



**15<sup>th</sup> February 2010**

**Hello to all friends of 'Ayuda a los Niños Costalegre A.C.',**

First and foremost we would like to thank you all for your support over the years and especially through the last few months. We are taking this opportunity to explain our current situation. You will read about a number of legal issues which we believe will be resolved in the near future; and you should know that much of the legal work to date has been donated. Any legal work that has not been donated has been paid using personal funds of several members of the board.

In 2008 we applied for funding for a bus from the Mexican government to transport children to the school we were building in Jaluco (the government contributed \$500,000 pesos to match the same amount which had been raised by Ayuda a los Niños for the construction of the school). Upon receiving the donation, it was paid to a bus manufacturing company managed by the boyfriend of Daniel Cuevas' cousin, who gave us our tax receipt and promised the delivery of our bus. It took over a year, and a visit to the government office (SEDESOL) by Andrew Forbes and Ruth Hazlewood, before a bus arrived (not the bus we had been promised). The bus we actually received is now sitting unused, as the receipts that we were given do not match the registration details of the bus and Daniel's contact is demanding an extra \$10,000 pesos from us in order to provide the paper work which will allow us to apply for the federal licence plates required for the bus to be on the road.

On November 12<sup>th</sup> 2009, Daniel Cuevas Moran was excluded from 'Ayuda a los Niños Costalegre A.C.' for his inadequate behaviour towards other members of the board, including insults and threats, and due to the fact that the board positions are for a one year period, which had concluded in May 2009. He then began to declare to people that he was going to present law suits against the association because he was expelled "illegally". The association has a legally notarised document stating that the majority of the board members voted for his exclusion. Daniel was notified of this on several occasions.

On November 20<sup>th</sup>, Daniel Cuevas requested detailed accounting reports from the foreign board members, in the presence of a notary. The agreed time span for a response to his request was 10 working days. Daniel returned after 6 working days and was not given a response. On 4<sup>th</sup> December Daniel Cuevas was not in the area, and therefore could not receive his official response; however it was later sent to him via E-mail. The response stated that the reports Daniel was asking for had in fact been his responsibility to produce as treasurer of the charity.

At the time of Daniel's exclusion Doctor Rosa Vivas Alcaraz was invited to the assemblies, and refused to assist, stating that she no longer wanted to be part of the board, and just wanted to continue with her work as a doctor.

On 16<sup>th</sup> December 2009, our association had a general assembly (to which Doctor Rosa was invited but refused to attend) during which the board voted for the new roles of each remaining member, as follows:

Carlos Garcia Martinez: President  
Andrew Glen Forbes: Treasurer  
Daniel Terence Patman: Secretary  
Ruth Hazlewood: President of vigilance board  
Susan Stauduhar: Secretary of vigilance board  
Carlos Alberto Martinez Castro: Voice for vigilance board

Doctor Rosa was not voted into any of the board positions.

The following has transpired since then:

On 22<sup>nd</sup> January 2010, a cheque to a local pharmacy to pay for medications for children was not accepted due to lack of funds. After investigating, it was determined that Daniel Cuevas had opened a new bank account in Banamex, Cihuatlán branch, in the name of 'Ayuda a los Niños Costalegre A.C.' and stated to the bank attendant that he was the treasurer of the association. He then transferred all of the money from each of the Ayuda accounts to a personal account. The total amount removed from Ayuda accounts by is \$61,177.56 pesos; the association is therefore presenting a law suit against Daniel Cuevas for fraud. The majority of the funds Daniel took from the account had been deposited as a donation for the heart surgery of a young boy.

On 27<sup>th</sup> January 2010, Doctor Rosa and Lilian Kassen Castro (Daniel Cuevas' girlfriend) approached Ruth in her place of business, asking to browse the association's files; they were denied access. The women were given the phone number of the president of the association and were asked to make an appointment.

Shortly after, a Municipal Police vehicle arrived at the homes of two association members who were presented with notices stating that Andrew Forbes, Ruth Hazlewood, Daniel Patman and Susan Stauduhar should present their migratory forms (FM3/FM2) and proof of all spending of the association to the presidential offices of Cihuatlán on Friday January 29<sup>th</sup> at 12 pm. Carlos Garcia Martinez also was instructed to present proof of spending of the association at the same time on the same date.

On 28<sup>th</sup> January 2010, Doctor Rosa and Lilian returned with police and were allowed to storm the office of Ayuda a los Niños to search for documents, some of which they took with them. The police asked Dra. Rosa to leave the office after seeing her physically push Ruth. During this whole process, Daniel Cuevas was watching from his vehicle on the corner of the street, filming with a video camera.

