



# FINANCIAL REPORT 2020



Big changes start small.

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## 2 BALANCE SHEET

in CHF	Notes	31.12.19	31.12.20
<b>ASSETS</b>			
Cash and cash equivalents	6.3.1	18'569'942	21'364'030
Securities listed on a stock exchange	6.3.2	21'275'819	23'080'925
Receivables	6.3.3	6'006'213	10'829'436
Prepaid expenses and accrued income	6.2	2'184'313	2'214'106
<b>Total current assets</b>		<b>48'036'287</b>	<b>57'488'496</b>
Financial assets	6.3.5	3'374'290	3'191'005
Property, plant and equipment	6.3.4	4'844'475	4'843'355
Intangible assets	6.3.6	617'615	526'484
Earmarked properties	6.3.7	1'814'504	1'769'047
<b>Total non-current assets</b>		<b>10'650'884</b>	<b>10'329'892</b>
<b>TOTAL ASSETS</b>		<b>58'687'171</b>	<b>67'818'388</b>
<b>LIABILITIES</b>			
Trade accounts payable		1'702'907	1'193'772
Other short-term liabilities	6.3.8	4'922'516	5'817'483
Accrued expenses and deferred income	6.3.9	1'976'819	4'168'342
<b>Total short-term liabilities</b>		<b>8'602'241</b>	<b>11'179'596</b>
Long-term financial liabilities	6.3.10	1'000'000	1'000'000
Provisions	6.3.11	828'037	916'686
<b>Total long-term liabilities</b>		<b>1'828'037</b>	<b>1'916'686</b>
<b>Total earmarked funds</b>	6.3.12	<b>31'478'307</b>	<b>37'728'671</b>
<b>Total liabilities including fund capital</b>		<b>41'908'585</b>	<b>50'824'953</b>
Foundation capital		200'000	200'000
Unrestricted capital		9'236'370	9'160'215
Tied capital	6.3.13	7'342'216	7'633'220
<b>Total capital of the organization</b>	6.3.14	<b>16'778'586</b>	<b>16'993'435</b>
<b>TOTAL LIABILITIES</b>		<b>58'687'171</b>	<b>67'818'388</b>



### 3 STATEMENT OF OPERATIONS, INCOME

in CHF

Notes

2019

2020

#### INCOME FOR WORK IN SWITZERLAND

<b>Contributions and donations from churches</b>		<b>2'063'088</b>	<b>2'102'148</b>
<b>Donations and bequests from private persons</b>		<b>1'135'464</b>	<b>2'759'329</b>
Income from services	6.4.1	21'257'821	17'203'360
Confederation		106'872	372'276
Cantons and municipalities		4'379'343	7'026'419
Foundations		1'391'902	1'772'106
Contributions from various organizations		830'716	1'671'509
<b>Contributions and donations from institutions</b>		<b>27'966'653</b>	<b>28'045'671</b>
<b>Total income for work in Switzerland</b>		<b>31'165'205</b>	<b>32'907'148</b>

#### INCOME FOR WORK ABROAD (excl. humanitarian aid)

Cantonal churches and church parishes		2'375'289	2'352'936
Bread for All		1'241'218	1'095'679
Other church organizations		575'306	546'850
Miscellaneous		161'194	308'756
<b>Contributions and donations from churches</b>		<b>4'353'008</b>	<b>4'304'220</b>
<b>Donations and bequests from private persons</b>		<b>2'310'031</b>	<b>4'715'639</b>
Confederation	6.4.2	8'042'647	8'373'147
Cantons and municipalities		980'810	1'606'641
Foundations		2'233'289	2'797'671
Contributions from various organizations		884'073	1'545'439
<b>Contributions and donations from institutions</b>		<b>12'140'818</b>	<b>14'322'898</b>
<b>Miscellaneous</b>		<b>78'490</b>	<b>82'069</b>
<b>Total income for work abroad (excl. humanitarian aid)</b>		<b>18'882'346</b>	<b>23'424'827</b>

#### INCOME FOR HUMANITARIAN AID

Cantonal churches and church parishes		996'993	1'049'823
Other church organizations		0	0
Miscellaneous		156'055	418'753
<b>Contributions and donations from churches</b>		<b>1'153'048</b>	<b>1'468'576</b>
<b>Donations and bequests from private persons</b>		<b>856'397</b>	<b>2'699'473</b>
Swiss Solidarity		1'620'481	1'963'835
Confederation	6.4.2	239'000	809'165
Cantons and municipalities		159'250	281'564
Foundations		452'000	742'057
Contributions from various organizations		2'296'930	3'385'065
<b>Contributions and donations from institutions</b>		<b>4'767'661</b>	<b>7'181'686</b>
<b>Total income for humanitarian aid</b>		<b>6'777'105</b>	<b>11'349'735</b>

#### NON-EARMARKED INCOME

Target amounts of the cantonal churches	6.4.3	2'212'606	2'237'672
Cantonal churches and church parishes		1'913'770	1'955'760
Private persons		4'088'840	4'441'068
Bequests		2'541'391	1'870'046
Miscellaneous		811'472	631'271
<b>Total non-earmarked income</b>		<b>11'568'078</b>	<b>11'135'817</b>

#### TOTAL INCOME/OPERATIONAL PERFORMANCE

68'392'735

78'817'527

**INCOME FOR WORK IN SWITZERLAND: CHF 32,9 MILLION**



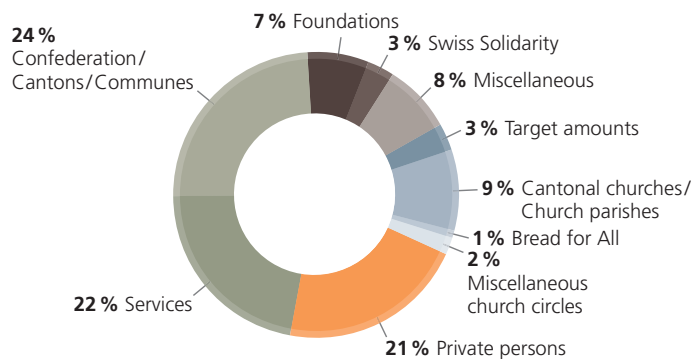
**INCOME FOR WORK ABROAD: CHF 23,4 MILLION (excl. humanitarian aid)**



**INCOME FOR HUMANITARIAN AID: CHF 11,3 MILLION**



**TOTAL INCOME: CHF 78,8 MILLION**



### 3 STATEMENT OF OPERATIONS, EXPENDITURE

in CHF

Notes

2019

2020

#### EXPENDITURE FOR WORK IN SWITZERLAND

Legal advice and representation for asylum seekers	6'606'989	7'131'669
Social aid representation during interviews of asylum seekers	919'002	821'297
Various projects regarding advocacy for the socially disadvantaged	1'009'660	987'507
<b>Advocacy for the socially disadvantaged</b>	<b>8'535'651</b>	<b>8'940'472</b>
Labour market integration	4'576'899	3'845'007
Structured daily routines and encounters	3'338'219	2'986'731
Assisted living	2'301'675	2'260'289
Language	2'216'603	2'303'293
Intercultural interpreting and mediation	4'923'082	5'391'277
Child and parent education	199'879	94'463
Age and migration	834'153	848'597
<b>Social Integration</b>	<b>18'390'510</b>	<b>17'729'658</b>
<b>Various projects and project contributions</b>	<b>179'717</b>	<b>339'760</b>
<b>Total expenditure for projects in Switzerland</b>	<b>27'105'878</b>	<b>27'009'891</b>
Project support and groundwork	1'985'660	1'813'035
<b>Total expenditure for work in Switzerland</b>	<b>29'091'537</b>	<b>28'822'926</b>

