



FINANCIAL REPORT 2019

Big changes start small.



1 CONTENTS

Page	CHAPTER
2	1 CONTENTS
3	2 BALANCE SHEET
4	3 OPERATING STATEMENT
9	4 CASH FLOW STATEMENT
10	5 STATEMENT OF CHANGES IN CAPITAL
11	6 NOTES TO THE ANNUAL FINANCIAL STATEMENT
11	6.1 Accounting principles
11	6.2 Accounting and valuation principles
12	6.3 Notes to the balance sheet
15	6.4 Notes to the operating statement
17	6.5 Further information
18	7 CONTRIBUTIONS FROM SPONSORING CHURCHES
19	8 MANAGEMENT REPORT
22	9 AUDITORS' REPORT
23	10 GENERAL NOTES TO THE ANNUAL FINANCIAL STATEMENTS
24	11 THANKS
25	Publishing information

2 BALANCE SHEET

in CHF	Notes	31.12.18	31.12.19
ASSETS			
Cash and cash equivalents	6.3.1	21'642'942	18'569'942
Securities listed on a stock exchange	6.3.2	18'449'694	21'275'819
Receivables	6.3.3	6'381'652	6'006'213
Prepaid expenses and accrued income	6.2	2'921'637	2'184'313
Total current assets		49'395'926	48'036'287
Financial assets	6.3.5	2'836'653	3'374'290
Property, plant and equipment	6.3.4	5'189'794	4'844'475
Intangible assets	6.3.6	804'116	617'615
Earmarked properties	6.3.7	1'859'962	1'814'504
Total non-current assets		10'690'525	10'650'884
TOTAL ASSETS		60'086'451	58'687'171
LIABILITIES			
Trade accounts payable		1'539'309	1'702'907
Other short-term liabilities	6.3.8	4'241'912	4'922'516
Accrued expenses and deferred income	6.3.9	1'593'789	1'976'819
Total short-term liabilities		7'375'010	8'602'241
Long-term financial liabilities	6.3.10	1'000'000	1'000'000
Provisions	6.3.11	928'031	828'037
Total long-term liabilities		1'928'031	1'828'037
Total earmarked funds	6.3.12	34'794'469	31'478'307
Total liabilities including fund capital		44'097'510	41'908'585
Foundation capital		200'000	200'000
Unrestricted capital		8'793'643	9'236'370
Tied capital	6.3.13	6'995'297	7'342'216
Total capital of the organization	6.3.14	15'988'940	16'778'586
TOTAL LIABILITIES		60'086'451	58'687'171

3 STATEMENT OF OPERATIONS, INCOME

in CHF

Notes

2018

2019

INCOME FOR WORK IN SWITZERLAND

Contributions and donations from churches		2'117'582	2'063'088
Donations and bequests from private persons		1'094'285	1'135'464
Income from services	6.4.1	16'486'542	21'257'821
Confederation		48'200	106'872
Cantons and municipalities		4'811'430	4'379'343
Foundations		1'360'659	1'391'902
Contributions from various organizations		784'636	830'716
Contributions and donations from institutions		23'491'467	27'966'653
Total income for work in Switzerland		26'703'334	31'165'205

INCOME FOR WORK ABROAD (excl. humanitarian aid)

Cantonal churches and church parishes		2'626'298	2'375'289
Bread for All		1'317'166	1'241'218
Other church organizations		567'638	575'306
Miscellaneous		384'791	161'194
Contributions and donations from churches		4'895'892	4'353'008
Donations and bequests from private persons		2'695'463	2'310'031
Confederation	6.4.2	9'226'265	8'042'647
Cantons and municipalities		610'769	980'810
Foundations		2'980'552	2'233'289
Contributions from various organizations		1'452'440	884'073
Contributions and donations from institutions		14'270'025	12'140'818
Miscellaneous		102'717	78'490
Total income for work abroad (excl. humanitarian aid)		21'964'096	18'882'346

INCOME FOR HUMANITARIAN AID

Cantonal churches and church parishes		1'421'581	996'993
Other church organizations		104'381	0
Miscellaneous		227'634	156'055
Contributions and donations from churches		1'753'596	1'153'048
Donations and bequests from private persons		2'301'438	856'397
Swiss Solidarity		2'852'417	1'620'481
Confederation	6.4.2	115'000	239'000
Cantons and municipalities		80'767	159'250
Foundations		438'320	452'000
Contributions from various organizations		0	2'296'930
Contributions and donations from institutions		3'486'504	4'767'661
Total income for humanitarian aid		7'541'538	6'777'105

NON-EARMARKED INCOME

Target amounts of the cantonal churches	6.4.3	2'173'395	2'212'606
Cantonal churches and church parishes		1'971'030	1'913'770
Private persons		3'558'349	4'088'840
Bequests		1'478'986	2'541'391
Miscellaneous		764'662	811'472
Total non-earmarked income		9'946'423	11'568'078

TOTAL INCOME/OPERATIONAL PERFORMANCE

66'155'391

68'392'735

INCOME FOR WORK IN SWITZERLAND: CHF 31,2 MILLION



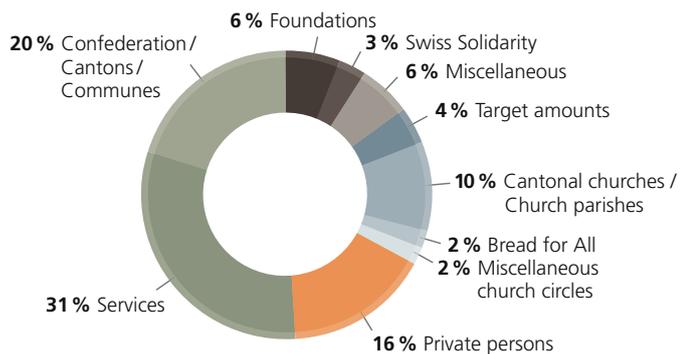
INCOME FOR WORK ABROAD: CHF 18,9 MILLION (excl. humanitarian aid)



INCOME FOR HUMANITARIAN AID: CHF 6,8 MILLION



TOTAL INCOME: CHF 68,4 MILLION



3 STATEMENT OF OPERATIONS, EXPENDITURE

in CHF

Notes

2018

2019

EXPENDITURE FOR WORK IN SWITZERLAND

Legal advice and representation for asylum seekers	3'195'776	6'606'989
Social aid representation during interviews of asylum seekers	1'720'196	919'002
Various projects regarding advocacy for the socially disadvantaged	1'125'190	1'009'660
Advocacy for the socially disadvantaged	6'041'162	8'535'651
Labour market integration	5'513'239	4'576'899
Structured daily routines and encounters	3'422'224	3'338'219
Assisted living	2'334'560	2'301'675
Language	2'427'330	2'216'603
Intercultural interpreting and mediation	4'660'062	4'923'082
Child and parent education	202'156	199'879
Age and migration	866'113	834'153
Integration	19'425'685	18'390'510
Various projects and project contributions	253'533	179'717
Total expenditure for projects in Switzerland	25'720'380	27'105'878
Project support and groundwork	2'162'022	1'985'660
Total expenditure for work in Switzerland	27'882'402	29'091'537

EXPENDITURE FOR INFORMATION IN SWITZERLAND

Information projects in Switzerland	1'257'687	1'181'443
Total expenditure for information in Switzerland	1'257'687	1'181'443

EXPENDITURE FOR WORK ABROAD

Developing rural communities	14'995'408	12'300'982
Peace-building and conflict management	4'243'891	2'733'635
Various development cooperation projects	295'083	311'609
Development cooperation	19'534'381	15'346'227
Church cooperation	2'599'427	2'354'480
Total expenditure for projects abroad (excl. humanitarian aid)	22'133'808	17'700'707
Transnational projects and networks	1'127'816	1'028'600
Project support and groundwork	4'150'595	3'204'791
Total expenditure for work abroad (excl. humanitarian aid)	27'412'219	21'934'098

