

Finance section

Annual Report

2019 / 2020

For children. For the future.

Content

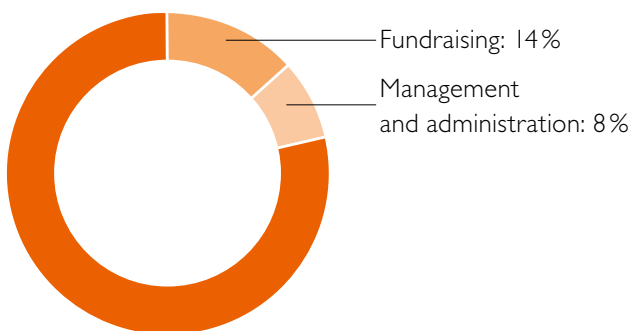
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Use of income from donations

In the financial year 2020, income increased from CHF 28.9 million to CHF 32.7 million. This increase of 13.2% is mainly due to additional income from institutional investors. We also recorded additional income from food and emergency relief and donations in kind. 69% of our income comes from private donors, while 31% comes from the public sources or multilateral organisations. For example, the United Nations World Food Programme (WFP), UNICEF and the European Union (EU) entrusted us with the implementation of extensive humanitarian programs. In the financial year 2020 we were able to spend CHF 23.5 million on project work. This is 13.7% more than in the previous year. The Swiss domestic cost structure remained practically unchanged in the same period. The organisational capital and the restricted fund capital were strengthened by CHF 1.9 million in the reporting period.

Use of donations

The free and committed reserves increased by CHF 1.9 million in the reporting year. Over the last 5 years, we have been able to allocate an average of 78% of our revenue to project related work. Management and administrative costs amounted to 8% and fundraising expenditure to 14%.



78%
PROJECT WORK

Balance sheet

in CHF	Note*	30.09.2020	30.09.2019
Assets			
Cash	1	11 612 707	10 277 005
Receivables from projects and third parties	2	509 256	152 876
Prepayments and accrued income		15 291	139 038
Current assets		12 137 254	10 568 919
Tangible assets	3	14 399	21 289
Intangible assets	3	29 339	0
Non-current assets		43 738	21 289
Total assets		12 180 992	10 590 208
Liabilities			
Other accounts payable to projects and third parties	4	688 541	535 218
Accrued liabilities and deferred income		233 188	690 068
Current liabilities		921 729	1 225 286
Restricted fund capital	5	8 585 145	7 515 549
Foundation capital		2 674 118	1 849 374
Organisational capital	6	2 674 118	1 849 374
Total liabilities		12 180 992	10 590 208

* See notes to the balance sheet and income statement from page 20.

The numbers are displayed without decimal places. The total is calculated from the unrounded numbers.

Income statement

in CHF	Note	01.10.2019 to 30.9.2020	01.10.2018 to 30.9.2019
Income			
Regional development projects		20 945 531	21 818 221
Emergency aid and disaster relief		621 163	576 567
Theme-oriented projects		1 10 345	383 208
Public sector contributions	7	1 587 781	2 507 051
Food, emergency relief and donations in kind	8	8 481 211	2 651 046
Unrestricted donations		950 556	478 066
Sponsoring contributions		0	500
Other donation income	9	43 793	519 399
Total income		32 740 379	28 934 058
Expenses			
Project work		-22 369 068	-19 418 027
Communication and advocacy		-81 229	-87 214
Personnel expenses	12	-1 012 207	-1 104 043
Travel and representation expenses		-17 850	-45 766
Expenditure on project work	10	-23 480 353	-20 655 050
Personnel expenses	12	-3 242 311	-3 300 073
Travel and representation expenses		-47 573	-72 230
Fundraising	11	-3 039 558	-2 859 511
Office and administration expenses		-255 348	-383 390
Premises (rent, heating, electricity) expenses		-240 791	-284 070
Maintenance expenses		-303 225	-240 252
Other expenses		-15 529	-15 426
Depreciation of tangible and intangible assets	3	-21 554	-31 957
Expenditure on domestic work	13	-7 165 889	-7 186 909
Operating result		2 094 137	1 092 099

in CHF	Note	1.10.2019 to 30.9.2020	1.10.2018 to 30.9.2019
Financial income		107 995	17 726
Financial expenditure	14	-317 045	-117 999
Financial income		-209 050	-100 272
Other income	15	9 255	42 564
Other income		9 255	42 564
Annual income before fund result		1 894 341	1 034 390
Allocation of restricted funds		31 796 945	27 934 893
Use of restricted funds		-30 727 348	-27 605 559
Change in restricted funds		1 069 597	329 334
Annual result before allocations to/withdrawals from organisational capital	6	824 744	705 056
Allocations to /withdrawals from the Foundation's capital		-824 744	-705 056
Annual result		0	0

