

Financial reporting for NPOs in Switzerland

Rome, November 11, 2014

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WORLD CONGRESS OF ACCOUNTANTS 2014
ROME, AUDITORIUM PARCO DELLA MUSICA - NOVEMBER, 10-13 2014



Swiss Accounting Standard Setting Body (FER/ARR)

ORIGIN

- Launched in the middle of the nineteen-eighties as an independent private institution aiming further developing the accounting in Switzerland
- Swiss GAAP FER-standards (250 pages in total)
 - mandatory for listed companies (domestic standard segment, SIX Swiss Exchange)
 - non-mandatory for non-listed companies and organizations (such as NPOs)

OBJECTIVES

- True & fair view presentation
- Simple and concise principles: thus also applicable for SMEs
- Focus on profit sector accounting, but separate standards for pension funds, health insurance companies or NPOs

Swiss GAAP FER 21 – Accounting for charitable, social non-profit organisations

ORIGIN

- Accountability by NPOs entails unique issues because these entities are subject
 - to neither the electoral control which holds government responsible
 - nor the market forces which discipline business organizations
- Characteristic of organizations in the scope of Swiss GAAP FER 21: beneficiaries of the organization's services differ from those who render the services
- Swiss GAAP FER 21 supplements and amends other Swiss GAAP FER-standards

OBJECTIVE

- Increased significance and comparability of the financial statements (true & fair view)

Balance sheet

Liabilities, funds and capital

C	Current liabilities		
	Loans payable	0	100
	Other liabilities	620	580
	Accrued liabilities and deferred income	440	420
		1'060	1'100
D	Non-current (long-term) liabilities		
	Loans payable	80	80
	Other liabilities	40	30
	Provisions	20	20
		140	130
E	Restricted funds	Swiss GAAP FER 21 specifically paragraph 17	
	Restricted income funds	40	30
	Restricted capital and endowment funds	100	90
		140	120
F	Capital of the organisation	Swiss GAAP FER 21 specifically paragraph 19	
	Paid-in capital	120	120
	Revaluation reserves	420	420
	Internally generated unrestricted operating funds	120	20
	Unrestricted capital	180	180
	Internally generated designated capital	1'560	1'520
	Surplus (deficit) for the year	0	0
		2'400	1'940
		3'740	3'290

**Statement of
changes in capital**

Statement of operations

E	= Operating surplus (deficit) Sub-total 2	E	= Operating surplus (deficit) Sub-total 2	480	-330
F ⁽¹⁾	Changes in restricted funds	F	Changes in restricted funds	Swiss GAAP FER 21 specifically paragraphs 24 and 54	
	- allocation		- allocation	7'820	7'510
	- use		- use	-7'840	-7'210
	- income (internal)		- income (internal)	20	0
				0	300
	(expense and income are to be disclosed in gross amounts)		(expense and income are to be disclosed in gross amounts)		
G	= Net surplus/deficit for the year prior to allocations	G	= Net surplus/deficit for the year prior to allocations	480	-30
H	Allocations	H	Allocations	Swiss GAAP FER 21 specifically	
	Allocation to internally generated designated capital and endowment funds		Allocation to internally generated designated capital and endowment funds	-360	0
	Allocation to (withdrawal from) unrestricted operating and capital funds		Allocation to (withdrawal from) unrestricted operating and capital funds	-100	30
	Allocation to (withdrawal from) restricted operating and capital funds		Allocation to (withdrawal from) restricted operating and capital funds	-20	0
	= Net surplus/deficit for the year after allocations		= Net surplus/deficit for the year after allocations	0	0

**Statement of
changes in capital**

Statement of changes in capital

Statement of changes in capital

in CHF 1'000

	Opening balance	Internally generated Income e.g. from investments	Allocation (external)	Internal fund transfers	Use (external)	Closing balance
Restricted funds						
• Fund 1 (income fund for purpose III)	10	20	4'330		4'340	20
• Fund 2 (income fund for purpose IV)	20		3'440	10	3'450	20
• Fund 3 (restricted endowment fund for purpose V)	90		50	10	-50	100
Restricted funds	120	20	7'820	20	7'840	140

E. Restricted funds
(Balance sheet)

F. Changes in restricted funds
(Statement of operations)

Performance report (I)

FER 21: PERFORMANCE REPORT

- Focus: effectiveness and efficiency
- Disclosure of the objectives of the NPO and the services rendered
- Recommended content:
 - I. Assessment of the satisfaction of the beneficiaries of the services
 - II. Description of the future services planned
 - III. Information on how to measure and assess the achievement of the qualitative objectives
 - IV. Main risks which the organization faces
 - V. Meaningful performance measures for the achievement of the objectives
- No obligation to audit the performance report

