

# FINN CHURCH AID FOUNDATION

## **FINANCIAL STATEMENTS, 31/12/2012**

FINANCIAL STATEMENTS FOR THE PERIOD  
01.01.2012 - 31.12.2012

Business ID 0998454-4

Luotsikatu 1 A  
00160 Helsinki, Finland

# **FINN CHURCH AID FOUNDATION**

## **FINANCIAL STATEMENTS FOR THE PERIOD 1 January – 31 December 2012**

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## FINN CHURCH AID FOUNDATION ANNUAL REPORT 2012

The phase of the Somalia peace process that began in 2007 came to a close in the summer of 2012. In 2007, Finn Church Aid set out to work with Somalia's religious and traditional leaders to find a settlement to the situation. Initially begun as local negotiations, the effort expanded into co-operation with the UN, where Finn Church Aid helped traditional actors in Somalia to re-establish its state institutions and complete the long transitional phase. Even though no single outside actor can take credit for this achievement, both elders and the UN in Somalia generally recognise that this positive development would not have happened without the involvement of Finn Church Aid. In Somalia, the significance of reconciliation, in particular, will be further emphasised in the future, and there is a need to support co-operation between traditional elders and the state administration.

On the other hand, the continuation and exacerbation of violence in Syria goes to show how serious the consequences of conflicts are on the lives of ordinary people. Tens of thousands of people have lost their lives and hundreds of thousands have been forced to flee their homes. In another Finn Church Aid programme area—Myanmar—there seem to be new opportunities opening up, even though a clear picture of Finn Church Aid's operations and its added value in the country have yet to be defined.

Finn Church Aid's co-operation with the UN has also found its groove. Arrangements with UNICEF to support the Global Education Cluster began to be put into action and the UN Department for Peacekeeping Operations Mediation Support Unit (MSU) requested that Finn Church Aid provide assistance to the UN Secretary General in formulating peacekeeping recommendations for later implementation.

In order to minimise the deficit for the financial period, costs were cut and fundraising measures were re-evaluated. This will continue in 2013. Finn Church Aid conducted an organisational assessment, based on which permanent employment relationships were left in place, but assignment descriptions at headquarters were revised. However, fixed-term employment relationships were primarily not maintained, with savings also being sought by freezing new recruitment.

## FINANCES

The deficit for the 2012 financial period was €239,248.83 (2011: €598,273.97) and the total equity at the end of the years was €5.6 million (€5.8 million). Current receivables stood at €2.4 million (€3.0 million), of which €0.5 million (€2.0 million) consisted of advances paid to partners carrying out projects. Current liabilities totalled €7.8 million (€10.8 million), comprising €3.2 million (€5.8 million) in targeted donations for disaster relief, reconstruction work and the Women's Bank, and €3.0 million (€3.6 million) in project advances received from various funding sources.

In accordance with the board's investment policies, the foundation's assets are placed in low-risk instruments, mostly money market deposits and bonds. On its balance sheet, the foundation has a small number of shares and interests received as donations, for which a depreciation of €5,245.20 (€29,799) was recorded.

## Income

The income for the period was €32,847,903.14 (€30,408,080.16), representing an 8.0% increase over the previous year. The share of funding from the Evangelical Lutheran parishes was 23.7% (28.2%), including proceeds from the Common Responsibility Campaign and operational subsidies from the Church Council.

Funds from the Ministry for Foreign Affairs made up 40.2% (42.8%) of the income, while international funding sources accounted for 3.5% (3.9%) and private donors for 31.2% (24.0%).

Funds received from parishes totalled €7.8 million (€8.6 million). The parishes provided €3.9 million (€4.6 million) of funding in the form of budget contributions, €0.7 million (€0.7 million) in official collections, €0.3 million (€0.4 million) in free collections and €0.3 million (€0.2 million) in other support. A total of €1.8 million (€1.9 million) was received from the Common Responsibility Campaign, while the subsidy from the Church Council was €0.8 million (€0.7 million).

Funding from the Ministry for Foreign Affairs and Finnish and international institutional funding bodies totalled €14.4 million (€14.3 million). The Ministry for Foreign Affairs provided €7.9 million (€7.3 million) in funding for development cooperation activities and €5.3 million (€5.7 million) for humanitarian aid activities. Support from the European Union totalled €0.7 million (€0).

