

**Balance Sheet****ASSETS**

(in CHF)	Notes	31.12.2016	31.12.2015
<b>Current Assets</b>			
Cash and cash equivalents	1.1	7'700'466	8'241'564
Accounts receivable on deliveries and services		25'679	66'310
Other short-term accounts receivable	1.2	410'571	681'111
Net assets in programme countries		605'550	490'007
Accrued income and pre-paid expenses	1.3	1'678'107	929'400
<b>Total</b>		<b>10'420'373</b>	<b>10'408'391</b>
<b>Fixed Assets</b>			
Financial Assets	1.4	151'501	150'641
Tangible fixed assets	1.5	215'866	329'830
Real estate property	1.5	2'570'414	2'617'046
<b>Total</b>		<b>2'937'781</b>	<b>3'097'516</b>
<b>Total Assets</b>		<b>13'358'154</b>	<b>13'505'908</b>

**LIABILITIES**

(in CHF)			
<b>Short-term liabilities</b>			
Liabilities on deliveries and services		387'195	601'135
Other short-term liabilities	2.1	195'191	198'637
Pre-Payments	2.2	2'288'976	2'602'178
Accrued expenses and deferred income	2.3	127'988	123'080
<b>Total</b>		<b>2'999'351</b>	<b>3'525'029</b>
<b>Long-term liabilities</b>			
Long-term interest-bearing liabilities (mortgages)		2'000'000	2'000'000
<b>Total</b>		<b>2'000'000</b>	<b>2'000'000</b>
<b>Total liabilities</b>		<b>4'999'351</b>	<b>5'525'029</b>
<b>Fund capital</b>	2.4	<b>4'668'101</b>	<b>4'590'522</b>
<b>Total liabilities and fund capital</b>		<b>9'667'452</b>	<b>10'115'551</b>
<b>Capital of the organisation</b>			
Paid-up capital		100'000	100'000
Restricted capital			
- Foreign-exchange offset reserve		199'411	199'411
- Real estate renovation reserve		988'998	947'741
- Collective agreement (CLA) reserve		60'000	60'000
Unrestricted capital		2'333'443	2'082'030
Solidar Genève unrestricted capital		8'851	1'175
<b>Total</b>		<b>3'690'702</b>	<b>3'390'357</b>
<b>Total liabilities</b>		<b>13'358'154</b>	<b>13'505'908</b>

**Statement of operations**

(in CHF)

		2016	2015
<b>Income from donations</b>			
Unrestricted donations and legacies		3'209'697	3'276'718
Restricted donations and legacies		745'033	1'272'650
Project contributions	1.1	2'147'388	2'166'256
Project contributions, Liechtenstein Development Service (LED)		640'000	640'000
Membership fees and supporter contributions		460'358	412'435
<b>Total</b>		<b>7'202'476</b>	<b>7'768'059</b>
<b>Income from service provided</b>			
Swiss federal funding	1.2	7'703'155	9'438'118
Foreign authorities' funding		554'249	502'612
Funding from various organisations	1.3	4'005'684	5'662'822
<b>Total</b>		<b>12'263'088</b>	<b>15'603'552</b>
<b>Other operating income</b>	1.4	<b>287'045</b>	<b>351'614</b>
<b>Total operational income</b>		<b>19'752'608</b>	<b>23'723'225</b>
<b>International programme</b>			
	2.1		
Latin America		5'036'947	6'245'300
Africa		2'546'449	2'956'167
South-eastern Europe and Middle East		2'438'544	2'534'186
Asia		3'510'878	5'486'018
Programme coordination and support	2.2	1'757'851	1'685'957
<b>Total</b>		<b>15'290'670</b>	<b>18'907'629</b>
<b>Swiss programme - Information and awareness raising</b>	2.3	<b>1'002'730</b>	<b>1'018'363</b>
<b>Head Office</b>			
	2.4		
Administration costs		1'358'243	1'252'314
Fundraising and advertising		1'912'986	2'165'807
<b>Total</b>		<b>3'271'230</b>	<b>3'418'121</b>
<b>Total operational expenditure</b>		<b>19'564'630</b>	<b>23'344'113</b>
<b>Operating result</b>		<b>187'978</b>	<b>379'112</b>
<b>Financial result</b>	2.5	<b>-31'869</b>	<b>62'985</b>
<b>Real estate property result</b>	2.6	<b>221'815</b>	<b>215'521</b>
<b>Result before fund movements</b>		<b>377'924</b>	<b>657'618</b>
<b>Movements in funds</b>			
	2.7		
Allocations		-978'919	-1'829'433
Use		901'340	1'427'939
<b>Annual result before allocations to the capital of the organisation</b>		<b>300'345</b>	<b>256'123</b>
<b>Allocations</b>			
To unrestricted capital		-259'089	-217'371
To restricted capital			
- Foreign-exchange offset reserve		0	2'505
- Real estate renovation reserve		-41'257	-41'257
<b>Annual result after allocations</b>		<b>0</b>	<b>0</b>