Statement of cash flow

in CHF	1.10.2019 to 30.9.2020	1.10.2018 to 30.9.2019
Operational activity		
Annual income before fund result	1 894 341	1 034 390
Depreciation of tangible and intangible assets	21 554	31 957
Decrease/increase in receivables	-356 380	-19 089
Decrease/increase in prepayments and accrued income	123 748	-137 105
Increase/decrease in other short-term accounts payable	153 322	178 701
Increase/decrease in accrued liabilities and deferred income	-456 880	573 118
Cash flow from operating activities	1 379 705	1 661 972
Investment activity		
Investments in tangible assets	-31 894	-5 889
Investments in intangible assets	-12 109	0
Divestments/investments in financial assets	0	0
Cash flow from investment activities	-44 003	-5 889
Financing activities		
Cash flow from financing activity	0	0
Change in cash	1 335 702	1 656 083
Change in cash		
Opening balance of cash as at 1 October	10 277 005	8 620 922
End balance of cash as at 30 September	11 612 707	10 277 005
Change in cash	1 335 702	1 656 083

Statement of changes in capital

in CHF	Opening balance as at 01.10.2019	Income (internal)	Allocation (external)	Internal Fund Transfers (net)	Withdrawal (external)	End balance as at 30.09.2020
The Foundation's capital	1 849 374		1 060 684		-235 939	2 674 118
Organisational capital	1 849 374		1 060 684		-235 939	2 674 118
Restricted fund capital	7 515 549		31 796 945		-30 727 348	8 585 145
Total capital	9 364 923		32 857 629		-30 963 288	11 259 264

in CHF	Opening balance as at 01.10.2018	Income (internal)	Assignment (external)	Internal Fund Transfers (net)	Withdrawal (external)	Final balance as at 30.09.2019
The Foundation's capital	1 144 318		1 059 455		-354 399	1 849 374
Organisational capital	1 144 318		1 059 455		-354 399	1 849 374
Makindube Area Program (Tanzania)	1 446 735		825 231	-1 356 198	-915 767	
Area Program Harobanda & Karadje Banguey-Do (Niger)	574 621		498 980	-248 391	-825 210	
Area Program Mancos & Querococha (Peru)	2 220 393		1 217 501	-950 000	-1 520 261	967 633
Area Program Diago & Neguela (Mali)	1 066 283		1 839 742	-602 668	-1 502 734	800 622
Thematic Projects Education & Income	-2 114 944		64 629	1 918 276	132 039	
Thematic Projects Water & Sanitation	-1 248 817		9 820	1 238 982	15	
Other funds	5 241 944		23 478 991		-22 973 641	5 747 294
Restricted fund capital	7 186 214		27 934 893		-27 605 559	7 515 549
Total capital	8 330 532		28 994 348		-27 959 958	9 364 923

Statement of changes in capital by country in the reporting year

Country	Reserve 01.10.2019	Allocation	Use	Project allocation	Reserve 30.09.2020
Africa					
East Africa					
Ethiopia			-1 352	1 352	
Kenya		771 323	-935 245	163 923	
Rwanda		-7 192	20 112	-12 921	
Somalia		71 524	-94 511	22 987	
Tanzania	1 228 889	2 663 962	-2 148 320	109 253	1 853 784
Total East Africa	1 228 889	3 499 617	-3 159 316	284 594	1 853 784
Southern Africa					
Mozambique	-104 099	5 623	60 443	38 032	
Zimbabwe	-265 509	1 272 514	-712 249	-18 919	275 838
South Africa			36 011	-36 011	
Total Southern Africa	-369 608	1 278 137	-615 794	-16 898	275 838
West Africa					
Ghana			55	-55	
Mali	800 622	1 687 839	-1 627 199	37	861 299
Mauritania	-306 795	171 784	-319 069	454 080	
Niger		3 945	-2 339	-1 606	
Senegal	-2 534	18 514	-12 583	-3 397	
Chad	375 028	585 837	-659 696		301 169
Total West Africa	866 321	2 467 919	-2 620 832	449 060	1 162 467
Total Africa	1 725 602	7 245 673	-6 395 942	716 756	3 292 089
Asia					
Bangladesh	1 166 503	6 830 483	-8 002 367	1 138 707	1 133 326
India	666 029	1 491 465	-1 589 497	1	567 998
Indonesia	5 764	23 467	-26 310	-2 921	
Mongolia	106 245	58 049	-211 109		-46 815
Nepal	863 807	1 291 686	-1 302 066		853 427
Vietnam	913 173	1 019 390	-1 355 903		576 660
Total Asia	3 721 521	10 714 540	-12 487 252	1 135 787	3 084 596

