

# Fondation Hironnelle Media for Peace and Human Dignity

Geneva

Report of the statutory auditor  
to the Foundation Board

on the financial statements 2020



# Report of the statutory auditor

## to the Foundation Board of Fondation Hironnelle Media for Peace and Human Dignity

Geneva

### Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the financial statements of Fondation Hironnelle Media for Peace and Human Dignity, which comprise the balance sheet, operating account, statement of cash flows, statement of changes in capital and annex (pages 9 to 13), for the year ended 31 December 2020. As permitted by Swiss GAAP FER 21 the information in the performance report 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 31 December 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.

### 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.

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

PricewaterhouseCoopers SA

Marc Secretan  
Audit expert  
Auditor in charge

Edouard Clergue  
Audit expert

Lausanne, 19 May 2021

Enclosure:

- Financial statements (balance sheet, operating account, statement of cash flows, statement of changes in capital and annex)

I. Balance sheet as of December 31 (in Swiss francs)

	Réf.	2020	2019
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	1d	5'306'906	3'645'845
Debtors	1e	109'180	107'064
Funding to be received	IV / 1i	1'148'105	443'022
Other debtors		627'585	208'601
Accrued income and prepaid expenses		84'295	197'802
		<u>7'276'071</u>	<u>4'602'334</u>
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Miscellaneous equipment	1f	51'025	62'084
<b>Financial assets</b>			
Bank deposit	1g	91'705	102'416
		<u>142'730</u>	<u>164'500</u>
<b>Total assets</b>		<u><b>7'418'801</b></u>	<u><b>4'766'834</b></u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Short term debts		760'302	483'327
Funding received in advance	IV / 1i	4'123'752	2'218'060
Deferred income and accrued expenses		208'501	200'181
Miscellaneous loans		374	410
		<u>5'092'929</u>	<u>2'901'978</u>
<b>Non-current liabilities</b>			
Provision for legal affairs/litigation	1h	69'447	147'370
Provision for termination of staff contracts	1h	52'518	39'755
		<u>121'965</u>	<u>187'125</u>
<b>Capital of the Foundation</b>			
Initiative fund	2a	216'468	216'468
Solidarity fund	2b	14'155	14'155
Social funds for projects	2c	18'162	13'925
Support Fund	2d	552'387	547'243
		<u>801'172</u>	<u>791'791</u>
<b>Capital of the Foundation</b>			
Foundation capital		50'000	50'000
FNL capital	1b	12'315	12'315
Unrestricted funds		823'625	559'734
Net profit for the year		516'795	263'891
		<u>1'402'735</u>	<u>885'940</u>
<b>Total liabilities</b>		<u><b>7'418'801</b></u>	<u><b>4'766'834</b></u>

**II. Fondation Hironnelle's operating account  
(in Swiss francs)**

	<u>2020</u>	<u>2019</u>
<b>A. Income</b>		
<b>Public Funds</b>		
<b>Switzerland</b>		
Switzerland (outside partnership contract)	1'489'638	1'323'181
Switzerland (SDC - Partnership contract)	3'599'747	2'710'254
State of Geneva	-	50'000
<b>Autres</b>		
UN Agencies (UNICEF, PNUD, UNHCR)	1'170'456	405'064
Belgium	-	93'925
Danemark (FAMOC)	393'824	395'086
USA (Counterpart )	-	146'671
Netherlands	84'918	627'446
UK (DFID, UKCSS)	159'284	303'215
Sweden	1'089'475	1'940'284
European Union	4'101'824	2'486'835
	<u>12'089'166</u>	<u>10'481'961</u>
<b>Private funds</b>		
<b>Switzerland</b>		
Swiss Solidarity	229'106	338'997
Fondation Helvétique de Bienfaisance	72'000	40'000
Loterie Romande	47'919	29'189
Nicolas Puesch Foundation	60'880	54'120
RTS partnership	75'000	75'000
Karl Popper Foundation	40'000	-
Baur Foundation	10'000	-
E Balzan Foundation	1'000	-
Private donors	81'373	-
<b>Others</b>		
Robert Bosch Stiftung Foundation	-	48'843
DCAF	17'062	29'668
H2H	342'882	-
Others donors	442'931	399'967
	<u>1'420'153</u>	<u>1'015'784</u>
<b>Other products</b>		
Income from services and sales	743'837	649'351
	<u>743'837</u>	<u>649'351</u>
<b>Total Income</b>	<u><b>14'253'156</b></u>	<u><b>12'147'096</b></u>
Unrestricted income	900'210	724'351
Restricted Income	13'352'947	11'422'745