Income from private donors totalled €9.5 million (€6.6 million) and income from companies and organisations was €0.8 million (€0.7 million).

Interest income from the foundation's investment and financial activities were €0.2 million (€0.2 million).

Income for the financial period includes a release of targeted funds collected in previous financial periods totalling €2.7 million (-€65,000).

## **Expenses**

Expenses for the period totalled €33,087,278.91 (€31,004,944.79), representing an increase over the previous year of 6.7%.

Expenses from aid work totalled €27.5 million (€25.7 million), including €3.2 million (€3.4 million) in project planning and monitoring expenses. The cost of aid work support functions, general administration and fundraising were €5.6 million (€5.3 million). Of all operating expenses, 17.0% (17.1%) was spent on support functions, general administration and fundraising, and 83.0% (82.9%) on aid activities.

Programme activities were divided regionally as follows: Africa €13.2 million (€11.6 million), Asia and the Middle East €5.3 million (€4.2 million), Latin America €3.1 million (€3.6 million) and Europe €0.8 million (€0.8 million). The expenditure on global programmes totalled €1.8 million (€2.0 million).

In programme activities, focus was directed at three strongly interrelated themes: sustainable livelihood, rights and participation, and stable societies. An all-embracing theme in the work is the promotion of sexual equality.

Salaries and remuneration, including social costs, amounted to €7.2 million (€6.3 million). During the period, €0.1 million (€0.1 million) was invested into upgrading computer systems and equipment. Depreciation on fixed assets amounted to €0.1 million (€0.2 million).

## **PERSONNEL**

At the end of 2012, the staff numbered 131 employees (131 at the end of the previous year). 86 were employed on a permanent basis (88 employees) and 45 on temporary contracts (43 employees). Of the staff, 24 (25) worked in Finn Church Aid's field offices. In addition to employees working in Helsinki and those posted overseas from there, Finn Church Aid employed 68 locally recruited employees (56 in the previous year) at its programme offices, fulfilling a range of different functions.

During the year under review, a total of 132 man-years (116) were accumulated at the foundation. The local programme office personnel completed 62 man-years. Temporary F2F and telefundraising personnel completed a total of 5 (6) man-years.

## **ADMINISTRATION**

The Finn Church Aid Foundation board convened six times during the year.

The board was chaired by Anni Vepsäläinen, and the ordinary members were Member of Parliament Pekka Haavisto, International Affairs Expert Tarja Kantola, Senior Work Sector Secretary Pia Kummel-Myrskog, Church Counsellor Kimmo Kääriäinen, Pastor Tapio Luoma, Ritva Ohmeroluoma (MSci), member of the European Parliament Sirpa Pietikäinen, Bishop Matti Repo (Vice-Chairman), Secretary of the Diocese Helena Tuominen, and Editor-in-Chief Merja Ylä-Anttila. The deputy members were Ilkka Mattila, Tuomas Aho and Henni Alava.

The FCA Director was Antti Pentikäinen.

## **FUTURE DEVELOPMENT**

Finn Church Aid's long transitional phase came, in some way, to its conclusion in 2012. In its earlier strategies, Finn Church Aid made a decision to join its partners in the field, enhance its advocacy and seek to establish an international profile in its area of expertise. These choices have fundamentally changed the way the foundation operates. Even though building something new always involves challenges, the results have been encouraging.

The Finn Church Aid Board of Directors approved the new strategy for 2013-2016, which will conclude the ongoing transitional phase and set the course for foundation operations in the future. Based on the strategy, Finn Church Aid will continue to focus on three themes: the right to peace, livelihood and education. Within these themes, Finn Church Aid will find sufficiently defined, niche areas of expertise, on which a small organisation can focus its efforts, thus generating added value for its partners and achieving proven results through its own actions. Finn Church Aid will also continue to primarily work through its offices. The number of programme areas has been further reduced. Partners will be supported not only financially, but also through improving the influence and results of operations within the strategy themes.