#### EXPENDITURE FOR INFORMATION IN SWITZERLAND

Information projects in Switzerland	1'181'443	1'060'221
<b>Total expenditure for information in Switzerland</b>	<b>1'181'443</b>	<b>1'060'221</b>

#### EXPENDITURE FOR WORK ABROAD

<b>Development cooperation</b>	<b>15'346'227</b>	<b>12'913'673</b>
<b>Church cooperation</b>	<b>2'354'480</b>	<b>2'080'801</b>
<b>Total expenditure for projects abroad (excl. humanitarian aid)</b>	<b>17'700'707</b>	<b>14'994'474</b>
Transnational projects and networks	1'028'600	935'542
Project support and groundwork	3'204'791	2'978'949
<b>Total expenditure for work abroad (excl. humanitarian aid)</b>	<b>21'934'098</b>	<b>18'908'965</b>
Humanitarian aid projects	9'821'298	11'299'928
Project support and groundwork	1'308'342	1'331'702
<b>Total expenditure for humanitarian aid</b>	<b>11'129'639</b>	<b>12'631'630</b>
<b>Total expenditure for work abroad</b>	<b>33'063'737</b>	<b>31'540'595</b>
<b>Total expenditure project work</b>	<b>63'336'718</b>	<b>61'423'741</b>

#### ADMINISTRATION AND COMMUNICATIONS

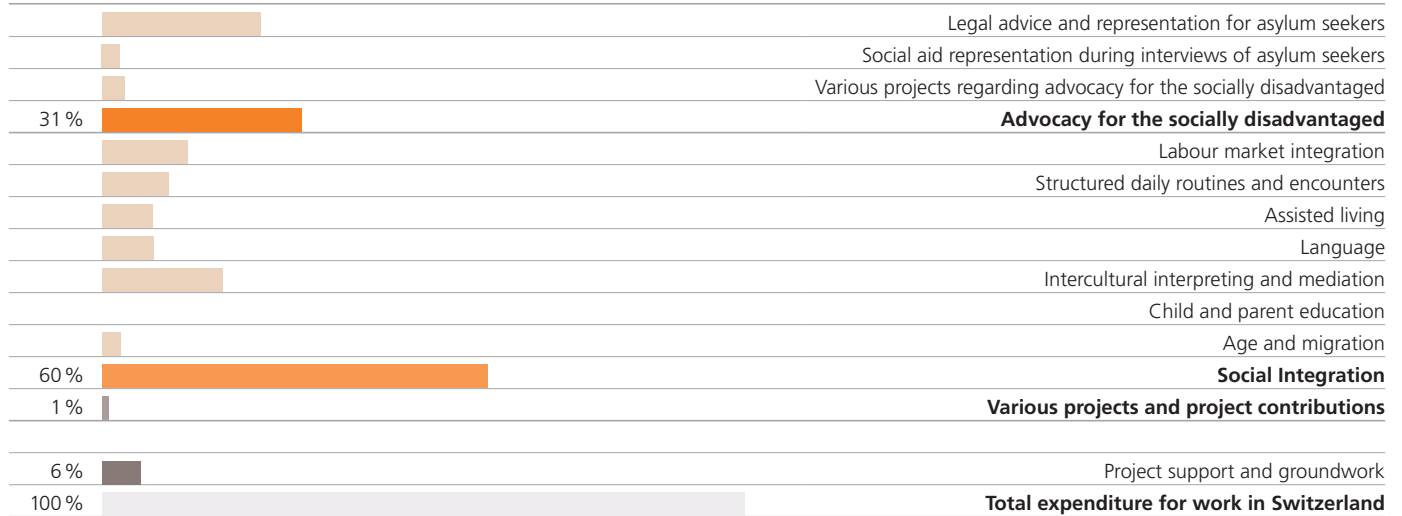
Central Administration		4'470'772	4'966'580
Communications and general advertising expenses (net expenditure)	6.4.4	2'833'022	2'625'391
Fundraising (net expenditure)	6.4.5	3'216'871	4'219'548
<b>Total administration and communications</b>	<b>6.4.6</b>	<b>10'520'664</b>	<b>11'811'519</b>

#### TOTAL EXPENDITURE FOR PROVISION OF SERVICES

73'857'383

73'235'261

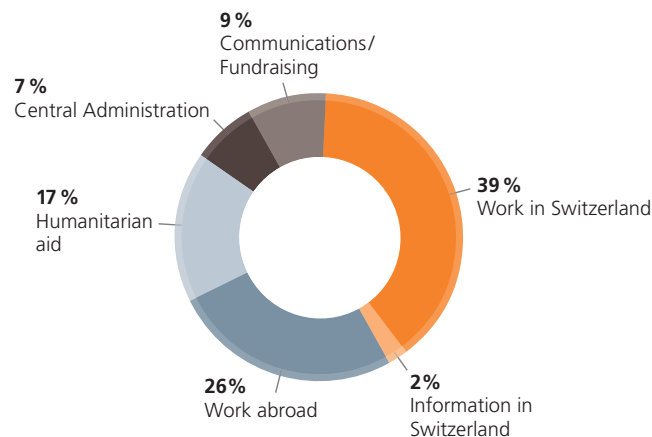
**EXPENDITURE FOR WORK IN SWITZERLAND: CHF 28,8 MILLION**



**EXPENDITURE FOR WORK ABROAD: CHF 31,5 MILLION**



**TOTAL EXPENDITURE FOR PROVISION OF SERVICES: CHF 73,2 MILLION**



### 3 OPERATING STATEMENT, EXPENDITURE (CONT'D)

in CHF	Notes	2019	2020
<b>OPERATING RESULT</b>		<b>-5'464'648</b>	<b>5'582'266</b>
Financial income from capital investments	6.4.7	3'044'704	743'040
Financial costs of investments	6.4.7	-246'227	-21'387
Real estate performance	6.4.8	139'654	161'293
Extraordinary, non-recurring or prior period expenditure and income		0	0
<b>RESULT BEFORE CHANGE IN FUND CAPITAL</b>		<b>-2'526'517</b>	<b>6'465'213</b>
Changes to funds (increase -/decrease +)		3'316'163	-6'250'364
<b>Total changes to funds</b>		<b>3'316'163</b>	<b>-6'250'364</b>
<b>ANNUAL RESULT (BEFORE ALLOCATIONS TO CAPITAL OF THE ORGANIZATION)</b>		<b>789'646</b>	<b>214'849</b>
Change tied capital (allocation -/withdrawal +)			
Strategic development projects organization-wide		182'014	285'151
Change tied capital (allocation -/withdrawal +)			
Value fluctuation reserve	6.4.9	-528'933	-576'155
Change unrestricted capital (allocation -/withdrawal +)		-442'727	76'155
		0	0



## 4 CASH FLOW STATEMENT AS AT 31 DECEMBER

in CHF

2019

2020

### CASH FLOW FROM OPERATING ACTIVITIES

Annual result (before allocation to capital of the organization)	789'646	214'849
Change in fund capital	-3'316'162	6'250'364
Depreciation on property, plant and equipment/intangible assets	779'532	765'447
Provisions (creation +/release -)	-99'995	88'649
Other non-cash expenses (+)/income (-)	0	0
Securities (increase -/decrease +)	-2'826'125	-1'805'106
Receivables (increase -/decrease +)	375'439	-4'823'222
Accrued income (increase -/decrease +)	737'325	-29'793
Trade accounts payable (increase +/ decrease -)	163'598	-509'134
Other liabilities (increase +/ decrease -)	680'604	894'967
Deferred income (increase -/decrease +)	383'030	2'191'523