	<u>2020</u>	<u>2019</u>
<b>Expenditures</b>		
<b>Expenditure for projects</b>		
Staff	6'940'431	6'004'073
Operations	4'804'555	3'943'798
Depreciation	446'061	517'641
	<u>12'191'047</u>	<u>10'465'512</u>
<b>Expenditure for Administration</b>		
Staff	732'241	739'463
Operations	329'482	288'932
Depreciation	37'391	52'175
	<u>1'099'114</u>	<u>1'080'570</u>
<b>Expenditure for Fundraising and communication</b>		
Staff	201'192	174'200
Operations	116'678	70'427
	<u>317'870</u>	<u>244'627</u>
<b>Operating result</b>	<u><b>645'125</b></u>	<u><b>356'387</b></u>
<b>Financial results</b>		
Financial income	456	619
Loss on foreign exchange	-127'475	-87'912
	<u>-127'019</u>	<u>-87'293</u>
<b>Exceptionnal result</b>		
Exceptionnal Expenditures and Incomes	-1'311	-5'203
	<u>-1'311</u>	<u>-5'203</u>
<b>Annual result before allocations to/</b>	<u><b>516'795</b></u>	<u><b>263'891</b></u>
<b>Allocations/withdrawals</b>	-516'795	-263'891
<b>Net profit/(loss) for the year</b>	<u><u>-</u></u>	<u><u>-</u></u>

Operating accounts by project for the year 2020(in Swiss francs)