Country	Reserve 01.10.2019	Allocation	Use	Project allocation	Reserve 30.09.2020
Latin America					
Bolivia	-128 749	2 058 788	-1 752 911	54 486	231 614
Dominican Republic	571 368	641 791	-692 324		520 834
Haiti			-45	45	
Nicaragua	577 879	1 559 083	-1 701 988		434 974
Peru	967 633	977 905	-1 157 483		788 055
Total Latin America	1 988 131	5 237 566	-5 304 751	54 532	1 975 478
Eastern Europe/Middle East					
Armenia	556 667	648 366	-833 198		371 835
Georgia	62 415	478 600	-535 427		5 588
Iraq		-2 413	41 434	-39 021	
Jordan		-8 383	-583 465	591 848	
Lebanon		2 969 797	-3 640 004	670 207	
Total Eastern Europe/Middle East	619 082	4 085 966	-5 550 660	1 223 034	377 423
Theme-oriented projects	-538 788	4 513 199	-988 743	-3 130 108	-144 440
Restricted fund capital	7 515 549	31 796 945	-30 727 348		8 585 145
Unrestricted donations	1 849 374	1 060 684	-235 939		2 674 118
Total capital	9 364 923	32 857 629	-30 963 288		11 259 264

Statement of changes in capital by country in the previous year

Country	Reserve 01.10.2018	Allocation	Use	Project allocation	Reserve 30.09.2019
Africa					
East Africa					
Kenya		743 287	-942 346	199 060	
Rwanda		59 513	-35 997	-23 516	
Somalia		861 078	-1 172 120	311 041	
South Sudan		5 064	13 755	-18 819	
Tanzania	2 402 911	2 531 621	-2 438 732	-1 266 911	1 228 889
Total East Africa	2 402 911	4 200 563	-4 575 439	-799 146	1 228 889
Southern Africa					
Angola		245 870	-261 708	15 838	
Mozambique	231 383	776 033	-1 111 515		-104 099
Zimbabwe	-111 531	258 779	-412 757		-265 509
South Africa		11 512	-13 318	1 806	
Total Southern Africa	119 852	1 292 194	-1 799 299	17 644	-369 608
West Africa					
Mali	1 066 283	1 839 742	-1 502 734	-602 668	800 622
Mauritania	-159 687	225 414	-372 522		-306 795
Niger	574 621	498 980	-825 210	-248 391	
Senegal	-125 240	350 785	-444 547	216 468	-2 534
Chad	347 820	713 389	-686 182		375 028
Total West Africa	1 703 797	3 628 309	-3 831 194	-634 591	866 321
Total Africa	4 226 560	9 121 066	-10 205 931	-1 416 092	1 725 602
Asia					
Asia in general					
Bangladesh	1 564 345	3 351 356	-3 807 180	57 983	1 166 503
India	635 827	1 285 613	-1 255 451	40	666 029
Indonesia		189 782	-184 018		5 764
Mongolia	172 070		-178 791	112 966	106 245
Nepal	690 110	1 345 850	-1 172 153		863 807
Vietnam	1 138 655	1 094 036	-1 319 519		913 173
Total Asia in general	4 201 007	7 266 636	-7 917 111	170 989	3 721 521
Central Asia					
Pakistan			5 467	-5 467	
Total Central Asia			5 467	-5 467	
Total Asia	4 201 007	7 266 636	-7 911 644	165 522	3 721 521

Country	Reserve 01.10.2018	Allocation	Use	Project allocation	Reserve 30.09.2019
Latin America					
Bolivia	-333 400	1 909 751	-1 705 100		-128 749
Dominican Republic	509 984	760 488	-699 104		571 368
Haiti	-66 220			66 220	
Nicaragua	637 621	1 555 647	-1 615 388		577 879
Peru	2 220 393	1 217 501	-1 520 261	-950 000	967 633
Total Latin America	2 968 376	5 443 387	-5 539 852	-883 780	1 988 131
Eastern Europe / Middle East					
Armenia	702 355	634 343	-780 031		556 667
Georgia	97 641	566 330	-601 556		62 415
Iraq		2 413	-306 855	304 441	
Jordan		8 383	-1 598 678	1 590 294	
Lebanon		8 605	-136 172	127 567	
Total Eastern Europe / Middle East	799 996	1 220 075	-3 423 291	2 022 302	619 082
Theme-oriented projects	-5 009 724	4 883 729	-657 740	244 948	-538 788
Restricted fund capital	7 186 214	27 934 893	-27 738 460	132 900	7 515 549
Unrestricted donations	1 144 318	1 059 455	-221 498	-132 900	1 849 374
Total capital	8 330 532	28 994 348	-27 959 958	0	9 364 923