<b>Cash flow from operating activities (cash flow)</b>	<b>-2'333'109</b>	<b>3'238'543</b>
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### CASH FLOW FROM INVESTMENT ACTIVITIES

Investments in financial assets	-736'686	-54'083
Investments in tangible assets	-160'547	-341'794
Investments in intangible assets	-76'176	-285'946
Disposals of financial assets	199'049	237'368
Disposals of property, plant and equipment	34'470	0
Disposals of intangible assets	0	0

<b>Cash flow from investment activities</b>	<b>-739'891</b>	<b>-444'455</b>
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<b>Cash flow from financing activities</b>	<b>0</b>	<b>0</b>
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<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-3'073'000</b>	<b>2'794'089</b>
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Opening balance of cash funds (1.1.)	21'642'942	18'569'942
Closing balance of cash funds (31.12.)	18'569'942	21'364'030

<b>PROOF OF CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-3'073'000</b>	<b>2'794'089</b>
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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 <sup>1</sup>	Situation as of
in CHF	1.1.2020	2020	2020	2020	31.12.2020
<b>WORK ABROAD</b>					
<b>Work abroad</b> (excl. humanitarian aid) <sup>2</sup>	<b>12'225'438</b>	<b>23'424'827</b>	<b>-18'318'856</b>	<b>-134'005</b>	<b>17'197'404</b>
Funds for projects in Europe	992'283	2'128'923	-1'684'650	0	1'436'556
Funds for projects in Africa	402'540	3'370'283	-1'769'831	0	2'002'991
Funds for projects in Asia	7'770	1'341'448	-738'312	0	610'905
Funds for projects in Latin America <sup>3</sup>	318'086	947'429	-613'678	-129'266	522'571
Funds for sponsorship projects	1'460'402	193'187	-314'594	0	1'338'996
Funds - Organizations (BFA, etc.) <sup>3</sup>	747'712	2'963'933	-2'788'195	-4'739	918'711
SDC Funds programme contribution South incl. HA share	0	7'300'000	-7'300'000	0	0
SDC Funds programme contribution Eastern Europe	0	580'000	-580'000	0	0
SDC Funds Mandates South/project contributions	0	418'311	-372'825	0	45'486
SDC Funds Mandates East/project contributions	32'898	74'836	-107'734	0	0
Thematic funds (peace, health, leprosy/AIDS, etc.)	4'798'539	190'275	-232'778	0	4'756'036
Funds for general work abroad	3'465'208	3'916'202	-1'816'259	0	5'565'150
<b>Humanitarian aid abroad</b>	<b>10'206'307</b>	<b>11'349'735</b>	<b>-12'823'774</b>	<b>134'005</b>	<b>8'866'274</b>
Funds - Organizations (Swiss Solidarity)	226'420	1'963'835	-2'077'413	0	112'842
SDC Fund HA	0	809'165	-809'165	0	0
Funds for humanitarian aid abroad <sup>3</sup>	8'627'888	8'576'735	-9'937'195	134'005	7'401'433
Funds for humanitarian aid (restricted non-current assets)	1'351'999	0	0	0	1'351'999
<b>Total funds for work abroad</b>	<b>22'431'745</b>	<b>34'774'562</b>	<b>-31'142'630</b>	<b>0</b>	<b>26'063'677</b>
<b>WORK IN SWITZERLAND</b>					
Funds for projects in Switzerland <sup>4</sup>	2'636'323	2'642'853	-2'523'275	-5'460	2'750'441
Funds for general work in Switzerland <sup>4</sup>	5'611'479	3'850'768	-1'153'609	5'460	8'314'098
Funds - Organizations and public sector	567'655	9'210'168	-9'408'472	0	369'351
Funds for humanitarian aid in Switzerland	216'587	0	0	0	216'587
<b>Total funds for work abroad</b>	<b>9'032'044</b>	<b>15'703'788</b>	<b>-13'085'356</b>	<b>0</b>	<b>11'650'476</b>
<b>Miscellaneous funds</b>	<b>14'517</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14'517</b>
<b>RESTRICTED FUND CAPITAL</b>	<b>31'478'307</b>	<b>50'478'350</b>	<b>-44'227'986</b>	<b>0</b>	<b>37'728'671</b>
<b>Increase</b>					<b>6'250'364</b>
<b>Capital of the organization</b>					
Foundation capital	200'000	0	0	0	200'000
Unrestricted capital	9'236'370	500'000	-576'155	0	9'160'215
Tied capital					
Strategic development projects organization-wide	2'673'283	0	-285'150	0	2'388'133
Value fluctuation reserve securities	4'668'933	576'155	0	0	5'245'088
<b>CAPITAL OF THE ORGANIZATION</b>	<b>16'778'586</b>	<b>1'076'155</b>	<b>-861'305</b>	<b>0</b>	<b>16'993'436</b>

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).

<sup>1)</sup> 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.

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

<sup>3)</sup> Under Funds for projects in Latin America, one project («Water Consortium» Honduras emergency aid project) was reclassified as humanitarian aid two years ago. By virtue of the «water component», the remaining CHF 134'005 of the funds allocated for development cooperation were later reclassified under the relevant humanitarian aid fund.

<sup>4)</sup> Conclusion of a project in Switzerland. The remaining funds (CHF 5'460) were transferred to the general fund for work in Switzerland.

## 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 Protestant Church in Switzerland (PCS) 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: the Protestant Church in Switzerland (PCS), 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 Zewo 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 3'000<sup>1</sup>. 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 <sup>1</sup> /Intangible assets	2 – 5 years

<sup>1</sup>) 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 31.12.2020, 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.

6.3.2 Securities listed on a stock exchange in CHF	31.12.2019	31.12.2020
Bonds – CHF	7'541'702	6'791'324
Bonds – foreign currencies	3'250'872	4'090'527
Shares (domestic and foreign)	10'483'245	12'199'074
<b>Total</b>	<b>21'275'819</b>	<b>23'080'925</b>

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	31.12.2019	31.12.2020
Contract or nominal values	3'174'782	3'114'192
Replacement values positive	28'158	0
Replacement values negative	0	-12'324

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	31.12.2019	31.12.2020
Receivables from goods, services and commitments	5'278'612	5'213'699
Value adjustments	-46'200	-46'200
Other short-term receivables from third parties <sup>1</sup>	344'650	4'665'489
Other short-term receivables from similar organizations	329'940	902'430
Other short-term receivables from government entities	99'212	94'018
<b>Total</b>	<b>6'006'213</b>	<b>10'829'436</b>

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).