Humanitarian aid projects	6'994'442	9'821'298
Project support and groundwork	737'539	1'308'342
Total expenditure for humanitarian aid	7'731'981	11'129'639

Total expenditure for work abroad	35'144'200	33'063'737
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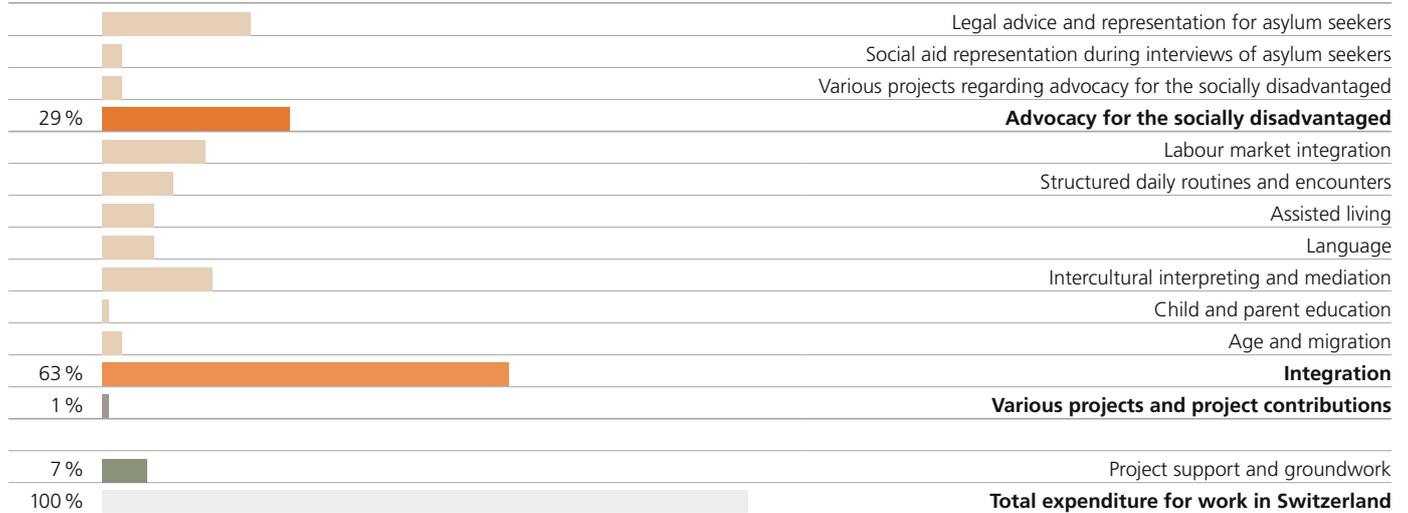
Total expenditure project work	64'284'290	63'336'718
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ADMINISTRATION AND COMMUNICATIONS

Central Administration		4'721'057	4'470'772
Communications and general advertising expenses (net expenditure)	6.4.4	3'230'493	2'833'022
Fundraising (net expenditure)	6.4.5	2'806'145	3'216'871
Total administration and communications	6.4.6	10'757'694	10'520'664

TOTAL EXPENDITURE FOR PROVISION OF SERVICES		75'041'984	73'857'383
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EXPENDITURE FOR WORK IN SWITZERLAND: CHF 29,1 MILLION



EXPENDITURE FOR WORK ABROAD: CHF 21,9 MILLION (excl. humanitarian aid)



TOTAL EXPENDITURE FOR PROVISION OF SERVICES: CHF 73,9 MILLION



3 OPERATING STATEMENT, EXPENDITURE (CONT'D)

in CHF	Notes	2018	2019
OPERATING RESULT		-8'886'593	-5'464'648
Financial income from capital investments	6.4.7	546'486	3'044'704
Financial costs of investments	6.4.7	-1'834'516	-246'227
Real estate performance	6.4.8	268'843	139'654
Extraordinary, non-recurring or prior period expenditure and income		0	0
RESULT BEFORE CHANGE IN FUND CAPITAL		-9'905'780	-2'526'517
Changes to funds (increase -/decrease +)		7'655'643	3'316'163
Total changes to funds		7'655'643	3'316'163
ANNUAL RESULT (BEFORE ALLOCATIONS TO CAPITAL OF THE ORGANIZATION)		-2'250'138	789'646
Change tied capital (allocation -/withdrawal +)			
Strategic development projects organization-wide		0	182'014
Change tied capital (allocation -/withdrawal +)			
Value fluctuation reserve	6.4.9	560'000	-528'933
Change unrestricted capital (allocation -/withdrawal +)		1'690'138	-442'727
		0	0

4 CASH FLOW STATEMENT PER 31 DECEMBER

in CHF

2018

2019

CASH FLOW FROM OPERATING ACTIVITIES

Annual result (before allocation to capital of the organization)	-2'250'138	789'646
Change in fund capital	-7'655'642	-3'316'162
Depreciation on property, plant and equipment/intangible assets	728'151	779'532
Provisions (creation +/release -)	75'537	-99'995
Other non-cash expenses (+)/income (-)	0	0
Securities (increase -/decrease +)	2'492'129	-2'826'125
Receivables (increase -/decrease +)	1'160'833	375'439
Accrued income (increase -/decrease +)	-2'075'335	737'325
Trade accounts payable (increase +/ decrease -)	1'061'283	163'598
Other liabilities (increase +/ decrease -)	-297'321	680'604
Deferred income (increase -/decrease +)	-429'003	383'030

Cash flow from operating activities (cash flow)	-7'189'505	-2'333'109
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CASH FLOW FROM INVESTMENT ACTIVITIES

Investments in financial assets	-319'005	-736'686
Investments in tangible assets	-347'073	-160'547
Investments in intangible assets	-294'206	-76'176
Disposals of financial assets	543'089	199'049
Disposals of property, plant and equipment	152'629	34'470
Disposals of intangible assets	0	0

Cash flow from investment activities	-264'566	-739'891
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Cash flow from financing activities	0	0
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CHANGE IN CASH AND CASH EQUIVALENTS	-7'454'071	-3'073'000
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Opening balance of cash funds (1.1.)	29'097'014	21'642'942
Closing balance of cash funds (31.12.)	21'642'942	18'569'942

PROOF OF CHANGE IN CASH AND CASH EQUIVALENTS	-7'454'072	-3'073'000
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Composition of cash funds as per paragraph 6.3.1 of the Notes
Method used: indirect calculation