General accounting principles

The accounts are prepared in accordance with the Swiss GAAP FER (Swiss Accounting and Reporting Recommendations) in the version 2015/2016 and comply with the Swiss Code of Obligations and the provisions of the Articles of Association. The annual financial statements give a true and fair view of the assets, finance and income situation of World Vision Switzerland. The original version in German language is legally valid.

Accounting principles in the reporting year

These financial statements have been prepared in accordance with the Swiss GAAP accounting recommendations FER 21 (accounting for non-profit, social nonprofit organizations). The Swiss GAAP FER framework concept from 1 January 2016 has been applied. On initial application per 1 October 2013, it was checked that the restricted funds were allocated for their designated purpose, and corresponding adjustments were made.

Companies to be consolidated

World Vision Switzerland does not have subsidiaries or partner institutions that exercise a controlling influence over it, or that could exercise such an influence due to joint control and management.

Accounting and valuation principles

Unless otherwise mentioned in the individual balance sheet items listed below, the valuation of the balance sheet items is done at the market values on the balance sheet date, with any accrued interest being counted as belonging to the market value. The bookkeeping is done in Swiss francs. Assets and liabilities in foreign currencies are converted at the closing rates on the balance sheet date, while transactions in foreign currency are converted at the current purchase rate.

Cash

This item includes cash, postal and monetary accounts with banks.

Time deposits and fixed deposits

This item comprises monetary investments with a term of more than one week.

Receivables due from projects and third parties

This item includes receivables due from third parties, withholding taxes that can be reimbursed, and advance payments to employees for travel expenses on the balance sheet date. The valuation is done at nominal value.

Prepayments and accrued income

This item includes accruals of individual items for expenditure and income. The valuation is done at nominal value.

Investments in tangible and intangible assets

This item includes all the purchases that World Vision Switzerland itself requires to provide its services and undertake administration. The valuation is done at the purchase value minus the straight-line depreciation applied as planned. Generally, a life span of three years is assumed. Individual purchases below CHF 1,000 are not capitalized.

Other accounts payable

This item includes accounts payable to third parties on the balance sheet date.

Accrued liabilities and deferred income

This item includes accruals of individual items for expenditure and income. The valuation is done at nominal value.

Restricted fund capital

This item relates to funds with restrictions on how they are used, earmarked for a specific purpose, which comes from significant donations whose use is restricted by donors within the broad statutory objective of World Vision Switzerland. Because the financing requirements are higher than income during the first few years of a new product, a negative balance may develop over a certain period, which is then gradually reduced.

Portions of income are allocated to the individual restricted funds, where its use is also subject to a restriction in relation to the statutory purpose of World Vision Switzerland.

The Foundation's capital

The Foundation's capital consists of capital received from the founding association taking into account subsequent annual results.

Income statement – Method used

The income statement is represented using the total cost method. The allocation of administrative expenses, fund-raising expenses, and general advertising expenses are shown separately in the appendix.

Principles of the cash flow statement

Liquid funds represent a strategically important liquidity reserve and are therefore the decisive factor for the medium and long-term performance and action capability of World Vision Switzerland. The cash flow statement shows the change in this item, divided into the factors «Operating activities», «Investing activities» and «Financing activities». The cash flow statement is prepared using the indirect method.

Principles of statement of change in capital

The statement of change in capital shows the development of the restricted funds at a national level, and of the freely disposable funds divided among the items «Allocation», «Use» and «Project allocation». Where the individual restricted funds are required to have portions of financial income (or financial expenditure) assigned to them, these are listed under the heading «Allocation».