<sup>1</sup>) Advance payment of all 2021 accounts payable for liquidity optimization purposes given the negative interest rate situation (BVG, UVG, KTG)

6.3.4 Property, plant and equipment in CHF	Situation	Additions	Disposals	Situation
<b>Acquisition value or current gross value</b>	<b>1.1.2019</b>			<b>31.12.2019</b>
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
<b>Total</b>	<b>7'798'052</b>	<b>72'276</b>	<b>-62'695</b>	<b>7'807'632</b>
<b>Cumulative Depreciation</b>				
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
<b>Total</b>	<b>-2'894'874</b>	<b>-324'532</b>	<b>28'225</b>	<b>-3'191'181</b>
Tangible assets Coordination Offices abroad	286'616	88'272	-146'865	228'023
<b>Total</b>	<b>286'616</b>	<b>88'272</b>	<b>-146'865</b>	<b>228'023</b>
<b>Net book value</b>	<b>5'189'794</b>	<b>-163'984</b>	<b>-181'335</b>	<b>4'844'475</b>
<b>Acquisition value or current gross value</b>	<b>1.1.2020</b>			<b>31.12.2020</b>
Land and buildings	5'278'881	95'004	0	5'373'885
Investments in rental properties	1'497'707	22'972	0	1'520'679
Other tangible fixed assets	1'031'044	153'914	0	1'184'957
<b>Total</b>	<b>7'807'632</b>	<b>271'890</b>	<b>0</b>	<b>8'079'521</b>
<b>Cumulative Depreciation</b>				
Land and buildings	-1'251'368	-91'642	0	-1'343'011
Investments in rental properties	-1'032'155	-65'610	0	-1'097'765
Other tangible fixed assets	-907'657	-84'658	0	-992'315
<b>Total</b>	<b>-3'191'181</b>	<b>-241'910</b>	<b>0</b>	<b>-3'433'090</b>
Tangible assets Coordination Offices abroad	228'023	69'904	-101'003	196'924
<b>Total</b>	<b>228'023</b>	<b>69'904</b>	<b>-101'003</b>	<b>196'924</b>
<b>Net book value</b>	<b>4'844'475</b>	<b>99'883</b>	<b>-101'003</b>	<b>4'843'355</b>

6.3.5 Financial assets in CHF	31.12.2019	31.12.2020
Investments/shares in projects with mixed sponsorship:		
- TEXAID Textilverwertungs AG <sup>1, 3</sup> (125 registered shares at a par value of CHF 1'000 = 8.34 %).	125'652	125'652
- Genossenschaft Wohnstadt Basel <sup>3</sup> (Share certificate CHF 100'000)	100'000	100'000
- OIKOKREDIT, Ecumenical Development Cooperative Society (share certificates EUR 27'277 + USD 26'525)	55'336	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
<b>Total investments/shares in projects with mixed sponsorship</b>	<b>287'757</b>	<b>287'757</b>
Loans to third parties <sup>2</sup>	2'105'393	1'936'401
Other loans to third parties and rent guarantees	981'140	966'847
<b>Total loans</b>	<b>3'086'533</b>	<b>2'903'248</b>
<b>Total</b>	<b>3'374'290</b>	<b>3'191'005</b>

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

<sup>2)</sup> Loans to organizations in Romania, Myanmar, Kosovo and Honduras to finance microcredit projects as well as new participatory projects to promote agriculture in several countries.

<sup>3)</sup> Valued at acquisition cost less any necessary value adjustments.



6.3.6 Intangible assets in CHF	Situation	Additions	Disposals	Situation
<b>Acquisition value or current gross value</b>	<b>1.1.2019</b>			<b>31.12.2019</b>
Intangible assets	1'355'439	76'177	0	1'431'616
<b>Cumulative Depreciation</b>				
Intangible assets	-551'323	-262'678	0	-814'001
<b>Net book value</b>	<b>804'116</b>	<b>-186'501</b>	<b>0</b>	<b>617'615</b>
<b>Acquisition value or current gross value</b>	<b>1.1.2020</b>			<b>31.12.2020</b>
Intangible assets	1'431'615	285'946	0	1'717'561
<b>Cumulative Depreciation</b>				
Intangible assets	-814'001	-377'076	0	-1'191'077
<b>Net book value</b>	<b>617'614</b>	<b>-91'130</b>	<b>0</b>	<b>526'484</b>

6.3.7 Restricted non-current assets in CHF	Situation	Additions	Disposals	Situation
<b>Acquisition value or current gross value</b>	<b>1.1.2019</b>			<b>31.12.2019</b>
Land and buildings	2'541'083	0	0	2'541'083
<b>Cumulative Depreciation</b>				
Land and buildings	-681'121	-45'458	0	-726'579
<b>Net book value</b>	<b>1'859'962</b>	<b>-45'458</b>	<b>0</b>	<b>1'814'504</b>
<b>Acquisition value or current gross value</b>	<b>1.1.2020</b>			<b>31.12.2020</b>
Land and buildings	2'541'083	0	0	2'541'083
<b>Cumulative Depreciation</b>				
Land and buildings	-726'579	-45'457	0	-772'036
<b>Net book value</b>	<b>1'814'504</b>	<b>-45'457</b>	<b>0</b>	<b>1'769'047</b>

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	31.12.2019	31.12.2020
Liabilities to government bodies and social insurances	4'628'360	5'765'270
Other liabilities	294'156	52'213
<b>Total</b>	<b>4'922'516</b>	<b>5'817'483</b>

6.3.9 Accrued expenses and deferred income in CHF	31.12.2019	31.12.2020
Deferrals accrued vacation/overtime	1'030'448	1'114'016
Other accrued expenses and deferred income <sup>1</sup>	946'371	3'054'325
<b>Total</b>	<b>1'976'819</b>	<b>4'168'342</b>

<sup>1</sup>) Revenue received for the following year (including SDC, see 6.4.2)

6.3.10 Long-term financial liabilities in CHF	31.12.2019	31.12.2020
Long-term financial liabilities	1'000'000	1'000'000
<b>Total</b>	<b>1'000'000</b>	<b>1'000'000</b>

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

6.3.11 Provisions in CHF	Situation 1.1.2020	Creation	Utilisation	Release	Situation 31.12.2020
Provision for rented premises <sup>1</sup>	146'218	0	0	0	146'218
Provision for pension obligations to staff of Coordination Offices abroad	681'819	62'179	43'804	-17'334	770'467
<b>Total</b>	<b>828'037</b>	<b>62'179</b>	<b>43'804</b>	<b>-17'334</b>	<b>916'686</b>

<sup>1</sup>) 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	31.12.2019	31.12.2020
Earmarked funds	31'478'307	37'728'671
<b>Total</b>	<b>31'478'307</b>	<b>37'728'671</b>

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	31.12.2019	31.12.2020
Strategic development projects organization-wide	2'673'283	2'388'133
Value fluctuation reserve for securities <sup>1</sup>	4'668'933	5'245'087
<b>Total</b>	<b>7'342'216</b>	<b>7'633'220</b>

<sup>1</sup>) 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	31.12.2019	31.12.2020
10% for Bonds CHF	754'170	710'410
15% for Bonds FX	487'631	525'999
30% for shares	3'144'974	3'731'783
5% for real estate	282'159	276'856
Total target level	4'668'933	5'245'048
Reserve surplus +/- reserve deficit -	0	39
Existing value fluctuation reserve as % of the securities portfolio	16.4%	22.7%

#### 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 Protestant Church

in Switzerland (PCS), 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 <sup>1</sup>		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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019		2019	2020	2019	2020
Pension scheme (share of collective foundation)	0	0	0	0	0	2'319'724	2'395'305	2'319'724	
Employer-funded employee benefits foundation	2'879'469	0	0	0	0	0	0	0	0

<sup>1</sup>) Last available audited financial statements of Stiftung Abendrot and Patronale Personalfürsorgestiftung as at 31.12.2019