5 STATEMENT OF CHANGES IN CAPITAL

Funds	Situation as of	Receipts	Disbursements	Internal Transfers ¹	Situation as of
in CHF	1.1.2019	2019	2019	2019	31.12.2019
WORK ABROAD					
Work abroad (excl. humanitarian aid) ²	11'348'421	18'828'536	-17'824'842	-126'680	12'225'436
Funds for projects in Europe	1'316'281	2'156'187	-2'480'185	0	992'283
Funds for projects in Africa	364'151	1'007'211	-968'822	0	402'540
Funds for projects in Asia	102'009	982'725	-1'076'964	0	7'770
Funds for projects in Latin America	272'614	1'307'169	-1'261'516	-180	318'086
Funds for sponsorship projects	1'799'123	257'270	-595'990	0	1'460'402
Funds - Organizations (BFA, etc.)	999'942	2'522'051	-2'774'282	0	747'712
SDC Funds Programme contribution South incl. HA share	0	7'100'000	-7'100'000	0	0
SDC Funds Programme contribution Eastern Europe	0	580'000	-580'000	0	0
SDC Funds Mandates South	46'420	0	-46'420	0	0
SDC Funds Mandates East	77'433	311'985	-356'520	0	32'898
Thematic funds (peace, health, leprosy/AIDS, etc.)	4'988'637	179'024	-369'123	0	4'798'539
Funds for general work abroad ³	1'381'811	2'424'914	-215'020	-126'500	3'465'205
Humanitarian aid abroad	15'651'485	6'943'245	-12'515'103	126'680	10'206'307
Funds - Organizations (Swiss Solidarity, SDC HA, etc.)	717'956	1'757'481	-2'249'017	0	226'420
SDC Fund HA	83'931	239'000	-322'931	0	0
Funds for humanitarian aid abroad ³	13'497'600	4'835'764	-9'832'156	126'680	8'627'888
Funds for humanitarian aid (restricted non-current assets)	1'351'999	111'000	-111'000	0	1'351'999
Total funds for work abroad	26'999'906	25'771'782	-30'339'945	0	22'431'743
WORK IN SWITZERLAND					
Funds for projects in Switzerland	2'460'229	2'545'078	-2'362'008	-6'976	2'636'323
Funds for general work in Switzerland ⁴	4'676'694	1'388'942	-533'758	79'602	5'611'479
Funds - Organizations and public sector ⁴	426'533	5'973'364	-5'759'617	-72'625	567'655
Funds for humanitarian aid in Switzerland	216'587	0	0	0	216'587
Total funds for work abroad	7'780'043	9'907'384	-8'655'383	0	9'032'044
Miscellaneous funds	14'517	0	0	0	14'517
RESTRICTED FUND CAPITAL	34'794'466	35'679'166	-38'995'328	0	31'478'304
Decrease					-3'316'162
Capital of the organization					
Foundation capital	200'000	0	0	0	200'000
Unrestricted capital	8'793'643	442'727	0	0	9'236'370
Tied capital					
Strategic development projects organization-wide	2'855'297	0	-182'014	0	2'673'283
Value fluctuation reserve securities	4'140'000	752'000	-223'067	0	4'668'933
CAPITAL OF THE ORGANIZATION	15'988'940	1'194'727	-405'081	0	16'778'586

The statement of changes in capital shows the evolution of individual fund groups and the individual components of freely available capital, broken down into «Receipts», «Disbursements» and «Internal transfers» (see comments in the Notes, 6.3.12).

¹⁾ Internal transfers of more than CHF 50'000 must be approved by the Executive Board. This may be necessary if a project is pre-funded or over-funded. The funds are used primarily for a follow-up project or, in its absence, for a geographically and/or thematically similar project.

²⁾ The SDC fund balances and movements are shown by category (see comments in the Notes, 6.4.2).

³⁾ The fund for general work abroad received a contribution from non-earmarked donations that were not fully used up to fund development cooperation projects. The remainder (CHF 126'500) of non-earmarked donations was allocated to the fund for humanitarian aid abroad.

⁴⁾ Conclusion of a job market integration project. The remaining funds (CHF 65'875) were transferred to one of the funds for general work in Switzerland, covering several «Job market integration» projects.

6 NOTES TO THE ANNUAL FINANCIAL STATEMENT

6.1 ACCOUNTING PRINCIPLES

Basis of accounting

The financial reporting of Swiss Church Aid (HEKS/EPER) was prepared in keeping with current accounting and reporting recommendations (updated Swiss GAAP FER 21, effective 1 January 2016) and with the new accounting legislation and conforms to the Statutes and to the guidelines of the Zewo Foundation. The annual financial statements present a true and fair view of the financial position, cash flows and results of operations. The financial statements are presented in Swiss francs. HEKS/EPER is a foundation under Swiss law.

Organization of the reporting

The cantonal HEKS/EPER committees fall under the member churches of the Federation of Swiss Protestant Churches (FSPC) and are therefore not consolidated. The HEKS/EPER Coordination Offices in priority countries for work abroad report directly to HEKS/EPER and are fully integrated into the balance sheet.

Affiliated persons and organizations

Affiliated persons are deemed to be current and former members of the Board of Trustees and the Executive Board as well as organizations that are controlled by members of the Board of Trustees or the Executive Board. The following are deemed to be affiliated organizations: Federation of Swiss Protestant Churches (FSPC), Bread for All, Alliance Sud and the HEKS/EPER employee benefits scheme. No transactions took place under non-market conditions.

6.2 ACCOUNTING AND VALUATION PRINCIPLES

Income / operational performance

Donations and bequests are recognized after receipt of payment, income from services and institutional project contributions are accrued and recognized during the reporting period when they arise and upon performance.

Expenditure

Expenses are recognized on a performance basis and in the period when they occur. Services not yet rendered by partner organizations in work abroad are recognized as pre-payments and accrued income.

Administration and communications

Administration and communications expenditure is calculated in the operating statement in accordance with the cost centre structure. In subparagraph 6.4.6, this calculation is shown by ZEWOW cost type.

Securities listed on a stock exchange

Securities are recorded at current market values.

Equipment

Other property, plant and equipment are recognized in the balance sheet at acquisition cost less depreciation. The capitalization threshold is CHF 3'000¹. Depreciation is calculated using the straight line method for the following periods:

Land and buildings	50 years
Tenant improvements to rented premises	
Seminarstrasse 28, Zurich	15 years
Tenant improvements rented premises, other	5 years
Other property, plant and equipment ¹ /Intangible assets	2 – 5 years

¹) Local, country-specific regulations and the direct method of depreciation are sometimes applied to property, plant and equipment at Coordination Offices abroad.

Financial assets

Financial assets comprise investments/shares in projects with mixed sponsorship. They are recognized at acquisition cost less any necessary value adjustments. Time deposits with a remaining life of more than one year are also shown here.

Provisions and value adjustments

Provisions are established for legal and factual obligations that are likely to exist or to be created. The amount of the provisions is based on the assessment of the Board of Trustees and reflects expected future expenditure as at the balance sheet date. Value adjustments are made for all identifiable risks and shown under assets as an adjustment item.

Other assets / other short- and long-term liabilities

Unless otherwise indicated, other assets and other short- and long-term liabilities are recorded at nominal values, less any necessary value adjustments.

Pension schemes

To provide occupational benefits under the BVG/OPA, there is a defined contribution pension scheme that forms part of an independent collective foundation. The employer's overall pension benefit expense is limited to contributions under subparagraph 6.3.15, Pension schemes. At the time of preparing the annual financial statements, unaudited financial statements showed that the collective foundation had a positive funding ratio.

The employer-sponsored employee benefits foundation (Patronale Personalfürsorgestiftung) provides benefits exclusively for HEKS/EPER personnel. The HEKS/EPER Foundation has no entitlement to surpluses or to any benefits from the employer-sponsored employee benefits foundation.

HEKS/EPER is therefore of the view that as of 31.12.2019, there is no economic benefit from the surplus of the two foundations. There are no employer contribution reserves.

6.3 NOTES TO THE BALANCE SHEET

6.3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash-in-hand, postal and bank account balances as well as short-term fixed deposits.

6.3.2 Securities listed on a stock exchange in CHF	31.12.2018	31.12.2019
Bonds – CHF	6'004'180	7'541'702
Bonds – foreign currencies	3'176'172	3'250'872
Shares (domestic and foreign)	9'269'342	10'483'245
Total	18'449'694	21'275'819

Securities are invested in keeping with existing investment regulations, which are guided by the mission statement and principles of HEKS/EPER. Investments follow the sustainability approach of Bank J. Safra Sarasin, which takes

into account both a company rating and an industry rating. Compliance of the investment regulations is monitored by the Finance Committee of the Board of Trustees.

Derivative financial instruments	31.12.2018	31.12.2019
Contract or nominal values	3'039'318	3'174'782
Replacement values positive	-19'539	28'158
Replacement values negative	0	0

Foreign currency hedging transactions are also concluded to hedge the currency risks on securities in foreign currencies. All open derivatives are recorded at market value on the balance sheet date and are shown in the balance sheet

under other receivables or other short-term liabilities. Changes in the value of derivatives used to hedge recognized underlying transactions are booked in the income statement in the same way as the underlying transaction.

