

ACTING FROM THE HEART



Annual Report 2005

The year in
numbers and
pictures

Together
we achieved
much >>>



www.heks.ch

HEKS 

Hilfswerk der Evangelischen Kirchen Schweiz
Aiuto delle Chiese evangeliche svizzere ACES
Entraide protestante suisse EPER
Swiss Interchurch Aid



Dear Donor,

For HEKS, 2005 was the year of devastating calamities: The Tsunami short before the beginning of the year, the famines in Darfur and Niger, the earthquake in Pakistan and the typhoons in Central America truly posed a challenge to us. It proved of value that HEKS is prepared to deal with such calamities and therefore can act fast and purposefully.

The long-term development co-operation in Africa, Asia, Eastern Europe and Latin America is of similar importance. With its programs, HEKS stands on the side of the weakest in their struggle for

food, water, land and education.

Also in 2005, the focus of HEKS' work at home was offering integration assistance to socially disadvantaged persons, especially foreigners in Switzerland, and legal advice for asylum seekers.

Thanks to growing donations, aid services could be significantly increased in 2005.

Heartfelt thanks to all donors for their generous support.

Franz Schüle
Secretary General

HEKS advocates the sustainable improvement of living conditions for future generations. Our mandates are:

Abroad:

- emergency aid
- development cooperation
- Interchurch aid and reconstruction aid in Europe

In Switzerland:

- Refugee aid
- Aid for the underprivileged
- Public Relations work

HEKS battles against hunger, injustice and social desolation according to the principle «help for self-help».

HEKS as an organisation:

- 198 regular employees
- 290 projects in more than 45 countries

Carline learns to read – at the age of 16



At the age of 16, Carline can finally attend school to learn reading and writing. Carline's mother pays 5 francs a year for her daughter's education, hereby providing her with the chance for a future vocational education.

Carline lives in Dame-Marie, a small town in the particularly poor department

Grand'Anse. At the age of 13, she fell severely ill with Typhus. Since her mother did not have the means for medical treatment, she sent Carline to her father in Port-au-Prince. During the following three years, the girl could be cured but never attended school. Only after the return to her hometown she learned to read and write in the school-center Jean-Marie Vincent. In Haiti 500,000 children don't attend school – because there are no appropriate schools or parents can't afford tuition payments.

Where we operate >>>



Education Programs in Haiti:

Project support

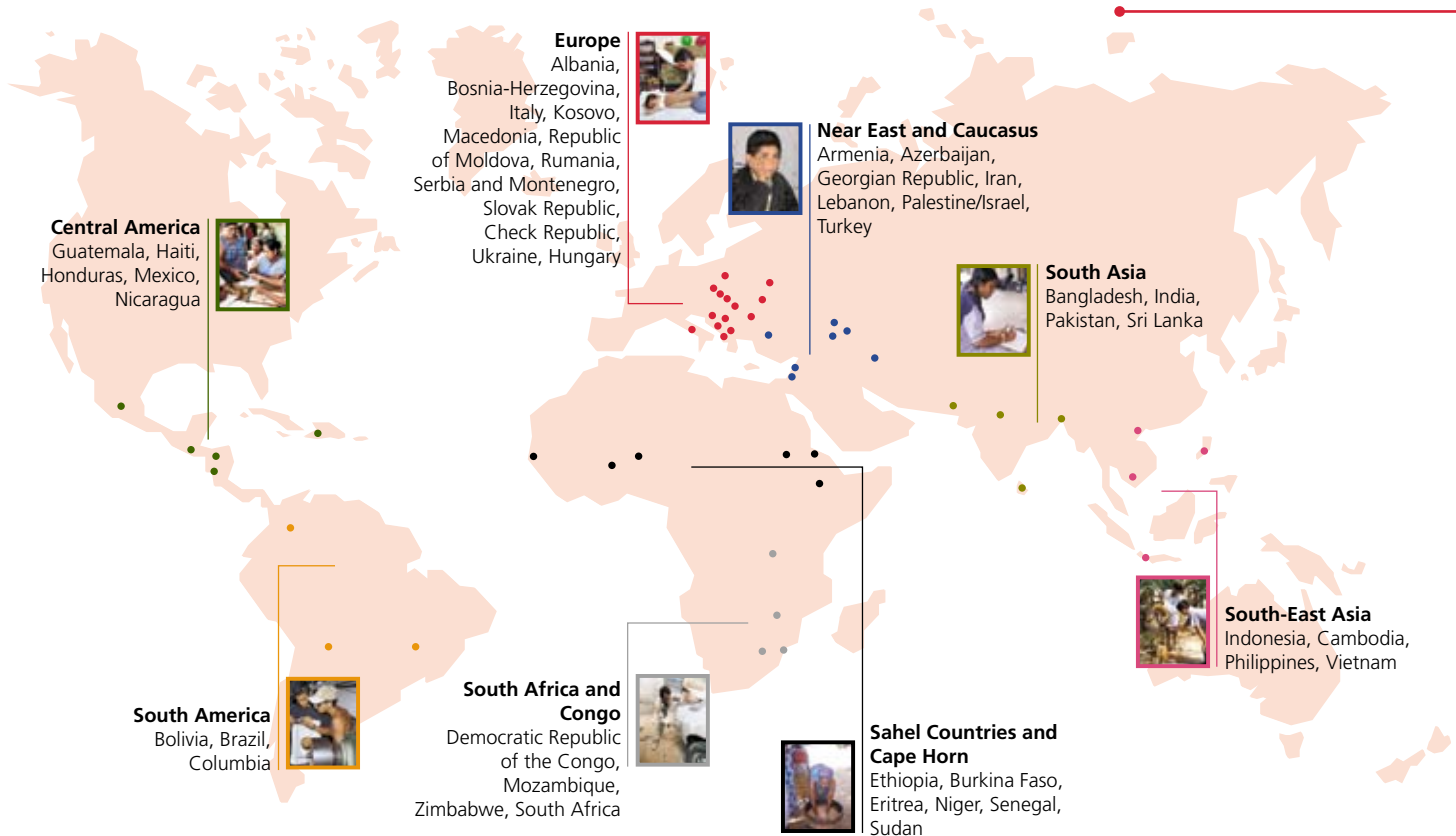
HEKS 2005:

