

CAUX-INITIATIVES OF CHANGE

ANNUAL REPORT 2014



www.caux.ch





July 2014: Opening of Just Governance for Human Security Conference

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Message from the President



In 2014 human security and dignity were greatly undermined by the increasing pressure of extremists in many regions. The number of migrant fatalities in the Mediterranean Sea soared. A European region was seized by military force and annexed. This accumulation of threats around our continent gave our Foundation the extra responsibility to act as an active bridge builder in Europe, fully in line with the original *raison d'être* of Caux.

In 2014 the world economy remained unable to solve extreme poverty and persistent unemployment; inertia remained the policy of many of the world's leaders on climate change; the World Economic Forum's researchers pointed to the lack of values in leadership as one of the woes of the time.

In this world situation where problems are increasingly interconnected, Caux offers a safe space for dialogue and inspiration where a true diversity is gathered and where the holistic approach of Initiatives of Change enables new, creative solutions. Caux is also one of the few places where the ever increasing need for personal coherence and integrity is directly addressed. In Caux ailing co-operations between governments, NGOs, communities and other partners can be rekindled and relaunched – also in Europe – and the eight conferences held in Caux in the summer of 2014 all addressed key root causes of the current crisis.

In this context we were greatly encouraged to receive the Ousseimi Prize for Tolerance in July 2014, with the following words by Mrs Maria Ousseimi: 'For its fourth Prize for Tolerance, the Ousseimi Foundation has decided to give the award to an institution based in Switzerland, but with an international vocation and dimension, which has for many years repeatedly, even systematically, contributed to greater tolerance in our complex and divided world. In our opinion, Initiatives of Change fitted this definition perfectly and deserved the prize more than any other institution in our country.' That, again, increases our responsibility to deliver

appropriately in order to respond to the tensions around us.

Finally, also in 2014, we gratefully noted a sizeable improvement in the financial situation of our Foundation. This was made possible by the dedication of our staff and of our numerous volunteers, and thanks to the sustained generosity of our donors and conference participants. We will never be able to thank them all appropriately, but let me say a very big 'thank you' right here!

Yet we remain aware that our responsibility is to address growing challenges and that we must significantly increase our capacity in terms of new conferences, trainings and field actions – while continuing to maintain the wonderful buildings and gardens of Caux. In 2015, there will be more opportunities for action at the service of a just, peaceful and sustainable world in which people act from a sense of global interdependence and responsibility.

A handwritten signature in black ink, appearing to read 'Antoine Jaumes'. The signature is stylized with a large, sweeping initial 'A'.

Antoine Jaumes
President
CAUX-Initiatives of Change Foundation



Ambassador Anne Lugon-Moulin, representing the Federal Department of Foreign Affairs, Omnia Marzouk, President of IofC International, Maria Ousseimi and Cornelio Sommaruga at the Award Ceremony of the fourth Ousseimi Prize for Tolerance.

IofC received the fourth Ousseimi Prize for Tolerance

Initiatives of Change (IofC) was awarded the fourth Ousseimi Prize for Tolerance for having ‘systematically and relentlessly contributed to greater tolerance in our complex and divided world’. The prize, whose previous recipients include Nelson Mandela, was received by Cornelio Sommaruga, Honorary President of Initiatives of Change International, who called for

responsibility to be globalized in order to usher in a tolerant world. He stated that to achieve this, we need personal change towards ‘honesty, transparency, humility and freedom’. Mr Sommaruga added that tolerance is ‘a courageous act’; it is the ‘strength to know how to listen to the other to try to understand them, so that a dialogue based on mutual respect can take place’.

Caux Conferences 2014 in numbers

142 Volunteer

104 Nationalities

1153 Participating

5 Continents

75 Caux Interns

64 Interpreters

29 Caux Scholars

Activities of the Foundation

International Caux Conferences 2014

The international Caux Conferences are organized by teams of volunteers from the international network of Initiatives of Change (IofC) and their partner organizations. They are hosted by the Foundation at its Conference Centre, the former Caux-Palace, above Montreux. The themes proposed are in line with IofC's approach and its focus areas of Trustbuilding, Ethical Leadership and Sustainable Living.

Addressing Europe's Unfinished Business

On 27–28 June, this seminar brought together participants from 20 European countries, including Ukraine, Moldova and Georgia, at the very time their governments were ratifying association agreements with the European Union. Against the backdrop of the commemorations of the 100th anniversary of the start of WWI and of the 25th anniversary of the fall of the Berlin wall, participants shared their personal experience of Europe in plenaries and workshops, and reflected together on current European challenges, such as changing paradigms in Eastern Europe, immigration, ethnic identities and minority rights in a democracy, and how to shape an identity on peace-based, not war-based values.

Various initiatives to help pave the way for a more inclusive and cohesive Europe were suggested, and an appeal regarding the treatment of illegal immigrants was launched, challenging European governments to take concrete humanitarian measures in line with the universal principles of Human Rights and dignity.