## Cash flow statement

	2016	2015
<b>Operational activities</b>		
Annual result before allocations to the capital of the organisation	300'345	256'123
Change in fund capital	77'579	401'494
Depreciation of tangible fixed assets	94'210	115'244
Depreciation of real estate property	46'632	46'632
Change in accounts receivables	195'628	-556'572
Change in accrued income and prepaid expenses	-748'707	-489'689
Change in short-term liabilities	-217'385	254'123
Change in pre-payments	-313'201	-1'210'070
Change in accrued expenses and deferred income	4'909	-22'868
<b>Cash flow from operational activities</b>	<b>-559'990</b>	<b>-1'205'583</b>
<b>Investment activities</b>		
Investment in tangible fixed assets	-40'209	-110'281
Divestment of tangible fixed assets	59'962	
Change in financial assets	-860	-4'327
<b>Cash flow from investment activities</b>	<b>18'893</b>	<b>-114'608</b>
<b>Financing activities</b>		
<b>Cash flow from financing activities</b>	<b>0</b>	<b>0</b>
<b>Change in cash and cash equivalents</b>	<b>-541'097</b>	<b>-1'320'191</b>
Cash and cash equivalents on 01 January	8'241'564	9'561'754
Cash and cash equivalents on 31 December	7'700'466	8'241'564
<b>Verification of change in cash and cash equivalents</b>	<b>-541'097</b>	<b>-1'320'191</b>

## Statement of changes in capital

2016	Bestand per 01.01.16	Zuweisung	Interner Fondstransfer	Verwendung	Bestand per 31.12.16
<b>Capital of the organisation</b>					
Paid-up capital	100'000	-	-	-	100'000
Restricted capital	0	-	-	-	0
- Foreign-exchange offset reserve <sup>1)</sup>	199'411	-	-	-	199'411
- Collective agreement (CAL) reserve <sup>2)</sup>	60'000	-	-	-	60'000
- Real estate renovation reserve <sup>3)</sup>	947'741	0	41'257	0	988'998
Solidar Suisse unrestricted capital	2'082'030	0	251'413	0	2'333'443
Solidar Genève unrestricted capital	1'175	-	7'675	-	8'851
Annual result	-	300'345	-300'345.33	-	0
<b>Capital of the organisation</b>	<b>3'390'357</b>	<b>300'345</b>	<b>0</b>	<b>0</b>	<b>3'690'702</b>
<b>Fund capital</b>					
Poverty and integration fund	1'505'133	106'997	-	-20'000	1'592'129
Decent work fund	31'754	32'970	-	-10'000	54'724
International cooperation funds	819'241	582'781	43'139	-380'840	1'064'321
Humanitarian Aid funds	2'193'541	253'885	-	-490'500	1'956'926
Swiss fund	40'853	2'286	-43'139	-	-
<b>Fund capital</b>	<b>4'590'522</b>	<b>978'919</b>	<b>0</b>	<b>-901'340</b>	<b>4'668'101</b>
<b>2015</b>					
	Bestand per 01.01.15	Zuweisung	Interner Fondstransfer	Verwendung	Bestand per 31.12.15
<b>Capital of the organisation</b>					
Paid-up capital	100'000	-	-	-	100'000
Restricted capital		-	-	-	0
- Foreign-exchange offset reserve 1)	201'916	-	-2'505	-	199'411
- Collective agreement (CAL) reserve 2)	60'000	-	-	-	60'000
- Real estate renovation reserve 3)	906'485	-	41'257	-	947'741
Solidar Suisse unrestricted capital	1'865'833	-	216'196	-	2'082'030
Solidar Genève unrestricted capital	-	-	1'175	-	1'175
Annual result	-	256'123	-256'123	-	-
<b>Capital of the organisation</b>	<b>3'134'234</b>	<b>256'123</b>	<b>0</b>	<b>0</b>	<b>3'390'357</b>
<b>Fund capital</b>					
Poverty and integration fund	1'563'623	141'510	-	-200'000	1'505'133
Decent work fund	53'624	28'130	-	-50'000	31'754
International cooperation funds	1'089'804	378'377	-	-648'939	819'241
Humanitarian Aid funds	1'443'228	1'279'313	-	-529'000	2'193'541
Swiss fund	38'749	2'104	-	-	40'853
<b>Fund capital</b>	<b>4'189'028</b>	<b>1'829'433</b>	<b>0</b>	<b>-1'427'939</b>	<b>4'590'522</b>

