
***Fondation Hironnelle, Media
for peace and human dignity***

Genève

***Report of the
statutory auditor to the
Foundation Board***

***on the financial statements
2018***





Report of the statutory auditor to the Foundation Board of Fondation Hironnelle, Media for peace and human dignity

Genève

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, income statement, cash flow statement, statement of changes in equity and notes (pages 10 to 14), for the year ended 31 December 2018. As permitted by Swiss GAAP FER 21 the information in the performance report (pages 08 to 09) 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 2018 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.

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

PricewaterhouseCoopers SA

Marc Secretan

Edouard Clergue

Audit expert
Auditor in charge

Lausanne, 23 April 2019

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

	<i>Réf.</i>	2018	2017
Assets			
Current assets			
Cash and cash equivalents	<i>1d</i>	3 881 400	1 475 271
Debtors	<i>1e</i>	151 567	143 570
Funding to be received	<i>IV/1i</i>	202 695	762 990
Other debtors		189 929	-
Accrued income and prepaid expenses		160 752	155 097
		<u>4 586 343</u>	<u>2 536 929</u>
Non-current assets			
Fixed assets			
Miscellaneous equipment	<i>1f</i>	85 412	54 482
Financial assets			
Bank deposit	<i>1g</i>	83 332	76 715
		<u>168 744</u>	<u>131 197</u>
Total assets		<u>4 755 087</u>	<u>2 668 127</u>
Liabilities			
Current liabilities			
Short term debts		286 197	131 987
Funding received in advance	<i>IV/1i</i>	2 509 334	941 258
Deferred income and accrued expenses		151 777	76 063
Provision for audit fees	<i>IV/1h</i>	61 400	81 372
Miscellaneous loans		417	414
		<u>3 009 125</u>	<u>1 231 094</u>
Non-current liabilities			
Provision for legal affairs/litigation	<i>IV/1h</i>	320 337	213 780
Provision for termination of staff contracts	<i>IV/1h</i>	29 309	21 018
		<u>349 646</u>	<u>234 798</u>
Capital of the Foundation			
Initiative fund	<i>2aa</i>	216 468	220 000
Solidarity fund	<i>2ab</i>	14 155	14 155
Social funds for projects	<i>2ac</i>	9 795	6 476
Support Fund	<i>2ad</i>	520 771	497 858
		<u>761 189</u>	<u>738 489</u>
Capital of the Foundation			
Foundation capital		50 000	50 000
Unrestricted funds		413 744	260 690
Net profit for the year		171 383	153 056
		<u>635 127</u>	<u>463 745</u>
Total liabilities		<u>4 755 087</u>	<u>2 668 127</u>

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

	<u>2018</u>	<u>2017</u>
A. Income		
Public Funds		
Switzerland		
Switzerland (outside partnership contract)	241 860	214 646
Switzerland (SDC - Partnership contract)	3 066 630	2 700 000
State of Geneva	50 000	50 000
City of Geneva	35 000	50 000
Others		
UN organisations (UNICEF)	22 737	-
Belgium	41 729	215 571
Danemark (FAMOC)	312 361	-
USA (Counterpart)	137 263	342 568
France	-	173 756
Netherlands	221 797	54 329
France	-	24 787
United Kingdom (DFID, UK CSSF)	1 168 735	408 232
Sweden	2 085 848	1 088 274
European Union	1 470 450	2 540 390
	<u>8 854 410</u>	<u>7 862 553</u>
Private funds		
Switzerland		
Swiss Solidarity	222 773	-
Fondation Helvétique de Bienfaisance	40 000	-
Loterie Romande	11 792	-
RTS partnership	75 000	75 000
Others		
Others Donors	93 782	132 546
Unrestricted donations	-	11 147
	<u>443 347</u>	<u>218 693</u>
Other products		
Income from services and sales	455 808	515 367
Funding from Fondation Ndeke Luka / self-generated revenue	-	120 402
Winding up of social and solidarity fund	3 532	-
	<u>459 340</u>	<u>635 769</u>
Total Income	<u><u>9 757 097</u></u>	<u><u>8 717 015</u></u>
Unrestricted income	530 808	721 916
Related funds	3 532	-
Restricted income	9 222 757	7 995 099