Caux Dialogue on Land and Security

Two hundred people took part in the second Caux Dialogue on Land and Security (CDLS) from 29 June to 4 July. Organized by Initiatives for Land, Lives and Peace (ILLP) in partnership with the

United Nations Convention to Combat Desertification (UNCCD) and the International Union for the Conservation of Nature (IUCN), its aim was to address the connections between poverty, conflict and land degradation. Major new stakeholders were also present including NATO, the International Organization for Migration (IOM) and the Ramsar Convention on Wetlands.

The 2014 Caux Dialogue highlighted some successful land restoration projects around the world which have been shown not only to increase food and water security and economic development, but also to reduce or prevent armed conflicts.

Trust and Integrity in the Global Economy

From 5 to 10 July, the 8th annual Trust and Integrity in the Global Economy (TIGE) conference gathered an incredible mix of experts and leaders from all walks of life and backgrounds to talk about new models of economy and of global community. TIGE proved once more that not only are new models possible but that some already exist.

TIGE inspired dialogue and initiatives for a more inclusive global economy and financial system. It focused on ethical entrepreneurship and integral leadership. Participants and speakers represented a wide variety of sectors including government, business, investment and civil society.

Just Governance for Human Security

Two hundred people from 32 countries – some of them in conflict – gathered from 12 to 17 July for this conference which focused on the human factors that enable both leaders and citizens to work together towards an inclusive, democratic approach. Corruption was one of the main themes tackled by speakers *Katherine Marshall*, former Senior Advisor to the World Bank, now advising the International Anti-Corruption conference, and *Neil Buhne*, Director of the United Nations Development Programme's (UNDP) Bureau for Conflict



CATS Conference participants

Prevention and Recovery in Geneva. Participants included 28 civic and political leaders as well as government officials from Mali, Chad and Niger, sponsored by Switzerland's Federal Department of Foreign Affairs (FDFA) to participate in the conference and in a tailored workshop on 'dealing with the past'. Participants from the Ukraine and Russia, after heated discussions, agreed to create a Platform for Ukrainian-Russian Dialogue and Initiative that has been engaging Ukrainians and Russians since.

Seeds of Inspiration

Art and reflection were the two pillars of this second Seeds of Inspiration conference from 20–24 July. The event was first and foremost a deeply human experience, an opportunity for the 70 participants to reconnect with themselves, and to make new connections. At the heart of the conference were the community groups, where participants met each day for discussion and/or to serve in the kitchen or dining room. Their exchanges were fed by thought-provoking plenary sessions. Workshops ranged from Finding the Clown Within to mindfulness. Evening programmes included a screening of the film *Beyond Forgiving* which tells a remarkable story of forgiveness from South Africa; a presentation by the Swedish thea-

tre company, Commedia Gillet; a one-man play about the Christmas truce during the First World War; and a talent evening.

Children as Actors Transforming Society

This year's theme, Young Advocates for Change, saw 170 young people and children (out of 367 total participants) from around the world come together from 26 July to 2 August to discuss various topics such as children as advocates, educators, health activists, and media makers. The aim was to bring together children, young people, and adults who are all actively engaged in children's issues to share their experiences and find ways forward together to move child participation from promise to reality. Highlights of this year's conference included a mock children's court in the style of Janus Korczak, renowned children's rights advocate, and a 'Speakers Corner' where all participants could argue their opinions in public. This year's conference saw practical results including a draft of the Caux Declaration on Children's Rights to Participation – an idea initiated by the Peruvian delegation – created and written by children and young people at the conference, to be taken back and presented to the Council of Europe by one of its representatives present at the conference.

Impact Initiatives for Change

From 3–8 August Impact Initiatives for Change (IIC) took place for the first time. It focused on a double track programme of inner growth and outer action. Meanwhile, four themes were explored: the art of listening, the art of alignment, the art of creation and the art of commitment.

IIC took participants on a journey to (re)discover themselves and their passions. Silent time was offered three times during the day to give everyone the opportunity to reflect upon their experiences. The programme encouraged all participants to leave the conference with a plan of action for their own individual or group project for social change, with a measurable impact to be implemented in one year. More than 10 different projects came out of IIC such as The Green Mosque, to make Dutch mosques more sustainable; Link2Job, to increase opportunities for unemployed young people in Spain and Portugal; and Art Aid, which focuses on providing asylum seekers in Sweden and Denmark with art tools to process their experiences.



International Peace-Builders' Forum

The International Peace-Builders' Forum (IPF) aimed to increase interagency and inter-sectorial coordination within the peacebuilding sector. It was held from 10–13 August, and sought to enhance the resilience of peace-builders, causing their work to have a wider and deeper impact. The afternoon workshops allowed participants to share experiences but also to discuss informally important emerging issues in the sector. A peace-builders' fair was organized, providing the opportunity for peacebuilding agencies from different countries to network and showcase their projects.

IPF also aimed to raise awareness on the importance of an integrated approach to Peace-building by engaging representatives from governmental agencies and from the private sector.

Caux Winter Gathering

This year's Winter Gathering saw more than 100 people come together from all over Europe, Russia, Tunisia and Mexico from 26 December 2014 to 1 January 2015. For seven days, participants reflected on the overall theme of 'Seeds of strength' and on the different factors leading to change and development on a personal as well as on a global level.