## 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 2020

	Total 2019	AG/SO	Both Basels	Berne	Eastern CH.	ZH/SH	Western CH	Head office	Total 2020
<b>Advocacy for the socially disadvantaged</b>	<b>8'746'917</b>	<b>104'279</b>	<b>29'583</b>	<b>0</b>	<b>295'473</b>	<b>270'507</b>	<b>1'849'149</b>	<b>6'000'373</b>	<b>8'549'365</b>
Legal advice and representation for asylum seekers	5'926'143	104'279	29'583	0	295'123	270'507	98'424	6'000'373	6'798'289
Social aid representation during interviews of asylum seekers	1'201'639	0	0	0	0	0	27'512	0	27'512
Various projects relating to advocacy for the socially deprived	1'619'135	0	0	0	350	0	1'723'213	0	1'723'563
<b>Social Integration</b>	<b>12'391'249</b>	<b>2'915'059</b>	<b>2'560'005</b>	<b>57'799</b>	<b>668'723</b>	<b>2'237'471</b>	<b>117'474</b>	<b>0</b>	<b>8'556'530</b>
Labour market integration	3'430'571	13'816	0	-420'451	213'145	48'695	0	0	-144'795
Structured daily routines/encounters	2'661'140	110'191	0	16'757	166'667	2'099'715	4'000	0	2'397'329
Assisted living	2'239'686	1'290'242	934'859	0	0	0	0	0	2'225'102
Language	749'153	0	0	461'493	288'911	84'980	613	0	835'997
Intercultural interpreting and mediation	3'296'363	1'500'809	1'589'939	0	0	0	98'438	0	3'189'187
Child and parent education	6'372	0	35'206	0	0	0	0	0	35'206
Age and migration	7'964	0	0	0	0	4'081	14'422	0	18'503
<b>Various projects</b>	<b>119'655</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>97'465</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>97'465</b>
Various projects	119'655	0	0	0	97'465	0	0	0	97'465
<b>Total income for work in Switzerland</b>	<b>21'257'821</b>	<b>3'019'338</b>	<b>2'589'588</b>	<b>57'799</b>	<b>1'061'661</b>	<b>2'507'978</b>	<b>1'966'623</b>	<b>6'000'373</b>	<b>17'203'360</b>

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

	2019	2020
<b>Federal Government contributions</b>		
SDC programme contribution South	7'100'000	7'100'000
SDC programme contribution South COVID	0	200'000
SDC programme contribution Eastern Europe	580'000	580'000
SDC mandates South/project contributions	0	418'311
SDC mandates East/project contributions	311'985	74'836
SDC mandates HA/project contributions	239'000	809'165
<b>Total funded Federal Government contributions <sup>1</sup></b>	<b>8'230'985</b>	<b>9'182'312</b>
<b>Contributions from international organizations &gt; CHF 100'000</b>		
Ministry of Foreign Affairs of Denmark – Danida		152'358
UN agencies		1'671'264
European Commission		1'507'835
Danish Church Aid – OFDA		803'726
Danish Church Aid – ECHO		694'976
Foreign Office Liechtenstein		200'000
<b>Total funded contributions from international organisations</b>		<b>5'030'159</b>

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

<sup>1)</sup> Total received from SDC CHF 9'925'312, total income deferred for 2021 CHF 743'000, of which: framework credit Covid CHF 250'000, project contributions HA CHF 479'000, project contributions South CHF 14'000.

### 6.4.3 Target amounts of cantonal churches in CHF

	2019	2020
Contribution targets for Cantonal Churches as set out in Chapter 7	2'212'606	2'237'672
<b>Total</b>	<b>2'212'606</b>	<b>2'237'672</b>

<b>6.4.4 Communications</b> (net expenditure) in CHF	<b>2019</b>	<b>2020</b>
Communications and general advertising expenditure.	2'833'022	2'625'391
<b>Net total</b>	<b>2'833'022</b>	<b>2'625'391</b>

<b>6.4.5 Fundraising</b> (net expenditure) in CHF	<b>2019</b>	<b>2020</b>
Fundraising	3'216'871	4'219'548
<b>Net total</b> <sup>1</sup>	<b>3'216'871</b>	<b>4'219'548</b>

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

<sup>1)</sup> Net fundraising expenditure is calculated in accordance with Zewo criteria.

<b>6.4.6 Administration and communications</b> in CHF	<b>2019</b>	<b>2020</b>
Administrative expenses by Zewo definitions <sup>1</sup>	10'646'147	11'824'076
<b>As % of total expenses</b>	<b>14.4 %</b>	<b>16.1 %</b>

<sup>1)</sup> The booking of some aspects of administrative expenditure in the annual financial statements diverges from Zewo criteria. The expenditure shown here is therefore that calculated in accordance with Zewo criteria.

<b>6.4.7 Financial result from investment income</b> in CHF	<b>2019</b>	<b>2020</b>
<b>Financial income</b>		
Income from shares	513'920	361'115
Income from bonds	85'661	0
Other interest income	27'584	3'800
Price differences on shares (realized and unrealized)	2'447'684	375'978
Price differences on bonds (realized and unrealized)	0	0
Other financial income	-30'145	43
Miscellaneous income	0	2'103
<b>Total</b>	<b>3'044'704</b>	<b>743'040</b>
<b>Financial expenses</b>		
Price differences on shares (realized and unrealized)	0	0
Price differences on bonds (realized and unrealized)	0	0
Financial expenses	-90'468	-94'677
Other financial expenses	-155'758	73'290
<b>Total</b>	<b>-246'227</b>	<b>-21'387</b>
<b>Net financial result</b>	<b>2'798'477</b>	<b>721'653</b>

<b>6.4.8 Real estate performance</b> in CHF	<b>2019</b>	<b>2020</b>
Real estate income	446'521	442'194
Real estate expenses	-58'922	-106'801
Depreciation on land and buildings (see 6.3.4)	-91'489	-91'642
Depreciation on restricted non-current assets (see 6.3.7)	-45'457	-45'457
Appropriation from earmarked real estate to humanitarian aid	-111'000	-37'000
<b>Total</b>	<b>139'654</b>	<b>161'293</b>

<b>6.4.9 Change in value fluctuation reserves</b> in CHF	<b>2019</b>	<b>2020</b>
Value fluctuation reserve for securities (Release + / Allocation to -)	-528'933	-576'155
<b>Total</b>	<b>-528'933</b>	<b>-576'155</b>

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	2019	2020
<b>Debt guarantees and guarantee obligations</b>	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)		
<b>Leasing / rental liabilities</b>		
There are no lease obligations. Rental obligations that cannot expire or be terminated within 12 months amount to CHF 6'998'439 (previous year CHF 7'290'971). Of this amount, CHF 1'117'549 is due within the next 12 months, CHF 3'777'342 in 1 to 5 years' time and CHF 2'103'549 in over 5 years.		
<b>Liens</b>		
Property, plant and equipment are free of liens.		
<b>Liabilities to pension schemes</b>	0	0
<b>Total depreciation</b>	779'532	765'447
<b>Staff costs</b>	38'966'565	37'789'483
including occupational pension contributions	2'395'305	2'319'724
<b>Board of Trustee remuneration</b>	46'130	40'630
including to the President (honorariums and attendance fees)	30'380	30'380
<b>Remuneration of the Executive Board</b> (incl. employer contributions)	1'059'145	813'806
including employer contributions	171'061	130'626
Remuneration to the Director	157'945	155'430
<b>Auditors' fee</b>		
Audit services	53'000	55'968
<b>Volunteer work</b>		
The following hours of unpaid work were done	11 849	9813
<b>Associated organizations</b>		
Alliance Sud Contribution paid	380'572	390'572
Act Alliance Contribution paid	57'336	104'499
Act Alliance EU Contribution paid	33'840	33'120
World Council of Churches Contribution paid	25'000	63'725
humanrights.ch Contribution paid	10'000	12'500