<sup>1)</sup> This reserve is to cover foreign exchange risks relating to International programme.

<sup>2)</sup> This reserve was made in the context of CLA (Collective Labour Agreement) renewal, Section 9.1.2

<sup>3)</sup> This reserve is used to fund renovations necessary to maintain the value of real estate property.  
Annual accumulation based on 0.5% of building insurance value (Quellenhof).

## Notes on the Statement of Operations

### Income

1.1 Project contributions	2016	2015
Contributions from institutions / foundations	1'144'911	922'793
Contributions from cantons / municipalities	525'000	894'740
Contributions from FEDEVACO (Fédération vaudoise de coopération)	211'526	199'772
Contributions from FGC (Fédération genevoise de coopération)	265'950	148'950
<b>TOTAL</b>	<b>2'147'388</b>	<b>2'166'256</b>

1.2 Swiss Federal funding	2016	2015
SDC programme contribution	3'948'874	3'968'303
SDC mandates	2'942'861	4'471'432
SDC project contributions	811'420	998'384
<b>TOTAL</b>	<b>7'703'155</b>	<b>9'438'118</b>

1.3 Funding from various organisations	2016	2015
Swiss Solidarity contributions	2'674'774	4'198'401
ECHO (European Commission: Department for Humanitarian Aid) contributions	181'078	-
Contributions from various organisations	1'149'832	1'464'421
<b>TOTAL</b>	<b>4'005'684</b>	<b>5'662'822</b>

1.4 Other operating income	2016	2015
Earnings from services provided	29'404	30'727
Proportion of Texaid proceeds <sup>1)</sup>	190'000	270'000
Reimbursements and various earnings	67'640	50'887
<b>TOTAL</b>	<b>287'045</b>	<b>351'614</b>

<sup>1)</sup> Solidar Suisse, Swiss Red Cross, Caritas Switzerland, Swiss Church Aid HEKS, Winter Aid and Kolping Switzerland form the Texaid partnership, Switzerland's leading organisation for collecting, sorting and recycling used textiles including shoes and household textiles.