Maintaining a presence in the field has increased Finn Church Aid's own costs. This is also why a presence in the field generates added value for partners. At the same time, assignments from headquarters should be carefully and thoughtfully transferred to offices, thus reducing the headquarters' administrative costs. Finn Church Aid has decided to seek financial growth in the future primarily through international fundraising. This requires both investments and release of funds for self-financing. These will place new demands on budget planning and the cost structure must be kept sound.

## **ALLOCATION OF THE DEFICIT**

The deficit for the accounting period was €239,248.83, which the board decided to transfer to the surplus account for previous periods.

## FINN CHURCH AID FOUNDATION

INCOME STATEMENT		1.1. - 31.12.2012	1.1. - 31.12.2011
<b>INCOME FROM OPERATIONS</b>			
<b>Aid activities</b>			
Income			
From the government	12 791 213,02		12 643 810,03
From the EU	674 152,98		40 000,00
From parishes	7 030 656,70		7 833 443,36
from international funding sources	510 685,13		1 159 936,76
Other income	84 540,38		56 853,47
	<u>21 091 248,21</u>		<u>21 734 043,62</u>
Expenses			
Direct aid	-19 820 080,15		-19 496 306,50
Personnel expenses	-4 663 165,20		-3 965 024,07
Other expenses	-2 990 298,28		-2 254 269,60
	<u>-27 473 543,63</u>	-6 382 295,42	<u>-25 715 600,17</u>
<b>Support functions for aid activities</b>			
Communications, education and advocacy			
Income	588 632,36		512 586,40
Expenses			
Personnel expenses	-952 065,93		-858 686,26
Other operating expenses	-1 179 142,28		-1 064 031,79
	<u>-2 131 208,21</u>	-1 542 575,85	<u>-1 922 718,05</u>
<b>General administration</b>			
Income	8 112,97		5010,43
Expenses			
Personnel expenses	-1 098 765,57		-1 015 957,54
Other operating expenses	-151 050,55		-247 365,44
	<u>-1 249 816,12</u>	-1 241 703,15	<u>-1 263 322,98</u>
Deficit from operations		-9 166 574,42	-6 650 000,75
<b>FUNDRAISING</b>			
Income			
Donations from private persons	9 669 836,34		6 561 435,33
Donations from companies and other	583 989,99		712 927,91
Other income	9 177,12		4 162,89
	<u>10 263 003,45</u>		<u>7 278 526,13</u>
Expenses	-2 227 431,75	8 035 571,70	-2 038 471,49
Surplus/deficit		-1 131 002,72	-1 409 946,11
<b>INVESTMENTS AND FUNDING OPERATIONS</b>			
Income	216 906,15		222 913,58
Expenses	-5 279,20	211 626,95	-64 832,10
Surplus/deficit		-919 375,77	-1 251 864,63
<b>SUBSIDIES</b>			
Subsidy from the Church Council		680 000,00	655 000,00
Surplus/deficit before transfers of funds		-239 375,77	-596 864,63
<b>TRANSFERS OF FUNDS</b>			
Transfer into Aid Fund		126,94	-1 409,34
Surplus/deficit for current period		<u>-239 248,83</u>	<u>-598 273,97</u>

BALANCE SHEET		31.12.2012	31.12.2011
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
Intangible assets			
IT Software		71 162,10	120 166,28
Tangible assets			
Machinery and equipment		108 460,88	126 914,16
<b>INVESTMENTS</b>			
Other shares and interests	54 161,50		59 406,70
Debenture bonds	<u>1 000 000,00</u>	1 054 161,50	<u>942 500,00</u> 1 001 906,70
Receivables			
Current			
Paid advances	1 563 479,11		2 545 707,69
Accrued income	636 592,76		383 174,98
Other receivables	<u>199 081,95</u>	2 399 153,82	<u>117 080,73</u> 3 045 963,40
Cash in hand and at bank		9 682 353,35	12 275 435,79
<b>TOTAL ASSETS</b>		<u><b>13 315 291,65</b></u>	<u><b>16 570 386,33</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity capital	33 637,59		33 637,59
Self-covered funds			
Aid Fund 1985	115 731,32		115 858,26
Surplus from previous periods	5 654 341,23	6 252 615,20	
Surplus/deficit for current period	<u>-239 248,83</u>	5 564 461,31	<u>-598 273,97</u> 5 654 341,23 5 803 837,08
<b>LIABILITIES</b>			
Current			
Advances received	6 139 555,87		9 454 055,75
Accounts payable	517 425,72		280 403,03
Other liabilities	238 007,09		160 489,88
Accruals and deferred income	<u>855 841,66</u>	7 750 830,34	<u>871 600,59</u> 10 766 549,25
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>13 315 291,65</b></u>	<u><b>16 570 386,33</b></u>