The Caux Conference Centre and its breathtaking surroundings covered in snow combined with the New Year's celebrations provided the perfect setting to discover new sources of personal and communal strength in an atmosphere of open dialogue and mutual respect.

Each day started with a time of quiet and music while contemplating Caux's panoramic view. The daily themes were developed in plenaries, speeches and through creative activities. The discussion and work groups were also a crucial element of the gathering and provided precious moments of sharing.



Caux Programmes

The Caux Programmes run in parallel to the International Caux Conferences every summer. They each offer a particular training in line with the IofC approach while supporting the conferences.

Caux Volunteers Programme

Over the summer, volunteers made the conferences possible by working in various departments or conference teams. 175 volunteers came to Caux in 2014, some new, some who have been coming for many years. Generational and cultural diversity is one of the richest aspects of the experience. ‘Unity in diversity’ happens naturally as people work at different tasks together – dining-room service, meal preparation, housekeeping, in the technical team, etc. The real power of volunteering at Caux lies in the friendships made, the awe derived from the beautiful scenery around the Caux-Palace, and having life-changing opportunities to meet and exchange with people one would not meet otherwise.

Caux Interns Programme

A total of 66 young people between 18 and 30 years old from 27 countries took part in a unique programme blending service-based responsibilities with a leadership training programme that provides tools for exploration of change, inviting Interns to explore their own principles of leadership and what their role is in the world. Working alongside volunteers and conference participants, Interns have ample opportunity to challenge themselves and to experience the full richness of Caux: a strong diversity in a privileged space with a community-based approach. It is common for Interns to leave at the end of the programme with intentions of ‘paying it forward’, and this year was particularly special. The questions of how to make the Interns Programme sustainable and more accessible to young people were picked up by the Interns themselves, as they launched fundraising initiatives for the programme.

Caux Scholars Program

The Caux Scholars Program (CSP) is organized by IofC USA. In 2014, it offered 20 young people an academic programme focusing on peace and conflict studies. Through role playing, teambuilding, and conference organizing, the Scholars combined traditional education with practical application. Each year, Scholars participate in a Caux Conference. In 2014, they had the privilege to take part in the facilitation and organization of the International Peace-Builders' Forum.



Workshops and Training Sessions

IofC-Workshops for Students

Since 2012, CAUX-Initiatives of Change has shared its wealth of experience with young people by offering a series of workshops to students, and in particular to members of AIESEC, the world's largest student-run organization.

These workshops aim at inspiring, equipping and connecting students to work together more effectively and to lead diverse and intercultural teams.

CAUX-IofC ran workshops on Values and Ethics in Leadership and the Role of Youth Leadership Today, The Leader in You and Working as a Team at the AIESEC national assembly and at the Bern and Zurich AIESEC chapters. In addition, CAUX-IofC was invited to AIESEC's national assembly to participate in a panel discussion on Empowerment: Enabling Young People to Lead.

Heart of Effective Leadership Training

On 19–21 September, 20 participants from a dozen countries participated in the first European version of the three-day Heart of Effective Leadership (HEL) programme at the Villa Maria in Caux.

This successful programme, which was developed by Initiatives of Change India, is about strengthening the participants' awareness of their values and purpose and of developing their inner leadership

IofC Workshop for students:

'Are you pulling on the same rope?'

strength to help them make more effective decisions.

It was run by a strong Indian-European faculty, who shared their inspiring real-life stories about running competitive businesses ethically. In addition to these stories, group discussions, music and silent walks offered participants different ways to explore their inner leading.

Group Facilitation Methods Training

On 12–13 November, CAUX-IofC, the Institute of Cultural Affairs:UK (ICA:UK) and the Impact Hub Geneva organized its first Group Facilitation Methods (GFM) training in Switzerland. In the welcoming space of the Impact Hub Geneva, the ICA:UK trainers masterfully taught the two core facilitating methods of the Technology of Participation (ToP) approach: the Focused Conversation Method and the Consensus Workshop.

These methods aim at engaging participation in group conversations, at leading the group to a consensus and at sparking social change. While applying the new tools, the participants addressed their own burning questions and reflected on, shared and further developed their training and facilitation experience, hence enhancing their ability to connect people and support meaningful dialogue.

Events

World War I Commemoration

On 3 August, Caux commemorated the centenary of the declaration of WWI by sharing stories and reflecting on the future of promoting peace.

Given IofC's work to solve conflicts and prevent new ones, it was fitting to commemorate the First World War in Caux, even though Switzerland was spared.

Participants remembered the millions of victims of the First World War, but also all those who continue to suffer from ravaging conflicts around the world. At the closing of the commemoration, people were invited to gather around the tree planted in remembrance of the Jewish refugees housed in Caux during the Second World War.

20th anniversary of the Caux Round Table (CRT) Principles for Business

Robert MacGregor, one of the initiators of the CRT Principles for Business, invited conference participants for an evening of reflection and story-sharing. The Caux Round Table was founded in 1986 at a time when a trade war between Japan and Western economies was feared. The CRT imagined a greater role and responsibility for business in social and economic aspects of society.

In July 1994, senior business leaders from Europe, Japan and the USA formally launched the Caux Round Table Principles for Business, a predecessor of today's Corporate Social Responsibility principles.

