



Financial report 2023

Consolidated annual financial statements HEKS/EPER



**HEKS
EPER**
Bread for all.

1 Contents

Page	CHAPTER
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
16	6.4 Notes to the operating statement
20	6.5 Further information
22	7 CONTRIBUTIONS FROM SPONSORING CHURCHES
23	8 MANAGEMENT REPORT
26	9 AUDITORS' REPORT
29	10 GENERAL NOTES TO THE ANNUAL FINANCIAL STATEMENTS
30	11 THANKS
32	Publishing information

The financial report “Consolidated annual financial statements HEKS/EPER” presents the figures of the “Annual financial statements HEKS/EPER Foundation” and those of the “HEKS Romania Foundation” in consolidated form. Consolidation is done in keeping with SWISS GAP FER.

2 Balance sheet

in CHF	Notes	31.12.22	31.12.23
ASSETS			
Cash and cash equivalents	6.3.1	48'198'377	45'774'033
Securities listed on a stock exchange	6.3.2	31'430'608	32'298'475
Receivables	6.3.3	13'673'425	13'879'837
Prepaid expenses and accrued income	6.2	5'446'379	6'009'911
Total current assets		98'748'790	97'962'256
Financial assets	6.3.5	3'342'123	3'604'283
Property, plant and equipment	6.3.4	4'821'080	5'012'335
Intangible assets	6.3.6	255'433	254'337
Total non-current assets		8'418'636	8'870'955
TOTAL ASSETS		107'167'426	106'833'211
LIABILITIES			
Trade accounts payable		6'202'384	8'150'554
Other short-term liabilities	6.3.8	6'839'885	6'022'852
Accrued expenses and deferred income	6.3.9	14'732'823	14'705'161
Total short-term liabilities		27'775'092	28'878'567
Provisions	6.3.11	931'456	875'893
Total long-term liabilities		931'456	875'893
Total earmarked funds	6.3.12	54'299'808	54'355'247
Total liabilities including fund capital		83'006'357	84'109'707
Foundation capital	6.3.14	300'000	300'000
Unrestricted capital		15'937'356	15'530'505
Tied capital	6.3.13	7'923'713	6'893'000
Total capital of the organisation		24'161'069	22'723'504
TOTAL LIABILITIES		107'167'426	106'833'211

3 Statement of operations, income

in CHF

Notes

2022

2023

INCOME FOR WORK IN SWITZERLAND

Contributions and donations from churches		1'986'155	1'971'209
Donations and bequests from private persons		971'253	884'367
Income from services	6.4.1	25'017'088	33'545'558
Confederation		-16'955	0
Cantons and communes		7'474'971	8'195'427
Foundations		1'397'564	1'604'723
Contributions from various organisations		579'330	478'823
Contributions and donations from institutions		34'451'998	43'824'531
Total income for work in Switzerland		37'409'406	46'680'108

INCOME FOR WORK ABROAD (excl. humanitarian aid)

Cantonal churches and church parishes		3'544'161	3'724'569
Bread for All		-6'093	0
Other church organisations		462'290	578'342
Miscellaneous		139'414	124'966
Contributions and donations from churches		4'139'772	4'427'877
Donations and bequests from private persons		3'840'735	4'097'660
Confederation	6.4.2	10'235'131	13'698'712
Cantons and communes		1'236'498	1'428'765
Foundations		3'973'765	3'770'446
Contributions from various organisations		4'042'446	3'911'628
Contributions and donations from institutions		19'487'840	22'809'551
Miscellaneous		62'326	151'117
Total income for work abroad (excl. humanitarian aid)		27'530'673	31'486'204

INCOME FOR HUMANITARIAN AID

Cantonal churches and church parishes		2'373'608	1'329'298
Other church organisations		0	265'638
Miscellaneous		98'043	50'007
Contributions and donations from churches		2'471'651	1'644'942
Donations and bequests from private persons		4'865'350	2'493'760
Swiss Solidarity		2'677'088	6'131'713
Confederation	6.4.2	1'068'532	1'715'741
Cantons and communes		575'253	699'558
Foundations		1'637'133	1'194'099
Contributions from various organisations		17'693'639	27'824'011
Contributions and donations from institutions		23'651'645	37'565'122
Total income for humanitarian aid		30'988'647	41'703'825

NON-EARMARKED INCOME

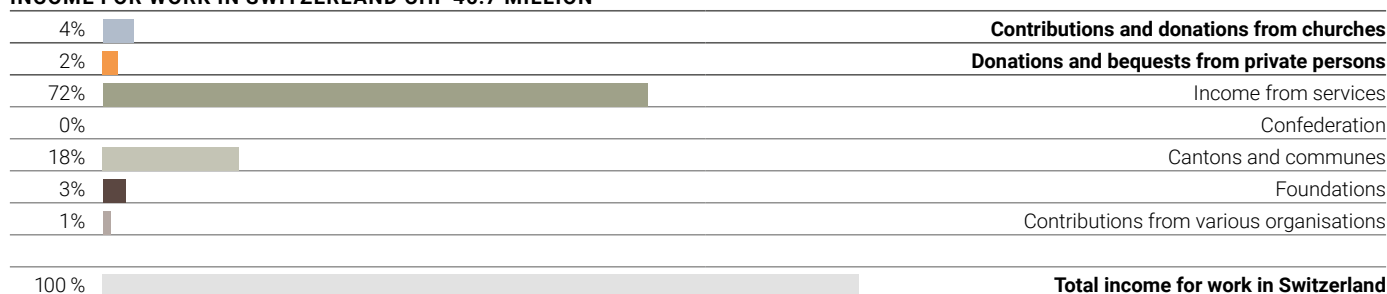
Target amounts of the cantonal churches	6.4.3	2'183'628	2'205'755
Cantonal churches and church parishes		4'314'724	3'932'074
Private persons		8'773'455	7'180'876
Bequests		1'918'017	3'117'215
Miscellaneous		850'541	969'453
Total non-earmarked income		18'040'364	17'405'373