6.3.3 Receivables in CHF	31.12.2018	31.12.2019
Receivables from goods, services and commitments	5'592'654	5'278'612
Value adjustments	-46'200	-46'200
Other short-term receivables from third parties	197'533	344'650
Other short-term receivables from similar organizations	427'932	329'940
Other short-term receivables from government entities	209'733	99'212
Total	6'381'652	6'006'213

The item Receivables from goods, services and commitments includes receivables from pledges of project support from various organizations (such

as the Waldensian Church, State Secretariat for Migration (SEM), cantonal churches, etc.) as well as receivables from services rendered (from projects).

6.3.4 Property, plant and equipment in CHF	Situation	Additions	Disposals	Situation
Acquisition value or current gross value	1.1.2018			31.12.2018
Land and buildings	4'965'241	300'328	0	5'265'569
Investments in rental properties	1'626'895	0	-115'636	1'511'259
Other tangible fixed assets	1'022'532	32'974	-34'282	1'021'224
Total	7'614'667	333'302	-149'917	7'798'052
Cumulative Depreciation				
Land and buildings	-1'068'544	-91'335	0	-1'159'879
Investments in rental properties	-961'737	-116'309	115'635	-962'411
Other tangible fixed assets	-561'376	-245'490	34'282	-772'584
Total	-2'591'657	-453'134	149'916	-2'894'874
Tangible assets Coordination Offices abroad ¹	425'473	12'613	-151'470	286'616
Total	425'473	12'613	-151'470	286'616
Net book value	5'448'485	-107'219	-151'470	5'189'794

Acquisition value or current gross value	1.1.2019			31.12.2019
Land and buildings	5'265'569	13'312	0	5'278'881
Investments in rental properties	1'511'259	0	-13'552	1'497'707
Other tangible fixed assets	1'021'224	58'964	-49'143	1'031'044
Total	7'798'052	72'276	-62'695	7'807'632
Cumulative Depreciation				
Land and buildings	-1'159'879	-91'489	0	-1'251'368
Investments in rental properties	-962'411	-69'744	0	-1'032'155
Other tangible fixed assets	-772'584	-163'299	28'225	-907'657
Total	-2'894'874	-324'532	28'225	-3'191'181
Tangible assets Coordination Offices abroad ¹	286'616	88'272	-146'865	228'023
Total	286'616	88'272	-146'865	228'023
Net book value	5'189'794	-163'984	-181'335	4'844'475

¹⁾ Based on the existing database, the straight-line method of depreciation is applied to the tangible fixed assets of coordination offices abroad. The «Disposals» column

reflects ordinary depreciation. Foreign currency differences are negligible.

6.3.5 Financial assets in CHF	31.12.2018	31.12.2019
Investments/shares in projects with mixed sponsorship:		
– TEXAID Textilverwertungs AG ^{1, 3} (125 registered shares at a par value of CHF 1'000 = 8.34 %).	125'652	125'652
– Genossenschaft Wohnstadt Basel ³ (Share certificate CHF 100'000)	100'000	100'000
– OIKOKREDIT, Ecumenical Development Cooperative Society (share certificates EUR 27'277 + USD 26'525)	56'886	55'336
Total investments/shares in projects with mixed sponsorship	1	1
– Claro fair trade AG (102 registered shares CHF 316 = 0.69 %)	6'769	6'769
Total investments/shares in projects with mixed sponsorship	289'307	287'757
Loans to third parties ²	1'568'437	2'105'393
Other loans to third parties and rent guarantees	978'909	981'140
Total loans	2'547'346	3'086'533
Total	2'836'653	3'374'290

¹⁾ The book value of the stake in TEXAID Textilverwertungs AG also includes the share in the «TEXAID Arbeitsgemeinschaft für Altkleidersammlung schweizerischer Hilfswerke, Schattdorf».

²⁾ Loans to organizations in Romania, Moldova, Kosovo and Honduras to finance microcredit projects as well as new participatory projects to promote agriculture in several countries.

³⁾ Valued at acquisition cost less any necessary value adjustments.

6.3.6 Intangible assets in CHF	Situation	Additions	Disposals	Situation
Acquisition value or current gross value	1.1.2018			31.12.2018
Intangible assets	1'061'234	294'206	0	1'355'439
Cumulative Depreciation				
Intangible assets	–326'307	–225'016	0	–551'323
Net book value	734'927	69'190	0	804'116
Acquisition value or current gross value	1.1.2019			31.12.2019
Intangible assets	1'355'439	76'177	0	1'431'616
Cumulative Depreciation				
Intangible assets	–551'323	–262'678	0	–814'001
Net book value	804'116	–186'501	0	617'615

6.3.7 Restricted non-current assets in CHF	Situation	Additions	Disposals	Situation
Acquisition value or current gross value	1.1.2018			31.12.2018
Land and buildings	2'541'083	0	0	2'541'083
Cumulative Depreciation				
Land and buildings	–631'121	–50'000	0	–681'121
Net book value	1'909'962	–50'000	0	1'859'962
Acquisition value or current gross value	1.1.2019			31.12.2019
Land and buildings	2'541'083	0	0	2'541'083
Cumulative Depreciation				
Land and buildings	–681'121	–45'458	0	–726'579
Net book value	1'859'962	–45'458	0	1'814'504

This is a property that was bequeathed to HEKS/EPER for a specific purpose. It is an investment property; all net proceeds will go toward the funding of humanitarian aid projects.

6.3.8 Other short-term liabilities in CHF	31.12.2018	31.12.2019
Liabilities to government bodies and social insurances	4'108'113	4'628'360
Other liabilities	133'798	294'156
Total	4'241'912	4'922'516

6.3.9 Accrued expenses and deferred income in CHF	31.12.2018	31.12.2019
Deferrals accrued vacation/overtime	1'052'308	1'030'448
Other accrued expenses and deferred income	541'481	946'371
Total	1'593'789	1'976'819

6.3.10 Long-term financial liabilities in CHF	31.12.2018	31.12.2019
Long-term financial liabilities	1'000'000	1'000'000
Total	1'000'000	1'000'000

Interest-free loan granted by a donor and which can subsequently be converted into a gift.

6.3.11 Provisions in CHF	Situation 1.1.2019	Creation	Utilisation	Release	Situation 31.12.2019
Provision for rented premises ¹	146'218	0	0	0	146'218
Provision for pension obligations to staff of Coordination Offices abroad	781'813	65'869	21'593	187'457	681'819
Total	928'031	65'869	21'593	187'457	828'037

¹) The «Provision for rented premises» is a provision for damage by tenants and for the costs of dismantling improvements made by tenants.

6.3.12 Earmarked funds in CHF	31.12.2018	31.12.2019
Earmarked funds	34'794'469	31'478'307
Total	34'794'469	31'478'307

HEKS/EPER uses donations for their intended purpose, irrespective of whether the earmarking designates individual projects or entire fields of activity. Donations are often earmarked such that they cannot be used in the same year. On average, they remain 9 to 12 months in the earmarked funds until they can be used for their intended purpose. Besides, the funds also

contain substantial bequests with the specification that they be used over a long period of time. A record is kept of the status and use of earmarked donations and contributions for more than 300 funds. The «Statement of changes in capital» shows a summary of these funds on page 10.

6.3.13 Tied capital in CHF	31.12.2018	31.12.2019
Strategic development projects organization-wide	2'855'297	2'673'283
Value fluctuation reserve for securities ¹	4'140'000	4'668'933
Total	6'995'297	7'342'216

¹) To cushion price fluctuations affecting non-current assets, HEKS/EPER creates a value fluctuation reserve for securities. No donations may be used for the creation of this reserve.