They included the Japanese concept of *Kiyosei* – living and working together for the common good – and the importance of human dignity. The CRT presented the Principles at the United Nations World Summit on Social Development in 1995. They quickly became what MacGregor claimed are one of the 'most widely used' codes of best practice around the world and have been translated into 12 languages.



A discussion group at the Heart of Effective Leadership Training at the Villa Maria.



Information event in Basel with the GjakovaBasel Association.

Guided Tours and Historical Treasure Hunt

CAUX-IofC opened the doors of the former Caux-Palace not only for several guided tours for local associations during the year, but also for a first edition of a historical treasure hunt during the Montreux Christmas Market. Participants were able to look behind the walls of the building, getting an insight into its history and the current activities of CAUX-IofC in a playful and illustrative way. The historical treasure hunt will be further developed in 2015.

Outreach Events

On 3 March, an event informing about the activities of the international network of Initiatives of Change (IofC) and of the Foundation took place in Zürich at the initiative of the LGT Venture Philanthropy Foundation. CAUX-IofC Foundation Council member and former ambassador Urs Ziswiler and Council member Christoph Spreng presented the IofC approach and the then upcoming Conference season. They were followed by two former conference participants, Swiss nationals with Lebanese and Syrian roots, who shared their experience of the 'international Caux' with the audience.

On 9 May, a new short film about the history of the Caux Conference Centre was shown in Lucerne's Town Hall. This time the audience heard the testimony of a young woman from Serbia, who had spent three summers as a volunteer during the Caux Conference season.

On 30 September in Geneva, Cornelio Sommaruga, Honorary President of IofC International, held a meeting at the 'Cercle de la Terrasse'. The occasion looked back on some of the most significant moments of the 2014 Caux Conferences. Amongst the participants were representatives of different UN and non-governmental organizations, artists and students as well as religious representatives. The event triggered great interest and as one participant said, 'one of the strong aspects of the CAUX-IofC Foundation is its focus on the individual, which is otherwise so often overlooked.'

On 30 November, guests were welcomed at the venue called 'unternehmen mitte' in Basel. The event 'Encounters resulting in Change and Trust – the Story of two Initiatives', introduced CAUX-IofC and the GjakovaBasel Association. One participant was impressed by the 'many different and relevant subjects Caux touches upon'.

Each of these events was a good opportunity to establish new contacts and strengthen existing ones with partner organizations.



Other Activities of the Foundation

Representation at the Council of Europe

Council member Christoph Spreng continued to represent IofC International and to act as Coordinator of the International Non-Governmental Organizations' (INGO) Dialogues.

In February he co-facilitated and co-designed a two-day Citizens' Dialogue among 43 selected Tunisians at Kairouan. The training was co-organized by the IofC Initiative Dialogue team in Paris. One of their Board Members wrote afterwards: 'Thank you for putting your skill and knowledge to the benefit of the Tunisian civil society. We count on your cooperation to continue to make other associations benefit from this Dialogue Toolkit.'

In September the INGO Dialogue Teaser Workshop was part of the plenary programme at the University Women of Europe annual conference in Bucharest, Romania. A motivated audience listened to a presentation of the Dialogue Toolkit. The UWE President wrote afterwards: 'We all realized there is still much for us to learn and work on but we are all inspired to follow that path you set out for us. We aim to contribute to a better

dialogue in our home countries ... a vital step in the further development of the associations and their work for women and girls throughout Europe.'

In November Christoph Spreng presented a paper entitled 'Dialogue – ways to move from polarization to participation' in Lahore, Pakistan at the 5th THAAP International Conference, which focused on marginalization and poverty.

In December he was invited to attend the *Foundations for Freedom* Regional Conference, which brought together 70 people from Ukraine and some of the neighbouring countries. Some were people who had recently worked in the 'Healing History in Ukraine' Dialogues. At this two-day event, the INGO Dialogue Teaser Workshop was requested twice.

Caux Books

The Caux bookshop and postal agency continue to serve the conference participants, the village, the hotel school and visiting tourists six days a week throughout the year.

During the summer conference weeks, the opening hours are extended to Sundays.

Caux Books published *Caux Doc* by Michel Sentis, a former member of the Council of the Foundation, as part of a series on IofC and Caux history. There are two more books in this series in preparation. The Caux bookshop continues to offer books related to all the conference themes, with authors often attending conference sessions; last year notably Graham Turner with his book *The Power of Silence*.

Caux Expo

The Caux Expo is a permanent exhibit at the Caux Conference Centre on the history of the Caux-Palace and of IofC. Reflections continue on the possible renewal of the Expo.



The Caux Conference Center's Main Hall overlooking Lake Geneva.

Archives

During 2014, work on the sound archives continued. The films have all been digitized and a simple screening system has been set up for the 2015 summer conference participants.

A large work of indexing the older photographs kept in Caux has started. We are still benefiting from the precious advice of Mr Gilbert Coutaz, director of the Archives of the Canton of Vaud, and Mr Frédéric Sardet, chief of the Library and archives department at the city of Lausanne.