	Bangladesh	Myanmar	Burkina Faso	Transitionnal Justice	Madagascar	Mali	Niger	CAR	DRC	Media Education	Research	New/Diverse Projets	COVID 19	Tunisia	Headquarter	Total
<b>Produits</b>																
<b>Public Funds</b>																
<b>Switzerland</b>																
Switzerland (outside partnership contract)	41'502	-	467'545	-	-	-	699'996	-	29'739	-	5'048	1'904	243'904	-	-	1'489'638
Switzerland (SDC - Partnership contract)	-45'528	82'430	80'400	357'917	140'732	443'037	107'071	178'041	403'234	6'277	24'221	160'462	925'724	-	735'729	3'599'747
<b>Autres</b>																
UN Agencies (UNICEF, PNUD, UNHCR)	-	-	279'817	-	545'578	-	104'223	196'732	44'107	-	-	-	-	-	-	1'170'456
Danemark (FAMOC)	-	-	-	-	-	393'824	-	-	-	-	-	-	-	-	-	393'824
USA (Counterpart)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Netherlands	-	84'918	-	-	-	-	-	-	-	-	-	-	-	-	-	84'918
UK (DFID, UKCSS)	-	-	-	-	-	-	159'284	-	-	-	-	-	-	-	-	159'284
Sweden	-	-	266'708	-	-	822'767	-	-	-	-	-	-	-	-	-	1'089'475
European Union	-	-	-	-	-	-	171'848	1'620'537	696'644	-	-	-	1'612'795	-	-	4'101'824
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total public funds</b>	<b>-4'026</b>	<b>167'348</b>	<b>1'094'470</b>	<b>357'917</b>	<b>686'310</b>	<b>1'659'628</b>	<b>1'242'422</b>	<b>1'995'310</b>	<b>1'173'724</b>	<b>6'277</b>	<b>29'269</b>	<b>162'366</b>	<b>2'782'423</b>	<b>-</b>	<b>735'729</b>	<b>12'089'165</b>
<b>Private funds</b>																
<b>Switzerland</b>																
Swiss Solidarity	152'616	-	-	-	-	76'490	-	-	-	-	-	-	-	-	-	229'106
Fondation Helvétique de Bienfaisance	-	-	-	-	-	-	-	-	72'000	-	-	-	-	-	-	72'000
Loterie Romande	-	-	-	-	-	-	-	-	-	9'019	-	-	-	-	38'900	47'919
Nicolas Puesch Fundation	-	-	-	50'000	-	-	-	-	-	10'880	-	-	-	-	-	60'880
RTS partnership	-	-	-	-	-	-	-	-	-	-	-	-	-	-	75'000	75'000
Karl Popper Fundation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40'000	40'000
Baur Fundation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10'000	10'000
E Balzan Fundation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1'000	1'000
Private donors	-	-	-	1'170	-	60'000	-	-	-	-	-	-	-	-	20'203	81'373
<b>Others</b>																
Robert Bosch Stiftung Fundation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DCAF	-	-	-	-	-	-	17'062	-	-	-	-	-	-	-	-	17'062
H2H	-	-	-	-	-	-	-	-	-	-	-	-	342'882	-	-	342'882
Others donors	-	-	18'824	-	-	-	308'314	-	-	9'443	10'800	27'389	60'874	7'287	-	442'931
<b>Total private funds</b>	<b>152'616</b>	<b>-</b>	<b>18'824</b>	<b>51'170</b>	<b>-</b>	<b>136'490</b>	<b>325'376</b>	<b>-</b>	<b>72'000</b>	<b>29'342</b>	<b>10'800</b>	<b>27'389</b>	<b>403'756</b>	<b>7'287</b>	<b>185'103</b>	<b>1'420'153</b>
<b>Other products</b>																
Income from services and sales	-	-	12'752	-	2'765	295'357	73'003	265'658	74'537	-	12'034	-	-	-	7'731	743'837
<b>Total others products</b>	<b>-</b>	<b>-</b>	<b>12'752</b>	<b>-</b>	<b>2'765</b>	<b>295'357</b>	<b>73'003</b>	<b>265'658</b>	<b>74'537</b>	<b>-</b>	<b>12'034</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7'731</b>	<b>743'837</b>
<b>Total products</b>	<b>148'590</b>	<b>167'348</b>	<b>1'126'046</b>	<b>409'087</b>	<b>689'075</b>	<b>2'091'475</b>	<b>1'640'801</b>	<b>2'260'968</b>	<b>1'320'261</b>	<b>35'619</b>	<b>52'103</b>	<b>189'755</b>	<b>3'186'179</b>	<b>7'287</b>	<b>928'563</b>	<b>14'253'155</b>
<b>Direct Expenditures</b>																
Staff	50'108	86'712	632'436	350'855	381'980	1'037'943	846'589	1'085'107	750'062	22'836	52'502	150'228	1'486'562	6'511	933'433	7'873'864
Operations	84'608	74'712	390'963	54'961	249'627	678'819	570'427	638'212	516'309	12'784	2'235	34'603	1'493'711	2'585	446'160	5'250'714
Depreciation	-	-	52'722	-	21'774	70'816	51'146	172'507	336	-	-	2'779	73'982	-	37'391	483'452
<b>Total direct expenditures</b>	<b>134'716</b>	<b>161'424</b>	<b>1'076'121</b>	<b>405'816</b>	<b>653'381</b>	<b>1'787'578</b>	<b>1'468'161</b>	<b>1'895'826</b>	<b>1'266'707</b>	<b>35'619</b>	<b>54'737</b>	<b>187'609</b>	<b>3'054'255</b>	<b>9'096</b>	<b>1'416'984</b>	<b>13'608'030</b>
<b>Operationnel result</b>	<b>-13'874</b>	<b>-5'924</b>	<b>-49'925</b>	<b>-3'271</b>	<b>-35'693</b>	<b>-303'897</b>	<b>-172'640</b>	<b>-365'142</b>	<b>-53'554</b>	<b>-0</b>	<b>2'634</b>	<b>-2'146</b>	<b>-131'924</b>	<b>1'809</b>	<b>488'421</b>	<b>-645'125</b>