Target level and calculation of the value fluctuation reserve

10% for Bonds CHF	600'418	754'170
15% for Bonds FX	476'426	487'631
30% for shares	2'780'803	3'144'974
5% for real estate	282'159	282'159
Total target level	4'139'806	4'668'933
Reserve surplus +/- reserve deficit –	194	0
Existing value fluctuation reserve as % of the securities portfolio	16.3 %	16.4 %

6.3.14 Information on the capital of the organization

On 1 January 2004 HEKS/EPER was converted from an association into a foundation under Swiss law and endowed with foundation capital of CHF 200'000. The foundation capital was paid in by the Federation of Swiss Pro-

testant Churches, Berne. Income or expenditure surpluses are offset against «Free capital».

6.3.15 Pension schemes in CHF

Economic benefit/ economic liability and pension benefit expense	Over/Under- funding ¹	Organization's share of economic liability		Change from prior year or affecting net income in business year	Contributions concerning the business period	Pension benefit expense	
	31.12.2019	31.12.2018	31.12.2019			2018	2019
Pension scheme (share of collective foundation)	0	0	0	0	2'395'305	2'371'114	2'395'305
Employer-funded employee benefits foundation	2'816'759	0	0	0	0	0	0

¹) Last available audited financial statements of Stiftung Abendrot and Patronale Personalfürsorgestiftung as at 31.12.2018

6.4 NOTES TO THE OPERATING STATEMENT

HEKS/EPER received no substantial donations in kind in the year under review.

6.4.1 Project income from services in CHF

The HEKS/EPER 2018 – 2022 Strategy sets «Advocacy for the socially disadvantaged» and «Social Integration» as strategic priorities for work in

Switzerland. The following compilation of income from services shows its distribution across the strategic priorities and regional offices.

Income from services 2019

	Total 2018	AG/SO	Both Basels	Berne	Eastern CH.	ZH/SH	Western CH	Head office	Total 2019
Advocacy for the socially disadvantaged	3'782'111	156'213	46'920	0	215'624	141'421	2'909'160	5'277'580	8'746'917
Legal advice and representation for asylum seekers	569'764	152'452	46'920	0	215'624	141'421	92'147	5'277'580	5'926'143
Social aid representation during interviews of asylum seekers	1'697'901	0	0	0	0	0	1'201'639	0	1'201'639
Various projects relating to advocacy for the socially deprived	1'514'446	3'761	0	0	0	0	1'615'374	0	1'619'135
Social Integration	12'569'272	2'910'098	2'894'237	3'433'731	651'822	2'470'140	31'220	0	12'391'249
Labour market integration	3'642'529	144'699	5'080	3'028'520	208'261	24'132	19'880	0	3'430'571
Structured daily routines/encounters	2'632'031	111'436	0	42'363	163'746	2'334'299	9'295	0	2'661'140
Assisted living	2'335'115	1'243'331	996'355	0	0	0	0	0	2'239'686
Language	655'315	0	0	362'848	279'566	106'740	0	0	749'153
Intercultural interpreting and mediation	3'226'377	1'409'932	1'886'431	0	0	0	0	0	3'296'363
Child and parent education	64'150	0	6'372	0	0	0	0	0	6'372
Age and migration	13'756	700	0	0	250	4'969	2'045	0	7'964
Various projects	135'159	0	4'542	935	114'178	0	0	0	119'655
Various projects	135'159	0	4'542	935	114'178	0	0	0	119'655
Total income for work in Switzerland	16'486'542	3'066'311	2'945'699	3'434'666	981'624	2'611'561	2'940'380	5'277'580	21'257'821

6.4.2 Contributions Federal Government and various organizations for work abroad in CHF

	2018	2019
SDC programme contribution South	7'100'000	7'100'000
SDC programme contribution Eastern Europe	642'000	580'000
SDC mandates South	52'370	0
DFA/HSD mandates South	145'000	0
SDC mandates East	1'236'895	311'985
SEM mandates East	50'000	0
SDC mandates HA	115'000	239'000
Total Federal Government contributions	9'341'265	8'230'985
Ministry of Foreign Affairs of Denmark – Danida	154'762	302'580

Receipts from SDC are shown in detail by category (see «Statement of changes in capital», Chapter 5).

6.4.3 Target amounts of cantonal churches in CHF

	2018	2019
Contribution targets for Cantonal Churches as set out in Chapter 7	2'173'395	2'212'606
Total	2'173'395	2'212'606

6.4.4 Communications (net expenditure) in CHF

	2018	2019
Communications and general advertising expenditure.	3'230'493	2'833'022
Net total	3'230'493	2'833'022

6.4.5 Fundraising (net expenditure) in CHF	2018	2019
Fundraising	2'806'145	3'216'871
Net total ¹	2'806'145	3'216'871

Use was made of customary special terms during the reporting year.

¹⁾ Net fundraising expenditure is calculated in accordance with ZEW0 criteria and amounts to CHF 2'806'145.

6.4.6 Administration and communications in CHF	2018	2019
Administrative expenses by ZEW0 definitions ¹	10'866'689	10'646'147
As % of total expenses	14.5 %	14.4 %

¹⁾ The booking of some aspects of administrative expenditure in the annual financial statements diverges from ZEW0 criteria. The expenditure shown here

is therefore that calculated in accordance with ZEW0 criteria. The divergence from the Zewo-figure results from a change in project volume.

6.4.7 Financial result from investment income in CHF	2018	2019
Financial income		
Income from shares	311'173	513'920
Income from bonds	132'824	85'661
Other interest income	55'894	27'584
Price differences on shares (realized and unrealized)	0	2'447'684
Price differences on bonds (realized and unrealized)	0	0
Other financial income	45'018	-30'145
Miscellaneous income	1'577	0
Total	546'486	3'044'704
Financial expenses		
Price differences on shares (realized and unrealized)	-1'258'013	0
Price differences on bonds (realized and unrealized)	-432'125	0
Financial expenses	-70'746	-90'468
Other financial expenses	-73'632	-155'758
Total	-1'834'516	-246'227
Net financial result	-1'288'030	2'798'477

6.4.8 Real estate performance in CHF	2018	2019
Real estate income	459'420	446'521
Real estate expenses	-49'242	-58'922
Depreciation on land and buildings (see 6.3.4)	-91'335	-91'489
Depreciation on restricted non-current assets (see 6.3.7)	-50'000	-45'457
Appropriation from earmarked real estate to humanitarian aid	0	-111'000
Total	268'843	139'654

6.4.9 Change in value fluctuation reserves in CHF	2018	2019
Value fluctuation reserve for securities (Release + / Allocation to -)	560'000	-528'933
Total	560'000	-528'933

To cushion price fluctuations affecting non-current assets, HEKS/EPER creates a value fluctuation reserve for securities. No donations may be used

to create this reserve (for target amount and calculation, see 6.3.13).

6.5 FURTHER INFORMATION

All amounts in CHF	2018	2019
Debt guarantees and guarantee obligations	p.m.	p.m.
Joint and several liability from participation in the following ordinary partnerships: – ARGE TEXAID (see Notes, 6.3.5) – Alliance Sud, Berne Textilverwertungs AG, Schattdorf (TEXAID, see Notes, 6.3.5): Loan guarantee contract worth CHF 200'000 (subordinated loan)		
Leasing / rental liabilities		
There are no lease obligations. Rental obligations that cannot expire or be terminated within 12 months amount to CHF 7'867'749 (previous year CHF 3'051'926). Of this amount, CHF 1'232'711 is due within the next 12 months, CHF 3'218'909 in 1 to 5 years' time and CHF 2'839'340 in over 5 years.		
Liens		
Property, plant and equipment are free of liens.		
Liabilities to pension schemes	0	0
Total depreciation	728'151	779'532
Staff costs	38'802'268	38'966'565
including occupational pension contributions	2'371'114	2'395'305
Board of Trustee remuneration	45'115	46'130
including to the President (honorariums and attendance fees)	34'115	30'380
Remuneration of the Executive Board (incl. employer contributions)	1'127'364	1'059'145
including employer contributions	168'954	171'061
Remuneration to the Director	176'907	157'945
Auditors' fee		
Audit services	53'000	53'000
Volunteer work		
The following hours of unpaid work were done	18 153	11 849
Associated organizations		
Alliance Sud Contribution paid	373'418	380'572
Act Alliance Contribution paid	57'067	57'336
Act Alliance EU Contribution paid	35'291	33'840
World Council of Churches Contribution paid	53'000	25'000
humanrights.ch Contribution paid	10'000	10'000

Representation in bodies

HEKS/EPER is member of local and international organizations.