TOTAL INCOME/OPERATIONAL PERFORMANCE

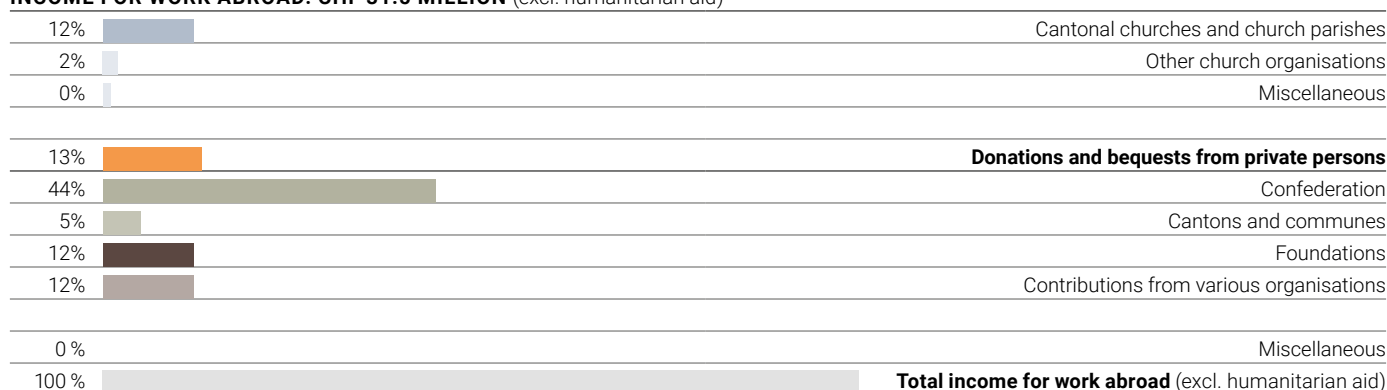
113'969'090

137'275'509

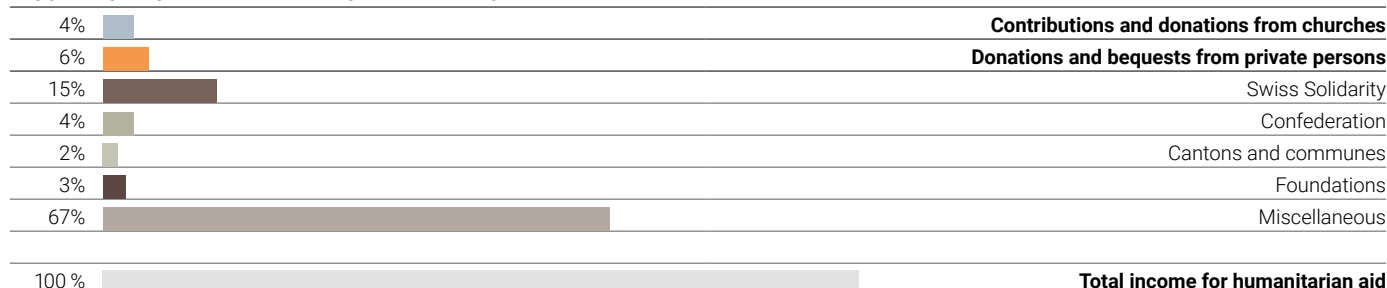
INCOME FOR WORK IN SWITZERLAND CHF 46.7 MILLION



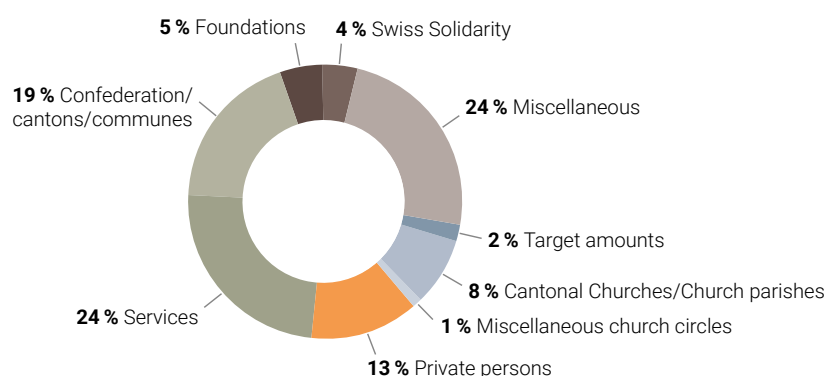
INCOME FOR WORK ABROAD: CHF 31.5 MILLION (excl. humanitarian aid)



INCOME FOR HUMANITARIAN AID: CHF 41.7 MILLION



TOTAL INCOME: CHF 137.3 MILLION



3 Statement of operations, expenditure

in CHF

Notes

2022

2023

EXPENDITURE FOR WORK IN SWITZERLAND

Legal advice and representation for asylum seekers	10'437'722	0
Various projects regarding advocacy for the socially disadvantaged	1'365'095	0
Advocacy for the socially disadvantaged	11'802'817	0
Labour market integration	3'792'785	0
Structured daily routines and encounters	3'214'268	0
Assisted living	2'563'282	0
Language	2'881'556	0
Intercultural interpreting and mediation	5'011'384	0
Child and parent education	71'232	0
Age and migration	1'130'687	0
Social integration	18'665'195	0
Various projects and project contributions	1'429'253	0
Total expenditure for projects in Switzerland	31'897'265	0
Project support and groundwork	2'338'006	0
Advocacy and legal advice	0	18'747'659
Flight and Migration	0	18'747'659
Inclusion and work	0	5'964'263
Community life and participation	0	9'180'273
Education and language training	0	4'253'006
Intercultural interpreting	0	4'856'167
Inclusion	0	24'253'709
Others	0	187'347
Total expenditure for projects in Switzerland	0	43'188'714
Project support and groundwork	0	2'739'410
Total expenditure for work in Switzerland	34'235'270	45'928'124

EXPENDITURE FOR AWARENESS-RAISING AND MOBILISATION

Development and social policy commitment	2'484'459	2'698'755
Information and awareness-raising	1'980'211	2'557'476
Expenditure for awareness-raising and mobilisation	4'464'670	5'256'231

EXPENDITURE FOR WORK ABROAD

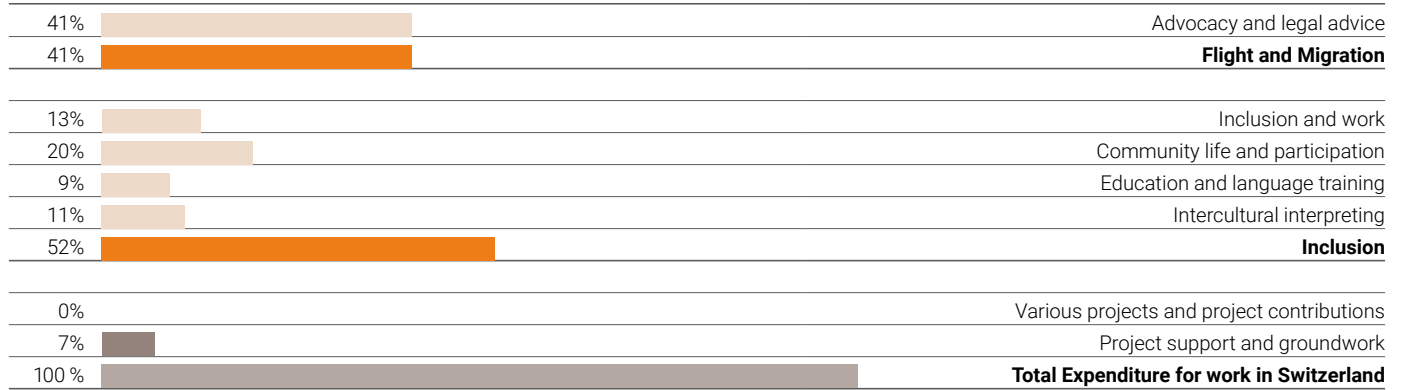
Development cooperation	17'804'299	22'622'750
Church cooperation	2'262'069	2'055'321
Total expenditure for projects abroad (excl. without humanitarian aid)	20'066'368	24'678'071
Transnational projects and networks	1'461'211	2'223'858
Project support and groundwork	2'690'186	3'243'935
Total expenditure for work abroad (excl. humanitarian aid)	24'217'766	30'145'864
Humanitarian aid projects	29'260'679	43'260'625
Transnational projects and networks	0	62'653
Project support and groundwork	1'057'692	1'558'271
Total expenditure for humanitarian aid	30'318'372	44'881'549
Total expenditure for work abroad	54'536'137	75'027'413
Total expenditure for project work	93'236'078	126'211'768

ADMINISTRATION AND COMMUNICATIONS

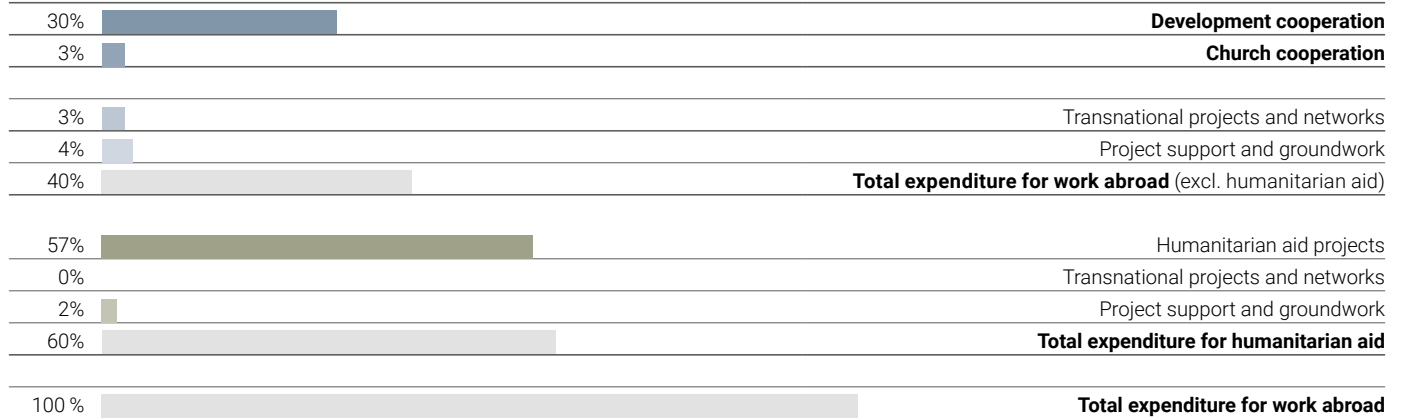
Central Administration		5'963'113	4'033'177
Communications and general advertising expenses (net expenditure)	6.4.4	4'589'569	3'263'363
Fundraising (net expenditure)	6.4.5	4'334'079	4'982'521
Total administration and communications	6.4.6	14'886'762	12'279'061