Maintenance and Renovations of the Caux Conference Centre

After an inspection of the electrical installations in all the buildings, approximately 100 rooms of the former Caux-Palace and many of the public rooms were found to have outdated electrical cabling, which does not comply with current applicable safety regulations. The renovation of these rooms has now started as part of a five-year-plan. The electrical installations in surrounding buildings were upgraded in 2014.

The room destroyed by fire in April and the affected parts of the adjacent hallway have been renovated. The scaffolding erected for this purpose also served to repair the broken nooks of some balconies on the west front.

With a view to making better use of the Chalet de la Patinoire, minor refurbishment works (kitchens, paintwork, etc.) were undertaken in all flats; they can now be rented out all year round.

Apart from undertaking many small- and large-scale repairs, our permanently employed cabinet maker also refurbished further pieces of furniture dating back to the time of the Caux-Palace, and sanded and sealed the parquet floors in some rooms.

The heating company continued developing the wood-fired heating project, with installation work scheduled for 2015 and the new furnace beginning operation by October.

Villa Maria, a space for dialogue and reflection

The Villa Maria is a seminar centre, belonging to the Caux Conference Centre, available for rent except during the summer conference season. Many NGOs and associations have rented the Villa Maria for their meetings, workshops and

seminars in the past and 2014 was no different. However, this year, the ‘history’ and ‘atmosphere’ unique to Caux brought two new groups. One was a training seminar for the United Nations Development Programme (UNDP) while the other was a delegation of UN diplomats which was working on the connection between human rights and peace. These were part of the ongoing discussions on the proposal of a ‘right to peace’ at the Human Rights Council in Geneva. The, at times, complex diplomatic process benefitted from the accompaniment and facilitation of IofC facilitators who helped design and deliver the two-day seminar. Afterwards, many spoke of the progress made due to the innovative methodology and the inspiring setting of Caux.



Friends of Caux Association

The Swiss association, Friends of CAUX-Initiatives of Change, works actively with CAUX-IofC. Its aim is to promote the visibility and activities of the International Caux Conference Centre by organizing events in Switzerland throughout the year. In the summer, the association was present at the market in Vevey to present the Caux Conferences and invited people from the region to four accompanied half-day visits in Caux. At their general assembly, they organized a

public event in which two local associations shared about their innovative contribution to a more just, sustainable and peaceful world. In their regular regional meetings they sparked the dialogue about what IofC values mean in practice.

Foundation News

Renewal of the Council of the Foundation

The Council of the Foundation wishes to pay a well-deserved tribute to four departing Council members in 2014:

The Council's very special gratitude goes to **Anja Snellman**, a Swiss and Finnish architect living in Paris with her two young children. She had been part of the Council for 20 years. Her knowledge of architecture and her love for Caux made her a perfect fit as the leader of our construction committee. Several impressive works were performed under her supervision, such as the complete re-engineering of the kitchen, the adaptation of our buildings to the needs of SHMS, with new amphitheatres and meeting rooms, or the restoration of the 4th floor meeting hall. Anja also served as a COMEX member for the last few years. Her dedication to Caux, her high professional standards, her calm composure and her friendly attention for each one will be long remembered.

The Council is also extremely thankful to **Maria Wolf**, from Germany, who served for eight years on the Council, after a long involvement as manager and trainer of the Caux conference interpreters. Under her leadership, not only did the purely volunteer service of simultaneous interpretation continue to provide a high quality service for the conferences, but lasting relationships were established with universities, allowing us to find appropriate support and a growing network every year. As a Council member, Maria continued to demonstrate the same mastery of organisation and the same people talent, and foremost her deep commitment to Caux. As Secretary of the COMEX over the last years of her service in the Council, her thoroughness allowed us to do appropriate follow-up in many instances. Her example and spirit remain an inspiration today.

The Council also wishes to express its heartfelt thanks to departing members **Angelo Barampama** and **Philippe Odier**, who both had to

leave the Council earlier than we would have wished, for personal and professional reasons: Angelo being now deeply involved in a project in Burundi after retiring from the University of Geneva and Philippe needing all his time for his family and his developing career as an assistant professor of Physics at the Ecole Normale Supérieure de Lyon.

The Council of the Foundation wishes the best of success to the departing members in their various endeavours. It is also the time to greet the two incoming members who were elected in 2014:

Ashwin Patel, a highly respected chartered accountant and senior partner of his accounting firm in Nairobi, Kenya, with 40 years of practice and many social commitments, and a long-time friend of Caux and IofC.

Elisabeth Tooms, an early retiree from Allen & Overy, a law firm based in the City of London, who is also a great theatre fan who has worked in the Westminster Theatre, London, as well as in Caux, and who served for several years as Chair of the Oxford Group (IofC UK).

Team Changes

Jennifer Ebermann, a professional coach and communications consultant, filled the interim Communications Director position for five months.

Stephanie Buri was employed as our main communication officer and **Thaïs Ruegg** as her assistant. **Ulrike Ott Chanu** was mandated to be our webmaster.

Gracia Laurent-Perez joined the team as conference coordinator and fundraiser.

Alexander Kares is database system administrator and database manager for the Foundation.