Representation in leading bodies

- Alliance Sud, Berne
- Arbeitsgemeinschaft TEXAID, Schattdorf
- Arbeitskreis Tourismus und Entwicklung
- Ausschuss der Diakoniekonferenz des Schweiz. Evangelischen Kirchenbundes (SEK)
- Fondia Stiftung zur Förderung der Gemeindediakonie im SEK, Berne
- SRC Swiss Refugee Council

Memberships:

- ACT Alliance
- Cinfo
- Ecumenical Advocacy Alliance
- IRAS COTIS Interreligiöse Arbeitsgemeinschaft in der Schweiz
- KOFF Center for Peacebuilding
- Max Havelaar Foundation
- NPO Finanzforum

- SKOS Swiss Conference of Welfare Organizations
- Swiss Fairtrade
- Swiss NGO DRR Platform
- Verband Arbeitsintegration Schweiz
- Verein Benevol (umbrella organization for volunteering)
- Verein humanrights.ch
- World Council of Churches

Events occurring after the balance sheet date

No events occurred between 31 December 2019 and the date of approval of these financial statements to warrant any adjustment of the book values of HEKS/EPER assets and liabilities as at 31 December 2019 or which should be published here.

Neither has the outbreak of COVID-19 impacted the book values of assets and liabilities in the 2019 financial statements. Given the uncertainties as to the evolution of the current situation, the organization is unable at this time to offer a reliable assessment of future implications for assets, the financial position and operating results. On 3 April 2020 the Board of Trustees approved the annual financial statements for publication.

7 CONTRIBUTIONS FROM SPONSORING CHURCHES

in CHF

Sponsoring churches 2019	Regular target amount	Contributions received	Target amount for refugee work	Contributions received
Aargau	191'897	191'897	81'098	81'098
Appenzell, both	24'124	24'124	10'195	10'195
Rural Basel	112'553	112'553	47'566	47'566
Basel City	40'646	46'477	17'178	17'178
Berne-Jura-Solothurn	615'731	615'731	260'216	50'000
Fribourg	33'599	33'599	14'200	14'200
Geneva, Eglise évangélique libre	1'571	1'571	664	664
Geneva, Eglise protestante	32'987	32'987	13'941	13'941
Glarus	13'705	13'705	5'792	5'792
Grisons	71'711	71'711	30'306	30'306
Lucerne	41'648	41'648	17'601	17'601
Neuchâtel	21'961	21'961	9'281	9'281
Nidwalden	5'272	5'272	2'228	2'228
Obwalden	2'207	2'207	933	933
St. Gallen	126'029	126'029	53'261	53'261
Schaffhausen	32'603	32'603	13'779	13'779
Schwyz	21'279	21'279	8'993	8'993
Solothurn	28'596	28'596	12'085	12'085
Ticino	4'640	3'172	1'961	0
Thurgau	94'078	100'000	39'759	10'000
Uri	1'547	1'547	654	654
Vaud	223'574	35'747	94'485	0
Valais	6'753	6'753	2'854	2'854
Zug	30'422	30'422	12'857	12'857
Zurich	658'814	600'000	278'423	215'000
United Methodist Church Zurich	11'015	11'015	4'655	4'655
Total	2'448'962	2'212'606	1'034'965	635'122

8 MANAGEMENT REPORT

Purpose of the organization

HEKS/EPER acts on behalf of the Protestant Churches in Switzerland. Its fields of activity are determined by mandates from these sponsors. Internationally, they are Development cooperation and humanitarian aid in Africa, Asia, Europe and Latin America as well as church cooperation in Eastern Europe and the Middle East. In Switzerland, they are Social inclusion and advocacy for asylum seekers, recognized refugees and other socially disadvantaged people, as well as public relations (information in Switzerland).

Organs

Information on the Board of Trustees, Control Committee and Organizational chart can be found online at en.heks.ch/annual-report

Full-time equivalents / staff complement

As of 31.12.2019 the staff complement was equivalent to 245,85 fulltime positions.

All amounts in CHF

EXPENDITURE FOR WORK IN SWITZERLAND

	AG/SO	Both Basels	Berne	Eastern CH	ZH/SH	Western CH	Head office	Total 2019
Advocacy for the socially disadvantaged	444'281	406'485	0	609'764	568'605	2'473'435	4'033'080	8'535'651
Legal advice and representation for asylum seekers	444'141	406'485	0	549'326	568'605	620'968	4'017'464	6'606'989
Social aid representation during interviews of asylum seekers	0	0	0	0	0	919'002	0	919'002
Various projects relating to advocacy for the socially deprived	141	0	0	60'438	0	933'465	15'616	1'009'660
Social Integration	3'469'609	3'822'270	4'636'887	1'559'601	2'809'236	1'598'417	494'490	18'390'510
Labour market integration	258'900	83'762	3'404'094	339'675	172'923	317'547	0	4'576'899
Structured daily routines/encounters	269'561	97'469	286'729	253'232	2'228'918	202'311	0	3'338'219
Assisted living	1'285'728	1'015'948	0	0	0	0	0	2'301'675
Language	0	0	946'064	882'579	260'104	127'855	0	2'216'603
Intercultural interpreting and mediation	1'533'867	2'366'779	0	0	0	527'946	494'490	4'923'082
Child and parent education	0	199'879	0	0	0	0	0	199'879
Age and migration	121'554	58'434	0	84'116	147'291	422'758	0	834'153
Various projects and project contributions	17'140	100	54'644	91'888	2'024	0	13'922	179'717
Various projects	0	0	53'474	88'581	0	0	0	142'055
Project contributions to third parties	17'140	100	1'170	3'306	2'024	0	13'922	37'662
Project support and groundwork	207'953	292'661	250'698	202'634	194'063	249'747	587'902	1'985'660
Overall expenditure for work in Switzerland	4'138'984	4'521'517	4'942'229	2'463'888	3'573'928	4'321'599	5'129'394	29'091'537

Risk assessment

The HEKS/EPER Board of Trustees has issued risk management guidelines and principles and requested the Executive Board to undertake a risk analysis at least once a year. The risk management system allows not only for the early identification and analysis of risks but also for the taking of appropriate action. The risk assessment process requires the systematic recording and evaluation of risks, their prioritization, the assessment of their impact and the monitoring of action to avoid or minimize them. The risks are summarized in a risk and control matrix.

Further information

Further information and components of the management and performance report can be found online at en.heks.ch/annual-report

PROJECT CONTRIBUTIONS WORK ABROAD

Strategic priority topics	Europe	Africa	Asia	Latin America	Supranational	Total 2019
Development cooperation	4'171'122	3'608'240	3'906'934	3'659'932		15'346'227
Developing rural communities	3'869'558	3'429'541	2'402'961	2'598'923		12'300'982
Peace-building and conflict management	301'564	113'932	1'384'378	933'761		2'733'635
Various development cooperation projects	0	64'766	119'595	127'249		311'609
Church cooperation	1'903'569	0	450'911	0		2'354'480
Total expenditure for projects abroad (excl. humanitarian aid)	6'074'691	3'608'240	4'357'844	3'659'932		17'700'707
Transnational projects and networks					1'028'600	1'028'600
Project support and groundwork						3'204'791
Total expenditure work abroad (excl. humanitarian aid)	6'074'691	3'608'240	4'357'844	3'659'932	1'028'600	21'934'098
Humanitarian aid projects						9'821'298
Project support and groundwork						1'308'342
Total expenditure humanitarian aid						11'129'639
Overall expenditure for work abroad						33'063'737

1) Project support and management costs are allocated to humanitarian aid according to the costs-by-cause principle.