	<u>2018</u>	<u>2017</u>
Expenditures		
Expenditure for projects		
Staff	4 803 962	4 512 512
Operations	3 021 762	2 485 274
Depreciation	562 919	354 871
	<u>8 388 643</u>	<u>7 352 657</u>
Expenditure for Fondation Hironnelle's Headquarters		
Staff	493 608	489 894
Operations	391 255	341 316
Depreciation	40 372	68 343
	<u>925 235</u>	<u>899 552</u>
Expenditure for Fundraising and communication		
Staff	184 825	194 182
Operations	59 508	100 248
	<u>244 333</u>	<u>294 430</u>
Operating result	<u>198 885</u>	<u>170 375</u>
Financial results		
Financial income	3 663	4 007
Loss on foreign exchange	-33 952	-21 326
	<u>-30 289</u>	<u>-17 319</u>
Exceptionnal result		
Exceptionnal Expenditures and Incomes	<u>2 787</u>	<u>-</u>
	<u>2 787</u>	<u>-</u>
Annual result before allocations to/	<u>171 383</u>	<u>153 056</u>
Allocations/withdrawals	-171 383	-153 056
Net profit/(loss) for the year	<u><u>-</u></u>	<u><u>-</u></u>

Operating accounts by project for the year 2018 (in Swiss francs)

	Bangladesh	Myanmar	Burkina Faso	Transitional Justice	Mali	Niger	CAR	DRC	Media education	Environnement	Afrique Active	Other and new projects	Headquarter	Total
Income														
Public donors														
Switzerland														
Switzerland (outside partnership contract)	-	-	-	-	11 237	223 303	-	-	-	-	-	7 320	-	241 860
Switzerland (SDC - Partnership contract)	92 758	48 362	367 223	232 992	205 987	131 406	698 333	324 228	-	60	45 327	201 675	718 279	3 066 630
State of Geneva	-	-	-	50 000	-	-	-	-	-	-	-	-	-	50 000
City of Geneva	-	-	-	35 000	-	-	-	-	-	-	-	-	-	35 000
Others														
UN organisations (UNICEF)	-	-	-	-	-	-	22 737	-	-	-	-	-	-	22 737
Belgium	-	-	-	-	-	-	41 729	-	-	-	-	-	-	41 729
Danemark (FAMOC)	-	-	-	-	312 361	-	-	-	-	-	-	-	-	312 361
USA (Counterpart)	-	-	-	-	-	-	-	137 263	-	-	-	-	-	137 263
Netherlands	-	97 230	-	-	-	-	-	124 567	-	-	-	-	-	221 797
France	-	-	-	-	-	-	-	-	-	-	-	-	-	-
United Kingdom (DFID, UK CSSF)	-	-	-	-	-	724 540	-	444 195	-	-	-	-	-	1 168 735
Sweden	-	-	-	-	1 248 741	-	-	837 107	-	-	-	-	-	2 085 848
European Union	-	-	-	-	214 483	-	1 255 967	-	-	-	-	-	-	1 470 450
Total public donors	92 758	145 592	367 223	317 992	1 992 809	1 079 249	2 018 766	1 867 360	-	60	45 327	208 995	718 279	8 854 410
Private donors														
Switzerland														
Swiss Solidarity	189 773	-	-	-	-	-	-	-	-	-	-	33 000	-	222 773
Fondation Helvétique de Bienfaisance	-	-	-	-	-	-	-	-	-	40 000	-	-	-	40 000
Loterie Romande	-	-	-	-	-	-	-	-	11 792	-	-	-	-	11 792
RTS partnership	-	-	-	-	-	-	-	-	-	-	-	-	75 000	75 000
Others														
Others Donors	-	-	-	20 408	-	-	-	-	-	-	22 236	23 538	27 600	93 782
Unrestricted donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total private donors	189 773	-	-	20 408	-	-	-	-	11 792	40 000	22 236	56 538	102 600	443 347
Other products														
Income from services and sales	-	-	34	-	252 121	44 423	-	121 367	-	-	-	10 950	26 913	455 808
Initiative fund	-	-	-	-	-	-	-	-	-	-	-	3 532	-	3 532
Total other income	-	-	34	-	252 121	44 423	-	121 367	-	-	-	14 482	26 913	459 340
Total Income	282 531	145 592	367 257	338 400	2 244 930	1 123 672	2 018 766	1 988 727	11 792	40 060	67 563	280 015	847 792	9 757 097
Direct Expenditures														
Staff	144 274	87 171	166 784	264 203	1 166 128	690 945	997 214	1 014 740	4 869	28 180	52 427	187 027	678 433	5 482 395
Operations	118 106	48 840	98 636	64 940	722 553	407 855	744 230	726 034	6 923	11 880	15 099	56 665	450 763	3 472 526
Depreciation	2 899	3 613	71 127	147	203 855	13 201	141 972	92 032	-	-	37	34 037	40 372	603 291
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total direct expenditures	265 279	139 624	336 547	329 290	2 092 535	1 112 001	1 883 416	1 832 807	11 792	40 060	67 563	277 729	1 169 568	9 558 211
Operationnel result	-17 252	-5 968	-30 710	-9 110	-152 395	-11 671	-135 350	-155 920	-	-	-	-2 286	321 776	-198 885