380,000 Swiss francs

Project number: 830.315

Local HEKS partner organizations support around 15,000 children and adolescents in 75 schools all over the country.

HEKS projects around the world



HEKS Projects in Switzerland

Education and professional training is a central need in all countries around the world, creating new perspectives and a way out of poverty. In 2005, HEKS focused on the training of the youth and women. Whereas professional training remained central for young people, women were empowered to claim their rights, being granted access to the market, and to improve the quality of their products.

Education promotes integration – integration requires education. Gaining access to the job market and to social and cultural life without education is difficult. Jobless and socially ostracized persons are often faced with limited possibilities to acquire education and training. In this way, especially migrants and young persons are more and more marginalized. They have made use of HEKS' multifaceted offer of education opportunities and rendered a significant contribution to their integration in Switzerland.

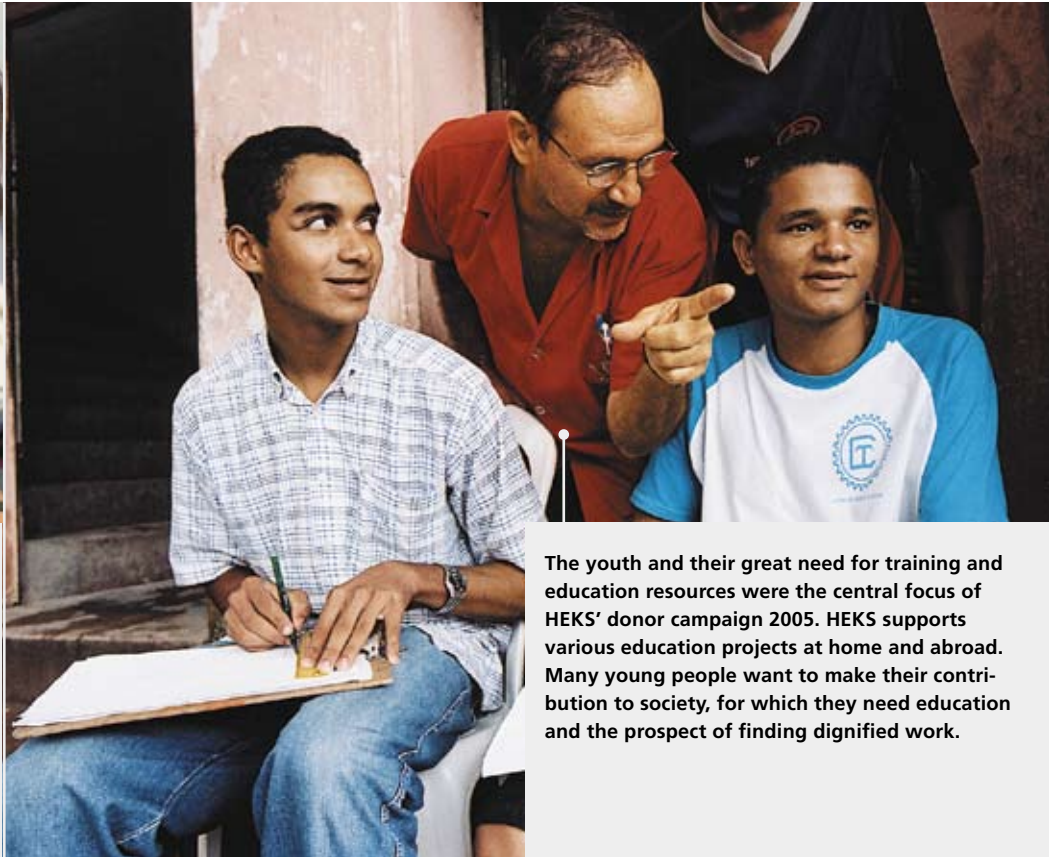


Read stories about the efficiency of our project work >>>

Your Help Reaches.