## FINN CHURCH AID FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS OF 31/12/2012

#### 1. ACCOUNTING PRINCIPLES

##### **Fixed assets and depreciation**

Fixed assets have been valued at their purchase price or the market value (if lower) on the balance sheet date. Planned depreciation is calculated based on the duration of financial effect assessed from the purchase price, using the straight-line method. The depreciation period for IT equipment and software is 4 years, and for machinery and equipment 5 years. Small acquisitions are entered as annual expenditure.

##### **Allocation of income from projects**

Income and expenses from projects are recorded as and when aid funds are used for their completion. Unused project funds from partners implementing Finn Church Aid projects are entered in the Finn Church Aid balance sheet as paid advances. Information about unused projects funds is based on unconfirmed financial data provided by partners.

Income and donations received for a specific purpose that are unused during the financial period are transferred for use in coming financial periods and recorded in the balance sheet under advances received or targeted donations.

##### **Field offices**

During the financial period, Finn Church Aid has maintained regional offices in Asia (Cambodia), Central Africa (Congo Democratic Republic), East and South Africa (Kenya), West Africa (Liberia), the Middle East (Jordan) and Latin America and the Caribbean (Haiti). In addition, country offices in Somalia and Southern Sudan operate under the Kenya regional office. The foreign currency revenues and expenses from these offices are consolidated into the Finn Church Aid income statement using a weighted average exchange rate. Paid advances are recorded in the balance sheet at the exchange rate of the date on which they were incurred.

##### **Changes in accounting principles and adjustments to the previous period's financial statements**

In previous years, the recovery of paid assistance has been entered under income in its own account. In 2012, recovered assistance was entered under expenses to reduce the original costs (2011: €3,270.00, 2012: €115,448.22). In previous years, the return of received assistance has been entered under expenses in its own account. In 2012, returned assistance was entered under income to reduce the original revenues (2011: €5,902.00, 2012: €10,000.00).

During the period under review, it was determined that the fund listed as a self-insured (funded) fund in previous financial periods should be listed as a self-covered fund. As a result, assets are also listed as such on the reference balance sheet.



## FINN CHURCH AID FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS OF 31/12/2012

## 2. NOTES TO THE INCOME STATEMENT

TOTAL INCOME AND EXPENSES		2012	2011
Total income		32 847 903,14	30 408 080,16
Operating expenses			
Aid activities	-27 473 543,63	-25 715 600,17	
Domestic support functions and administra	-5 613 735,28	-33 087 278,91	-31 004 944,79
Transfer into Aid Fund		126,94	-1 409,34
<b>Surplus/deficit for financial period</b>		<b>-239 248,83</b>	<b>-598 273,97</b>
<b>INCOME FROM OPERATIONS</b>			
<b>Government revenue for aid activities</b>			
Ministry for Foreign Affairs (MFA) framework	7 485 950,00	6 966 000,00	
MFA other	18 487,19	0,00	
MFA for humanitarian work	5 286 775,83	5 627 810,03	
MFA for reconstruction work	0,00	12 791 213,02	50 000,00
			<b>12 643 810,03</b>
<b>Revenue from the EU for aid activities</b>			
EU support for development cooperation	57 480,98	0,00	
ECHO	616 672,00	674 152,98	40 000,00
			<b>40 000,00</b>
<b>Income from international funding sources</b>			
ACT Funding	81 198,08	779 385,77	
Other public assistance	265 638,36	0,00	
Canadian Food Grains Bank	103 290,59	208 476,08	
UN, Political	44 085,81	35 000,00	
UNDP	16 472,29	510 685,13	137 074,91
			<b>1 159 936,76</b>
<b>Revenue from parishes for aid activities</b>			
Budget contributions	3 885 883,70	4 565 174,91	
Official collections	743 499,86	695 476,79	
Voluntary collections	329 810,09	411 688,32	
Other revenue from parishes	312 652,75	237 662,33	
Income from Common Responsibility Campa	1 758 810,30	7 030 656,70	1 923 441,01
			<b>7 833 443,36</b>
<b>Other income</b>			
Other income for aid activities		84 540,38	56 853,47
<b>Income for aid activity support functions includes</b>			
Ministry for Foreign Affairs (MFA) framework	414 050,00	369 000,00	
Ministry of Education support for youth work	33 000,00	36 000,00	
Ecclesiastical Board support for youth work	80 000,00	75 000,00	
Jenny and Antti Wihuri Foundation	20 000,00	10 000,00	
Other income	41 582,36	588 632,36	22 586,40
			<b>512 586,40</b>