TOTAL EXPENDITURE FOR THE PROVISION OF SERVICES	108'122'839	138'490'829
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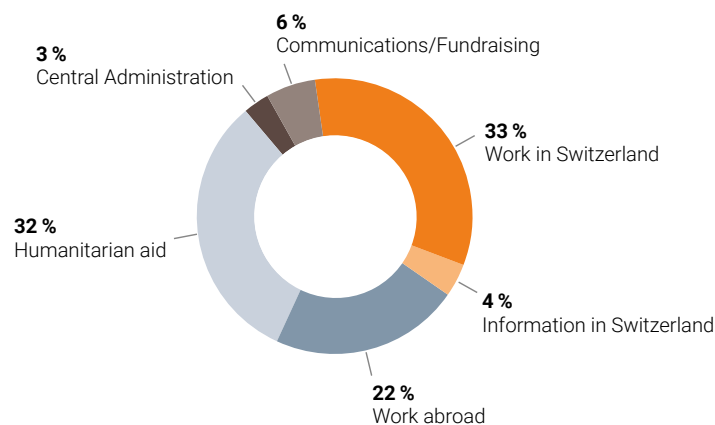
EXPENDITURE FOR WORK IN SWITZERLAND: CHF 45.9 MILLION



EXPENDITURE FOR WORK ABROAD: CHF 75.0 MILLION



TOTAL EXPENDITURE FOR THE PROVISION OF SERVICES: CHF 138.5 MILLION



3 Operating statement, result

in CHF	Notes	2022	2023
OPERATING RESULT		5'846'250	-1'215'320
Financial income from capital investments	6.4.7	937'393	1'107'481
Financial costs of investments	6.4.7	-5'433'163	-539'024
Real estate performance	6.4.8	153'654	139'066
Extraordinary, non-recurring or prior period expenditure and income	6.4.9	0	-1'210'245
RESULT BEFORE CHANGE IN FUND CAPITAL		1'489'460	-1'718'040
Changes to funds (increase - / decrease +)		-5'255'600	-55'438
Total changes to funds		-5'255'600	-55'438
ANNUAL RESULT (BEFORE CHANGES TO CAPITAL OF THE ORGANISATION)		-3'766'139	-1'773'479
Change tied capital (allocation - / withdrawal +)	6.4.9 + 6.4.10	707'451	1'030'714
Change unrestricted capital (allocation - / withdrawal +)		3'058'689	742'765
		0	0

4 Cash flow statement as at 31 December

in CHF

2022

2023

CASH FLOW FROM OPERATING ACTIVITIES

Annual result (before allocation to capital of the organisation)	-3'766'139	-1'773'479
Change in fund capital	5'255'600	55'438
Depreciation on property, plant and equipment / intangible assets	476'278	530'542
Proceeds from the sale of earmarked property	0	0
Provisions (creation + / release -)	-59'909	-55'563
Other non-cash expenses (+) / income (-)	0	326'493
Securities (increase - / decrease +)	3'324'136	-867'867
Receivables (increase - / decrease +)	-6'821'600	-206'412
Accrued income (increase - / decrease +)	-3'206'165	-563'532
Trade accounts payable (increase + / decrease -)	4'688'294	1'948'170
Other liabilities (increase + / decrease -)	-200'546	-817'033
Long-term liabilities	-1'000'000	0
Deferred income (increase + / decrease -)	10'032'944	-27'661
Value adjustment for financial assets	0	703'381

Cash flow from operating activities (cash flow)

8'722'891

-747'523

CASH FLOW FROM INVESTMENT ACTIVITIES

Investments in financial assets	-1'091'959	-1'290'506
Investments in tangible assets	-262'637	-534'899
Investments in intangible assets	0	-146'381
Disposals of financial assets	399'712	294'965
Disposals of property, plant and equipment	0	0
Disposals of intangible assets	41'652	0

Cash flow from investment activities

-913'232

-1'676'821

CHANGE IN CASH AND CASH EQUIVALENTS

7'809'659

-2'424'344

Opening balance of cash funds (1.1.)	40'388'719	48'198'377
Closing balance of cash funds (31.12.)	48'198'377	45'774'033

PROOF OF CHANGE IN CASH AND CASH EQUIVALENTS

7'809'659

-2'424'344

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	1.1.2023	2023	2023	2023	31.12.2023
WORK ABROAD					
Work abroad (excluding humanitarian aid)	24'294'569	31'722'635	-33'781'822	-70'890	22'164'496
Fund for projects in Europe	1'803'256	4'285'745	-5'075'921	-184'143	828'938
Funds for projects in Africa	1'206'502	7'601'523	-8'175'908	0	632'116
Funds for projects in Asia	471'956	4'575'315	-2'953'039	-566'768	1'527'464
Funds for projects in Latin America	923'304	1'666'992	-2'460'858	110	129'548
Funds for sponsorship projects	984'405	176'968	-637'865	0	523'508
Funds - Organisations (Bread for All, etc.)	207'697	890'852	-864'016	0	234'534
Fund for SDC programme contribution incl. HA share	0	8'000'000	-8'000'000	0	0
Thematic funds (peace, health, leprosy / AIDS, etc.)	4'295'451	254'193	-860'993	0	3'688'652
Policy & Advisory Fund Agenda 2030	823'771	680'254	-779'800	500'000	1'224'225
Policy & Advisory Fund Ethical Business 2030	172'998	43'088	-215'624	0	463
Policy & Advisory Fund Right to Food	305'372	502'664	-667'496	0	140'539
Funds for general work abroad	13'099'857	2'868'167	-2'913'430	179'911	13'234'510
HEKS/EPER Foundation Romania Fund DC		176'873	-176'873	0	0
Humanitarian aid abroad	11'133'398	41'467'364	-42'841'291	570'890	10'330'361
Funds - Organisations (Swiss Solidarity)	49'621	5'866'713	-5'872'206	-110	44'018
HEKS/EPER Romania Fund HA	0	4'814'753	-4'813'792	0	961
Fund for humanitarian aid abroad	11'083'777	30'785'898	-32'155'294	571'000	10'285'381
Total funds for work abroad	35'427'966	73'189'999	-76'623'113	500'000	32'494'857
WORK IN SWITZERLAND					
Funds for projects in Switzerland	2'801'544	2'348'416	-1'961'071	0	3'188'889
Funds for work in Switzerland and Branch Offices)	15'541'094	1'044'167	1'490'345	0	18'075'607
Funds for projects in Switzerland Contributions (formerly Funds - Organisations and public sector)	529'198	9'741'967	-9'675'271	0	595'895
Total funds for work in Switzerland	18'871'836	13'134'550	-10'145'997	0	21'860'390
RESTRICTED FUND CAPITAL	54'299'805	86'324'549	-86'769'110	500'000	54'355'247
CAPITAL OF THE ORGANISATION					
Foundation capital	300'000	0	0	0	300'000
Profits brought forward RO					335'915
Unrestricted capital	15'937'356	527'990	-770'756	-500'000	15'194'591
Tied capital					
Strategic development projects organisation-wide ²	1'210'245	0	-1'210'245	0	0
Strategic reserve	0	0	0	0	0
Value fluctuation reserve securities	6'713'469	179'531	0	0	6'893'000
CAPITAL OF THE ORGANISATION	24'161'069	707'521	-1'981'000	-500'000	22'723'506
Increase (Annual result)					-1'437'564

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) Contingent liabilities: In the spring of 2019, the Federal Tax Administration carried out a VAT control for the years 2014-2018 for BfA. It was concluded in the outcome of the control that Bread for All can claim virtually no more input taxes. Following the negative ruling by the Federal Administrative Court, and after consulting KPMG and BDO VAT advisors, the HEKS/EPER Executive Board decided to accept the ruling and not to take the case to the Federal Supreme Court.

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 Swiss GAAP FER 21 accounting and reporting recommendations and conforms to Swiss law, the statutes and 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.

Organisation of reporting

The cantonal HEKS/EPER committees fall under the member churches of the Protestant Church in Switzerland (PCS) and are therefore not consolidated. HEKS/EPER Coordination Offices without their own legal personality in priority countries for work done abroad are fully integrated into the HEKS/EPER individual financial statements. Transactions with country offices with their own legal personality are presented in the individual financial statements as transactions with subsidiaries. In the 2023 financial statements, this is the case for the HEKS Romania Foundation.