III. Statement of cash flows

Statement of cash flows	<u>2020</u>	<u>2019</u>
Net profit/(loss) before movement of funds	-	-
Depreciation of fixed assets	483'452	569'816
Decrease in provisions	-65'160	-162'520
Decrease in bank deposit	10'711	-19'084
Decrease / (increase) debtors	-421'100	25'830
Decrease / (increase) in accrued income and prepaid expenses	113'507	-37'050
Decrease in other short term debts	276'939	197'123
Decrease / (increase) in deferred income and accrued expenses	8'320	-12'996
<b>Cash flow from operational activities</b>	<b>406'669</b>	<b>561'119</b>
<b>Cash flow from investing activities</b>		
Investments in fixed assets	-472'391	-546'488
<b>Cash flow from investing activities</b>	<b>-472'391</b>	<b>-546'488</b>
<b>Cash flow from financing activities</b>		
Variation in restricted funds	1'200'607	-531'601
Variation in unrestricted funds	9'381	30'602
Variation in capital	516'795	250'813
<b>Cash flow from financing activities</b>	<b>1'726'783</b>	<b>-250'186</b>
<b>Changes in cash and cash equivalents</b>	<b>1'661'061</b>	<b>-235'555</b>
<b>Changes in cash and cash equivalents</b>		
Cash and cash equivalents at the beginning of the year	3'645'845	3'881'400
Cash and cash equivalents at the end of the year	5'306'906	3'645'845
<b>Changes in cash and cash equivalents</b>	<b>1'661'061</b>	<b>-235'555</b>



IV. Statement of changes in capital 2020

Réf.*	Fund description	Opening balance 1.1.2020	Internally generated income	Allocation to funds	Internal transfers	Use of funds	Closing balance 31.12.20	Funding received in advance	Funding to be received
	<b>Restricted Funds</b>								
	Bangladesh funds	13'405		245'472		-148'590	110'287	110'287	-
	Burkina Faso funds	44'247		922'562		-1'113'294	-146'485	3'368	-149'853
	Covid funds	-		5'070'267		-3'186'179	1'884'088	2'153'425	-269'337
	Media education funds	9'899		25'720		-35'619	-	-	-
	Research & Environment funds	40'000		40'069	-40'000	-40'069	-	-	-
	Transnionnal justice funds	-		559'087		-409'087	150'000	150'000	-
	Madagascar funds	42'869		504'626		-686'310	-138'814	20'000	-158'814
	Mali funds	107'152		1'926'819		-1'796'118	237'854	498'026	-260'172
	Myanmar funds	-1'924		194'499		-167'348	25'227	25'227	-
	Niger funds	487'725		1'091'707		-1'567'798	11'633	59'681	-48'048
	New/other projects funds	1'008		197'287		-189'755	8'540	8'540	-
	Central african republic funds	627'832		2'065'368		-1'995'310	697'891	946'373	-248'482
	Democratic republic of congo	333'078		933'059	40'000	-1'245'725	60'413	67'724	-7'311
	Tunisia funds	-		1'200		-7'288	-6'088	-	-6'088
	Headquarter funds	69'747		857'185		-845'832	81'100	81'100	-
	<b>Total Restricted funds</b>	<b>1'775'038</b>		<b>14'634'927</b>	-	<b>-13'434'321</b>	<b>2'975'646</b>	<b>4'123'752</b>	<b>-1'148'105</b>
	<b>Related funds</b>								
2a	Initiative funds	216'468		-		-	216'468		
2b	Solidarity funds	14'155		-		-	14'155		
2c	Social funds for projects	13'925		4'237		-	18'162		
2d	Support Fund	547'243		5'144		-	552'387		
	<b>Total Related funds</b>	<b>791'791</b>		<b>9'381</b>		-	<b>801'172</b>		
	<b>Fondation Capital</b>								
	Foundation capital	50'000		-		-	50'000		
	FNL capital	12'315		-		-	12'315		
	Income from services and sales	-		818'837		-818'837	-		
	Unrestricted funds	823'625		516'795		-	1'340'420		
	Operating result	-		-		-	-		
	<b>Total Fondation Capital</b>	<b>885'940</b>		<b>1'335'632</b>		<b>-818'837</b>	<b>1'402'735</b>		
	<b>Total</b>	<b>3'452'769</b>		<b>15'979'940</b>		<b>-14'253'157</b>	<b>5'179'553</b>		