Project expenditure

Country	Project name	Ambassador for children's rights	Development assistance	Emergency aid and disaster relief	Overall result
Africa					
East Africa					
Ethiopia	FMNR		1 229		1 229
Kenya	WFP World Food Programme			793 558	793 558
Rwanda	SIDA Income Promotion		-19 174		-19 174
	WFP World Food Programme			825	825
Somalia	WFP World Food Programme			80 667	80 667
Tanzania	Makindube		-70		-70
	Mbuka		573 671		573 671
	Wasa		73 503		73 503
	WFP World Food Programme			488 440	488 440
Total East Africa			629 160	1 363 489	1 992 649
Southern Africa					
Mozambique	Mosambik Zyklon Idai			-433	-433
	Muecate		-55 589		-55 589
	Ukane		835		835
	Ukane Water Project		-1		-1
	UNICEF Emergency Aid Flood Victims			-1	-1
Zimbabwe	EU Project Fisheries		-95 148		-95 148
	Matobo-Kezi		194 397		194 397
	Tshitshi Madabe		276 663		276 663
South Africa	EU Efficient Community Development		-32 745		-32 745
Total Southern Africa			288 412	-434	287 978
West Africa					
Ghana	Bongo		-50		-50
Mali	Diago		418 106		418 106
	Lozena		97 840		97 840
	Neguella		394 671		394 671
	WFP World Food Programme			34	34
Mauritania	Arafat II		654		654
	Sebkha		274 736		274 736
Niger	East-Harobanda		719		719
	Karadjé Banguéy-Do		506		506
Senegal	EU Child Protection		10 657		10 657
Chad	Bekodo		1 262		1 262
	Beti		378 908		378 908
Total West Africa			1 578 008	34	1 578 042
Total Africa			2 495 580	1 363 089	3 858 669

Country	Project name	Ambassador for children's rights	Development assistance	Emergency aid and disaster relief	Overall result
Asia					
Bangladesh	Ghoraghat		141 751		141 751
	Jalchatra		319 350		319 350
	Muktagacha		452 735		452 735
	UNICEF Protection and education for refugee children			647 717	647 717
	WFP World Food Programme			4 637 842	4 637 842
India	Aparajita		307 020		307 020
	East Kameng		63 265		63 265
	Climate Change and Migration in Khariar		81 562		81 562
	Khariar		499 368		499 368
	Ranchi		1		1
Indonesia	Tsunami Relief Sulawesi			17 240	17 240
Mongolia	Bayanzurkh		108 278		108 278
	Bor Undur		-2 669		-2 669
	Khentii		48 789		48 789
Nepal	Jumla-Sinja		194 351		194 351
	Lamjung		496 785		496 785
Vietnam	Lang Chanh		296 257		296 257
	Nam Giang		78 237		78 237
	Quan Son		416 569		416 569
Total Asia			3 501 648	5 302 800	8 804 448

Project expenditure

Country	Project name	Ambassador for children's rights	Development assistance	Emergency aid and disaster relief	Overall result
Latin America					
Bolivia	Resilient farming communities in the highlands			70 876	70 876
	Lomas		359 557		359 557
	Qaqachaka		1 095		1 095
	Sumaj Muju		549 101		549 101
	Agroforestry against malnutrition		18 287		18 287
	Wawas Kuisisqa		137 335		137 335
Dominican Republic	Canaán	2	352 152		352 154
Haiti	WFP World Food Programme			41	41
Nicaragua	San Rafael del Norte		59 703		59 703
	Xochitilepec		298 840		298 840
	Xolotlan		260 122		260 122
	Yali		440 359		440 359
Peru	Mancos		311 923		311 923
	Querococha		294 329		294 329
Total Latin America		2	3 082 803	70 917	3 153 722
Eastern Europe/Middle East					
Armenia	Support of families and children in Armenia	207 654			207 654
	Kapan		301 760		301 760
Georgia	Imereti		363 167		363 167
Iraq	Youth RESOLVE (EU Madad)		-37 676		-37 676
Jordan	Youth RESOLVE (EU Madad)		530 547		530 547
Lebanon	WFP World Food Programme			2 988 426	2 988 426
	Youth RESOLVE (EU Madad)		102 360		102 360
Total Eastern Europe/Middle East		207 654	1 260 157	2 988 426	4 456 237

Country	Project name	Ambassador for children's rights	Development assistance	Emergency aid and disaster relief	Overall result
Supraregional					
	Domestic information work and legal fees	81 229			81 229
	Personnel expenses information work and legal fees	232 358			232 358
	Personnel expenses domestic development assistance		411 775		411 775
	Personnel expenses domestic emergency aid and disaster relief			385 924	385 924
	Covid-19 emergency aid projects			36 420	36 420
	Project support partnership offices		2 028 781		2 028 781
	Emergency fund for emergency aid and disaster relief			30 790	30 790
Total Supraregional		313 586	2 440 555	453 135	3 207 277
Total expenditure on project work		521 242	12 780 744	10 178 367	23 480 353

Comments on individual items in the balance sheet

I Cash

The Financial Regulations exclude all investments and therefore also risks in shares, bonds, hedge funds, etc., with the exception of fixed deposits and forward exchange transactions for hedging purposes.