Affiliated persons and organisations

The following are deemed to be affiliated persons: current and former members of the Board of Trustees and the Executive Board and also of organisations that are controlled by members of the Board of Trustees or the Executive Board. The following are deemed to be affiliated organisations: the Protestant Church in Switzerland (PCS), Alliance Sud and the HEKS Personalfürsorgestiftung (HEKS/EPER pension fund). 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 recognised during the reporting period when they arise, and upon performance.

Expenditure

Expenditure expenses are recognised on a performance basis and in the period when they occur. Services not yet rendered by partner organisations in work abroad are recognised as prepayments 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, the Zewo-based calculation is also done by this method.

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, up to minimum land value

Tenant improvements rented premises Seminarstrasse 28, Zurich:

15 years, or by the end of tenancy agreement

Tenant improvements rented premises, other:

5 years, or by the end of tenancy agreement

Other property, plant and equipment ¹ / Intangible assets:

2-5 years

¹) For property, plant and equipment in Coordination Offices abroad, local, country-specific regulations and the direct method of depreciation are applied in some cases.

Financial assets

Financial assets comprise investments/shares in projects with mixed sponsorship, shares in subsidiaries, and loans to third parties. They are recognized at acquisition cost less any necessary value adjustments.

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 31.12.2023, 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	31.12.2022	31.12.2023
Bonds – CHF	9'510'885	13'048'360
Bonds – foreign currencies	6'575'218	2'397'540
Shares (domestic and foreign)	12'535'902	14'290'527
Securities (real estate)	356'177	0
Securities (alternative investments)	2'452'426	2'562'048
Total	31'430'608	32'298'475

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

and of ABS Alternative Bank Switzerland, 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	31.12.2022	31.12.2023
Contract or nominal values	6'248'725	4'703'287
Replacement values positive	0	154'543
Replacement values negative	0	10'925

Foreign currency hedging transactions are concluded to hedge the currency risks on securities in foreign currencies. Open derivatives are recorded at market value as at 31.12.2023 and are shown in the balance sheet under

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

6.3.3 Receivables in CHF	31.12.2022	31.12.2023
Receivables from goods, services and commitments	9'369'414	12'874'109
Value adjustments	-46'200	-46'200
Other short-term receivables from third parties	96'043	86'856
Other short-term receivables from similar organisations	2'945'180	887'783
Other short-term receivables from IC HEKS/EPER Overall	0	0
Other short-term receivables from government entities	1'308'987	77'290
Total	13'673'425	13'879'837

The item Receivables from goods, services and commitments includes receivables from pledges of project support from various organisations (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	1.1.2022	2022	2022	31.12.2022
Land and buildings	5'424'085	18'000	0	5'442'085
Investments in rental properties	1'697'472	16'736	0	1'714'208
Other tangible fixed assets	1'296'413	0	0	1'296'413
Total	8'417'969	34'736	0	8'452'706
Cumulative Depreciation				
Land and buildings	-1'434'652	-96'662	0	-1'531'314
Investments in rental properties	-1'160'706	-96'649	0	-1'257'355
Other tangible fixed assets	-1'127'200	-67'551	0	-1'194'750
Total	-3'722'557	-260'862	0	-3'983'419
Tangible assets Coordination Offices abroad ¹	203'784	227'901	-79'890	351'795
Total	203'784	227'901	-79'890	351'795
Net book value	4'899'198	262'637	-340'752	4'821'080
Acquisition value or current gross value	1.1.2023	2023	2023	31.12.2023
Land and buildings	5'442'085	9'947	0	5'452'032
Investments in rental properties	1'714'208	116'073	0	1'830'281
Other tangible fixed assets	1'296'413	416'724	-767'752 ¹	945'384
Total	8'452'706	542'744	-767'752	8'227'697
Cumulative Depreciation				
Land and buildings	-1'531'314	-96'662	0	-1'627'977
Investments in rental properties	-1'257'355	-91'205	0	-1'348'559
Other tangible fixed assets	-1'194'750	-62'336	767'752 ¹	-489'334
Total	-3'983'418	-250'203	767'752	-3'465'870
Tangible assets Coordination Offices abroad ¹	351'795	0	-101'288	250'507
Total	351'795	0	-101'288	250'507
Net book value	4'821'083	0	-101'288	5'012'335

1) As instructed by BDO at the time of the interim audit, assets no longer in use were eliminated with value and value adjustments.

6.3.5 Financial assets in CHF	31.12.2022	31.12.2023
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 %).	1	1
– 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)	62'152	56'666
– Claro fair trade AG	16'413	78'349
Total investments/shares in projects with mixed sponsorship	178'565	235'016
Loans to third parties ²	2'156'447	2'320'317
Other loans to third parties and rent guarantees	1'007'110	1'048'949
Total loans	3'163'556	3'369'266
Total	3'342'123	3'604'283

1) As of 30.06.2022, the 125 registered shares had been sold. The investment has been left on the books at a value of CHF 1 (pro memoria), as an annual payment of CHF 626'374.94 will be made in the years 2024-2026, totalling CHF 1'879'124.82. These amounts were not yet booked in 2023 and, except for the residual value of CHF 1.-), will therefore flow entirely into the following years.

2) Loans to organisations in Romania, Myanmar 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	1.1.2022			31.12.2022
Intangible assets	1'759'353	0	-41'652	1'717'701
Cumulative Depreciation				
Intangible assets	-1'326'742	-135'526	0	-1'462'268
Net book value	432'610	-135'526	-41'652	255'433
Acquisition value or current gross value	1.1.2023			31.12.2023
Intangible assets	1'717'701	146'381	0	1'864'082
Cumulative Depreciation				
Intangible assets	-1'462'268	-147'478	0	-1'609'806
Net book value	255'433	-1'096	0	254'337

6.3.8 Other short-term liabilities in CHF	31.12.2022	31.12.2023
Liabilities to government bodies and social insurances	6'015'664	5'831'756
Other liabilities	824'221	191'096
Total	6'839'885	6'022'852

6.3.9 Accrued expenses and deferred income in CHF	31.12.2022	31.12.2023
Deferrals accrued vacation/overtime	1'458'168	2'132'434
Other accrued expenses and deferred income ¹	13'274'655	12'572'728
Total	14'732'823	14'705'161

¹) Revenue received for the following year (including SDC, see 6.4.2)

6.3.11 Provisions in CHF	Situation 1.1.2023	Creation	Utilisation	Release	Situation 31.12.2023
Provision for rented premises ¹	146'218	0	0	0	146'218
Provision for pension obligations to staff of Coordination Offices abroad	785'238	144'419	-199'982	0	729'675
Total	931'456	144'419	-199'982	0	875'893

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

6.3.12 Earmarked funds in CHF	31.12.2022	31.12.2023
Earmarked funds	54'299'808	54'355'247
Total	54'299'808	54'355'247

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	31.12.2022	31.12.2023
Strategic reserve	1'210'245 ¹	0
Value fluctuation reserve for securities ²	6'713'469	6'893'000
Total	7'923'713	6'893'000

1) Release of strategic reserves (see Page 10 paragraph 2)

2) 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	31.12.2022	31.12.2023
10% for Bonds CHF	950'802	1'304'000
15% for Bonds FX	986'283	360'000
30% for shares	3'933'803	4'287'000
30% for alternative investments	0	769'000
5% for real estate	842'581	173'000
Total target level	6'713'469	6'893'000
Reserve surplus +/- reserve deficit -	0	0
Existing value fluctuation reserve as % of the securities portfolio	21.4%	21.3%

6.3.14 Information on the capital of the organisation

On 1 January 2004 HEKS/EPER was converted from an association to 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".

The CHF 100'000 brought in following the merger with Bread for All (BfA) increased the foundation capital to CHF 300'000.

6.3.15 Pension schemes in CHF

Economic benefit/economic liability and pension benefit expense	Over/ Underfunding ¹	Organisation's share of economic liability			Change from prior year or affecting net income in business year	Contributions concerning the business period	Pension benefit expense	
		31.12.2023	31.12.2022	31.12.2023			2022	2023
Pension scheme	0	0	0	0	3'512'978	2'927'720	3'512'978	
Employer-funded employee benefits foundation	-4'484	-4'484	0	4'485	0	0	1	

1) Last available audited financial statements of Stiftung Abendrot and Patronale Personalfürsorgestiftung as at 31.12.2022

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 2023-2027 Strategy sets "Flight and migration" and "Inclusion" as strategic priorities for work in Switzerland. The following

compilation of income from services shows its distribution across the strategic priorities and branch offices.