IV. Statement of changes in capital 2019

Ref.*	Fund description	Opening balance 1.1.2019	Internally generated income	Allocation to funds	Internal transfers	Use of funds	Closing balance 31.12.19	Funding received in advance	Funding to be received
	<b>Restricted Funds</b>								
	Bangladesh funds	299'227		266'578		-552'400	13'405	13'405	-
	Burkina Faso funds	3'368		844'223		-803'344	44'247	48'228	-3'981
	Media education funds	38'208		6'828		-35'137	9'899	9'899	-
	Research & Environment funds	-		83'916		-43'916	40'000	40'000	-
	Transitional justice funds	-		341'232		-341'232	-	-	-
	Madagascar funds	-		525'462		-482'593	42'869	42'869	-
	Mali funds	261'517		1'988'819		-2'143'184	107'152	355'658	-248'506
	Myanmar funds	41'554		117'391		-160'869	-1'924	-	-1'924
	Niger funds	61'039		1'708'858		-1'282'172	487'725	576'519	-88'794
	New/other projects funds	94'314		189'717	-326	-282'697	1'008	32'744	-31'736
	Central african republic funds	816'029		1'429'076		-1'617'273	627'832	668'086	-40'254
	Democratic republic of congo	691'709		2'653'306		-3'011'937	333'078	360'905	-27'827
	Headquarter funds	-326		735'739	326	-665'992	69'747	69'747	-
	<b>Total Restricted funds</b>	<b>2'306'639</b>		<b>10'891'145</b>	-	<b>-11'422'746</b>	<b>1'775'038</b>	<b>2'218'060</b>	<b>-443'022</b>

	<b>Related funds</b>								
2a	Initiative funds	216'468		-		-	216'468		
2b	Solidarity funds	14'155		-		-	14'155		
2c	Social funds for projects	9'795		4'130		-	13'925		
2d	Support Fund	520'771		26'472		-	547'243		
	<b>Total Related funds</b>	<b>761'189</b>		<b>30'602</b>		-	<b>791'791</b>		
	<b>Fondation Capital</b>								
	Foundation capital	50'000		-		-	50'000		
	FNL capital	-		12'315		-	12'315		
	Income from services and sales	-		724'351		-724'351	-		
	Unrestricted funds	585'127		238'498		-	823'625		
	<b>Operating result</b>	-		-		-	-		
	<b>Total Fondation Capital</b>	<b>635'127</b>		<b>975'164</b>		<b>-724'351</b>	<b>885'940</b>		
	<b>Total</b>	<b>3'702'956</b>		<b>11'896'911</b>		<b>-12'147'097</b>	<b>3'452'769</b>		

Fondation Hirondelle, Media for Peace and Human Dignity, Genève

Statement of change in provisions

<i>Type of provision</i>	<i>Closing balance 31.12.18</i>	<i>Increase</i>	<i>Decrease / use</i>	<i>Closing balance 31.12.19</i>	<i>Increase</i>	<i>Decrease / use</i>	<i>Closing balance 31.12.20</i>
Provision for litigation	320'337	407'921	580'888	147'370	2'266	80'189	69'447
Provision for termination of staff contracts	29'309	16'303	5'857	39'755	12'763	-	52'518
<b>Total provisions</b>	<b>349'646</b>	<b>424'224</b>	<b>586'745</b>	<b>187'125</b>	<b>15'029</b>	<b>80'189</b>	<b>121'965</b>

# Annex to the consolidated balance sheet

## as of 31 December 2020

### Presentation

Fondation Hironnelle is a Swiss non-profit organisation created in 1995, based in Lausanne, which provides information to populations facing crises, to enable them to take action in their daily lives and as citizens.