### Expenditures

2.1 Int. programme by area and country	2016		2015	
	in CHF	in %	in CHF	in %
<b>Development Cooperation</b>	<b>9'011'048</b>	<b>67%</b>	<b>11'097'166</b>	<b>64%</b>
<b>Latin America</b>	<b>4'831'178</b>	<b>36%</b>	<b>6'245'300</b>	<b>36%</b>
Nicaragua	823'853	6%	864'130	5%
El Salvador	613'210	5%	651'617	4%
Bolivia	3'394'115	25%	4'729'553	27%
<b>Africa</b>	<b>2'493'798</b>	<b>18%</b>	<b>2'956'167</b>	<b>17%</b>
Southern Africa	639'221	5%	1'099'492	6%
Burkina Faso	1'854'577	14%	1'856'675	11%
<b>South-eastern Europe</b>	<b>800'430</b>	<b>6%</b>	<b>841'798</b>	<b>5%</b>
Romania	132'008	1%	125'612	1%
Serbia	313'010	2%	318'512	2%
Kosovo / Bosnia-Herzegovina	351'047	3%	362'943	2%
Bulgaria	4'365	0%	34'731	0%
<b>Asia</b>	<b>885'642</b>	<b>7%</b>	<b>1'053'901</b>	<b>6%</b>
China	296'562	2%	259'986	2%
Sri Lanka	75'080	1%	425'663	2%
Pakistan	514'000	4%	368'252	2%
<b>Humanitarian Aid</b>	<b>4'521'771</b>	<b>33%</b>	<b>6'124'505</b>	<b>36%</b>
<b>Latin America</b>	<b>205'769</b>	<b>2%</b>	<b>-</b>	<b>0%</b>
El Salvador	205'769	2%	-	0%
<b>Africa</b>	<b>52'652</b>	<b>0%</b>	<b>-</b>	<b>0%</b>
Southern Africa	48'811	0%	-	0%
Burkina Faso	3'841	0%	-	0%
<b>South-eastern Europe and Middle East</b>	<b>1'638'114</b>	<b>12%</b>	<b>1'692'388</b>	<b>10%</b>
Serbia	-	0%	-	0%
Kosovo / Bosnia-Herzegovina	-	0%	118'565	1%
Syria / Lebanon	1'638'114	12%	1'573'823	9%
<b>Asia</b>	<b>2'625'236</b>	<b>19%</b>	<b>4'432'117</b>	<b>26%</b>
Sri Lanka	547'300	4%	885'576	5%
Pakistan	537'114	4%	826'325	5%
Philippines	524'887	4%	1'873'372	11%
Nepal	1'015'934	8%	846'845	5%
<b>TOTAL</b>	<b>13'532'819</b>	<b>100%</b>	<b>17'221'671</b>	<b>100%</b>

**Expenditures after costs**

<b>2.1 International programme</b>	<b>2016</b>	<b>2015</b>
Allocations and contributions paid (material project cost)	10'326'029	13'705'992
Personnel	2'728'438	3'031'751
Depreciation	66'113	85'047
Other expenditures	412'239	398'882
<b>TOTAL</b>	<b>13'532'819</b>	<b>17'221'671</b>

<b>2.2 Programme coordination and support</b>	<b>2016</b>	<b>2015</b>
Allocations and contributions paid	9'921	18'496
Personnel	1'445'314	1'349'565
Depreciation	13'256	14'439
Other expenditures	289'360	303'457
<b>TOTAL</b>	<b>1'757'851</b>	<b>1'685'957</b>

<b>2.3 Swiss Programme</b>	<b>2016</b>	<b>2015</b>
Allocations and contributions paid (material project cost)	397'850	441'041
Personnel	549'623	521'771
Depreciation	3'918	4'426
Other expenditures	51'339	51'125
<b>TOTAL</b>	<b>1'002'730</b>	<b>1'018'363</b>

<b>2.4 Head Office</b>	<b>2016</b>	<b>2015</b>
Allocations and contributions paid	75'794	55'244
Personnel	1'585'844	1'488'440
Depreciation	11'247	11'331
Fundraising costs	1'180'010	1'470'848
Other expenditures	418'336	392'257
<b>TOTAL</b>	<b>3'271'230</b>	<b>3'418'121</b>

<b>2.5 Financial result</b>	<b>2016</b>	<b>2015</b>
<b>Financial return</b>	<b>34'616</b>	<b>78'968</b>
Interest on bank and postal accounts	8'742	12'181
Net foreign assets adjustment	-	40'938
Other financial income	25'874	25'849
<b>Financial expenses</b>	<b>-66'485</b>	<b>-15'984</b>
Bank and postal account charges	-13'146	-15'984
Net foreign assets adjustment	-53'339	-
<b>TOTAL</b>	<b>-31'869</b>	<b>62'985</b>

<b>2.6 Real estate property result</b>	<b>2016</b>	<b>2015</b>
Earnings from real estate property	588'450	591'172
Real estate property expenses	-86'146	-102'255
Interest expenses on mortgage	-52'500	-52'500
Depreciation of real estate property	-46'632	-46'632
Share of result from real estate property, SLA regional associatio	-181'357	-174'265
<b>TOTAL</b>	<b>221'815</b>	<b>215'521</b>