As of September 30, 2020, there were three open forward exchange contracts for the purchase of 3 million US dollars against Swiss francs to hedge project payments in US dollars for the fiscal year 2021. The valuation of the three forward exchange contracts as of September 30, 2020, is as follows CHF -208 500.

Part of the liquid funds is also a rent deposit account in the amount of CHF 13 370 (previous year CHF 13 368).

2 Receivables due from projects and third parties

in CHF	30.09.2020	30.09.2019
Advance payments to suppliers	152 383	119 232
Western Union transitory account	343 725	25 651
SIMMA transitory account	11 465	
Transit account funds	184	
Receivables withholding tax		3 743
Receivables family compensation fund	-2 500	250
Expenses paid in advance to employees	4 000	4 000
Balance	509 256	152 876

3 Investments in tangible and intangible assets

in CHF	Hardware	Software	Total
Purchase values 1.10.2018	46 934	84 346	131 280
Investments	5 889		5 889
Reductions	-7 421	-84 346	-91 767
Purchase value 30.09.2019	45 402		45 402
Value adjustment 1.10.2018	-10 508	-73 415	-83 923
Depreciation	-21 026	-10 931	-31 957
Reductions	7 421	84 346	91 767
Value adjustment 30.09.2019	-24 113		-24 113
Purchase value 1.10.2019	45 402		45 402
Investments	12 109	31 894	44 003
Reductions			
Purchase values 30.09.2020	57 511	31 894	89 405
Value adjustment 1.10.2019	-24 113		-24 113
Depreciation	-18 999	-2 555	-21 554
Reductions			
Value adjustment 30.09.2020	-43 112	-2 555	-45 667
Net book value on 30.09.2019	21 289	0	21 289
Net book value 30.09.2020	14 399	29 339	43 738

Depreciation is performed in accordance with general accounting principles, taking into account the expected life span.

4 Other accounts payable to projects and third parties and accrued liabilities and deferred income

in CHF	30.09.2020	30.09.2019
Accounts payable	531 830	454 386
Accounts payable social insurance/withholding tax	82 390	77 079
World Vision International	74 321	3 753
Balance	688 541	535 218

There are no contingent liabilities.

In the year under review, accrued income and deferred liabilities mainly consist of a vacation accrual of CHF 108 886 (previous year CHF 89 986) and costs in connection with the annual report of CHF 55 910 (previous year CHF 30 910).

In the previous year, accrued income consisted mainly of a liability to the Youth RESOLVE project (EU Madad) for project transfers still due in connection with project activities already carried out in the year under review.

5 Restricted fund capital

The changes in the restricted fund capital are shown in the income statement (section Fund result) and on the statement about changes in capital. In the previous year, part of the country reserves was used to cover the negative reserves from the theme-oriented projects. Country and theme-oriented projects are very similar in terms of project content and region. Therefore, the designated purpose of the original funds was fully ensured.

6 Organisational capital

Allocations to organisational capital derive mainly from unrestricted donations not earmarked for a specific purpose and from interest earned.

Comments on individual items in the income statement

7 Public sector contributions

in CHF	01.10.2019 to 30.09.2020	01.10.2018 to 30.09.2019
CTB (Cooperation Technique Belge)		161 719
EU (European Union)	398 306	2 047 691
FAO (Food and Agriculture Organization)	47 415	
Municipality of Dättlikon	900	
Municipality of Riehen	50 000	50 000
Municipality of Risch	500	
Municipality of Rüslikon		1 000
Municipality of Safiental	40	
Municipality of Wiedlisbach		200
UNICEF	55 945	
WFP (World Food Programme)	1 034 675	246 441
Public sector contributions	1 587 781	2 507 051

This section only includes monetary donations.

8 Food, emergency relief and donations in kind

in CHF	01.10.2019 to 30.09.2020	01.10.2018 to 30.09.2019
Food and emergency relief WFP (World Food Programme)	8 481 211	2 651 046
Food, emergency relief and donations in kind	8 481 211	2 651 046

This item exclusively includes donations in kind and vouchers for the purchase of food.

9 Other income

In the financial year 2020, legacies in the amount of CHF 43 731 (previous year CHF 519 399) were booked along with other income.