III. Statement of cash flows

Statement of cash flows	<u>2018</u>	<u>2017</u>
Net profit/(loss) before movement of funds	-	-
Depreciation of fixed assets	603 291	423 215
Decrease in provisions	94 875	-59 473
Decrease in bank deposit	-6 617	-21 040
Decrease / (increase) debtors	-197 925	-69 015
Decrease / (increase) in accrued income and prepaid expenses	-5 654	98 922
Decrease in other short term debts	154 213	-96 064
Decrease / (increase) in deferred income and accrued expenses	75 714	-284 981
Cash flow from operational activities	717 896	-8 438
Cash flow from investing activities		
Investments in fixed assets	-634 221	-375 545
Cash flow from investing activities	-634 221	-375 545
Cash flow from financing activities		
Variation in restricted funds	2 128 370	-340 490
Variation in unrestricted funds	22 700	157 766
Variation in support fund	171 383	153 055
Cash flow from financing activities	2 322 453	-29 668
Changes in cash and cash equivalents	2 406 129	-413 651
Changes in cash and cash equivalents		
Cash and cash equivalents at the beginning of the year	1 475 271	1 888 923
Cash and cash equivalents at the end of the year	3 881 400	1 475 271
Changes in cash and cash equivalents	2 406 129	-413 651

IV. Statement of changes in capital

Réf.*	Fund description	Opening balance 1.1.2018	Internally generated income	Allocation to funds	Internal transfers	Use of funds	Closing balance 31.12.18	Funding received in advance	Funding to be received
	Restricted Funds								
	Afrique Activ funds	4 711		62 852		-67 563	-	-	-
	Bangladesh funds	-		581 758		-282 531	299 227	339 000	-39 773
	Burkina Faso funds	-55 950		426 541		-367 223	3 368	3 368	-
	Media education funds	-		50 000		-11 792	38 208	38 208	-
	Environnemental funds	-		40 060		-40 060	-	-	-
	Transtionnal justice funds	-16 782		355 182		-338 400	-	-	-
	Mali funds	-154 261		2 408 587		-1 992 809	261 517	261 517	-
	Myanmar funds	50 896		136 250		-145 592	41 554	41 554	-
	Niger funds	-263 264		1 403 552		-1 079 249	61 039	74 294	-13 255
	New/other projects funds	94 407		265 440		-265 533	94 314	94 314	-
	Central african republic funds	-45 150		2 879 945		-2 018 766	816 029	838 766	-22 737
	Democratic republic of congo	563 987		1 995 082		-1 867 360	691 709	818 313	-126 604
	Headquarter funds	-326		745 879		-745 879	-326	-	-326
	Total Restricted funds	178 268		11 351 128		-9 222 757	2 306 639	2 509 334	-202 695

	Related funds								
2a	Initiative funds	220 000		-		-3 532	216 468		
2b	Solidarity funds	14 155		-		-	14 155		
2c	Social funds for projects	6 476		3 319		-	9 795		
2d	Support Fund	497 858		22 913		-	520 771		
	Total Related funds	738 489		26 232		-3 532	761 189		
	Fondation Capital								
	Foundation capital	50 000	-	-		-	50 000		
	Income from services and sales	-		530 808		-530 808	-		
	Unrestricted funds	413 744	-	171 383		-	585 127		
		-	-	-		-	-		
	Total Fondation Capital	463 744		702 191		-530 808	635 127		
	Total	1 380 501		12 079 551		-9 757 097	3 702 955		

Information about changes in provisions

<i>Type of provision</i>	<i>Opening balance 31.12.2016</i>	<i>Increase</i>	<i>Decrease / use</i>	<i>Closing balance 31.12.17</i>	<i>Increase</i>	<i>Decrease / use</i>	<i>Closing balance 31.12.18</i>
Provision for audit fees	78 201	77 531	74 360	81 372	58 733	78 706	61 400
Provision for litigation	181 295	195 915	163 430	213 780	318 756	212 199	320 337
Provision for termination of staff contracts	53 166	7 009	39 157	21 018	9 366	1 075	29 309
Other provisions	62 981	-	62 981	-	-	-	-
Total provisions	375 643	280 455	339 928	316 170	386 855	291 978	411 046

VI. Performance Report

1. Creation and Activities

Fondation Hironnelle was incorporated on March 22, 1995. It is governed by the regulations of the Swiss Civil Code. The purpose of Fondation Hironnelle is to provide useful, impartial, independent information to populations deprived of it due to conflict, crisis, natural disaster or any other situation in which access to information is hindered for any other reason. Since its creation Fondation Hironnelle, based in Lausanne, Switzerland, has worked in 18 countries on 3 continents.