Income from services 2023

BO = Branch Office	Total 2022	BO Aargau / Solothurn	BO for both Basel	BO Berne	BO Eastern Switzerland	BO Zurich / Schaffhausen	BO Romandie	All of Switzer- land ¹	Total 2023
Flight and Migration	11'071'321	775'696	82'886	0	764'216	945'788	481'977	15'245'297	18'295'860
Advocacy and legal advice	11'071'321	775'696	82'886	0	764'216	945'788	481'977	15'245'297	18'295'860
Inclusion	13'156'190	2'141'251	1'106'480	682'585	1'478'387	2'938'502	2'034'814	4'867'688	15'249'708
Integration and work	2'441'467	86'201	7'067	50'551	198'628	523'275	2'005'033	0	2'870'755
Community life and participation	5'124'744	2'055'050	1'064'422	57'745	162'259	2'415'227	2'008	0	5'756'712
Education and language training	1'499'082	0	34'991	574'289	1'117'501	0	27'773	0	1'754'553
Intercultural interpreting	4'090'898	0	0	0	0	0	0	4'867'688	4'867'688
Others	0	0	0	0	300	0	0	0	300
Project support and groundwork		0	-300	0	0	0	-10	0	-310
Total income for work in Switzerland	25'017'088	2'916'947	1'189'066	682'585	2'242'904	3'884'290	2'516'781	20'112'984	33'545'558

1) Including interregional programmes

6.4.2 Federal Government contributions for work abroad in CHF**2022****2023****Federal Government contributions**

SDC programme contribution	7'680'000	8'000'000
SDC mandates and project contributions DC	2'854'796	5'698'712
SDC mandates and project contributions HA	1'236'272	1'715'741
Total funded Federal Government contributions ¹	11'771'068	15'414'453

Contributions from institutional donors > CHF 500'000

Act Alliance	890'898	2'704'381
Foreign Office Liechtenstein	200'000	0
Bread for the World	868'955	711'936
CARE	1'230'827	1'780'900
Chaîne du Bonheur	0	6'131'713
Christian Aid	3'407'506	1'173'310
Diakonie Austria	0	1'282'749
EEA/Norway Grants	136'360	0
European Union ²	3'752'923	4'053'849
IOM Bangladesh	0	650'559
Ministry of Foreign Affairs of Denmark - Danida	322'735	0
Norwegian Church Aid	1'848'347	4'790'665
Oxfam Novib	611'303	0
Tavola Valdese	0	547'520
UN Agencies	3'309'784	0
UN OCHA	0	1'395'037
UNDP DR Congo	0	1'149'905
UNHCR Romania	0	730'849
UNICEF Venezuela	0	680'531
US Government ²	3'237'881	7'282'676
Total funded contributions institutional donors	19'817'519	35'066'578

¹) All contributions were recognised on an accrual basis, depending on the stage of implementation of the corresponding projects. On 31.12.2023, accrued income for Federal Government contributions amounted to CHF 30'000 (2022: CHF 0) and accrued expenses CHF 2'534'171 (2022: CHF 3'426'960)

²) Contains both direct and indirect contributions

6.4.3 Target amounts of cantonal churches in CHF**2022****2023**

Contribution targets for Cantonal Churches as per Statement of operating results	2'183'628	2'205'755
Total	2'183'628	2'205'755

6.4.4 Communications and general advertising expenses (net expenditure) in CHF	2022	2023
Communications and general advertising expenditure	4'589'569	3'263'363
Total	4'589'569	3'263'363

6.4.5 Fundraising (net expenditure) in CHF	2022	2023
Fundraising	4'334'079	4'982'521
Net total ¹	4'334'079	4'982'521

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

¹) Fundraising expenditure is calculated in accordance with ZEWO criteria.

6.4.6 Administration and communications in CHF	2022	2023
Administrative expenses by ZEWO definitions ¹	14'886'762	12'279'061
As % of total expenditure	13.8%	8.9%

6.4.7 Financial result from investment income in CHF	2022	2023
Financial income		
Income from shares	462'436	589'149
Income from bonds	221'099	0
Other interest income	3'181	3'161
Price differences on shares (realised and unrealised)	0	458'134
Other financial income	213'255	52'426
Miscellaneous income	37'422	4'611
Total	937'393	1'107'481
Financial expenses		
Financial expenses	-343'969	-160'330
Price differences on shares (realised and unrealised)	-5'061'401	0
Other financial expenses	-27'793	-378'694
Total	-5'433'163	-539'024
Net financial result	-4'495'770	568'457

6.4.8 Real estate performance in CHF	2022	2023
Real estate income	299'501	300'293
Real estate expenses	-72'357	-64'565
Depreciation on land and buildings (see 6.3.4)	-96'662	-96'662
Appropriation from earmarked real estate to humanitarian aid	23'172	0
Total	153'654	139'066

6.4.9 Extraordinary one-off expenditure/income in CHF	2022	2023
Dissolution of VAT receivable pertaining to former BfA, after negative ruling by the Federal Administrative Court on 6.10.2023 regarding correction of input tax deduction 2013–2018	0	-1'210'245
Total	0	-1'210'245

6.4.10 Change in value fluctuation reserve in CHF	2022	2023
Value fluctuation reserve for securities from annual result	707'451	-179'531
Value fluctuation reserve for securities from free funds	0	0
Total	707'451	-179'531

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	2022	2023
Debt guarantees and guarantee obligations	p.m.	p.m.
Joint and several liability from participation in the following simple partnerships: 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 4'806'857 (previous year CHF 4'641'604). CHF 2'248'839 is due in 2024, CHF 4'106'886 in 1 to 5 years' time and CHF 0 in over 5 years.		
Liens		
Property, plant and equipment are free of liens.		
Liabilities to pension schemes	79'567	0
Total depreciation	476'278	424'817
Staff costs	46'544'627	60'188'805
of which occupational pension contributions	2'927'720	3'512'978
Board of Trustee remuneration	57'950	74'552
including to the President (honorariums and attendance fees)	22'500	22'865
Remuneration of the Executive Board (incl. employer contributions)	1'004'045	1'038'614
of which employer contributions	178'495	202'668
Remuneration to the Director	160'223	175'820
Auditors' fee		
Audit services relating to the verification of the annual financial statements	64'620	64'620
Volunteer work		
The following hours of unpaid work were done	82'870	75'393
of which the Ecumenical Campaign	71'400	62'000
Associated organisations		
Organisation	Transaction	
Alliance Sud	Contribution paid	370'000
ACT Alliance	Contribution paid	56'250
Act Alliance EU	Contribution paid	41'800
World Council of Churches	Contribution paid	125'317
Fair unterwegs	Contribution paid	15'000
ART link	Contribution paid	0
humanrights.ch	Contribution paid	24'900

Representation in bodies

HEKS/EPER is member of local and international organisations.