Financial Statements

Balance Sheet

ASSETS	31.12.2014/CHF	31.12.2013/CHF
Current assets		
Liquid assets	124 096	135 495
Securities	2 860 938	2 651 252
Trade accounts receivable	269 556	292 715
Debt Caux Books	57 874	66 429
Other receivables	38 497	38 402
Accrued income	78 087	13 237
	3 429 048	3 197 530
Fixed assets		
Share Caux Books	1	1
Loan to employee	169 000	196 000
Non-real-estate assets	119 009	104 509
Real-estate assets	2 205 001	2 311 501
Restricted assets		
Silvia Zuber Fund	3 360 718	3 410 465
	5 853 729	6 022 476
ASSETS	9 282 777	9 220 006
LIABILITIES		
Short-term outside capital		
Trade accounts payable	299 543	208 079
Fixed advance LODH	0	900 000
Accrued expenses	140 647	23 155
	440 190	1 131 234
Long-term outside capital		
Mortgage	1 400 000	500 000
Loan	108 935	107 625
	1 508 935	607 625
Restricted funds		
Funds for projects and programs	74 645	80 509
Funds for renovations	89 682	88 182
Own restricted funds	1 573 021	1 699 933
Silvia Zuber Fund	3 360 718	3 410 465
	5 098 066	5 279 089
Organisation capital		
<i>Free funds</i>		
Renovation fund	382 396	350 396
Fluctuation reserve	290 000	260 000
<i>Acquired unrestricted capital</i>		
Foundations capital	1 591 662	1 575 911
Result of the year	-28 472	15 751
	2 235 586	2 202 058
LIABILITIES	9 282 777	9 220 006

Income Statement

	2014/CHF	2013/CHF
Conference and seminar contributions	689 829	422 525
General donations	172 144	105 927
Earmarked donations	398 106	340 716
Legacies	60 963	544 850
Rental income	1 991 197	1 813 285
Other income	50 653	84 051
Total income	3 362 892	3 311 354
Conference and seminar expenses	-458 998	-482 649
Project expenses	-19 647	-55 377
Public relations, documentation	-107 832	-87 574
Staff	-1 601 813	-1 688 991
Repairs and maintenance	-327 350	-235 859
Operational expenses, rent, insurances	-733 763	-787 055
Administration, consulting costs	-220 966	-197 924
Contributions to IofC International	-83 000	-212 242
Depreciations	-153 196	-174 811
Taxes	-77 284	-68 133
Total expenses	-3 783 848	-3 990 614
Operating result	-420 956	-679 260
Financial income	356 024	276 936
Financial expenses	-39 815	-43 820
Financial result	316 209	233 116
Extraordinary expenses	-299 870	0
Extraordinary income	299 870	0
Project contributions Silvia Zuber Fund	-199 228	-146 885
Financial result Silvia Zuber Fund	155 458	187 386
Non-operating result	-43 770	40 501
Annual result before funds result	-148 517	-405 643
Withdrawal from funds for projects and programs	21 331	43 968
Withdrawal from funds for renovations	0	2 665
Withdrawal from Conference Support Fund	42 527	157 827
Withdrawal from Caux Action Fund	25 294	93 719
Withdrawal from various earmarked funds	60 113	60 294
Withdrawal from Silvia Zuber Fund	205 205	146 885
Allocation to funds for projects and programs	-15 468	-22 741
Allocation to fund for renovations	-1 500	-4 715
Allocation to Silvia Zuber Fund	-155 458	-187 386
Earmarked funds result	182 045	290 515
Withdrawal from renovation fund	0	130 879
Allocation to investment fund	-32 000	0
Allocation to fluctuation reserves	-30 000	0
Free funds result	-62 000	130 879
Annual result	-28 472	15 751

Comments

Accounting and Valuation Principles

Accounting Principles

Accounting, reporting and valuation principles are in compliance with the Code of Obligations and are in accordance with the Foundation Charter of 30 April 1985. The annual financial statement consists of the balance sheet, income statement and notes.

Changes in Accounting Policies in the Reporting Period

The accounting principles have not been changed as of 31 December 2014.

Valuation Principles

Foreign Currency Conversion:

Income and expenses in foreign currencies are translated at the exchange rate as at the transaction date. Foreign-currency assets and liabilities are translated at year-end rates.

Securities:

The securities were valued at cost or at market value reported at the end of year.

Tangible Assets:

The tangible assets were valued at cost under consideration of the commercially necessary depreciations.

Other Assets and Liabilities:

The financial accounting of the residual assets – and liabilities – is stated at nominal value.

Comments on selected balance sheet and income statement items

Assets

Current assets

The year-end balance of the revalued securities was once more increased through adjustments.

Fixed assets

Real-estate assets:

The fire insurance value amounts to CHF 67,712,748 for buildings and to CHF 6,702,000 for contents.

Caux Books:

The publishing house Caux Verlag AG runs a bookshop in Caux. It is a subsidiary of the Foundation, which owns 100% of the share capital.

Restricted assets

The earmarked investment portfolio owned by Silvia Zuber has decreased in value following withdrawals of contributions to projects in Africa and Asia.