The Board is composed of 9 members, of whom at least half must be journalists or have a media background. Their term of office is four years, renewable no more than twice. The Board appoints three to five members to form a Steering Committee, including the Chairperson of the Board.

A Chief Executive Officer is in charge of operational management of the Foundation. She/he is appointed by the Board, based on the proposal of the Executive Committee.

Since 1995, Fondation Hironnelle has established, supported or managed media outlets, in Kosovo, East Timor, Nepal, Central African Republic, Sierra Leone, Liberia, South Sudan, Democratic Republic of Congo, Tanzania, Tunisia, Guinea, Mali, Ivory Coast, Burkina Faso and Niger.

In 2018, Fondation Hironnelle's main projects were:

- * Central African Republic - Radio Ndeke Luka (created in 2000)
- * Democratic Republic of Congo - Support to partner radios. Creation of a local structure for production.
- * Mali - Studio Tamani (created in 2013)
- * JusticeInfo, a website dedicated to transitional justice issues all over the world (created in 2015)
- * Burkina Faso (2018) - Studio Yafa
- * Niger - Studio Kalangou (created in 2015)
- * Myanmar - Parliament Media support - Support to peacebuilding process
- * Bangladesh (2018): Improving refugee and host community resourcefulness, resilience, and social harmony through information.

Detailed funding summaries for these projects can be found in operating account 2018

2. Assessment of achieved results

All operations and activities of Fondation Hironnelle are linked to the Foundation's four-year program (2017-2020), which defines the organization's strategy and its main orientations. Activities in 2017 were structured along three main lines: producing and broadcasting information and dialogue programs via the most appropriate media to reach target audiences (radio, TV, websites, social networks, mobile applications, etc.); support to media and Fondation Hironnelle partners through training and editorial, managerial and structural support to enable them to operate in a more sustainable manner; analyze the impact of our programs and contribute to information and media research. This structure has made it possible in 2018 to reach the goals set for the 2nd year of the quadrennial program. Furthermore, in addition to our main projects, Fondation Hironnelle participated in media coverage of COP 24 in Katowice and launch a projet of Media education. Year 2018 saw the opening of 2 projects in Burkina Faso and Bangladesh (more details in the activity report).

3. Ratios related to the Fondation's performance

The following ratios provide information on various financial aspects of the Fondation's activity, by comparing the last four years.

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>Implementation rate</u> : this shows the actual operating costs compared to the annual budgets initially drawn up for all projects.	78.9%	74.5%	106.4%	101.5%
<u>Administrative cost ratio</u> : this shows actual headquarters costs compared to total annual costs (not including financial operations).	14%	13.1%	14.2%	12.2%
<u>Financial liquidities</u> : this shows the total available funds (allocated funds and equity capital) on December 31, 2018, compared to total annual costs.	13.0%	6.45%	11.2%	14.6%

4. Risk analysis

Every year the matrix of major institutional risks is reassessed and validated by the Foundation Board. Work has been done upstream by the Executive and Steering Committee to review and ensure that they are still relevant, that their probability / impact weighting is still appropriate and that the mitigation measures in place are working. If no risk has been removed or added, the weighting of some of the 10 identified institutional risks has been updated. The 10 identified risks are:

- The mission that the FH gives itself is not recognized
- Inconvenient sustainability strategy
- Financial fragility
- Corruption fraud and malfeasance
- Failure or misuse of IT infrastructures
- Attract and retain employees with rare profiles
- Difficulty in showing the impact of FH
- Limited foresight and innovation capacity
- Damage to the credibility of the FH and its work
- Serious security problem.

Annex to the consolidated balance sheet

as of 31 December 2018

Presentation

Fondation Hironnelle is a Swiss non-profit organization founded in 1995, which provides information to populations faced with crisis, empowering them in their daily lives and as citizens.

Through our work, millions of people in war-affected countries, post-conflict areas, humanitarian crises, and societies in democratic transition have access to media that speak to them and give them a voice.