Memberships:

- Act Alliance
- ACT EU
- Aguasan
- Alliance Sud
- Beam Exchange
- Blue Community Network
- Christ:innen für Klimaschutz (Christians for Climate Protection)
- CHS Alliance
- Cinfo
- CLARA (Climate Land Ambition and Rights Alliance) Network
- DEVAL
- Diakonie Schweiz (Diaconia Switzerland)
- Ecumincal Water Network (EWN)
- Federal Commission on Migration
- Eurodiaconia
- Swiss Protestant Women
- Fairunterwegs
- Fondia Stiftung zur Förderung der Gemeindediakonie im EKS (Fondia Foundation for the promotion of community diaconia in the PCS), Berne
- Forum for human rights in Israel/Palestine
- GISF
- Global Network on the Right to Food and Nutrition
- Humanrights.ch
- International Land Coalition
- Interpret
- IRAS COTIS Interreligiöse Arbeitsgemeinschaft in der Schweiz (Interfaith Working Group in Switzerland)
- Climate Alliance
- Klimaschutz Verein Schweiz (Climate protection association Switzerland)
- KOFF/Swisspeace
- Mercosur Coalition
- National Age and Migration Forum
- NGO Human Rights Platform

- NPO Finanzforum (NPO finance forum)
- Palm oil coalition
- Civil Society Platform Agenda 2030
- Plateforme Sans papiers (Sans-papiers platform)
- Pro Fonds
- SEVAL (Swiss Evaluation Society)
- Swiss Refugee Council (SRC)
- Swiss Coalition for Corporate Justice (Koalition für Konzernverantwortung)
- Swiss Coalition Right to Seeds
- Swiss Coalition against SLAPPs
- Swiss Fairtrade
- Swissfundraising
- Swiss NGO Platform
- Swiss Forum on Rural Advisory Services
- Swiss Water and Sanitation Consortium
- Swiss Water Partnership (SWP)
- Max Havelaar Foundation
- Transparency International
- Verband Arbeitsintegration Schweiz (job market integration association Switzerland)
- Verein Benevol (umbrella organisation for volunteering)
- World Council of Churches
- Zewo

Representation in leading bodies:

- Alliance Sud, Berne
- Fondia Foundation for the promotion of community diaconia in the PCS), Berne
- Swiss Coalition for Corporate Justice
- Swissfundraising
- Platform Agenda 2030
- Interpret
- National Age and Migration Forum
- TerrEspoir

Events occurring after the balance sheet date

No events occurred between 31 December 2023 and the date of approval of these financial statements which would warrant any adjustment of the book values of HEKS/EPER assets and liabilities as at 31 December 2023 or which should be disclosed here. On 7 May 2024 the Board of Trustees approved the annual financial statements for publication.

7 Contributions from sponsoring churches

in CHF

Sponsoring churches 2023	Regular target amount	Received contributions	Target amount for refugee work	Received contributions
Aargau	191'011	191'011	80'724	80'724
Appenzell, both	28'548	28'548	12'065	12'065
Baselland	110'321	110'321	46'623	46'623
Basel-Stadt	24'810	23'199	10'485	9'801
Berne-Jura-Solothurn	625'593	625'593	264'384	50'000
Fribourg	34'442	34'442	14'556	14'556
Geneva, église protestante	26'026	13'013	10'999	5'500
Glarus	13'916	13'916	5'881	5'881
Graubünden	76'083	76'083	32'154	32'154
Lucerne	42'763	42'763	18'072	18'072
Neuchâtel	19'985	19'985	8'446	8'446
Nidwalden	5'523	5'523	2'334	2'334
Obwalden	4'200	4'200	1'775	1'775
St. Gallen	130'436	130'436	55'124	55'124
Schaffhausen	31'261	31'261	13'211	13'211
Schwyz	25'329	25'329	10'704	10'704
Solothurn	18'932	18'932	8'001	8'001
Tessin	102'158	95'000	43'173	20'000
Thurgau	3'024	0	1'278	0
Uri	1'645	1'645	695	695
Vaud	212'876	0	89'964	32'463
Valais	5'629	5'629	2'379	2'379
Zug	32'540	32'540	13'752	13'752
Zurich	670'860	676'386	283'516	2'329
United Methodist Church Zurich	11'052	0	4'670	0
Total	2'448'963	2'205'755	1'034'965	446'589

Individual contributions of target amounts from sponsoring churches for legal advice and representation of asylum seekers and for the work of integrating socially disadvantaged people are made on a project-specific basis and are not shown here.

8 Management report

Purpose of the organisation

HEKS/EPER pursues the vision of a just world where the dignity of everyone is respected, peace reigns and the natural environment is conserved. Our goal is to induce change at the social, economic and political levels. HEKS/EPER helps improve the living conditions of people in Switzerland and around the world, claims their rights, and mobilises and raises awareness to this end.

Organs

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

Full-time positions/staff complement

As of 31.12.2023 the staff complement was equivalent to 392.8 full-time 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 prioritisation, the assessment of their impact and the monitoring of action to avoid or minimise risks. The risks are summarised in a risk and control matrix.

Further information

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

All amounts in CHF

EXPENDITURE FOR WORK IN SWITZERLAND

	Aargau / Solothurn	Both Basel	Berne	Eastern Switzer- land	Zurich / Schaff- hausen	Romandie	All of Switzer- land ¹	Total 2023
Flight and Migration	1'125'339	518'377	0	1'106'155	1'629'165	975'056	13'393'566	18'747'659
Advocacy and legal advice	1'125'339	518'377	0	1'106'155	1'629'165	975'056	13'393'566	18'747'659
Inclusion	2'739'651	2'083'974	5'003'416	3'202'067	3'023'751	3'327'203	4'873'647	24'253'709
Integration and work	218'471	96'409	3'502'871	384'214	471'827	1'290'471	0	5'964'263
Community life and participation	2'521'179	1'669'465	325'327	643'405	2'551'924	1'451'493	17'480	9'180'273
Education and language training	0	318'100	1'175'219	2'174'448	0	585'239	0	4'253'006
Intercultural interpreting	0	0	0	0	0	0	4'856'167	4'856'167
Others	27'900	-282	700	1'200	952	129'596	27'281	187'347
Project support and groundwork	302'592	280'011	268'152	298'248	275'210	293'002	1'022'195	2'739'410
Overall expenditure for work in Switzerland	4'195'482	2'882'080	5'272'268	4'607'670	4'929'078	4'724'858	19'316'689	45'928'124

¹⁾ Including interregional programmes

PROJECT CONTRIBUTIONS WORK ABROAD

Strategic priority topics	Europe	Africa	Asia	Latin America	Supranational	Total 2023
Development cooperation	5'035'011	9'241'432	4'672'830	3'673'476	0	22'622'750
Church cooperation	1'695'575	0	359'746	0	0	2'055'321
Total expenditure for projects abroad (excl. humanitarian aid)	6'730'586	9'241'432	5'032'576	3'673'476	0	24'678'071
Transnational projects and networks					2'223'858	2'223'858
Project support and groundwork ¹						3'243'935
Total expenditure for work abroad (excl. humanitarian aid)	6'730'586	9'241'432	5'032'576	3'673'476	2'223'858	30'145'864
Humanitarian aid projects	19'206'026	14'294'988	6'226'488	3'533'122	62'653	43'323'278
Project support and groundwork ¹						1'558'271
Total expenditure humanitarian aid						44'881'549

Overall expenditure for work abroad

75'027'413

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

HUMANITARIAN AID	2022	2023	+ / -
Asia regional	-24	0	24
Armenia	0	332'013	332'013
Ethiopia	1'935'160	2'527'793	592'634
Bangladesh	861'520	1'484'664	623'144
Brazil	2'675	0	-2'675
Democratic Republic of the Congo	7'729'063	11'333'865	3'604'802
Europe regional	180'414	459'261	278'847
Haiti	1'564'327	820'141	-744'186
Honduras	179'690	223'839	44'149
Iraq	532'390	266'682	-265'708
Cambodia	76'738	138	-76'600
Latin America regional	10'541	1'349	-9'192
Lebanon	917'860	101'769	-816'091
Moldova	367'474	1'409'780	1'042'307
Myanmar	0	91'888	91'888
Palestine/Israel	568'248	970'407	402'159
Romania	2'814'291	1'924'623	-889'668
Serbia	430'833	20'884	-409'948
South Sudan	189'742	221'929	32'187
Syria	891'433	3'310'941	2'419'508
Czech Republic	96'975	90'767	-6'208
Uganda	38'141	211'401	173'260
Hungary	1'676'923	1'136'439	-540'484
Ukraine	6'568'307	13'832'259	7'263'951
Venezuela	1'627'959	2'487'793	859'833
Total project contributions Humanitarian aid	29'260'679	43'260'625	13'999'946

SUPRANATIONAL TASKS	2022	2023	+ / -
Supranational tasks in Europe, Africa, Asia and Latin America	1'461'211	2'286'511	825'300
Total project contributions supranational tasks (incl. HA)	1'461'211	2'286'511	825'300

EUROPE (COUNTRIES/GEOGRAPHIC REGIONS)	2022	2023	+ / -
Europe regional	240'961	329'015	88'055
Armenia	699'927	1'351'707	651'780
Georgia	788'211	1'203'441	415'230
Italy	27'903	69'402	41'499
Kosovo	291'146	1'212'620	921'473
Romania	1'682'949	1'548'396	-134'553
Serbia	443'420	393'388	-50'032
Slovakia	39'661	31'335	-8'326
Ukraine	438'174	404'014	-34'160
Hungary	321'764	350'717	28'953
Total project contributions Europe	4'974'115	6'730'586	1'756'470