HUMANITARIAN AID	2018	2019	+/-
Asia regional	0	212'564	212'564
Bangladesh	183'262	1'914'346	1'731'084
Brazil	0	55'117	55'117
Democratic Republic of the Congo	463'618	1'138'198	674'580
Ethiopia	271'097	0	-271'097
Haiti	396'886	1'160'950	764'064
Honduras	200'000	142'104	-57'896
India	465'293	91'980	-373'312
Indonesia	271'256	814'578	543'322
Iraq	928'486	1'556'683	628'196
Italy	255'711	0	-255'711
Lebanon	633'285	384'785	-248'500
Nigeria	0	16'964	16'964
Pakistan	100'326	0	-100'326
Palestine /Israel	63'323	226'038	162'716
Philippines	800	0	-800
Serbia	163'191	91'988	-71'203
South Sudan /Uganda	1'737'576	438'152	-1'299'423
Syria	690'334	463'077	-227'256
Uganda	0	524'068	524'068
Yemen	0	4'498	4'498
Zimbabwe	170'000	585'206	415'206
Total project contributions Humanitarian aid	6'994'442	9'821'298	2'826'856

SUPRANATIONAL TASKS	2019	2019	+/-
Supranational tasks in Europe, Africa, Asia and Latin America	1'127'816	1'028'600	99'216
Total project contributions supranational tasks	1'127'816	1'028'600	99'216

EUROPE	2018	2019	+/-
Europe regional	356'189	342'274	-13'915
Armenia	397'851	446'195	48'344
Czech Republic	1'499'326	1'438'684	-60'641
Georgia	46'720	39'031	-7'689
Hungary	263'319	266'703	3'383
Italy	1'500'540	952'827	-547'713
Kosovo	1'808'448	1'351'072	-457'375
Republic of Moldova	605'200	284'982	-320'218
Romania	41'257	44'097	2'840
Serbia	211'899	203'285	-8'614
Slovakia	435'372	371'611	-63'762
Ukraine	316'685	333'769	17'084
Total project contributions Europe	7'482'807	6'074'531	-1'408'275
AFRICA	2019	2019	+/-
Democratic Republic of the Congo	580'209	576'253	-3'956
Ethiopia	639'409	552'929	-86'480
Niger	1'483'043	1'087'144	-395'899
Senegal	1'056'570	1'169'000	112'430
South Sudan	880'179	222'913	-657'265
Zimbabwe	31'882	0	-31'882
Total project contributions Africa	4'671'292	3'608'240	-1'063'052
ASIA	2019	2019	+/-
Asia regional	122'736	102'384	-130'333
Bangladesh	1'419'172	1'292'603	-126'569
Cambodia	563'473	349'872	-213'601
India	984'848	1'024'195	39'347
Lebanon	15'812	58'847	43'035
Myanmar	75'868	123'984	48'116
Palestine/Israel	1'897'334	1'013'896	-883'438
Syria	374'575	392'064	127'470
Total project contributions Asia	5'453'818	4'357'844	-1'095'974
LATIN AMERICA	2019	2019	+/-
Latin America regional	91'685	127'247	35'562
Brazil	1'432'637	1'115'733	-316'903
Colombia	1'435'744	883'043	-552'701
Haiti	766'999	840'037	73'039
Honduras	798'827	693'871	-104'956
Total project contributions Latin America	4'525'892	3'659'932	-865'960

9 AUDITORS' REPORT



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Report of the Statutory Auditor to the Board of Trustees of

Foundation Hilfswerk der Evangelischen Kirchen Schweiz, Zurich

Report of the Statutory Auditor on the Financial Statements

As statutory auditor, we have audited the annual financial statements shown on page 3 to 17 of Foundation Hilfswerk der Evangelischen Kirchen Schweiz, which comprise the balance sheet, income statement, cash flow statement, statement of changes in equity and notes for the year ended December 31, 2019. In accordance with Swiss GAAP FER 21 the information in the performance report is not subject to audit or examination work performed by the statutory auditor.

Board of Trustees' Responsibility

The board of trustees is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law, the foundation's charter and regulations and Swiss GAAP FER. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The board of trustees is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended December 31, 2019 comply with Swiss law, the foundation's charter, the regulations and give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the board of trustees.

We recommend that the financial statements submitted to you be approved.

KPMG AG

Reto Kaufmann
Licensed Audit Expert
Auditor in Charge

Fabian Spörri
Licensed Audit Expert

Zurich, April 3, 2020

10 GENERAL NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Overview

Operating income was CHF 68,4 million, which was short of expectations, while expenditure remained within budget at CHF 73,9 million.

In total HEKS/EPER allocated CHF 63,3 million for 248 projects abroad and in Switzerland. CHF 15,3 million went to supporting development cooperation projects in Africa, Asia, Latin America and Europe. A further CHF 2,4 million went to church cooperation in Eastern Europe and the Middle East. HEKS/EPER also provided CHF 9,8 million worth of humanitarian aid in the aftermath of droughts and natural disasters, as well as in conflict zones. HEKS/EPER spent CHF 27,1 million in Switzerland as follows: CHF 18,4 million for projects to promote inclusion for socially underprivileged people and CHF 8,5 million for legal advice to asylum seekers, recognized refugees and other target groups.

Income

The main factors behind the negative operating result of minus CHF 5,5 million included greater economic pressure in a highly competitive environment especially with regard to mandates abroad and cantonal service contracts in Switzerland, as well as declining donations from institutional donors and for emergency aid projects. This result is still some CHF 3,4 million above that of the previous year, however (minus CHF 8,9 million).

Receipts from work in Switzerland were CHF 31,1 million and accounted for 45 per cent of overall income. Cantonal churches, church parishes and other church organizations contributed CHF 10,8 million (16 per cent). Contributions from the Confederation, cantons and municipalities were CHF 13,9 million (20 per cent), from private individuals CHF 10,9 million (16 per cent) and from Swiss Solidarity CHF 1,8 million (3 per cent). Earnings from services provided by the five German-speaking Regional Offices and the Business Office in Western Switzerland contributed CHF 21,2 million (31 per cent) to the overall result, attributable largely to the new legal protection projects at the federal asylum centres.

Expenditure

Spending for development cooperation (work abroad) was below budget. In humanitarian aid in contrast, spending increased owing to project-related financial commitments. Expenditure for work in Switzerland, meanwhile, remained mostly below budget.

In work abroad, less investments went into projects mainly in Africa (minus CHF 1,1 million), especially in Zimbabwe and Niger. Asia too saw reduced investment (minus CHF 1,1 million), mostly in Palestine/Israel.

The unstable political situation in some project countries, as well as operating environments rendered more difficult by financial restrictions also contributed to the fall in expenditure.

Compared to the previous year, humanitarian aid spending varied considerably depending on project country. Overall spending was up CHF 2,8 million, including in Bangladesh (plus CHF 1,7 million), Iraq (plus CHF 0,6 million), Haiti (plus CHF 0,8 million), Indonesia (plus CHF 0,5 million) and in the DR of the Congo (plus CHF 0,7 million). Expenditure was less in several regions, however, including in South Sudan/Uganda (minus CHF 1,3 million), India (minus CHF 0,4 million) and in Lebanon (minus CHF 0,2 million).

In Switzerland, spending fell for all Regional Offices due among other things to a reduced volume of orders in asylum and migration-related projects. By contrast, spending at headquarters in Switzerland rose considerably owing to the newly acquired legal protection and interpreting services projects at the federal asylum centres (BAZ) in Eastern Switzerland and North-western Switzerland.

Administrative costs

The share of administrative costs in total expenditure (CHF 10,6 million) was 14,4 per cent (Zewo rate). This places HEKS/EPER below the average for Zewo-certified non-profit organizations (21 per cent).