## FINN CHURCH AID FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS OF 31/12/2012

FUNDRAISING		2012	2011
Donations from private persons	6 908 942,34	6 909 220,12	
Use of private donations from previous years	2 557 610,09	-420 934,02	
Royalties from sales of developing world pro	13 122,54	15 050,15	
Ylen Hyvä Foundation, Red Nose Day	190 161,37	58 099,08	6 561 435,33
		<b>9 669 836,34</b>	
Donations from companies and organisations		<b>583 989,99</b>	<b>712 927,91</b>
<b>Other income</b>			
Church Council operating aid	680 000,00	655 000,00	
INVESTMENTS AND FUNDING OPERATIO	216 906,15	222 913,58	
Other compensation	17 290,09	9 173,32	
		<b>914 196,24</b>	<b>887 086,90</b>

NUMBER OF EMPLOYEES	2012 man-years	2012 average	2011 man-years	2011 average
Director's office	2,08	2	3,77	4
International work	54,83	53	48,01	54
Advocacy work	11,47	14	8,98	12
FUNDRAISING	22,42	28	19,46	27
Communications and stakeholder relations	21,31	24	18,76	21
Internal services	20,1	21	17,91	18
Regional office personnel	61,63	63	35,47	39
<b>Total</b>	<b>193,85</b>	<b>204</b>	<b>152,36</b>	<b>174</b>

The figure for fundraising includes hourly paid personnel.

PERSONNEL EXPENSES	2012	2011
Salaries and remuneration, Finland	5 508 207,68	4 971 061,63
Pension costs, Finland	846 809,05	816 003,09
Other social costs, Finland	253 080,00	215 214,40
Field office salaries and social costs	609 100,30	283 527,02
	<b>7 217 197,03</b>	<b>6 285 806,14</b>

Other social costs include statutory salary-linked payments.

Pension cover for the foundation's staff is managed by external insurance companies. In field offices, locally-paid salary-linked social costs are determined according to local legislation in each country of operation.

Board meeting fees	2012	2011
Total	9 107,27	2 519,78

The meeting fees for 2012 comply with the fees confirmed by the Church Council for Foreign Affairs: EUR 123.30 per meeting for the Chairman of the Board and EUR 74 for ordinary members. In 2012, the expense includes the expense for 2011: €3,779.67.

## FINN CHURCH AID FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS OF 31/12/2012

<b>Auditors' fees</b>	<b>2012</b>	<b>2011</b>
Ernst & Young, auditing fees		12 133,95
Ernst & Young, other fees and statements		23 249,46
PricewaterhouseCoopers, auditing fees	13 505,40	664,20
PricewaterhouseCoopers, other fees and statements	11 461,64	47 355,05
KPMG, other fees and statements		17 589,00
Field offices' local auditing fees, total	38 257,49	18 872,18
<b>Small acquisitions entered as expenses during the financial</b>	<b>2012</b>	<b>2011</b>
IT software and licences	33 611,23	30 459,01
Machinery, IT hardware and equipment	524 347,57	319 888,20