Through our action, several million people in countries at war, in post-conflict or humanitarian crisis contexts, and in societies in transition to democracy have access every day to media that speak to them, and that listen to them.

The Board of the Foundation is composed of three to fifteen members, at least half of whom are journalists or media professionals. Their term of office is four years, renewable twice at most. The Board appoints from among its members a Select Board of three to five members, including the Chairman of the Board.

In 2020, the activity report serves as a performance report. It shall be prepared in accordance with the provisions of the accounting standard of the Swiss GAAP RPC fundamental and Swiss GAAP RPC 21.

The accounts have been validated by the Foundation Board on 19 May 2021

### 1/ Principles of accounting and presentation

#### *a) General remarks*

The presentation of the Fondation Hironnelle's financial statements is based on the overall concept of the recommendations of Swiss GAAP RPC Fundamentals and Swiss GAAP RPC 21. This presentation provides an image that reflects the reality of the organization's financial situation and revenues. The accounts comply with Swiss law and the Foundation's statutes.

The financial statements are based on the annual financial statements as at 31 December 2020, which have been prepared in accordance with uniform principles. Amounts in the accounts are rounded, which may result in minor differences in totals.

Fondation Hironnelle adopts the Zewo method in its calculation of project, administrative and fundraising costs.

#### *b) Scope of integration*

The financial statements contain the annual accounts of all the desks of the Fondation Hironnelle in Mali, Niger, Burkina Faso, Central African Republic and Democratic Republic of Congo and Madagascar.

Since 2019, the FH has also integrated the FNL activities over which it has control. The capital of FNL has been integrated into the capital of FH.

**c) Foreign currency conversion**

Transactions in foreign currencies are converted at the average rates for the previous month of accounting.

Foreign currency assets and liabilities on the balance sheet as at 31 December are translated into Swiss francs at the exchange rates prevailing on 31 December. The results of these conversions are recorded in the financial result.

**d) Cash**

Cash, postal accounts, domestic banks and banks abroad are shown in the balance sheet at their nominal value.

**e) Prepayments and accrued income**

Receivables prepayments and accrued income are shown at their nominal value, after deducting corrections to reflect the recoverable amount.

**f) Fixed Assets**

Fondation Hironnelle use the straight-line depreciation method as follows:

IT equipment: 3 years from CHF 1'000 per unit

Other equipment: 3 years from CHF 2'000 per unit

Fixed assets abroad (\*) Direct amortisation

For the record, fixed assets appear in the balance sheet at their acquisition costs less deduction of depreciation calculated according to a linear depreciation method.

\* The Fondation Hironnelle uses equipment and vehicles for its projects abroad; these equipment and vehicles are fully depreciated when they are put into service. This situation is justified by the instability of the contexts and difficult conditions in which Fondation Hironnelle operates, which make it difficult to determine their generally short useful life and residual value.

**g) Financial assets**

Financial assets are entered in the balance sheet at acquisition value, taking into account any necessary adjustments.

**h) Provisions**

Provisions represent the value of future cash outflows resulting from past events, occurring without consideration. A reliable estimate of the amount of the provision can be made. These provisions are separated in the short term if the use is estimated at less than twelve months, beyond that the provisions are allocated in the long term.

Since 2019, provisions for audit have been included in accrued expenses.