## Representation in bodies

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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 der Evangelisch reformierten Kirche Schweiz (EKS)
- Fondia Stiftung zur Förderung der Gemeindediakonie im SEK, Berne
- SRC Swiss Refugee Council

### Memberships:

- ACT Alliance
- Integration Contact Point Aargau (AIA)
- Cinfo
- Ecumenical Advocacy Alliance
- Federal Commission on Migration
- 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
- Transparency International
- Verband Arbeitsintegration Schweiz
- Verein Benevol (umbrella organization for volunteering)
- Verein Berner Beratungsstelle für Sans-Papiers
- Verein Hilfe für Asylsuchende
- Verein humanrights.ch
- World Council of Churches

### Events occurring after the balance sheet date: HEKS / EPER-BfA Merger

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The operational merger of HEKS/EPER and the «Bread for All Foundation» (BfA) will be prepared and effected in 2021, such that merged annual accounts can be presented as of 31.12.2021. The organizational merger of the amalgamated entity will then be effective on 01.01.2022. Pursuant to Art. 78ff of the Mergers Act (MergA), HEKS/EPER will absorb all BfA assets and liabilities retrospectively as of 01.01.2021. The merger balance sheets

of the individual agencies as of 01.01.2021 will form the basis of this. The merger process, including the merger agreement, the integration agreement and finally – after approval by the Supervisory Board for Foundations and the Board of Trustees – inscription in the commercial register, will be completed in the second half of 2021. These annual financial statements as of 31 December 2020 constitute the merger balance sheet.

## 7 CONTRIBUTIONS FROM SPONSORING CHURCHES

in CHF

Sponsoring churches 2020	Regular target amount	Contributions received	Target amount for refugee work	Contributions received
Aargau	188'634	188'634	79'719	79'719
Appenzell, both	26'284	26'284	11'108	11'108
Rural Basel	622'092	622'092	262'905	50'000
Basel City	112'650	112'650	47'607	47'607
Berne-Jura-Solothurn	27'433	29'668	11'594	12'257
Fribourg	33'842	33'842	14'302	14'302
Geneva, Eglise évangélique libre	1'571	1'571	664	664
Geneva, Eglise protestante	31'237	31'237	13'201	13'201
Glarus	15'234	15'234	6'438	6'438
Grisons	72'661	72'661	30'708	30'708
Lucerne	42'681	42'681	18'037	18'037
Neuchâtel	20'843	20'843	8'809	8'809
Nidwalden	5'498	5'498	2'324	2'324
Obwalden	3'804	3'804	1'608	1'608
St. Gallen	128'661	128'661	54'374	54'374
Schaffhausen	32'343	32'343	13'669	13'669
Schwyz	25'989	25'989	10'983	10'983
Solothurn	19'515	19'515	8'247	8'247
Ticino	103'303	100'000	43'657	10'000
Thurgau	3'157	1'041	1'334	2'557
Uri	1'461	1'461	617	617
Vaud	215'895	35'000	91'240	27'636
Valais	6'495	6'495	2'745	2'745
Zug	31'651	31'651	13'376	13'376
Zurich	665'010	665'013	215'000	215'000
United Methodist Church Zurich	11'015	11'015	4'655	4'655
<b>Total</b>	<b>2'448'959</b>	<b>2'264'883</b>	<b>968'921</b>	<b>660'642</b>

Additional contributions from sponsoring churches for legal advice and representation for asylum seekers and for the work of integrating socially disadvantaged people are not shown here.

## 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](http://en.heks.ch/annual-report)

### Full-time equivalents / staff complement

As of 31.12.2020 the staff complement was equivalent to 251,30 fulltime positions.

### 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](http://en.heks.ch/annual-report)

All amounts in CHF

### EXPENDITURE FOR WORK IN SWITZERLAND

	AG/SO	Both Basels	Berne	Eastern CH	ZH/SH	Western CH	Head office	Total 2020
<b>Advocacy for the socially disadvantaged</b>	<b>718'782</b>	<b>470'677</b>	<b>0</b>	<b>616'187</b>	<b>625'512</b>	<b>2'330'018</b>	<b>4'179'296</b>	<b>8'940'472</b>
Legal advice and representation for asylum seekers	718'782	470'677	0	558'255	625'512	586'989	4'171'454	7'131'669
Social aid representation during interviews of asylum seekers	0	0	0	0	0	821'297	0	821'297
Various projects relating to advocacy for the socially deprived	0	0	0	57'933	0	921'733	7'841	987'507
<b>Social Integration</b>	<b>3'514'760</b>	<b>3'622'928</b>	<b>4'385'555</b>	<b>1'535'338</b>	<b>2'531'540</b>	<b>1'545'424</b>	<b>594'113</b>	<b>17'729'658</b>
Labour market integration	69'803	0	3'166'765	317'043	179'481	111'916	0	3'845'007
Structured daily routines/encounters	264'552	113'142	259'615	259'757	1'886'834	202'832	0	2'986'731
Assisted living	1'262'048	998'242	0	0	0	0	0	2'260'289
Language	0	0	959'176	919'196	272'382	152'539	0	2'303'293
Intercultural interpreting and mediation	1'797'111	2'339'686	0	0	0	660'367	594'113	5'391'277
Child and parent education	0	94'463	0	0	0	0	0	94'463
Age and migration	121'247	77'395	0	39'343	192'843	417'770	0	848'597
<b>Various projects and project contributions</b>	<b>11'272</b>	<b>0</b>	<b>12'474</b>	<b>140'895</b>	<b>30'057</b>	<b>0</b>	<b>145'063</b>	<b>339'760</b>
Various projects	4'772	0	11'474	140'895	28'593	0	131'859	317'593
Project contributions to third parties	6'500	0	1'000	0	1'464	0	13'204	22'167
<b>Project support and groundwork</b>	<b>232'165</b>	<b>238'084</b>	<b>251'330</b>	<b>118'208</b>	<b>191'623</b>	<b>246'126</b>	<b>535'499</b>	<b>1'813'035</b>
<b>Overall expenditure for work in Switzerland</b>	<b>4'476'980</b>	<b>4'331'688</b>	<b>4'649'359</b>	<b>2'410'629</b>	<b>3'378'732</b>	<b>4'121'569</b>	<b>5'453'970</b>	<b>28'822'926</b>

## PROJECT CONTRIBUTIONS WORK ABROAD

Strategic priority topics	Europe	Africa	Asia	Latin America	Supranational	Total 2020
<b>Development cooperation</b>	<b>3'103'260</b>	<b>4'084'170</b>	<b>3'161'812</b>	<b>2'564'430</b>		<b>12'913'673</b>
<b>Church cooperation</b>	<b>1'588'707</b>	<b>0</b>	<b>492'094</b>	<b>0</b>		<b>2'080'801</b>
<b>Total expenditure for projects abroad</b> (excl. humanitarian aid)	<b>4'691'968</b>	<b>4'084'170</b>	<b>3'653'906</b>	<b>2'564'430</b>		<b>14'994'474</b>
<b>Transnational projects and networks</b>					<b>935'542</b>	<b>935'542</b>
<b>Project support and groundwork</b>						<b>2'978'949</b>
<b>Total expenditure work abroad</b> (excl. humanitarian aid)	<b>4'691'968</b>	<b>4'084'170</b>	<b>3'653'906</b>	<b>2'564'430</b>	<b>935'542</b>	<b>18'908'965</b>
<b>Humanitarian aid projects</b>						<b>11'299'928</b>
<b>Project support and groundwork</b>						<b>1'331'702</b>
<b>Total expenditure humanitarian aid</b>						<b>12'631'630</b>