Performance report (II)

2013 management and performance report of the Swiss Paraplegic Group

Foreword

Owing to its size, the Swiss Paraplegic Group is subject to an ordinary audit in accordance with Article 727 of the Swiss Code of Obligations and is therefore required by the new accounting legislation in Article 961 of the Swiss Code of Obligations to publish a management report. This management report presents the business performance and economic position of the Group at the end of the financial year from points of view not explicitly covered in the annual financial statements in accordance with Article 961c of the Swiss Code of Obligations (management report). The complete switch to accounting in accordance with Article 961 et seq. of the Swiss Code of Obligations will take place on 31 December 2014.

The following report meets the requirements of Swiss GAAP ARR 21.42 (performance report) comprising statements about the effectiveness and efficiency in connection with the performance figures published on pages 4 and 5 and the Non-Profit Governance Report published separately.

1. Purpose of the organisation

The purpose of the Swiss Paraplegic Foundation (SPF), founded by Dr Guido A. Zäch in 1975, is to achieve the comprehensive rehabilitation of people with spinal cord injuries. It takes and supports measures deemed necessary for achieving this objective in accordance with the current state of science and technology.

Altogether, the Swiss Paraplegic Group consisted of nine legal entities as at the end of 2013, including one foundation, three independent associations and five non-profit companies. These consolidated annual financial statements cover all nine organisations.

2. Executive bodies, management and partner organisations

The detailed annual Non-Profit Governance Report provides comprehensive information about the structure of the NPO Group. The

The non-profit subsidiary companies of the Swiss Paraplegic Foundation are managed both operationally and strategically by their respective industry-related boards of directors. A four-member Directors' Conference serves as a coordination body between the companies and is chaired by the Director of the Foundation. Alongside the Director of the Foundation, Dr Joseph Hofstetter, the other members of this body are Dr Hans Peter Gmünder, Managing Director of the Swiss Paraplegic Centre, Prof. Dr Gerold Stucki, Managing Director of Swiss Paraplegic Research, and Dr Thomas Troger, Managing Director of the Swiss Paraplegics Association.

Founder and honorary president Dr Guido A. Zäch actively supports the Foundation with representative tasks and fundraising activities.

3. General business performance

Objectives and services provided in 2013

The increase in services in 2013 compared with the previous years, subdivided according to the four strategic areas of services Solidarity, Medicine, Integration and Lifelong Assistance, and Research, can be seen on pages 4 and 5. The renewed rise in care days (+2%) to exceed 50,000 per year for the first time, and an average bed occupancy of 99% with a total of 933 hospitalisations, shows that the special clinic Swiss Paraplegic Centre Nottwil Ltd (SPC) really is approaching full capacity. An expansion of the clinic is urgently required in order to create the conditions for continuing to treat new cases of paraplegia due to accident or illness without delay in the next ten years and beyond.

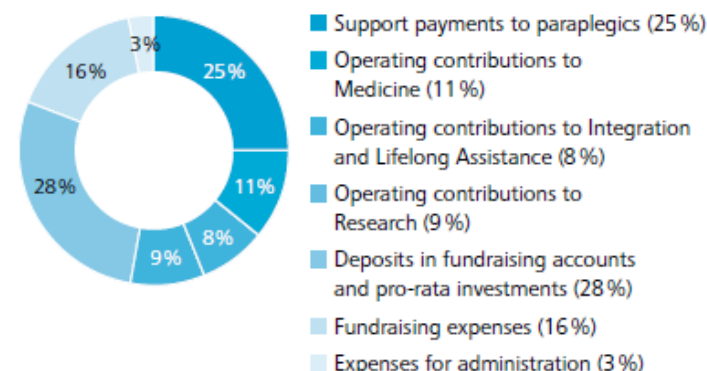
Important events in 2013

A major milestone was achieved in 2013 with the completion of the first part of the master plan for the site development in Nottwil and the associated preliminary construction projects. The preliminary projects, geared towards the infrastructural realisation of the medical and operational strategies for the clinic, orthopaedic technology and the topic of meeting and solidarity, absorbed a great deal of internal and external resources. Work on the business plans and affordability

What are funds from benefactors and donations used for?

Each franc received from benefactors and donations was deployed as follows in 2013:

Breakdown of benefactors' contributions and donations of the Foundation



Compared with the cost survey of the Zewo Foundation published in 2012, at 15.6 centimes per franc received from benefactors and donations (previous year: 14.4 centimes), the fundraising costs were somewhat lower than the average of 17.5 centimes quoted by the survey.

Contact information



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