## ***i) Revenue recognition***

### ***Financing contracts***

Income from financing contracts with donors (governments, foundations, cantons, companies and other bodies) is listed as income in the year the expenditure being financed was incurred. Concerning funds received for a specific project, which have not been used at the book closing date and will continue to be used in the coming years and there are contractual provisions specifying the possibility of returning the asset to the donor, are recorded as liabilities in Funds received in advance.

Funds not received for a specific project of which the financed expenditure is committed at the book closing date, are recorded on the balance sheet as Funds to be received. The part of the funds to be received for the signed financing contracts and covering future periods are referred to as Conditional assets.

The related budgetary obligations are considered as contingent engagements.

### ***Income from services and donations***

Income from services provided (contracts, expert sales, etc.) is recognised when it is definitively acquired by the Hironnelle Foundation. They are considered as free funds, unless otherwise specified by the donor.

All other income received without any particular mention is recorded as unallocated income. In the event of non-use, the balance is allocated to free (generated) capital.

### **Swiss Departement of Cooperation**

Funding summary (according to the table of changes in capital)	Opening balance 1.1.2020	Allocations to funds	Use of funds	Unspent funding on 31.12.2020	Funding to be received 31.12.2020	Closing balance 31.12.2020
Switzerland (outside partnership contract)	73 115	3 470 000	-3 599 747	3 368	-60 000	-56 632
Switzerland (SDC - Partnership contract)	200 472	1 354 679	-1 489 638	148 290	-82 776	65 514

### **Funds transfer**

40,000 CHF were transferred from the Environment & Research fund to the funds of the Democratic Republic of Congo (DRC). In fact, in 2020 it was decided to allocate to the DRC the endowment of the Swiss Charitable Foundation to carry out programmes on the environment.

### **j) Taxes**

Fondation Hironnelle is exempted from direct taxes on income by decree of 12 June 1995. This decision is not subject to any condition.

Fondation Hironnelle has been taxable for VAT since 01.01.2019.

### **k) Fundraising and communication**

Fundraising and communication expenses amount to CHF 317 870, 2% of Foundation's total expenses

## **2/ Comments on financial statements**

### **a) Funds governed by a set of rules of use**

#### **Initiative funds (a)**

Following a one-time contribution of CHF 250,000 to the Fondation Hironnelle by the Pro Victimis Foundation, whose contract expired on 31 December 2007, the Board of Foundation decided to allocate the remaining CHF 220,000 to an initiative fund whose regulations specify that it is "intended to facilitate the launch of new projects that meet its objectives". There was no movement in this fund in 2020.

#### **Solidarity funds (b)**

The Fondation Hironnelle has set up a solidarity fund for its employees who are in extreme need and who have paid with their lives as employees of the Foundation, in situations of defence of freedom of expression, war, disaster or acts of violence. This fund is made up of private donations. There was no movement in this fund in 2020.

#### **Project social funds (c)**

Based on the experience of the Okapi Social Fund established in December 2006, the Board of Trustees decided to extend this coverage to other projects in the same situation (lack of sufficient local social insurance coverage). These funds are funded by donor contributions usually intended for this social security coverage and with a strict differentiation between projects. Their use is subject to a settlement of funds.

In 2020, , the Niger social fund increased by CHF 4'238.

#### **Support funds (d)**

The support fund, intended exclusively to consolidate the financial base of the Fondation Hironnelle and to contribute to ensuring the liquidity it needs, was provided in 2020 with CHF 5'144 to reach the amount of CHF 552'387. The funds come from free donations and the Association des Amis de la Fondation Hironnelle.

### **b) Payments to members of the executive bodies**

Members of the Executive Board and Foundation Council are volunteers

The payroll of Fondation's three executives totalled in 2020 409'113.60 (2019 : CHF 404'883.60).