## FINN CHURCH AID FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS OF 31/12/2012

## 3. NOTES TO THE BALANCE SHEET

INTANGIBLE AND TANGIBLE ASSETS	2012	2011
<b>IT SOFTWARE</b>		
Procurement expenses on 1 January	518 248,28	498 600,98
Additions during the financial period	19 428,00	19 647,30
Procurement expenses on 31 December	537 676,28	518 248,28
Accrued depreciation according to plan on 1 January	-398 082,00	-310 731,62
Planned depreciation for the period on 31 December	-68 432,18	-87 350,38
Book value on 31 December	<b>71 162,10</b>	<b>120 166,28</b>
<b>IT HARDWARE</b>		
Procurement expenses on 1 January	479 113,40	395 228,11
Additions during the financial period	35 697,85	83 885,29
Deductions during the financial period 1/1-31/12	0,00	0,00
Procurement expenses on 31 December	514 811,25	479 113,40
Accrued depreciation according to plan on 1 January	-376 757,87	-331 203,78
Planned depreciation for the period on 31 December	-43 861,81	-45 554,09
Book value on 31 December	<b>94 191,57</b>	<b>102 355,53</b>
<b>MACHINERY AND EQUIPMENT</b>		
Procurement expenses on 1 January	349 170,56	349 170,56
Additions during the financial period	9 884,28	0,00
Deductions during the financial period 1/1-31/12	0,00	0,00
Procurement expenses on 31 December	359 054,84	349 170,56
Accrued depreciation according to plan on 1 January	-324 611,93	-295 733,97
Planned depreciation for the period on 31 December	-20 173,60	-28 877,96
Book value on 31 December	<b>14 269,31</b>	<b>24 558,63</b>
<b>PLANNED DEPRECIATION</b>	<b>2012</b>	<b>2011</b>
IT SOFTWARE	-68 432,18	-87 350,38
Hardware, machinery and equipment	-64 035,41	-74 432,05
	<b>-132 467,59</b>	<b>-161 782,43</b>
<b>INVESTMENTS</b>		
<b>SHARES AND OTHER INTERESTS</b>	<b>2012</b>	<b>2011</b>
Market value	61 808,09	60 112,07
Book value	54 161,50	59 406,70
Difference	<b>7 646,59</b>	<b>705,37</b>
<b>DEBENTURE BONDS</b>	<b>2012</b>	<b>2011</b>
Market value	1 012 650,00	942 500,00
Book value	1 000 000,00	942 500,00
Difference	<b>12 650,00</b>	<b>0,00</b>

## FINN CHURCH AID FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS OF 31/12/2012

<b>PAID ADVANCES</b>	<b>2012</b>	<b>2011</b>
Activated project funds	535 210,93	2 038 100,55
Field receivables, Liberia	87 313,36	99 144,24
Field receivables, South Sudan	18 619,04	1 504,63
Field receivables, DRC	47 979,02	14 087,08
Field receivables, Kenya	129 044,43	45 812,00
Field receivables, Haiti	489 241,60	282 840,20
Field receivables, Somalia	140 976,14	9 561,36
Field receivables, Asia	785,21	33 177,39
Field receivables, Middle East	105 061,89	0,00
Field receivables, Ethiopia	0,00	15 000,00
Other advances	9 247,49	6 480,24
	<b>1 563 479,11</b>	<b>2 545 707,69</b>

The foundation's project partners notify Finn Church Aid of the portion of the funds allocated to them which was unused on the balance sheet date. This portion is entered on the balance sheet under activated project funds. The figures are based on the partners' unaudited reports and are itemised by project in the balance sheet itemisations.

Funds allocated to the field offices that were unused on the balance sheet date are shown as field receivables.

<b>Accrued income</b>	<b>2012</b>	<b>2011</b>
Receivables from KELA	28 000,00	25 567,54
Receivables from TyEL pension plans	163 452,90	62 325,61
Receivables from statutory insurance payments	0,00	12 578,51
Donation receivables	221 725,72	61 927,98
Aid advances	161 672,00	79 892,00
Deferred interest	61 742,14	64 955,59
Other receivables carried forward	0,00	75 927,75
	<b>636 592,76</b>	<b>383 174,98</b>

<b>CASH IN HAND AND AT BANK</b>	<b>2012</b>	<b>2011</b>
Bank accounts total	9 679 500,80	12 159 210,02
Petty cash	2 852,55	935,35
	<b>9 682 353,35</b>	<b>12 160 145,37</b>