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

The accounts will be validated by the Foundation Board on 23 May 2019.

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 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 2018, which have been prepared in accordance with uniform principles. Amounts in the accounts are rounded, which may result in minor differences in totals.

The presentation and valuation principles differ from those of previous years.

The major differences are:

- The presentation of the Capital variation table by project fund and no longer by donor fund.
- Creation of the notion of tied funds, for the Fondation Hironnelle's internal funds governed by a regulation governing the use of these funds. Previously, these funds were divided between restricted and unrestricted funds.
- The capital of restricted funds is no longer detailed by donor on the liabilities side but now appears on the assets and liabilities side under the headings financing receivable and financing received in advance.

b) Scope of consolidation

The consolidated financial statements contain the annual accounts of all the entities of the Fondation Hirondelle in Mali, Niger, Burkina Faso, Central African Republic and Democratic Republic of Congo.

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

Fixed assets appear in the balance sheet at their acquisition costs less deduction of depreciation calculated according to a linear depreciation method:

Machinery, vehicles and equipment	5 years
Installation and IT equipment	5 years
Fixed assets abroad (*)	Direct amortisation

* The Fondation Hirondelle 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 Hirondelle 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.

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.

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.

k) Fundraising and communication

Fundraising and communication expenses amount to CHF 244'333, 2.5% 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". CHF 3,532 of this fund was used in 2018.

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 2018.

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 2018, the Niger social fund increased by CHF 3,319.

Support fund (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 2018 with CHF 22,913 to reach the amount of CHF 520,771. 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 CHF 390'739 in 2018 (2017: CHF 434'946).

c) Provident fund

As at 31 December 2018, 24 employees of the Fondation Hironnelle (under contract under Swiss law, subject to mandatory Swiss social insurance and with a salary of more than CHF 10,000.-) (for 2017: 20 people, with a salary above the LPP minimum) out of a total of 276 professionals worldwide (2017: 148) - 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 the Fondation Hironnelle and its employees on a 60/40 basis. Employer contributions are recorded in the period in which they are 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, reinsurer of VITA. These BVG solutions allow death and disability risks to be transferred to an insurance company (Zurich, Life Insurance Company Ltd). The company assumes the investment risk through the Collective VITA Foundation, and the insured's retirement assets are invested directly on the capital markets. The investment strategy is determined by the Foundation Board. If the strategy is successful and generates high returns on capital, policyholders also benefit. If this is not the case and the pension fund suffers losses on the capital invested in economically unfavourable years, it is nevertheless obliged to remunerate the mandatory BVG retirement assets up to the minimum legal interest rate. This can lead to an overdraft of the pension fund. That is, its inability to fully meet its current and future commitments. When this situation arises, the law allows consolidation measures (e. g. the levying of additional contributions, or the application of a lower remuneration) by the affiliated company and its insured persons - until the coverage ratio reaches 100% again.

d) Employees

At the end of 2018, the Fondation Hironnelle employed 193 professionals worldwide. The number of national staff working for the Foundation has increased significantly with 155 colleagues (116 in 2017), and the number of expatriates has also increased with 13 expatriates on long-term contracts (9 expatriates in 2017). In addition to these employees, there are more than 144 interns and correspondents, supported on an ad hoc basis by 26 expert missions to the field (32 missions in 2017). In view of this growth in projects, the size of the headquarters has remained relatively stable and, as at 31 December 2018, its staff consisted of 11 employees occupying the equivalent of 9.30 full-time positions for direct project monitoring and 14 employees (EFA 11.60) engaged in management, transversal support and support functions. The Fondation Hironnelle also trains an apprentice and was able to benefit throughout 2018 from the help of 7 civilians/trainees (EPT 2.30) and 3 people in a situation of professional reintegration (EPT 0.30).

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 2018, as part of our partnership with RTS, the Fondation Hironnelle benefited from 13 days of volunteer work valued at 13 days X CHF 415 =CHF 5 395 (2017:0).

Our auditors made a pro-bono donation of CHF 14,000 in 2018 (2017 CHF 15,000)

f) Off-balance commitments

	Sub Office	Office	Leasing
Next deadline	31.01.2023	30.09.2020	30.06.2022
Number of months before end	49.00	21.00	42.00
Monthly payment	2'489.00	6'605.00	358.2
Off-balance commitments 31.12.2018	121'961.00	138'705.00	15'044.40
Off-balance commitments 31.12.2017	151'829.00	217'965.00	19'342.80