AFRICA	2022	2023	+ / -
Ethiopia	2'445'272	1'863'991	-581'281
Democratic Republic of the Congo	1'546'382	1'935'221	388'838
Niger	1'573'588	4'067'923	2'494'334
Senegal	773'207	983'223	210'016
Zimbabwe	7'541	0	-7'541
Uganda	468'391	391'075	-77'316
Total project contributions Africa	6'814'381	9'241'432	2'427'051

ASIA	2022	2023	+ / -
Bangladesh	2'128'541	1'122'705	-1'005'836
India	1'866	-1'963	-3'829
Cambodia	1'788'851	2'513'684	724'833
Lebanon	11'213	52'662	41'449
Myanmar	420'732	566'093	145'361
Palestine/Israel	578'090	472'311	-105'780
Syria	456'323	307'084	-149'239
Total project contributions Asia	5'385'616	5'032'576	-353'040

LATIN AMERICA	2022	2023	+ / -
Latin America regional	113'920	48'118	-65'802
Brazil	1'042'687	955'460	-87'226
Haiti	395'630	1'309'475	913'845
Honduras	1'100'195	1'050'143	-50'052
Colombia	239'822	310'280	70'458
Total project contributions Latin America	2'892'255	3'673'476	781'222

9 Auditors' report



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To the board of Trustees of

Foundation Swiss Church Aid (HEKS/EPER)

Seminarstrasse 28
8057 Zürich

Report on the Audit of the Consolidated Financial Statements 2023

(for the period from 01.01. to 31.12.2023)

May 7, 2024

BDO Ltd, a limited company under Swiss law, incorporated in Zurich, forms part of the international BDO Network of independent member firms.



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STATUTORY AUDITOR'S REPORT

To the board of Trustees of Foundation Swiss Church Aid (HEKS/EPER), Zürich

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements pages 3 to 22 of Foundation Swiss Church Aid (HEKS/EPER) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the consolidated financial statements pages 3 to 22 give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and its consolidated results of operations and consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The consolidated financial statements for the year ended 31 December 2022 were audited by another statutory auditor who expressed an unmodified opinion on those financial statements on 14 April 2023.

Other Information

The board of Trustees is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the board of Trustees for the Consolidated Financial Statements

The board of Trustees is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the board of Trustees determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the consolidated financial statements, the board of Trustees is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of Trustees either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located at EXPERTSuisse's website at: <https://www.expertsuisse.ch/en/audit-report-for-ordinary-audits>. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the board of Trustees.

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

Bern, May 7, 2024

BDO Ltd

Sibylle Schmid

Licensed audit expert

Laurence Gilliéron

Auditor in charge
Licensed audit expert

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10 General notes to the annual financial statements

Overview

HEKS/EPER closed out the 2023 business year with a good operating result. Yet again, the volume of work in Switzerland and abroad increased significantly to a total of 126 million francs. This volume increase in international work was driven mainly by humanitarian aid, especially in the Middle East. The volume of development cooperation also expanded. Many projects were also implemented in 2023 with funding from existing fund capital reserves (use of donations from previous years). The increase in the volume of work in Switzerland was attributable to the growing number of asylum applications.

HEKS/EPER has a total of 381 projects abroad and in Switzerland. Operating income rose to 137.3 million francs and expenditure to 138.5 million francs. The sum of 22.6 million francs went to development cooperation projects in Africa, Asia, Latin America and Europe. A further 2.1 million francs was allocated to church cooperation in Eastern Europe and the Middle East. Altogether, HEKS/EPER provided humanitarian aid worth 43.3 million francs. In Switzerland, HEKS/EPER spent 43.2 million francs, of which 18.7 million francs on refugee and migration projects, and 24.3 million francs on projects to foster inclusion.

Income

Income from operations was a gratifying 1.2 million francs. This figure includes the strategic fund reduction in the Global Cooperation division, while the Switzerland division could again increase its funds.

Based on the type of income, cantonal churches, church parishes and other church organisations accounted for 14.3 million francs (9%). Contributions from the Confederation, cantons and communes amounted to 25.7 million (19%), from private persons, 17.8 million francs (13%), and from Swiss Solidarity, 6.2 million (4%). For the five Branch Offices in German-speaking Switzerland and the Romandie Branch Office, income from services contributed 33.5 million francs (24%) to the overall result. Other revenue and foundations accounted for 39.7 million francs (29%).

Expenditure

In development cooperation, project spending in Europe was 6.7 million francs (prior year 4.9 million francs). The increase took place principally in Armenia and Kosovo. Spending in Latin America was 3.7 million francs (2.9 million francs the previous year). The increase occurred mainly in Haiti. In Asia and Africa, project spending increased by 2.1 million to 14.3 million francs, especially in Niger and Cambodia.

Compared with the prior year, humanitarian aid spending varied from one project country to the next. Overall, expenditure increased by 14.3 million francs, including in Ukraine (7.3 million francs), the Democratic Republic of the Congo (3.6 million francs) and Syria (2.4 million francs). In other programme countries, by contrast, fewer projects were implemented, for example in Lebanon (down 0.8 million francs), Haiti (down 0.7 million francs) and Romania (down 0.6 million francs).

Work in Switzerland saw an expanded volume of projects, and this led to a spending increase of 11.7 million francs, reaching a total of 45.9 million francs (prior year, 34.2 million francs). The main drivers are the rising number of asylum applications and the growth of Linguadukt.

Administrative costs

The share of administrative costs in total expenditure (12.3 million francs) was 8.9% (Zewo guideline). Owing to the substantial increase in project volume, the administrative cost surcharge has been reduced. This places HEKS/EPER considerably below the maximum for ZEWO-certified non-profit organisations (25%).

Financial and real estate income/Extraordinary income

Recovering stock markets around the world yielded a good return on investments. The value fluctuation reserve was replenished by 0.2 million francs from the capital of the organisation. On the back of a negative court ruling, a former Bfa VAT receivable in the amount of 1.2 million francs was written off.

Funding trends

At 54.4 million, fund capital is marginally higher than the previous year (2022: 54.3 million francs), and breaks down into 21.9 million francs in Switzerland, 22.2 million francs abroad, and 10.3 million francs in humanitarian aid.

Result

Besides increasing the fluctuation reserve (0.2 million francs), the reserve for the VAT receivable in tied capital was reversed. An amount of 0.7 million francs was withdrawn from free 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 institutions (incl. city associations) contribute substantially to the funding of our projects. In 2023 they supported us to the tune of some 14.1 million francs.

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 shown. A big thank you goes also to the Cantonal Churches and to the Evangelical Methodist Church of Switzerland.

Aware that many smaller church parishes embrace our causes with determination and enthusiasm, we convey our gratitude for all donations, as they enable HEKS/EPER to effect big changes from small beginnings. We also thank the countless private persons who supported us with a donation. We will use donations conscientiously and effectively – in striving for a more just and a more humane world.

Following church parishes have donated 10'000 francs and more:

Aadorf-Aawangen, Aarau, Aeschi-Krattingen, Allschwil-Schönenbuch, Andelfingen, Aarbron, Arlesheim, Appenzeller Hinterland, Belp-Belpberg-Toffen, Bern, Bethlehem, Biberist-Gerlafingen, Biel, Birsfelden, Bolligen, Bremgarten-Mutschellen, Brienz, Brüttsellen Kreuz, Buchs-Rohr, Bülach, Burgdorf, Bürglen, Châtel-St-Denis, Chur, Christkatholische KG Zürich, Diakonisches Werk der Evangelisch-reformierten Kirche, Davos Platz, Degersheim, Diessbach, Dübendorf-Schwerzenbach, Ebnet-Kappel, Egnach, Ennenda, Erlinsbach, Erlenbach, Eulachthal, Feuerthalen, Flawil, Frauenfeld, Frutigen, Furttal, Gaiserwald, Gelterkinden-Rickenbach-Tecknau, Goldach, Gossau (ZH), Gossau-Andwil, Gottstatt, Greifensee, Grenchen-Bettlach, Grosshöchstetten, Gsteig-Interlaken, Heimberg, Herrliberg, Herzogenbuchsee, Hilterfingen, Hinwil, Holderbank-Möriken-Wildegg, Horgen, Illnau-Effretikon, Jegenstorf-Urtenen, Jura, Kath. KG Sursee, Kilchberg, Kirchberg, Kirchengutsverwaltung Seengen, Kloten, Knonauer Amt, Konolfingen, Kreuzlingen, Kölliken, Köniz, Koppigen, Langnau, Laufen am Rheinflall, Liestal-Seltisberg, Luzern-Stadt, Männedorf, Maur, Meggen-Adligenswil-Adligenswil-Udligenswil, Meilen, Meiringen, Mellingen, Mittleres Fricktal, Mittleres Toggenburg, Münchenbuchsee, Münchenstein, Münsingen, Muri-Gümligen, Muttenz, Neuenegg, Nidau, Nydeggen, Oberdiessbach, Oberrieden, Oberwil, Oberwil-Therwil-Ettingen, Opfikon, Petrus-Bern, Rapperswil-Jona, Reichenbach, Rein, Reinach-Leimbach, Rheinfelden, Roggwil, Romanhorn-Salmsach, Rorbach-Freienstein, Rorschach, Russikon, Rüschiikon, Rüti, Saanen-Gsteig, Sargans-Melts-Vilters-Wangs, Schöftland, Seengen, Seuzach-Thurtal, Sihltal, Sirmach, Sissach-Böckten-Diepflingen-Ittingen-Thürnen, Spiez, Solothurn, Stadtverband Winterthur, Stammheim, Stäfa-Hombrechtikon, Stallikon-Wettswil, Steinmaur-Neerach, Steffisburg, St-Johann, Straubenzell, Suhr-Hunzenschwil, Sumiswald, Sursee, Tablat, Thail-Lutzenberg, Thun, Thierachern, Thurnen, Turbenthal-Wila, Täuffelen, Urdorf, Uster, Uznach, Vechigen, Veltheim, Wädenswil, Wallisellen, Weinfeldten, Weinland Mitte, Wettingen-Neuenhof, Wetzikon, Wichtrach, Wil, Windisch, Winterthur Stadtkirche, Winterthur-Seen, Worb, Wynigen, Zofingen, Zollikofen, Zollikon, Zürich KK1, KK2, KK3, KK4&5, KK6, KK9, KK11, Zürich-Witikon

We are especially grateful to the partners, authorities and foundations that have generously supported us in the year 2023.

Partners:

Association Augustinus, Association Catholique Romaine, Brot für die Welt, Caritas Aargau, Caritas beider Basel, Caritas Bern, Caritas Vaud, Caritas Zürich, CARE Germany, Centre social protestant Vaud, Chiese Evangeliche Valdesi, Christian Aid, Christkatholische Kirchengemeinde Zürich, CST (CAFOD, SCIAF, Tröcaire) Äthiopien, Diakonie ACT Austria, Diakonie Katastrophenhilfe, Dan Church Aid, Evangelische Frauen Schweiz EFS, Glückskette, Helvetas, (Cordaid), International Rescue Committee (IRC), Katholische Kirchengemeinde Sursee, Katholisches Konfessionsteil St.Gallen, Kirk in Actie (Kirche in Aktion) (KIA) Niederlande, Medair E.V., Norwegian Church Aid, Oxfam Novib Niederlande, Promotion santé Suisse, Pro Senectute Kanton Zürich, Röm.-kath. Kirche Basel-Stadt, Röm.-kath. Kirche Basel-Landschaft, Röm.-kath. Kirche Thurgau, Röm.-kath. Synode des Kantons Solothurn, Röm.-kath. Kirche Zürich, Rotes Kreuz Kanton Thurgau, Schweiz. Konferenz der kant. Erziehungsdirektoren, Lutheran World Federation, Schweizerisches Rotes Kreuz, Service de la solidarité internationale, SOS-Asile Vaud, Texaid Textilverwertungs AG.

Federal Government:

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

Cantons:

Aargau, Basel-Landschaft, Basel-Stadt, Bern, Fédération vaudoise de coopération (FEDEVACO), Fribourg, Gemeinnütziger Fonds Zürich, Loterie Romande Neuchâtel, Lotteriefonds Appenzell-Ausser rhoden, Lotteriefonds Bern, Lotteriefonds Glarus, Lotteriefonds Luzern, Lotteriefonds Solothurn, Lotteriefonds Thurgau, Service de la solidarité internationale (SSI) Genève, Schaffhausen, Solothurn, St. Gallen, Swisslosfonds Aargau, Thurgau, Vaud, Wallis, Zürich.

Cities and communes:

Bern, Bernex, Carouge, Délégation Genève Ville Solidaire (DGVS), Genève, Lausanne, Luzern, Meyrin, Rapperswil-Jona, St. Gallen, Uster, Winterthur, Zug, Zürich.

Foundations, companies and associations:

Action Jeüne Solidaire, Adele Koller-Knüsli Stiftung, Age-Stiftung, Altersheim und Pflegeheim Blumenau AG, Annie und Rudolf Kaufmann-Hagenbach-Stiftung, Beat Peter Neeser Stiftung, Careerplus SA, CARITATIS STIFTUNG Vaduz, Christoph Merian Stiftung, Cotfer SA, Däster-Schild Stiftung, Délégation Genève Ville Solidaire (DGVS), Dr. Stephan à Porta Stiftung, Ehmann Stiftung Savognin, Ernst Göhner Stiftung, Ferster-Stiftung, Fondation Alfred & Eugénie Baur, Fondation de l'Hôpital de la Providence, Fondation Audemars-Piguet, Fondation Audemars Watkins, Fondation DSR, Fondation Gertrude Hirzel, Fondation H. Looser, Fondation Johann et Luzia Grässli, Fondation Lord Michelham of Hellingly, Fondation Philanthropique Famille Sandoz, Fondation Pierre Demaurex, Fondation Pierre-Henri Ducret, Fondation pour l'aide au protestantisme réformé, Fondation Sauvain-Petitpierre, Fondation smartpeace, FONDIA Stiftung zur Förderung der Gemeindediakonie, Gebauer Stiftung, Gerda Techow gemeinnützige Stiftung Vaduz, Gertrud & Hedwig Heyer-Stiftung, Gesundheitsförderung Schweiz, Gemeinnützige Stiftung Accentus, GGG Basel, Günther Caspar-Stiftung, Heliotis AG,

Immobilientgesellschaft Capitol AG, Lebensraum Aargau die gemeinnützige Stiftung der AKB, Leopold Bachmann Stiftung, Linsi Foundation, Marie Anna Stiftung, Markus Kaufmann-Stiftung, Max Geldner Stiftung, Medicor Foundation Liechtenstein, Migros-Genossenschafts-Bund, Migros Kulturprozent Schweiz, OAK Philanthropy Ltd., Ökumenisches Sternsingen Eschlikon, Otto Erich-Heynau Stiftung, Paul Schiller Stiftung, Plato Stiftung, Pro Senectute Aargau, Promix Solution AG, Rütli Stiftung, Schweizerische Gemeinnützige Gesellschaft, Schwesterngemeinschaft Bethesda, Somaha Stiftung, Stiftung Hilfsgesellschaft Winterthur, Stiftung Corymbo, Stiftung Erika und Andres Gut, Stiftung ESPERANZA, Stiftung Kriegstrauma-Therapie, Stiftung Temperatio, SWI swissinfo, Tauro-Stiftung, UBS Business Solution AG, UBS Philanthropy Foundation, UBS Stiftung für Soziales und Ausbildung, UBS Switzerland AG - Community Impact CH, Walder Stiftung, Weltgebetstag Schweiz.

Swiss Solidarity:

Swiss Solidarity provided 6.1 million francs in support to HEKS/EPER last year.

International donors:

Austrian Development Agency (ADA), ACT Alliance, United Nations Office for the Coordination of Humanitarian Affairs (UN-OCHA), Office of Foreign Affairs Liechtenstein, United States Agency for International Development (USAID), Bread for the World, United Nations Development Programme (UNDP), Food and Agriculture Organization (FAO) of the United Nations, European Commission (DG INTPA, DG Justice), Directorate-General for European Civil Protection and Humanitarian Aid (ECHO), International Organization for Migration (IOM), United Nations Children's Fund (UNICEF), Liechtenstein Development Service (LDS), Ministry of Foreign Affairs Denmark (DANIDA), Ministry of Environment Cambodia, UN Refugee Agency (UNHCR).

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