Liabilities

Fixed advance/Mortgage

The fixed advance cash loan of CHF 900,000 that was taken out in 2012 from the Lombard Odier Darier Hentsch (LODH) Bank, Vevey, was settled during the reporting period. The portfolio of investments, valued at CHF 2,363,401 and deposited with the bank, was accordingly wound up. Following this, the Foundation entered into an agreement with the Bank Crédit Suisse to increase the mortgage by CHF 900,000. As a result, the overall mortgage balance as at 31 December 2014 stood at CHF 1,400,000, the mortgage security being the real estate in Caux which was listed with a book value of CHF 1,631,000 as of the same date.

Restricted funds

To cover the shortfall of conference income against costs, funds were withdrawn from several sources but principally from the Caux Support Fund and the Caux Action Fund; as happened the previous year.



Silvia Zuber Fund

The fund serves to finance IofC projects in Africa and Asia and during the year did so. Moreover, many people from these regions were enabled to participate in the Caux conferences. Despite the asset liquidation required, reserves were increased as a result of the fund's profitability.

Renovation Fund

An earmarked charitable donation received during the reporting period was reserved for the Renovation Fund.

Fluctuation reserves

Reserves were increased in the fiscal year based on the positive revaluation of securities in order for their balance to be in line with fluctuation reserves.

Foundation's capital

During the annual meeting of the Council of the Foundation on 2 May 2015, a request will be made to allocate the loss of CHF 28,471.90 in this fiscal year to the Foundation's capital. This would reduce the Foundation's capital to CHF 1,563,190.12.

Risk Assessment

Senior management conducted a risk assessment in early 2009 aimed at early identification of po-

tential dangers and analysis of associated risks, as well as required remedial action. This evaluation process includes systematic recording and evaluation of risks and dangers, their potential impact on the Foundation as a whole, and the introduction and supervision of measures aimed at avoiding or minimising them.

At the AGM held on 10 May 2014, the Council of the Foundation addressed both the risks faced by the Foundation and also its development potential.

Income statement

Income

Conference and seminar contributions

Conference and seminar contribution rates, raised by a decision by the Council of the Foundation, together with an increased number of conference participants in the reporting period, resulted in a significantly increased income compared to the preceding year.

General donations

These include non-earmarked, regular, and sporadic donations, as well as income from fundraising activities.



In this financial year, the Foundation was extremely gratified to receive a generous donation with the Ousseimi Foundation Prize for Tolerance.

Earmarked donations

These come predominantly from affiliated foundations and sister organizations, as well as from subsidies granted by the Swiss Federal Department of Foreign Affairs (FDFA), and they are mainly earmarked for conference expenditure.

In addition, contributions were received to support the film and sound archiving work.

Legacies

The final instalment of a legacy from the preceding year was received in this fiscal year.

Rental income

This includes revenue from the Swiss Hotel Management School (SHMS) including service charges.

Following negotiations with the SHMS regarding a new contract, rent adjustments and additional cost-sharing were agreed with the SHMS tenant. This resulted in significantly increased rental income.

Additional revenue was generated by rental of adjacent buildings.

Other income

This is primarily from internal charges and the result of payments from insurance companies.

Expenses

Conference and seminar expenses

This includes expenditure for catering, visitors' tax, translation equipment, and travel and subsistence costs of the conference organisation teams.

Project expenses

Because the main tasks relating to the archiving of historic film recordings concerning Caux were largely completed in the preceding fiscal year, there were far fewer costs this year.

Public relations, documentation

In connection with the award of the Ousseimi Foundation Prize for Tolerance, a new brochure was printed and more fund-raising activities took place.

Staff

This total includes the entire staff costs for Caux, Lucerne and Geneva, including additional staff during the conference season.

As happened before, volunteers were once again recruited for the conference season.

Repairs and maintenance

Both reasonable maintenance and the first stage of replacing the electrical wiring were carried out in the fiscal year.

Operational expenses, rent, insurances

Energy savings were made owing to a new electricity contract with lower rates and due to lower heating oil prices.

Administration

Agreement of a consulting contract for fund-raising projects resulted in an increase in this overhead in the fiscal year.

Contributions to IofC International

Contributions were significantly reduced in accordance with the budget.

Depreciation

Depreciation of the renovation accounts was CHF 106,500. The balance relates to work equipment.

Financial result

Financial income

Resulting from high share values as happened in the preceding year, there was a corresponding revaluation of the investment portfolio in the reporting period.

Financial expenses

This total results from interest payments on mortgages and loans, bank charges, and exchange rate losses.

Extraordinary income and expenses

In the wake of a fire in the main Caux building, extraordinary expenditure was incurred for the restoration of the damaged rooms despite reimbursements from the cantonal buildings insurance that were actually paid out.

Silvia Zuber Fund

Project contributions Silvia Zuber Fund

These contributions originated from the approved projects in receipt of financial support from the restricted funds in accordance with the relevant fund rules.

Financial result Silvia Zuber Fund

This item includes financial income and expenditure as well as the revaluation of the securities in the Silvia Zuber legacy.

Funds result

The structural deficit was reduced on the basis of an ability to liquidise some restricted funds.

Withdrawal from earmarked funds

Preceding year reserves for projects and programmes were reabsorbed.