Last year at the project «TG Job» in Amriswil, 96 adolescents and adults from 12 nations were given a new chance through practical jobs. Their work was accompanied by courses on job application and intensive coaching. Many young people were able to find an apprenticeship; others could acquire their rights for unemployment benefits.



The youth and their great need for training and education resources were the central focus of HEKS' donor campaign 2005. HEKS supports various education projects at home and abroad. Many young people want to make their contribution to society, for which they need education and the prospect of finding dignified work.

Drought and a plague of locusts caused the worst famine in Niger in many years. As a first measure, HEKS, together with its local partners in Tahoua, distributed seeds, milk powder and animal feed to the local population. In a second step, in order to protect the natural resources, hills were terraced, trees planted and wells drilled. For this purpose, HEKS, one of the first aid organizations operating in the region, spent 1.3 million francs.



With around 15 million francs for emergency building and reconstruction after the devastating Tsunami, the focus of HEKS' commitment is Indonesia, Sri Lanka and India. Together with the affected people, HEKS repaired and rebuilt destroyed houses, constructed schools and awarded microcredits. The concern is to always find solutions that are sustainable, individual and fitting the people.

On December 1 2005, the petition «Africa needs Medicine – now!» with 27,000 signatures, and accompanied by 6000 candles was handed over to the Member of the Federal Council Micheline Calmy-Rey. One year ago, HEKS, together with the Bethlehem Mission Immensee, had started that campaign. Day after day 6000 people die of HIV/AIDS in Africa alone.



HEKS in Numbers

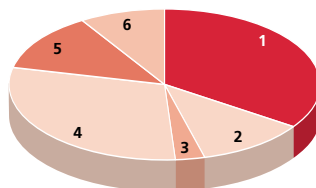
The year 2005 was marked by Emergency Aid

Earnings

Earnings increased by 52.1% and climbed to 68.2 million francs. Altogether 6.3 million francs were donated for emergency aid. The contributions of «Glückskette» (Swiss Solidarity) for this central task increased to 12.7 million francs. An increase of 13.3% could be credited for general donations. For earning from bequests, we registered an increase of 6.2 million francs. With 1.5 million francs, the financial result is significantly higher than in the previous year. Stock price gains were credited to the value fluctuation reserve.

Expenditures for Service Provisions

Due to the emergency aid, expenditures for service provisions increased by 24.2% to

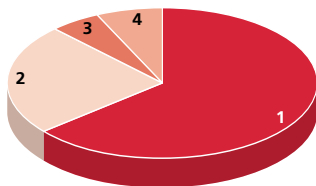


Source of Funds for all Activities

1 Donations	34,7%
2 Bequests	11,3%
3 Contributions from Protestant churches	2,9%
4 Project contributions from various organizations	29,8%
5 Project contributions: Government/Cantons/Municipalities	12,6%
6 Earnings from projects for services offered	8,7%

Total (100%)

CHF 68'207'163



Utilization of Funds for all Activities

1 Projects abroad	64,1%
2 Refugee aid and projects in Switzerland	23,9%
3 Central office and administration	5,3%
4 Information and fundraising	6,7%

Total (100%)

CHF 57'112'003

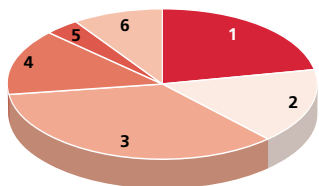
57.1 million francs. Around 88% of the total expenditures directly flowed into international, national and regional projects. Most of the funds, however, were used for our projects abroad. Despite the increased volume of work, the expenditures for central administration, fundraising and information could be kept on the level of the previous year.

