Swiss Federation was increased by CHF 1 million in 2011.

- The so-called "big"-donors (contributions over CHF 100,000) have fortunately, and thanks to the generosity of some, grown by CHF 3.6 million.
- Thanks to the support of around 120,000 donors, the donations remained at the level of the previous year.

The contributions made by the Swiss government (CHF 4 million in 2011) and the Cambodian government (CHF 1.8 million) come to a total of CHF 5.8 million (previous year CHF 5 million). The subsidies of the two states cover 13.5% or CHF 6 million of the donations; that is, 86.5% of all income is financed by the private sector (especially from Switzerland).

Since 1992, up to and including the end of 2011, more than CHF 440 million has been given in donations.

The cash flow statement shows on p. 3 of the Annual Financial Statement that we have made investments in 2011 for the renovation and extension of the buildings as well as for medical equipment of CHF 4.8 million. This expenditure for investment is entered directly in project expenses for Cambodia.

Bequests in 2011 include two properties. Since these are not investment objects, we have included them in the liquid assets. Otherwise, we refer to no. 8 of the appendix to the Annual Financial Statement 2011.

The position "infra-structure expense Switzerland" includes administrative costs such as adverts, IT, administration of donations, thank-you letters, bookkeeping and auditing costs and is, on average in the last three years only 8.16%.

This important benchmark is audited annually by PricewaterhouseCoopers AG and confirmed in a special report.

3.1 Public Relations

Thanks to the high increase in extraordinary donations and contributions, we are pleased that our net assets have increased to CHF 28.4 million. However, without additional and future donations, our net assets would only finance operations for about 10 months (previous year 6 mths).

As in previous years, 2011 saw 3 mailings in March 2011, August 2011 and November 2011. These mailings went to around 95,000 sympathisers and generated about 40,000 donations in 2011, to a sum of around CHF 7 million.

We are also grateful for the annual Christmas drive of the Schweizer Illustrierte magazine, which ran in issue no. 50 of December 12th 2011. The magazine pub-

lished a detailed report on the children's hospitals at Kantha Bopha. A payment slip was included directly in the magazine.

A large report also appeared in issue no. 50 of December 12th 2011 in the high-circulation MIGROS-MAGAZIN (circulation over 2 million). Many thousands of the readers used the included payment slips.

In agreement with the publishers, we have special printouts made of the reports, so that we can provide this information to donators and others interested in our activities.

Improving recognition for our cause – particularly with younger members of the public – led to a banner ad in November and December 2011 on the NZZ net (Neue Zürcher Zeitung) and newsnetz and 20minuten.ch.

Dr. Beat Richner's deep and daily concern about lack of funds has led him to perform at the following locations in Switzerland in 2011:

2. April 2011	Basel	TheatreFauteil
3. April 2011	Zurich	Grossmünster (Cathedral)
5. May 2011	Zurich	Grossmünster (Cathedral)
8. May 2011	Einsiedeln	Klosterkirche (Minster)
10. May 2011	Zurich	Knie-Gala
8. Dec. 2011	Zurich	16. Zürcher Herzkreislaufftag
10. Dec. 2011	Luzern	Jubilee 100 Years Schweizer Illustrierte
11. Dec. 2011	Zurich	Grossmünster (Cathedral)

In Siem Reap, Dr. Beat Richner continued his weekly cello concerts (twice a week in tourist season), together with providing information. Every Saturday evening, Dr. Beat Richner informs an international audience in the auditorium of Kantha Bopha III about current medical, political and financial aspects of his activities.

From a great deal of feedback, we know that these informative evenings on site leave a lasting impression on the visitors, which often motivates them to make donations.

The most important means of communication for the public remains, however, the regular adverts which appear in important daily newspapers in Switzerland. In these adverts, Dr. Beat Richner talks about the current and medical situations, poverty and distress, severe epidemics but also about scientific advances, all in a very authentic voice.

Thanks to the measures described and thanks to Dr. Beat Richner's indefatigable involvement on the acquisition front (in addition to his role as head of 5 hos-

pitals with 2450 staff!), as well as thanks to the loyalty of our donators, we have generated over CHF 44 million donations and contributions in 2011!

4. Thanks

The Foundation has reason to thank the round 120,000 donators and also many companies and foundations for the financial but also the ideological support of our work in 2011. Your help in 2011 has enabled us to provide medical help for 120,000 seriously ill children in Cambodia.

We are thrilled by every donation and find that we keep getting some very generous contributions over the years. The governments of Cambodia and the Swiss Federation earn our thanks for their regular support and we hope for an increase, which could be decisive to the survival of the children in Cambodia in the future.

We thank Circus Knie for the 20-year friendship and hospitality with the traditional Knie Gala in Zurich, where friends of the Foundation meet in a pleasant and family-orientated atmosphere.

Moreover, we thank the media for their interest and their reports on Dr. Beat Richner's aid agency. Special thanks go to the Schweizer Illustrierte magazine, which has supported Dr. Beat Richner's work from the very first.

And finally, we thank our many donators. You know:

Every franc helps to heal, save and prevent.