After these events, a complaint was made by a lawyer representing Ayuda a los Niños to the head of Public Security, and a police report was filed in the public ministry, Cihuatlán, against Daniel Cuevas, Rosa Vivas Alcaraz and Lilian Kassen Castro.

On January 29, we met with the mayor (Presidente Municipal) in Cihuatlán to explain our situation and respond to his inquiries. Shortly after, Daniel, Rosa, Lilian Kassen Castro and their lawyer arrived, for a meeting between both parties (we had not been informed that they would be present). At this point the Ayuda lawyer was also invited into the meeting. We were told by the mayor's legal representative that this was an attempt at reconciliation.

During the meeting:

- Daniel Guillermo Cuevas Moran accused 'Ayuda a los Niños' and its members of fraudulent activities, and of illegally removing him from the charity.
- He went on to admit that he had taken the money out of the Ayuda accounts (the meeting was video recorded), and to say that he had receipts for spending \$40,000 pesos of the money he had taken.
- Daniel and Rosa then stated that if we were to hand over the school and clinic to them (which we had built for the migrant agricultural workers in Jaluco), then they would ignore all of the accusations they had made against us.
- Daniel stated that he and Rosa wanted to start a new charity, and acquire said installations as the property of their charity, and take the recognition that comes with them.
- No agreements were made during this meeting, other than that these accusations would be dealt with in a court of law.

On Sunday 31<sup>st</sup> January 2010, Rosa and Daniel organized a protest, mainly by non-English or Spanish speaking families, outside of a fundraising auction for 'Ayuda a los Niños'. The protesters were carrying signs in English, accusing the charity of fraudulent actions. Following that, a letter was presented by the association's president to the town hall, accompanied by photos of the protest and asking for municipal government support in dealing with this matter.

At the auction mentioned above, a total of \$107,685.50 pesos was raised and subsequently deposited into a new bank account belonging to 'Ayuda a los Niños; to which neither Daniel Guillermo Cuevas Moran nor Rosa Vivas Alcaraz have access.

On Monday 8<sup>th</sup> February 2010, Ayuda a los Niños had its annual concert fundraising event during which a total of \$53,170.50 pesos was raised. This is significantly less than what had been raised in previous years, likely due to the doubt put into people's minds by Daniel and Rosa and to less available planning time because board members had been tied up with these matters. While this means that our 2010 budget for the medical and educational needs of underprivileged children will be less than usual, we promise to ensure that it reaches those who need it most.

On 10<sup>th</sup> February 2010, Susan Stauduhar received a visit from immigration officers from Manzanillo, asking to see her migratory documents (FM3/FM2), showing that her stay in Mexico was legal. Susan presented said paperwork and was left with a signed document stating so. She was also left another document, requesting that she, Daniel Patman, Andrew Forbes and Ruth Hazlewood present themselves in the immigration offices in Manzanillo as soon as possible.

On Friday 12<sup>th</sup> February 2010, the four of us visited the immigration offices where we were informed that Daniel Guillermo Cuevas Moran had presented a 'demanda migratoria' (law suit in immigration) against us, claiming that our activities in Mexico were not legal. Daniel Patman was interviewed and gave his response to the law suit, providing all the necessary paper work proving he is indeed living and working legally in Mexico; he received a signed document confirming this. Ruth, Andy and Susan were asked to return at a later date for their interviews.

On the same day, Dan, Ruth, Andy and Susan (the only foreign members of the board), received an E-mail from Daniel Cuevas, making additional threats that he would not rest until he sees them in prison.

On Monday 15<sup>th</sup> February 2010, the second half of our 2009 IJAS report (Instituto Jalisciense de Asistencia Social) was delivered in Guadalajara. It includes a detailed account of our donations and spending from July to December 2009. The first half of this report (January to June) had previously been submitted and approved by IJAS. An auditor's report is currently being prepared (this is an obligation for a charity in Mexico with an income over the threshold), and will be available for public viewing upon its completion.

Once again, we would like to thank you all for your support. We hope to see these matters resolved as soon as possible by the legal system, and apologise that you have had to hear such disturbing accusations against our charity. We guarantee that in the meantime our work within the community will continue, and the resources that you have helped gather, will be distributed appropriately.

**15<sup>th</sup> February 2010, Members of the board of 'Ayuda a los Niños Costalegre A.C.'**

**Carlos Garcia Martinez: President**

**Andrew Glen Forbes: Treasurer**

**Daniel Terence Patman: Secretary**

**Ruth Hazlewood: President of vigilance board**

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