### ***c) Provident fund***

As of 31 December 2020, 27 employees of Fondation Hironnelle (under Swiss law, subject to compulsory Swiss social insurance and with a salary of over CHF 10,000) (for 2019: 26 persons, with a salary above the minimum BVG) out of a total of 283 professionals worldwide - are insured against the economic consequences of old age, disability and death with the VITA Collective Foundation, according to a defined benefit plan. The contributions defined in the pension plan are financed by contributions from Fondation Hironnelle and its employees on a 60/40 basis. The employer's contributions are recorded for the period in which they were paid. The employer does not guarantee the pension benefits and the risks are guaranteed by the VITA Collective Foundation, and reinsured by Zurich Life Insurance Company Ltd, VITA's reinsurer. Fondation Hironnelle will terminate its contract with Vita on 31 December 2020 and join Copré from 1 January 2021 until 31 December 2023. With these BVG solutions, the risks of death and disability are transferred to an insurance company (Zurich Life Insurance Company Ltd). The company assumes the investment risk through the VITA Collective Foundation, and the insured's retirement assets are invested directly in the capital markets. The investment strategy is determined by the Board of Trustees. If the strategy proves successful and generates high returns on the assets, the insured also benefit. If this is not the case and the pension fund makes losses on the invested capital in economically unfavourable years, it is obliged to pay interest on the compulsory BVG retirement assets at the statutory minimum interest rate. This can lead to a shortfall in the pension fund. This means that the pension fund is unable to fully meet its current and future obligations. If this situation arises, the law allows the affiliated company and its insured to take remedial measures (e.g. additional contributions or a lower interest rate) until the level of coverage reaches 100% again.

### ***d) Employees***

At the end of 2020, Fondation Hironnelle employed 283 professionals worldwide (245 in 2019). The number of national staff working for the Foundation increased further to 245 colleagues (205 in 2019), and the number of expatriates was 13 in post on long term contracts/DDs at the end of 2020 (14 expatriates in 2019). In addition, there were 227 interns and correspondents (254 in 2019), supported by 9 expert field missions (14 missions in 2020). Due to travel restrictions, training courses were also held remotely. In view of this growth in projects, the size of the head office remained relatively stable and its staff comprised, as at 31 December 2020, 7 employees occupying the equivalent of 6.3 full-time posts for the direct monitoring of projects and 18 employees (FTE 14) engaged in management, transversal support and support functions. Fondation Hironnelle is also training an apprentice and has been able to benefit throughout 2020 from the help of 2 civil servants/interns (FTE 2).

### ***e) Valuation of contributions in kind***

The free services received are valued according to the daily price of the Fondation Hironnelle's salary scale.

In addition, a volunteer trainer came to Mali to train and reinforce our team of animators for a period of 7 days. 7 days X CHF 363 = CHF 2 541 (2 075 in 2019).

Our auditors made a pro-bono donation of CHF 14 000 in 2020 (2019 CHF 14'000).

Our partner in workplace wellness issues has made a pro-bono donation of CHF 15 000.



### **f) Off-balance commitments**

	<b>Sub Office</b>	<b>Office</b>	<b>Leasing</b>
Next deadline	31.01.2023	31.01.2028	30.06.2022
Number of months before end	25	85	18
Monthly payment	2 489.00	6405.00	358.2
<b>Off-balance commitments 31.12.2020</b>	<b>62 225</b>	<b>544 425</b>	<b>6447.60</b>

Off-balance commitments31.12.2019	92 093.00	59 445.00	10 746.00
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### **g) Cotisations**

La Fondation Hironnelle paie des cotisations annuelles pour être membre des organisations suivantes :

### **h) Contributions**

Fondation Hironnelle pays annual dues to be a member of the following organizations:

- Global Forum for Media Development (GFMD) USD 10'000
- Communication with Disaster Affected Community (CDAC) GBP 5'000
- The Swiss Platform for Peacebuilding (KOFF) CHF 800
- Fédération Vaudoise de Cooperation (FEDEVACO) CHF 400
- En Quête d'Ailleurs (EQDA) CHF 5'000
- Community of Interest for Basic Commercial Training in the Canton of Vaud (CIFC-VD) CHF 150
- Plateforme des ONG suisses 3 000 CHF
- Zewo 3 445 CHF
- Swissfundraising 290 CHF