10 Project work

Detailed information on this item can be found on pages 16 to 19 of the Annual Report.

II Fundraising

This year, World Vision Switzerland was again able to benefit from many special terms and discounts that are common practice in the non-profit industry.

I2 Personnel expenses

in CHF	01.10.2019 to 30.09.2020	01.10.2018 to 30.09.2019
Project work	-779 889	-845 482
Information work and legal fees	-232 317	-258 560
Fundraising	-1 845 938	-1 832 698
Administration	-1 396 373	-1 467 375
Personnel expenses (expenditure on project and domestic work)	-4 254 518	-4 404 115
Number of employees (as of September 30)	44	46
Number of full-time positions (reporting date 09/30)	39.3	40.7
Annual average number of full-time positions	39.2	41.4

The average gross annual income including the 13th month's salary (excl. child and family allowances) of the 6 members of the Executive Board averaged CHF 135 659 (previous year CHF 132 889).

I3 Expenditure on domestic work

in CHF	01.10.2019 to 30.09.2020	01.10.2018 to 30.09.2019
Administrative expenditure	-2 148 678	-2 351 893
Fundraising and general advertising expenditure	-5 017 211	-4 835 016
Expenditure on domestic work	-7 165 889	-7 186 909

Administrative expenses include, in particular, all domestic costs and all costs that are not assigned to fundraising expenses and general advertising expenses. These are cost items from the Finance, IT & Administration, Management and HR departments, as well as the total expenses for premises for all employees in Switzerland.

Fundraising and general advertising expenses include all costs for fundraising or customer retention. These are cost items of the marketing and fundraising departments including customer service and customer communication.

14 Financial expenditure

in CHF	01.10.2019 to 30.09.2020	01.10.2018 to 30.09.2019
Bank and postal cheque charges	-24 706	-26 980
Exchange rate losses foreign currencies, interestpayable	-292 339	-91 019
Financial expenditure	-317 045	-117 999

15 External income

In the operating year, the external income consisted of CO² refunds from SVA.

In the previous year, the external income consisted of CO² refunds from SVA and a credit in connection with our long-term rental agreement.

Further comments on the annual financial statements

Unpaid services

The members of the Foundation Board of World Vision Switzerland provide their services in an honorary capacity.

Occupational pension obligations

An affiliation agreement and a managers' insurance policy have been concluded with the Swiss Life Collective BVG Foundation as part of a full-cover insurance policy

Risk assessment

As a result of an increasingly complex and unstable world, risk management is becoming more important. World Vision Switzerland is making great efforts to identify major risks at an early stage and has developed strategies to avoid or minimize them. The members of the Foundation Board, supported by a Risk Committee, regularly evaluates the risk register, discuss the «Incident List» and regularly reviews various risk scenarios. Our internal control system (ICS) is integrated into the quality management system (QM system) and is reviewed by the Risk Committee of the members of the Foundation Board. The QM system includes risks, processes and controls and is audited annually. For example, the Swiss Association for Quality and Management Systems (SQS) has confirmed the ISO 9001 standard and the NPO label for Management Excellence for the next 3 years in a recertification audit.

Events after the balance sheet date

There are no known events after the balance sheet date which could have a negative impact on the 2020 financial statements. The Foundation Board approved the annual financial statements on 15 December 2020.

Performance report 2020

Regarding the proof of effectiveness in the development projects of World Vision Switzerland, we refer to the editorial part of this Annual Report.

Legal basis

World Vision Switzerland supports children, families, and their environment in the fight against poverty and injustice. We provide sustainable development cooperation, emergency, and disaster relief in crisis regions and actively support children's rights worldwide. The legal form is a foundation (according to article 80ff.). World Vision Switzerland is registered in the commercial register with headquarters in Dübendorf since August 8, 2014, formerly as an association.

Purpose of the Foundation

The Foundation aims to improve the living conditions of poor and disadvantaged people, especially children, in the poorest countries of the world. The Foundation promotes international solidarity, Christian values, tolerance and intercultural understanding, and works to overcome poverty and injustice.

Auditors

PricewaterhouseCoopers AG, Zurich, was appointed to audit the annual financial statements.

Foundation Board

In fiscal 2020, the Foundation Board consisted of seven members. The Foundation Board held a total of four meetings. The focus of the respective meetings was on the annual financial statements for the past and current financial year, the assessment of the presented key figures and financial reports, the national strategy for the period 2020-2023, personnel decisions, the budget for the financial year 2021 and risk management. The honorary members did not receive any compensation in the financial year 2020.