<b>Total personnel and depreciation</b>	<b>2016</b>	<b>2015</b>
Total personnel	6'309'220	6'391'527
Total depreciation	141'165	161'875
<b>TOTAL</b>	<b>6'450'385</b>	<b>6'553'402</b>

**2.7** Fund result: see statement of changes in capital.

## **PRINCIPLES OF FINANCIAL REPORTING**

Solidar Suisse is based in Zurich. Under Article 60 of the Swiss Civil Code it has the legal form of an association. Financial reporting by Solidar Suisse has been prepared in accordance with Swiss accounting and reporting recommendations on the presentation of accounts, Swiss GAAP FER, as well as the Swiss Code of Obligations and the ZEWO foundation guidelines. The annual accounts give a true and fair view of the assets, financial position and earnings.

### **Change in reporting**

The consolidated annual accounts have been prepared according to the Swiss GAAP FER recommendations and the Swiss Code of Obligations. Amendments in financial reporting principles have been applied where necessary. During the reporting year, allocations and/or the designations of certain items in the balance sheet, the operating statement and the cash flow statement were slightly adjusted. The previous year was thus adjusted in kind.

### **Consolidated companies**

The association Solidar Genève is consolidated. Solidar Suisse has no further subsidiaries or partner institutions over which it exerts a controlling influence.

### **Close organisations/persons**

Solidar Suisse is an associate member of Alliance Sud (Swiss Alliance of Development Organisations), a member of the European Solidar network and is represented on the board of the Solifonds foundation.

Furthermore members of the Board of Directors and Management of Solidar Suisse are considered as close persons as well as close members of their families or households.

## **ACCOUNTING AND VALUATION PRINCIPLES**

The accounts are prepared in Swiss Francs. Usually, the principle of acquisition or manufacturing costs applies to the annual accounts. This is based on the principle of the individual valuation of assets and liabilities. Unless otherwise indicated, balance sheet items are valued according to the nominal value on the reporting date.

### **Income**

Income from donations is recognised as revenue upon receipt of unrestricted cash. Income from service provided is reported as deferred income and recognised as revenue as the associated expense is incurred.

### **Foreign currencies**

Assets and liabilities in foreign currencies are converted at the closing rate of the Swiss Federal tax authorities as of the balance sheet date. Operations in foreign currencies are converted at the annual average rate.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash holdings and balances on postal, bank and deposit accounts.

### **Accounts receivable**

Accounts receivable are valued at nominal value, taking into account appropriate allowances for doubtful repayments.

- Accounts receivable on deliveries and services  
This item includes short-term accounts receivable on deliveries and services as well as accounts receivable from various debtors.
- Other short-term accounts receivable  
This item includes refundable anticipatory tax credits and accounts receivable based on favorable funding decisions by public authorities and foundations/institutions (voluntary project contributions).

### **Net assets in programme countries**

This item includes cash and cash equivalents, accounts receivable and short-term liabilities of the local coordination offices in the programme countries.

### **Accrued income and pre-paid expenses**

This item includes assets resulting from material and temporal accrual. Primarily project funding based performance that has not yet been paid is accrued.

### **Financial assets**

This item primarily includes shares of Texaid and Claro held long-term. The non-quoted shares are booked at par value in the balance sheet.

### **Tangible fixed assets / IT equipment**

This item includes all acquisition costs (Swiss and local coordination offices) necessary for administration and to provide services. Booking is at cost less scheduled amortisation. Amortisation is linear over the estimated period of use. This period is of 3 years for IT equipment and 5 years for tangible fixed assets/furnishings. The capitalisation limit is CHF 3,000.–. Acquisitions in foreign currency are valued once at the average rate of the year of their acquisition.

### **Real estate property / Land and buildings**

Real estate property is booked at acquisition cost, less linear scheduled amortisation based on a useful life-span of 75 years.

### **Liabilities**

- Liabilities on deliveries and services  
This item includes short-term liabilities on deliveries and services, as well as various creditors.
- Liabilities towards SLA associations  
This item includes the share of SLA regional associations in the annual real estate account.
- Other liabilities  
This item includes short-term liabilities towards withholding tax as well as liabilities towards staff for voluntary child benefits not yet requested.