**Overall expenditure for work abroad** **31'540'595**

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

HUMANITARIAN AID	2019	2020	+/-
Asia regional	212'564	89'295	-123'269
Bangladesh	1'914'346	3'016'670	1'102'324
Brazil	55'117	-1'245	-56'362
Democratic Republic of the Congo	1'138'198	3'684'512	2'545'627
Ethiopia	-687	454'468	455'155
Haiti	1'160'950	1'203'447	42'497
Honduras	142'104	174'786	32'681
India	91'980	0	-91'980
Indonesia	814'578	113'783	-700'795
Iraq	1'556'683	119'109	-1'437'574
Lebanon	384'785	682'898	298'113
Nigeria	16'964	0	-16'964
Palestine /Israel	226'038	414'024	187'985
Serbia	91'988	0	-91'988
South Sudan	438'152	341'077	-97'076
Syria	463'077	152'597	-310'480
Uganda	524'068	234'278	-289'790
Yemen	4'498	16'263	11'764
Venezuela	0	529'412	529'412
Zimbabwe	585'206	74'554	-510'652
<b>Total project contributions Humanitarian aid</b>	<b>9'821'298</b>	<b>11'299'928</b>	<b>1'478'630</b>

<b>SUPRANATIONAL TASKS</b>	<b>2019</b>	<b>2020</b>	<b>+/-</b>
Supranational tasks in Europe, Africa, Asia and Latin America	1'028'600	935'542	-93'058
<b>Total project contributions supranational tasks</b>	<b>1'028'600</b>	<b>935'542</b>	<b>-93'058</b>

<b>EUROPE</b>	<b>2019</b>	<b>2020</b>	<b>+/-</b>
Europe regional	342'274	257'468	-84'966
Armenia	446'195	426'217	-19'978
Czech Republic	203'285	66'393	-136'892
Georgia	1'438'684	1'685'950	247'266
Hungary	333'769	269'786	-63'983
Italy	39'031	32'617	-6'414
Kosovo	266'703	161'741	-104'961
Republic of Moldova	952'827	253'672	-699'155
Romania	1'351'072	849'396	-501'676
Serbia	284'982	343'223	58'240
Slovakia	44'097	65'289	21'192
Ukraine	371'611	280'215	-91'396
<b>Total project contributions Europe</b>	<b>6'074'531</b>	<b>4'691'968</b>	<b>-1'382'723</b>

<b>AFRICA</b>	<b>2019</b>	<b>2020</b>	<b>+/-</b>
Democratic Republic of the Congo	552'929	529'865	-23'063
Ethiopia	576'253	766'666	190'413
Niger	1'087'144	1'601'710	514'566
Senegal	1'169'000	916'409	-252'591
Uganda	0	269'520	269'520
Zimbabwe	222'913	0	-222'913
<b>Total project contributions Africa</b>	<b>3'608'240</b>	<b>4'084'170</b>	<b>475'931</b>

<b>ASIA</b>	<b>2019</b>	<b>2020</b>	<b>+/-</b>
Asia regional	102'384	43'087	-59'298
Bangladesh	1'292'603	1'492'246	199'643
Cambodia	1'024'195	982'435	-41'760
India	349'872	204'091	-145'781
Lebanon	58'847	46'145	-12'702
Myanmar	123'984	87'005	-36'978
Palestine/Israel	1'013'896	352'948	-660'948
Syria	392'064	445'949	53'885
<b>Total project contributions Asia</b>	<b>4'357'844</b>	<b>3'653'906</b>	<b>-703'938</b>

<b>LATIN AMERICA</b>	<b>2019</b>	<b>2020</b>	<b>+/-</b>
Latin America regional	127'247	101'793	-25'454
Brazil	1'115'733	836'950	-278'783
Colombia	693'871	385'962	-307'910
Haiti	883'043	599'274	-283'770
Honduras	840'037	640'452	-199'585
<b>Total project contributions Latin America</b>	<b>3'659'932</b>	<b>2'564'430</b>	<b>-1'095'502</b>



# 9 AUDITORS' REPORT



**KPMG AG**  
**Audit**

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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 19 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, 2020. 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, 2020 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 9, 2021

# 10 GENERAL NOTES TO THE ANNUAL FINANCIAL STATEMENTS

## Overview

Operating income was 78,8 million francs, a figure that exceeded expectations, while expenditure of 73,2 million francs was below the preliminary estimate.

HEKS/EPER earmarked altogether 61,4 million francs for 198 projects abroad and in Switzerland. Some 12,9 million francs went to supporting development cooperation projects in Africa, Asia, Latin America and Europe. A further 2,1 million francs were allocated to church cooperation in Eastern Europe and the Middle East. HEKS/EPER also provided 11,3 million francs worth of humanitarian aid in the wake of droughts and natural disasters as well as in conflict zones. In Switzerland, HEKS/EPER spent 27,0 million francs as follows: 17,7 million francs for projects to promote inclusion for socially underprivileged people and 8,9 million francs for legal advice to asylum seekers, recognized refugees and other target groups.

## Income

Despite greater economic pressure in a highly competitive environment especially as pertains to international mandates as well as contracts from the cantons for work to be done in Switzerland, it was still possible to generate positive operating income of 5,6 million francs. This is attributable for the most part to increased donations from private and institutional donors for Covid-19 programmes both locally and abroad. The result was therefore roughly 11,1 million francs higher than the previous year's figure (2019: minus 5,5 million francs).

Income from work in Switzerland amounted to 32,9 million francs, which represented 42 per cent of overall income. Cantonal churches, church parishes and other church organizations contributed 11,3 million francs (14 per cent). The breakdown of the 18,9 million francs (24 per cent) in contributions from the Confederation, cantons and municipalities was as follows: 16,7 million (21 per cent) from private persons and 2.5 million (3 per cent) from Swiss Solidarity. Income accruing to the five German-speaking Regional Offices and the Siège romand for their services contributed 17,2 million francs (22 per cent) to the overall result.

## Expenditure

Expenditure for development cooperation was below the budgeted amount. Spending on humanitarian aid, in contrast, recorded an increase based on project-specific funding commitments. Meanwhile, expenditure for work in Switzerland remained below budget for the most part.

Investment in international work declined mostly with respect to projects in Europe (down 1,4 million francs), principally in Moldova and Romania. There was also a fall-off in investment in Latin America and Asia (down 1,8 million francs), more specifically in Colombia, Haiti and Palestine/Israel. The prevailing political instability in some project countries as well as

more difficult operating environments caused by financial restrictions and embargoes were also among the reasons for the downturn in expenditure.

Compared to the previous year, humanitarian aid spending varied significantly, depending on the project country. There was an increase of 1,5 million francs in overall expenditure, covering the following countries, among others: Bangladesh (up 1,1 million francs), the Democratic Republic of the Congo (DCR) (up 2,5 million francs), Venezuela (up 0,5 million francs), Ethiopia (up 0,5 million francs) and Lebanon (up 0,3 million francs). In contrast, expenditure diminished in several other regions. This affected, for example Iraq (down 1,4 million francs), Indonesia (down 0,7 million francs) and Zimbabwe (down 0,5 million francs).

Spending was less in all regional offices in Switzerland, among other things, owing to the contraction in the volume of contracts for asylum and migration-related projects. But that contraction in volume was also a result of the Covid-19 pandemic, which led to a sharp drop in the number of participants in various programmes.