Zurich, 28th June 2012

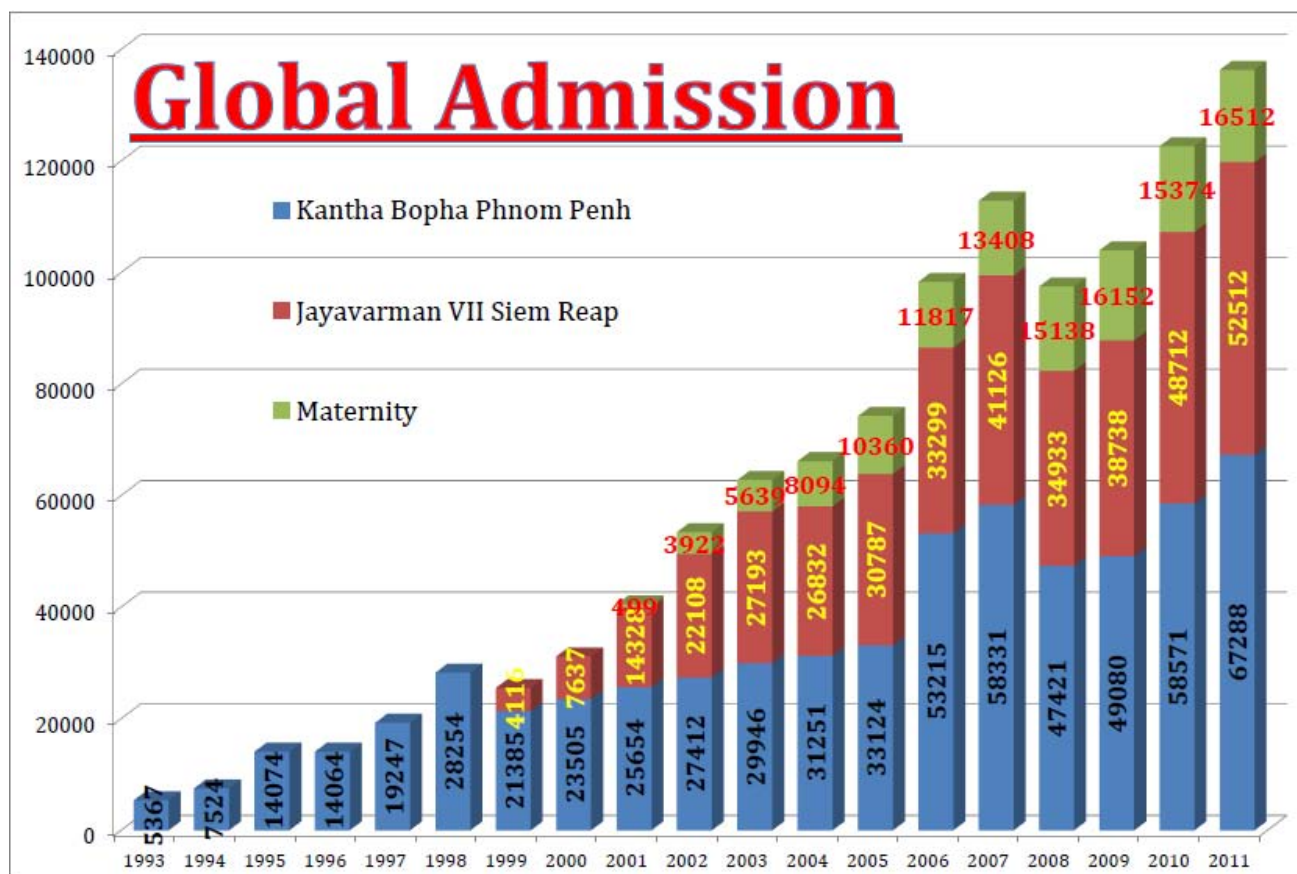
For the foundation:



Dr. med. Alfred Löhner, President

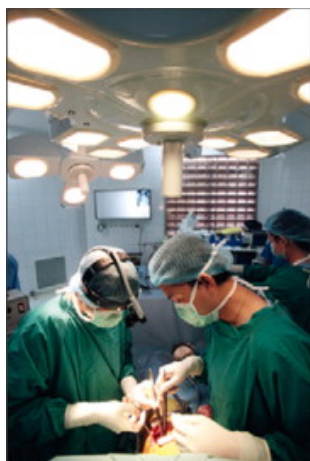
Appendices:

- Table „Global Admission“
- Excerpt from „The Lancet“



The Lancet, Volume 379, Issue 9822, Pages 1197 - 1198, 31 March 2012

Interventional cardiology and cardiac surgery in Cambodia



WHO and other international organisations decree that facilities and treatments provided by donors to developing countries should correspond to the economic realities of those countries. We would like to highlight and defend a sophisticated yet sustainable technology transfer programme that we have operated, against these principles, in paediatric cardiac surgery and interventional cardiology in Cambodia.

The five Kantha Bopha Children's Hospitals in Cambodia have admitted more than 1 million severely sick children over the past 20 years and treated more than 10 million sick children in their outpatient clinics. The Kantha Bopha Hospitals care for 85% of all sick Cambodian children. All treatment is free of charge.

109 100 severely sick children were admitted to hospital in 2010: 58 267 in Phnom Penh and 50 833 in Siem Reap Angkor. In the Kantha Bopha Hospitals in Phnom Penh, 376 children died (0.64%), of whom 53 (14%) had an untreatable pulmonary complication caused by a congenital heart defect. In other words, the disease with the highest mortality rate in the Kantha Bopha Hospitals is now congenital heart malformation.

But many more have died as a consequence of a heart malformation. In 2010, 272 children with severe pulmonary problems as a consequence of heart malformation had to be admitted to the intensive-care unit. 53 died (20%). The other 219 children were discharged still in a critical state, and their parents were told that they could not be saved. They died later at home.

This is the reason why we have installed in Siem Reap Angkor, as a logical step to reduce the mortality rate, interventional cardiology for closure of patent ductus arteriosus and atrial and ventricular septal defects, dilation of pulmonary and aortic stenoses, and cardiac surgery for more complex congenital malformations via a partnership involving the teams of the University Children's Hospital Zurich, Switzerland; Chaîne de l'Espoir, Paris, France; and Fondation le Petit Coeur, Zurich. This strategy is based on epidemiological data and translates the will to decrease mortality in severely sick children in a sustainable way.