## FINN CHURCH AID FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS OF 31/12/2012

CHANGES TO EQUITY	2012	2011
<b>Equity capital</b>	<b>33 637,59</b>	<b>33 637,59</b>
<b>Self-covered fund</b>		
Opening balance on 1 January, Aid Fund	115 858,26	114 448,92
Additions and interest income during financial period - 31.12.	1 681,35	1 935,23
Aid (2011&2012) during financial period 1/1-31/12	-1 808,29	-525,89
<b>Fund capital on 31 December</b>	<b>115 731,32</b>	<b>115 858,26</b>

According to the donor's wishes, Finn Church Aid invests the fund capital into high-interest deposits. One half of the annual interest income is added to the capital and one half is used for aid work. The donor wishes to remain anonymous. The initial capital for the fund was donated in 1985.

Surplus from previous periods	5 654 341,23	6 252 615,20
Surplus/deficit for current period	-239 248,83	-598 273,97
<b>EQUITY on 31 December</b>	<b>5 564 461,31</b>	<b>5 803 837,08</b>
<b>ADVANCES RECEIVED</b>	<b>2012</b>	<b>2011</b>
Targeted donations	3 158 341,81	5 832 012,92
Other advances received	2 981 214,06	3 622 042,83
	<b>6 139 555,87</b>	<b>9 454 055,75</b>

<b>TARGETED DONATIONS</b>	<b>2012</b>	<b>2011</b>
For use in disaster relief work on 1 January	1 458 050,31	1 183 546,09
Income targeted to disaster relief		
Donations from private persons	542 806,17	300 708,94
Donations from companies and organisation	21 968,33	69 938,42
Budget contributions from parishes	22 500,00	6 520,00
Official collections from parishes	90 098,64	95 870,00
Free collections from parishes	79 060,60	61 005,78
Other income from parishes	12 578,62	10 354,32
Common Responsibility Campaign	249 215,20	278 487,06
Estate donations	20 000,00	0,00
Interest income	19 773,66	20 399,44
	<b>1 058 001,22</b>	<b>843 283,96</b>
Payments out of funds for disaster relief	1 374 700,09	568 779,74
<b>For use in disaster relief work on 31 December</b>	<b>1 141 351,44</b>	<b>1 458 050,31</b>
For use in Women's Bank activities on 1 January	1 788 819,41	1 568 236,87
Income targeted to the Women's Bank		
Donations from private persons	772 426,42	749 039,08
Donations from companies and organisation	344 120,87	304 053,92
Budget contributions from parishes	0,00	1 337,22
Free collections from parishes	6 369,16	2 983,86
Other income from parishes	17 206,42	12 387,41
Other income	1 414,61	3 562,80
Interest income	20 764,44	29 742,10
	<b>1 162 301,92</b>	<b>1 103 106,39</b>
Payments out of Women's Bank funds	1 311 464,34	882 523,85
<b>For use in Women's Bank activities on 31 December</b>	<b>1 639 656,99</b>	<b>1 788 819,41</b>

## FINN CHURCH AID FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS OF 31/12/2012

		2012	2011
For use in Haitian reconstruction on 1 January		1 367 449,54	2 752 812,63
Income targeted to Haitian reconstruction			
Institutional funding	245 733,31	559 059,42	
Donations from private persons	14 326,65	28 583,95	
Donations from companies and organisation	2 005,00	8 297,53	
Budget contributions from parishes	49 013,88	0,00	
Free collections from parishes	9 512,22	5 157,49	
Other income from parishes	17 651,64	338 242,70	605 673,25
Payments out of Haitian reconstruction funds		1 680 016,95	1 991 036,34
<b>For use in Haitian reconstruction on 31 December</b>		<b>25 675,29</b>	<b>1 367 449,54</b>
For use in East Africa drought relief on 1 January		1 043 314,89	0,00
Budgetary contributions		205 256,55	
Free collections	25 915,54	40 751,21	
Budget contributions from parishes	3300,00	0,00	
Other revenue from parishes	5 321,97	33 628,94	
Private donations	82 449,20	99 856,74	
Telephone donations	0,00	74 533,04	
Online donations	0,00	464 392,56	
Gift donations	0,00	5 990,00	
Street collection	0,00	4 584,66	
Business donations	2 560,00	13 585,00	
Public donations	1 351,14	10 065,65	
Other income	52,42	0,00	
Short-term donations from parishes	0,00	99 099,25	
Short-term donations from private persons	0,00	120 950,27	1 336 015,14
Payments out of East Africa drought relief funds		844 798,98	292 700,25
<b>For use in East Africa drought relief on 31 December</b>		<b>319 466,18</b>	<b>1 043 314,89</b>
For use in Asian reconstruction on 1 January		174 378,77	262 382,08
Payments out of Asian reconstruction funds		142 186,86	88 003,31
<b>For use in Asian reconstruction on 31 December</b>		<b>32 191,91</b>	<b>174 378,77</b>