### **Pre-payments**

In this item, contractual project-funding payments for project services not yet provided are accrued.

### **Accrued expenses and deferred income**

This item includes liabilities assets resulting from material and temporal accrual. They are mostly accruals of staff overtime and accrued vacation.

### **Long-term interest-bearing liabilities**

This item includes two mortgages amounting to 1 million Swiss Francs each. The residual period from the closing date is of 69 months for one and 20 months for the other.

### **Fund capital**

This item includes funds from donations and voluntary contributions, whose use is restricted. The fund capital comprises funds for specific themes (Poverty and integration, Decent work), as well as funds for specific

countries, that are gathered in the fund International cooperation. The Humanitarian Aid fund includes diverse funds opened after specific humanitarian disasters.

### **Capital of the organisation**

The capital of the organisation comprises paid-up capital as well as accumulated restricted and unrestricted capital. The Board of Directors decides on allocation and use of capital of the organisation.

### **Cash flow statement**

The cash flow statement shows the change in cash and cash equivalents according to operational, investment and financing activities. It is established using the indirect method.

### **Method of calculating cost of administration, fundraising and advertising**

Administration costs cover the basic functioning of Solidar Suisse. Accrual of actual programme services is based on the recommendations of the ZEWO foundation. Functional cost attribution follows an appropriate formula. Fundraising and advertising costs represent the entirety of fund procurement costs.

## **OTHER INFORMATION**

### **Financial compensation of Board of Directors and Management Board of Solidar Suisse**

The chairman receives a monthly financial compensation of CHF 1,250.–. No attendance fees are paid. All other Board Members work on an honorary basis.

Wage costs (including employer's contributions) for the six members of the Management Board amounted to CHF 824,503.– in 2016 (previous year: CHF 837,081.–).

### **Transactions with close persons**

In 2016, contributions were paid to close organisations for a total amount of CHF 72,155.– (previous year: CHF 71,658.–).

### **Volunteers**

In 2016, a total of approximately 150 hours of free work were volunteered for the benefit of the Solidar Genève association (previous year: 150 hours).



**Full-time jobs**

As of 31.12.2016, the number of full-time positions in Switzerland was 26.3 (previous year: 25.8).

**Auditor fees**

In 2016, auditor fees amounted to CHF 19,656.– (previous year: CHF 18,900.–); CHF 8,100.– was paid for additional audit services in 2016 (previous year: CHF 8,100.–).

**Long-term rental liabilities**

There is a lease for the Lausanne office that runs until 30.11.2021. The net annual rent is CHF 11,388.–.

**Pledging of assets as security for own liabilities**

Real estate property with a book value of 2.570 million Swiss Francs (previous year: 2.617 million Swiss Francs) serve as a security for mortgages totalling 2 million Swiss Francs (see long-term interest-bearing liabilities).

**Contingent liabilities**

As per the balance sheet date, Solidar Suisse has no contingent liabilities.

**Pension Fund**

The employees of Solidar Suisse are insured with the City of Zurich Pension Fund. As per the balance sheet date, Solidar Suisse has no liabilities towards the City of Zurich Pension Fund. The pension plan is based on the defined contribution principle. In 2016, employer contributions to the pension fund amounted to CHF 363,185.– (previous year: CHF 341,925.–).

As per 31.12.2016, the City of Zurich Pension Fund shows a coverage rate of 111.3% (previous year: 109.7%).

**Risk assessment**

The Board of Directors carries out an annual risk assessment and decides on measures to eliminate prioritised residual risks. With the risk assessment 2017 measures were initialised to increase the organisations security in the area of crisis management and prevention of fraud and corruption.

**Events after the balance sheet date**

The annual financial statement was approved by the finance committee of the Board of Directors on 5 April 2017. It also requires the approval for publication by the Board of Directors on 12 April 2017 and by the Annual General Meeting of Solidar Suisse on 17 May 2017.

No event occurred between 31 December 2016 and the date of the approval of the present financial statement that would require a modification of the accounts per 31 December 2016 or would need to be published here.

The original version of the annual financial statement in German is legally binding.