Executive Management

The Executive Management consists of six members and has no voting rights on the Foundation Board.

Apprenticeships

In 2020, World Vision Switzerland trained three apprentices who completed the three-year commercial appren-

ticeship (KV). In a practical training program, our vocational instructors gave them a deeper insight into the daily workings of business and development work in various areas. World Vision Switzerland is also making a small contribution to the promotion of youth in Switzerland by means of its apprenticeship training.

Voluntary work

Numerous volunteers work practically for World Vision Switzerland. Some of them help, for example, with mailing and others take care of the translation of the letters of the sponsored children.

Challenges & Insights

Covid-19 and home office

When the Covid-19 lockdown occurred in February 2020, we were able to move to the home office within a few days thanks to the good preparatory work of the IT team. What remains a challenge, however, are the different platforms and tools used in the organization to communicate digitally (Skype, MS Teams, email, WhatsApp, etc.). In the coming year, we will create clarity and increase work efficiency with training courses and clear concepts (where what is communicated and stored and how).

Cybercrime Risks

Last year we were victims of a phishing attack. One fraudster managed to damage us with CHF 900. This happened even though all employees had completed an online cybercrime course, which is repeated annually. After we experienced the danger of cybercrime first-hand, our IT department organized a face-to-face training with practical examples and we took out cyber insurance to cover further risks.

IT system and processes

Because our financial systems had long response times, the new management team created a mapping of the systems. This showed that the variety of solutions made the system complex, inefficient and confusing. Over the years, we had tried to maintain our information management systems as cost-effectively as possible but had to realize that a general overhaul or strategic realignment was inevitable. Together with external experts, we therefore initiated a complete realignment of the ERP, CRM

and HRMI systems. In the coming financial year, we will start implementing the new systems. This changeover is a challenge in financial and organizational terms as well as in terms of personnel.

Outlook for 2021

We look forward to the coming year with confidence. We plan to start 4 new development projects this year as well. At the same time, we are pleased to hand over 4 projects to the local population towards the end of the financial year. In addition, we plan to invest in programs that aim to reforest previously eroded and devastated areas. An intact environment is of central importance, especially for the most vulnerable people.

As part of our fundraising strategy, we continue to focus on private supporters. We will strengthen our relationships with the various churches and expand our offerings for wealthy supporters. We also plan to make our offerings and services more attractive to donors in French-speaking Switzerland. In emergency and disaster relief, we will continue to intervene quickly and unbureaucratically. We also plan to raise public awareness in this area.

Last year, we analyzed our CO₂ balance with our partner Carbon-Connect and drew up a climate plan with the goal of being climate-neutral by 2025. Our carbon footprint per employee was 3.6 tons. We want to improve here. In implementing our strategic goals, cooperation with other aid organizations, companies and networks is also important to us. This year we will invest more in information systems to make the organization not only more secure, but also more efficient. And last but not least, we want to invest in our corporate culture and in living Christian values. A good working atmosphere and mutual respect are important prerequisites for successful cooperation with the suffering population in developing countries, but also with our partners and employees.

Legal information

Publisher World Vision Switzerland Foundation, children's charity, Dübendorf ZH

Editors André Mebold, Dominik Schweizer

Auditor's Report

Report of the statutory auditor

to the Foundation Board of Stiftung World Vision Schweiz,
Kinderhilfswerk

Dübendorf

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the financial statements of Stiftung World Vision Schweiz, Kinderhilfswerk, which comprise the balance sheet, income statement, statement of cash flow, statement of changes in capital and notes (pages 5 to 26), for the year ended 30 September 2020. As permitted by Swiss GAAP FER 21 the information in the performance report (pages 27 to 28) is not required to be subject to audit.

Foundation Board's responsibility

The Foundation Board is responsible for the preparation of the financial statements in accordance with the requirements of Swiss GAAP FER, Swiss law and the foundation's deed and internal regulations. 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 Foundation Board 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 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 30 September 2020 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law and the foundation's deed and internal regulations.

Auditor's Report

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 83b paragraph 3 CC in connection with article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 83b paragraph 3 CC in connection 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 Foundation Board.

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

PricewaterhouseCoopers AG

Reto Tognina
Audit expert
Auditor in charge

Fabian Stalder
Audit expert

Zürich, 15 December 2020

For children. For the future.

We use resources and donations in an efficient and transparent manner. World Vision Switzerland has been certified twice (ISO 9001, NPO label) by the internationally recognised, independent Swiss Association for Quality and Management Systems (SQS) and also bears the quality seal of the Ehrenkodex foundation.



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