## FINN CHURCH AID FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS OF 31/12/2012

OTHER ADVANCES RECEIVED		2012	2011
Ministry for Foreign Affairs, Humanitarian As	2 101 404,90	2 248 180,73	
MFA Unit for Non-Governmental Organizatio	0,00	200 000,00	
MFA Political Department	11 925,00	0,00	
Development and Cooperation - EUROPEAI	98 302,36	0,00	
Ministry of Education and Culture	5 000,00	10 000,00	
ECHO	0,00	488 000,00	
UN Political Affairs	0,00	44 085,81	
UNDP	48 529,79	6 291,93	
Canadian Food Grains Bank	0,00	103 290,59	
Primate's World Relief and Development Fui	255 453,61	0,00	
ACT Alliance	0,00	66 126,70	
Church Media Foundation	0,00	947,42	
Parishes	333 575,70	358 210,33	
Organisations and businesses	53 594,52	0,00	
Private donors	73 428,18	2 981 214,06	3 622 042,83
		96 909,32	

Other advances received comprised aid from the government and institutional funding bodies, as well as targeted donations from parishes and private donors. They are itemised by project in the balance sheet itemisations.

ACCRUALS AND DEFERRED INCOME		2012	2011
Holiday pay liabilities		828 613,83	832 424,49
Statutory insurance payment liabilities		17 804,61	0,00
Appropriations		4 526,81	0,00
Other accruals and deferred income		4 896,41	39 176,10
		855 841,66	871 600,59

LEASING LIABILITIES		2012	2011
Open leasing agreements, copy machine rental			
Total amounts payable (inc. VAT)	under 1 year	4 238,58	5 654,63
	2-5 years	2 453,85	6 686,28

BUSINESS PREMISES RENT LIABILITY		under 1 year	2-5 years
Luotsikatu 1 A, 00160 Helsinki		398 852,15	271 219,46



# FINN CHURCH AID FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS OF 31/12/2012

### ACCOUNTING BOOKS USED

Diaries	Electronic
Nominal ledger	Electronic
Sales ledger	Computerised bookkeeping
Purchase ledger	Computerised bookkeeping
Cash journal	IT print-outs
Fixed assets accounting	Computerised bookkeeping
Financial statements	Separately bound
Financial statement itemisations	Separately bound
(itemisations of balance sheet, notes to the accounts and income statement)	
Types of documents	Electronic

### TYPES OF DOCUMENTS USED

#### MS Dynamics NAV financial administration system

Petty cash	Cash receipts
Correction 12	Corrective receipts
Donation correction	Donation corrective receipts
Memorandum 12	Memorandum receipts
Sales invoices+	Sales invoices
Sales refunds+	Sales refund invoices
	Bank receipts
Nordea Bank	Nordea Bank
Aktia Bank	Aktia Bank
OP	Helsingin OP Bank
Sampo Bank	Danske Bank
SHB	Handelsbanken
Tapiola Bank	Tapiola Bank
AAB	Ålandsbanken
Purchase invoice+	Purchase invoices
Purchase refund+	Purchase refund invoices
Purchase payments	Purchase invoice fees
Salaries 12	Salary receipts
RECEIPT STATEMENT	Receipt statement direct debits
FS	Financial statements

**FINN CHURCH AID FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS OF 31/12/2012****DATE AND SIGNATURES TO THE FINANCIAL STATEMENTS AND ANNUAL REPORT**

Helsinki, 18 March 2013

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**FINANCIAL STATEMENT ENTRY**

A report has today been issued concerning the audit performed.

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