Conference Support Fund/Caux Action Fund:

These two funds serve to cover the costs of conference organisers and others who assist with the running of the house during the conference season.

On the basis of additional income having been generated from raised conference and seminar contribution rates and one earmarked donation,



there was less call on these two funds in the financial year.

Silvia Zuber Fund:

Appropriate project contributions were made from the fund.

Allocation to earmarked funds

Earmarked donations have created reserves for projects and programmes for use next year.

Silvia Zuber Fund:

Reserves were increased owing to financial gains.

Withdrawal from free funds

Renovation Fund:

An earmarked legacy received in the current year was reserved for this fund.

Fluctuation reserves:

Reserves were increased in the fiscal year based on the positive revaluation of securities in order for their balance to be in line with fluctuation reserves.

Principles and Organization

Legal Status

The Foundation CAUX-Initiatives of Change is an officially recognized independent Swiss foundation. It is registered in the Canton of Lucerne (reference: CH-100.7.008.597-8 dated 31.12.1964, last modified on 18.12.2014).

The Aims of the Foundation

- To work for a more just society by strengthening the ethical foundations of democracy;
- To help heal the wounds of history;
- To encourage care and responsibility in family life and personal relationships;
- To strengthen ethical commitment in economic life;
- To forge networks among people from different faiths and cultures.

The Council of the Foundation

Jaulmes Antoine, F-Paris, President
Barampama Angelo, CH-Geneva (until 11.05.2014)
Lancaster Andrew, AUS-Canberra
Odier Philippe, F-Lyon (until 28.09.2014)
Patel Ashwin, KEN-Nairobi (from 11.05.2014)
Pfeifer Hans-Ruedi, CH-Affoltern a.A./ZH
Snellman-Orphelin Anja, F-Paris (until 11.05.2014)
Spreng Christoph, CH-Lucerne
Tikkanen Antero, S-Gothenburg
Tooms Elisabeth, GB-Horsham (from 28.09.2014)
Wolf Maria, D-Munich (until 11.05.2014)
Wolvekamp Charlotte, NL-The Hague
Ziswiler Urs, CH-Zurich

Auditor

PricewaterhouseCoopers AG
Werftstrasse 3
6005 Luzern



Council of the Foundation (from left to right): Urs Ziswiler, Hans-Ruedi Pfeifer, Christoph Spreng, Antoine Jaulmes, Antero Tikkanen, Elisabeth Tooms, Andrew Lancaster, Charlotte Wolvekamp, Martin Frick (since May 2015). Absent: Ashwin Patel.

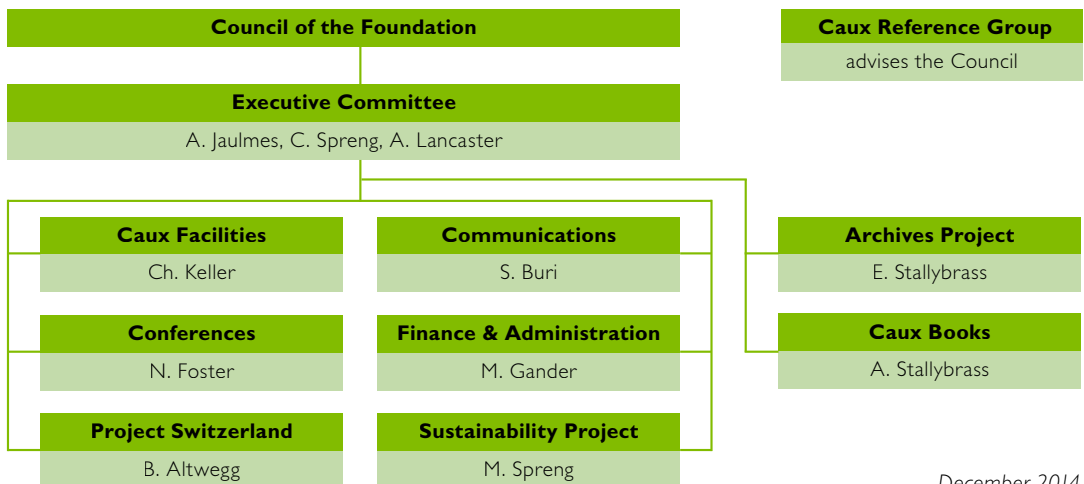
Staff in Caux, Geneva and Lucerne

Altwegg Brigitt, Bättig Michael, Biruk Elsa, Büecheler Fabian, Buri Stéphanie, Egli Daniel, Falconnier Graziella, Foster Nicholas, Gander Maria, Jan Sonia, Jhaveri Yaouanc Cynthia, Kares Alexander, Keller Christoph, Léchaire Gregor, Pérez Juarez Laurent Gracia, Ritter Lea, Rüegg Thaïs, Spreng Marianne, Stally-

brass Andrew, Stallybrass Eliane, Vincent Sahy Micheline, Vurlod Sébastien, Zeqiraj Ganimete.

Alongside the permanent employees, the Foundation can also rely on a large number of volunteer workers, helping not only during the international conferences, but throughout the year by offering their work to the Foundation for only symbolic remuneration.

Organigram of the CAUX-Initiatives of Change Foundation



December 2014



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