Balance

	31.12.05	31.12.04
	CHF	CHF
Assets		
Liquid assets	30'153'836	25'393'855
Securities	21'540'192	13'827'387
Receivables	4'232'072	3'850'261
Available goods	80'000	74'000
Accrued income	347'227	156'079
Total current assets	56'353'327	43'301'582
Fixed assets	4'300'285	4'185'067
Financial assets	850'208	817'481
Intangible assets	0	219'000
Total fixed assets	5'150'493	5'221'548
Earmarked assets	1'288'573	1'298'000
Total earmarked assets	1'288'573	1'298'000
Total assets	62'792'393	49'821'130
Liabilities		
Short-term loan capital	3'621'262	2'782'025
Long-time loan capital	1'523'921	1'217'700
Earmarked funds	45'168'273	34'590'107
Organizational capital	12'478'937	11'231'298
Total liabilities	62'792'393	49'821'130

Operational Accounting

	31.12.05	31.12.04
	CHF	CHF
Earnings for projects abroad	40'037'053	24'613'335
Earnings for refugee work and national projects	12'776'684	11'821'429
General earnings for HEKS	15'393'426	8'422'425
Total earnings	68'207'163	44'857'189
Expenditures for projects abroad	36'606'017	25'917'997
Expenditures for refugee aid and national projects	13'655'491	13'179'139
Central administration	3'034'803	3'035'017
Information (net expenditures)	2'307'632	2'634'836
Fundraising	1'508'060	1'204'296
Total services rendered	57'112'003	45'971'285
Operating profits	11'095'160	-1'114'096
Financial results from assets	1'485'987	496'893
Extra personnel expenditures	-750'000	0
Real estate profit/loss	-5'342	19'455
Results before allocation	11'825'805	-597'748
Funds profit/loss	-10'578'166	-103'464
Allocation to value fluctuation reserve	-1'000'000	0
Result against/for the organizational capital	247'639	-701'212

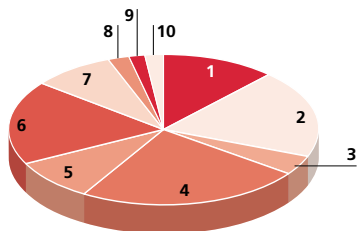


Utilization of Funds for Projects Abroad

1	Europe	22,2%
2	Africa	16,0%
3	Asia	34,7%
4	Latin America	14,1%
5	Regional projects	3,8%
6	Project development	9,2%

Total (100%)

CHF 36'606'017



Utilization of Funds for Refugee Aid and National Projects

1	Project development and national projects in general	12,0%
2	Legal advice for asylum seekers	19,1%
3	Representing HEKS during interviews of asylum seekers	4,0%
4	Integration in job market	23,8%
5	Housing/assisted living	9,0%
6	Education	17,9%
7	Intercultural intervention	8,8%
8	Volunteer work	2,1%
9	Venues and contacts	1,6%
10	Various projects/project contributions	1,9%

Total (100%)

CHF 13'655'491

Funding Results

The increase of 10.8 million francs shows that not all funds were yet utilized. A careful use of funds in the individual projects will still take some time.

Accounting Principles

Accounting principles follow the professional recommendation for Financial Reporting Standards Swiss GAAP FER. These standards convey a picture of the financial state and results corresponding to the actual circumstances. The financial overview presented here is an abridged version of the 2005 annual financial statement revised by PWC PriceWaterhouseCoopers AG, Zurich. The detailed annual financial statement can be ordered from www.heks.ch, or by calling HEKS under +41 44 360 88 00.

Voices about HEKS



Fiona Hefti, Miss Switzerland 2005, visited HEKS projects in India.

« India was the most wonderful and most remarkable experience during my reigning year as Miss Switzerland. I am aware of how privileged we are in Switzerland. I was truly impressed when I was shown how specifically targeted support and education programs can break vicious circles and help poor people. »

Dr. Claude Janiak, President of the Swiss National Assembly 2005/2006.

« Working on, and with civil society allows HEKS to equally create counterbalances and realize development work in authoritarian regimes. There, close to the people, reconciliation is manifested, and there, where affected persons are, help is most effective. HEKS has earned recognition and thanks for 60 years of tireless and dedicated work. »



Elisabeth Dähler, President of the Church Congregation Oberwil, BL.

« For many years, our congregation has been trying to fight the causes of the migration such as poverty and the violation of human rights by supporting development projects of HEKS in Asia, Africa and Eastern Europe. HEKS enjoys our confidence. »



Every single donation has an impact!

→ A donation of 40 Francs covers the monthly salary of a teacher in a remote area of Bangladesh, where pupils have no access to public grade schools.

→ A donation of 85 Francs can pay the monthly tuition fees of an aspiring electrician in Brazil.

→ 175 Francs are needed to extend the life of an Aids-victim in Africa. This is the cost for a yearlong treatment with antiretroviral drugs.

→ For a donation of 1000 Francs, a war invalid in Eritrea can finish the basic training as bicycle mechanic – the foundation for one's own bicycle repair shop.

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Heartfelt thanks!

Thousands of individuals as well as congregations and Cantonal churches, Bread for all, DEZA and other Federal Authorities, the Swiss Solidarity, municipalities and cantons, as well as numerous companies and organizations supported HEKS. Without them, our committed and effective work would not be possible.

A heartfelt thank you to all of you!



The ZEWO seal of approval certifies that your donations come to a purposeful, effective and economic use.