## Administrative costs

The share of administrative costs in overall expenditure (11,8 million francs) was 16,1 per cent (Zewo guideline). HEKS/EPER therefore continues below the average for Zewo-certified non-profit organizations (21 per cent).

## Financial and real estate income

Income from real estate increased to 0,2 million francs. In spite of the adverse conditions that prevailed on stock markets, asset investments yielded a net book profit of 0,7 million francs. The value fluctuation reserves therefore had to be replenished by 0,6 million francs, at the expense of the operating result.

## Funding trends

Owing to the difference between expenditure and income, 6,2 million francs had to be taken from operating income (2019: a withdrawal of 3,3 million francs) and allocated to existing funds for work in Switzerland and work abroad. Fund capital therefore now stands at 37,7 million francs: work in Switzerland, 11,6 million francs, work abroad, 17,2 million francs, and humanitarian aid, 8,9 million francs.

## Result

In addition to increasing the value fluctuation reserves (by 0,6 million francs), an amount of 0,1 million francs was withdrawn from the organization's free capital, and an amount of 0,3 million francs 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 2020 they supported us to the tune of some CHF 6,9 million. «Bread for All» raised CHF 1,1 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:** Aarau, Aeschi-Krattigen, Andelfingen, Arlesheim, Belp-Belpberg-Toffen, Bern, Biel, Bolligen, Bremgarten-Mutschellen, Brienz, Bülach, Burgdorf, Diakonissen-Schwesternschaft Neumünster, Diessbach, Dietlikon, Dübendorf, Ebnet-Kappel, Erlenbach, Frauenfeld, Frick, Furttal, Goldach, Gossau ZH, Gottstatt, Grosshöchstetten, Grossmünster, Gsteig-Interlaken, Heimberg, Herrliberg, Herzogenbuchsee, Hilterfingen, Hinwil, Hombrechtikon, Horgen, Jegenstorf, Kehrsatz, Kirchberg, Kölliken, Köniz, Küsnacht, Langnau, Liestal-Seltisberg, Löhningen-Guntmadingen, Lucerne, Lyss, Männedorf, Maur, Meggen, Meilen, Meiringen, Mellingen, Münchenbuchsee, Münsingen, Muri-Gümligen, Neuenegg, Nidau, Nydeggen, Oberdiessbach, Oberwil, Oberwinterthur, Obwalden, Olten, Opfikon, Ostermundigen, Pfäffikon, Plateau de Diesse, Rapperswil, Rheinfelden, Rüti, Sargans, Seengen, Seuzach, Sihltal, Solothurn, Spiez, St. Gallen, Stallikon-Wettswil, Steffisburg, St-Imier, Sursee, Tablat, Thun, Thun-Stadt, Thurnen, Tramelan, Turbenthal-Wila, Unterseen, Uster, Uznach, Vechigen, Veltheim, Winterthur, Wädenswil, Wallisellen, Weesen, Wettingen, Wetzikon, Wichtrach, Wil, Worb, Winterthur-Wülflingen, Zofingen, Zollikon, Zug, Zurich.

We are also especially grateful to the partners, authorities and foundations that have generously supported us in the year 2020.

**Partners:** Association Augustinus, Brot für alle, Brot für die Welt, Caritas Aargau, Caritas beider Basel, Caritas Bern, Caritas Vaud, Caritas Zürich, Centre social protestant Vaud, Chiesa Evangeliche Valdesi, Christkatholische Kirchgemeinde Zürich, CST (CAFOD, SCIAF, Trocaire) Ethiopia, DanChurchAid, Evangelical Church of Czech Brethren Prague, Evangelische Frauen Schweiz EFS, Fondation Hironnelle, Swiss Solidarity, Helvetas, ICCO (Cordaid), Katholisches Konfessionsteil St. Gallen, Norwegian Church Aid, Promotion Santé Suisse, Pro Senectute Kanton Zürich, 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, Lutheran World Federation, Swiss Red Cross, 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, Appenzell-Ausserrhoden, Rural Basel, Basel City, Vaud Federation for Cooperation (FEDEVACO), Glarus, Loterie Romande Genève, Loterie Romande Neuchâtel, Lucerne, Schaffhausen, Service de la solidarité internationale (SSI) Genève, St. Gallen, Thurgau, Valais, Zurich.

**Cities and communes:** Bern, Bernex, Biel, Carouge, Elgg, Vaud Federation for Cooperation (FEDEVACO), Geneva, Lausanne, Lucerne, Prilly, Riehen, St. Gallen, Winterthur, Zurich.

**Foundations, companies and associations:** Adele Koller-Knüsli Stiftung, Annie und Rudolf Kaufmann-Hagenbach-Stiftung, Careerplus SA, Christoph Merian Stiftung, CSS Stiftung, Dr. Stephan à Porta-Stiftung, Ernst Göhner Stiftung, Evang. Verein Kurhaus Bella-lui, Ferster-Stiftung, Fondation Alfred & Eugénie Baur, Fondation Du Protestantisme, Fondation Elaine Du Pasquier, Fondation Philanthropique Famille Sandoz, Fondation Audemars-Piguet, Fondation Casino Barrière Montreux, Fondation DSR, Fondation Emilienne Jaton, Fondation Lord Michelham of Hellingly, Fondation Lusavi, Fondation Pierre Demaurex, Fondation pour l'aide au protestantisme réformé, Fondation smartpeace, FONDIA Stiftung zur Förderung der Gemeindediakonie, Gebauer Stiftung, Georg und Bertha Schwyzer-Winiker Stiftung, Gesundheitsförderung Schweiz, Gemeinnützige Stiftung Accentus, GGG Basel, Günther Caspar-Stiftung, Kriens hilft Menschen in Not, Leopold Bachmann Stiftung, Medicor Foundation Liechtenstein, Migros-Genossenschafts-Bund, Migros Kulturprozent, OAK Philanthropy Ltd., Otto Erich-Heynau Stiftung, Paul Schiller Stiftung, Pro Senectute Aargau, Prof. Otto Beisheim Stiftung, Plato Stiftung, REDEVCO, Roger Haus-Stiftung, Stiftung Corymbo, Stiftung Drittes Millennium, Stiftung Erika und Andres Gut, Stiftung Kriegstrauma-Therapie, Stiftung Kulturprozent der Migros Aare, Stiftung NAK-Humanitas, Stiftung Sonnenschein, SWICA Gesundheitsorganisation, Stiftung zur Förderung der Lebensqualität, UBS Stiftung für Soziales und Ausbildung, Walder Stiftung.

**Swiss Solidarity:** Swiss Solidarity provided CHF 2,5 million in support to HEKS/EPER last year.

**International donors:** Office for Foreign Affairs of Liechtenstein, Ministry of Foreign Affairs of Denmark – DANIDA, European Commission (DG DEVCO, DG Justice), Directorate-General for European Civil Protection and Humanitarian Aid Operations (ECHO), International Organization for Migration (IOM), United States Agency for International Development (USAID), World Health Organization (WHO), United Nations Office for the Coordination of Humanitarian Affairs (UN-OCHA).

### **Publishing information**

Overall responsibility:  
Executive Board

Coordination:  
Dieter Wüthrich

English translation:  
Richard A. Dunkley

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Simone Knobel,  
Christian Defilippi,  
Andrea Willy,  
Daniel Meier

Design:  
a-b.ch, Zürich

A PDF version of the 2020  
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[en.heks.ch/financial-report](http://en.heks.ch/financial-report)





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