Financial and real estate income

Real estate income declined to CHF 0,1 million. Contrastingly, a good stock market year produced a net book profit of CHF 2,8 million. The value fluctuation reserve therefore again had to be increased by CHF 0,5 million, which amount was charged against operating income.

Funding trends

As a result of the difference between expenditure and income, CHF 3,3 million (prior year CHF 7,7 million) of saved capital from existing funds was invested in project work in Switzerland and abroad. This brought the remaining fund capital to CHF 31,5 million: CHF 9,0 million for Switzerland, CHF 12,2 million for work abroad and CHF 10,2 million for humanitarian aid.

Result

The value fluctuation reserve was increased by CHF 0,5 million. Besides, an allocation of CHF 0,4 million was made to the organization's unrestricted capital and a deduction of CHF 0,2 million made from tied capital. This balances the annual result.

11 THANK YOU

We are deeply grateful to all donors who have supported our work through large and small contributions as well as personal involvement, for their commitment and for the trust they have placed in us.

Church parishes and city associations contribute substantially to the funding of our projects. In 2019 they supported us to the tune of some CHF 7,0 million. «Bread for All» raised CHF 1,3 million for our projects last year.

The following are the church parishes that transferred 10'000 francs or more directly to HEKS/EPER in the year under review. Church parishes that contributed through Cantonal Churches or «Bread for All» are not listed. A big thank you goes also to the Cantonal Churches and to the Evangelical Methodist Church of Switzerland.

Aware that many smaller church parishes, partners, foundations and authorities embrace our causes with determination and enthusiasm, we take this opportunity to convey our gratitude for all donations large or small, which enable HEKS/EPER to effect big changes from small beginnings. We also thank the countless private persons who supported us with donations. We will use donations conscientiously and effectively – for a more just and a more humane world.

The following church parishes have donated 10'000 francs and more: Bern Gesamtkirchgemeinde, Bern Nydegg, Bern Bremgarten, Biel Gesamtkirchgemeinde, Brienz, Bülach, Burgdorf, Chamblandes, Diakonissen-Schwesternschaft Zollikerberg, Dietlikon, Dübendorf, Ennenda, Erlenbach ZH, Frauenfeld, Frick, Gsteig-Interlaken, Herrliberg, Herzogenbuchsee, Hilterfingen, Hinwil, Holderbank-Möriken, Horgen, Illnau-Effretikon, Jegenstorf, Kirchberg BE, Kloten, Köniz, Küsnacht, Lucerne, Männedorf, Maur, Meilen, Mellingen, Münsingen, Münchenbuchsee, Muri-Gümligen, Muttenz, Oberdiessbach, Oberwil, Oberwinterthur, Opfikon, Ostermundigen, Pfäffikon ZH, Rapperswil-Jona, Rüti, Sargans, Schöftland, Seengen, Sigriswil, Sihltal, Spiez, St. Gallen Straubenzell, Steffisburg, Sursee, Thalwil, Thun, Turbenthal, Unterseen, Uster, Uznach, Vechigen, Wasseramt-Derendingen, Wallisellen, Wetzikon, Worb, Zofingen, Zollikofen, Zumikon, Zug, Zurich Grossmünster, Zurich Stauffacher.

We are also especially grateful to the partners, authorities and foundations that have generously supported us in the year 2019.

Partners: ARAVOH, Bread for All, Bread for the World, Caritas Aargau, Caritas both Basels, Caritas Berne, Caritas Vaud, Caritas Zurich, Centre social protestant Vaud, Chiese Evangeliche Valdesi, Christkatholische Kirchengemeinde Zürich, Dan Church Aid, Diakonie Nidelbad, Diakonie Österreich, Diakonisches Werk Berlin, Evangelical Church of Czech Brethren-Prague, Evang. Landeskirche Karlsruhe, Evang.-ref. Kirche Leer, Euxinus AG, Evangelische Frauen Schweiz EFS, Swiss Solidarity, Helvetas, Katholisches Konfessionsteil St. Gallen, Norwegian Church Aid, Promotion santé Suisse, Pro Senectute Kanton Zürich, Protestant Solidarity Switzerland, Rom. Cath. Church Basel City, Rom. Cath. Church Rural Basel, Rom. Cath. Church Thurgau, Rom. Cath. Synod of the Canton of Solothurn, Rom.

Cath. Church in the Canton of Zurich, Red Cross Canton of Thurgau, Swiss Conference of Cantonal Ministers of Education, Swiss Red Cross, Seraphisches Liebeswerk, Service de la solidarité internationale, SOS-Asile Vaud, Swisscontact, Texaid Textilverwertungs AG.

Confederation: Federal Department of Foreign Affairs (FDFA), State Secretariat for Migration (SEM), Swiss Agency for Development and Cooperation (SDC).

Cantons: Aargau, Rural Basel, Basel City, Berne, Vaud Federation for Cooperation (FEDEVACO), Geneva, Glarus, Graubünden, Jura, Loterie Romande Vaud, Loterie Romande Genève, Loterie Romande Neuchâtel, Neuchâtel, Service for International Solidarity (SSI), Schaffhausen, Solothurn, St. Gallen, Thurgau, Vaud, Valais, Zurich.

Cities and communes: Amriswil, Arbon, Berne, Vaud Federation for Cooperation (FEDEVACO), Frauenfeld, Genève, Kreuzlingen, Küsnacht, Lausanne, Lucerne, Muri bei Bern, Neuchâtel, St. Gallen, Uster, Weinfelden, Wetzikon, Winterthur, Zumikon, Zurich.

Foundations, companies and associations: Annie und Rudolf Kaufmann-Hagenbach-Stiftung, Baugarten Stiftung, C. & R. Koechlin-Vischer-Stiftung, Careerplus SA, CEN- Verein Förderung cerebr. gel. Kinder Honduras, Christoph Merian Stiftung, Dr. Stephan à Porta-Stiftung, Ernst Göhner Stiftung, Ferster-Stiftung, Fondation Agnès Delachaux, Fondation Alfred & Eugénie Baur, Fondation Philanthropique Famille Sandoz, Fondation Audemars-Piguet, Fondation Corymbo, Fondation DSR, Fondation Emilienne Jaton, Gebauer Stiftung, Fondation Gertrude Hirzel, Gesundheitsförderung Schweiz, Grisobi Holding SA, Fondation de l'Hôpital de la Providence, Fondation Jane Stale-Erzinger, Fondation Johann & Luzia Grässli, Fondation Lord Michelham of Hellingly, Fondation Lusavi, Fondation pour l'aide au protestantisme réformé, FONDIA Stiftung zur Förderung der Gemeindediakonie, Gemeinnützige Gesellschaft Kt. ZH, Gemeinnützige Stiftung Accentus, Hatt-Bucher Stiftung, Heinrich und Erna Walder Stiftung, Hotel Waldhaus P. Schmid AG, Leopold Bachmann Stiftung, Marie Anna-Stiftung, Medicor Foundation Liechtenstein, Migros-Genossenschafts-Bund, OAK Philanthropy Ltd., Otto Erich-Heynau Stiftung, Paul Schiller Stiftung, Pro Senectute Aargau, Prof. Otto Beisheim Stiftung, Publicare AG, Plato Stiftung, Stanley Thomas Johnson Stiftung, Schweiz. gemeinnützige Gesellschaft, Stiftung Drittes Millennium, Stiftung Erika und Andres Gut, Stiftung Kriegstrauma-Therapie, Stiftung Kulturprozent der Migros Aare, Stiftung Paul und Rosa Kambly-Reichen, Stiftung Sonnenschein, Tschanz Treuhand AG, U.W. Linsi Stiftung, Walter Stiftung.

Swiss Solidarity: Swiss Solidarity provided CHF 1,8 million in support to HEKS/EPER last year.

IMPRESSUM

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en.heks.ch/financial-report





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