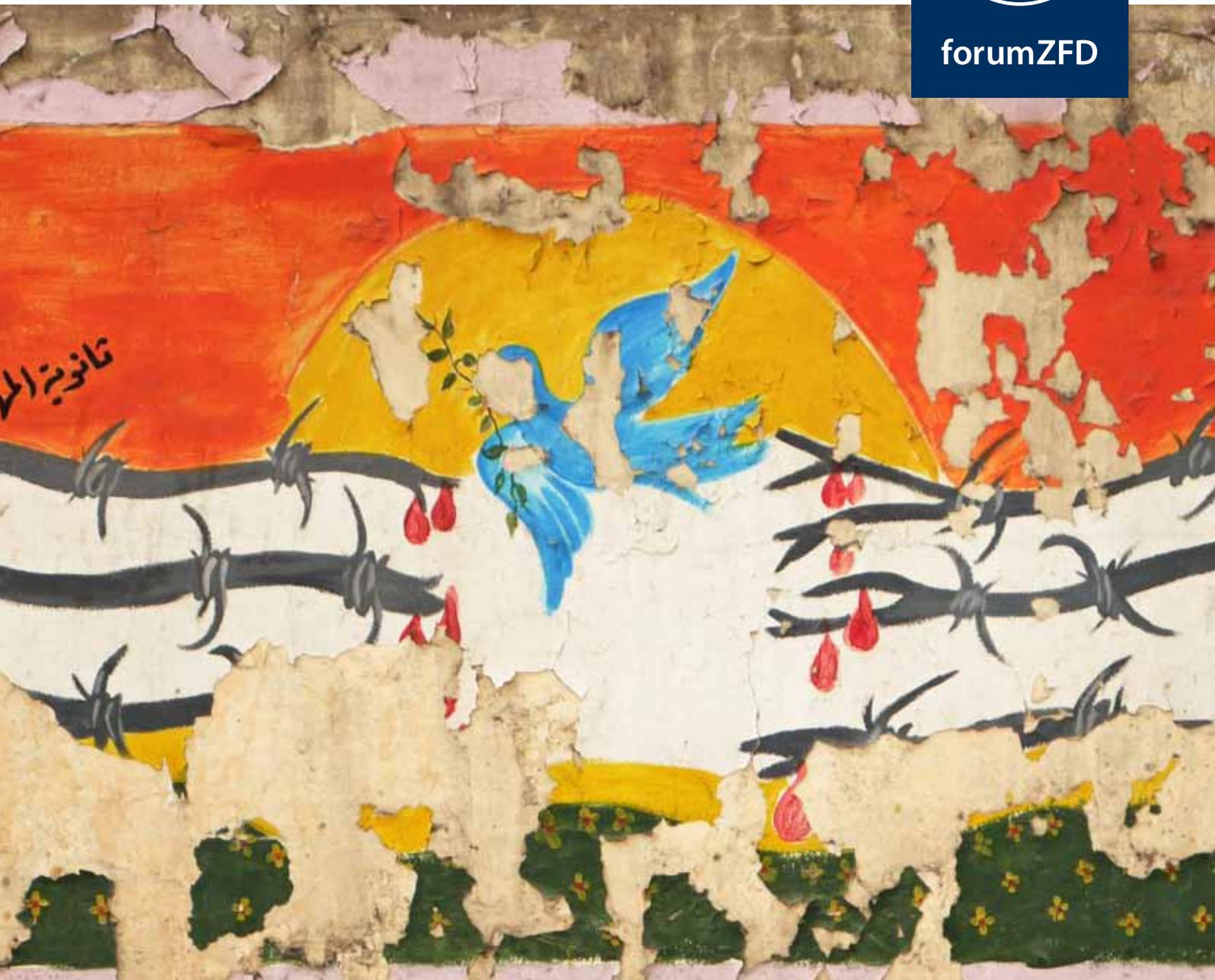


Committed to Peace



forumZFD



Committed to Peace

forumZFD annual report for the 2017 business year

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Legal information

Forum Ziviler Friedensdienst e. V. (forumZFD)

Editorial team: Oliver Knabe, Sonja Wiekenberg-Mlalandle, Thomas Oelerich (liable for content as per the German Press Law)

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Image credits

The cover image by Peter Tobiassen shows a mural painting from Lebanon.

It was created in 2015 during a project trip to the Bekaa plains on the border with Syria.

Page 2: © MustangJoe/Pixabay

All other photos: forumZFD e. V.

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*Please contact forumZFD for a free copy of our annual report.
We welcome all contributions to costs in the form of a donation.*



About forumZFD

At forumZFD, we support people facing violent conflicts on their path to peace. Our organisation was established in 1996 by peace and human rights groups in reaction to the Balkan wars. We have been committed to helping overcome war and violence ever since.

Today we work with peace consultants in Germany as well as ten other countries in Europe, the Middle East and South East Asia. Our professional conflict transformation work would not be possible without the specialist training offered by the Academy for Conflict Transformation, which runs courses and seminars for people involved in international peacebuilding. We actively advocate civil peace policy through campaigns as well as lobby work and public outreach activities.

forumZFD is recognised by the German federal government as a member of the Civil Peace Service (CPS) consortium and a signatory of the Transparent Civil Society initiative. We finance our work with public and private funding, donations and membership fees.

forumZFD was conferred the Gustav Heinemann Award in 1997, the Göttingen Peace Award in 2005 and the Sievershäuser Ermutigung Peace Prize in 2014.

Dear Readers,

Many of us will remember 2017 as a year in which the calls for greater national isolation and military armament grew ever louder. International crises and conflicts, terrorism and radicalisation, and the growing division within our society concern many citizens. The dangerous and populist policy of “Our country first” has also caught on in Germany.

We already criticised this worrying development last year in our campaign “Für eine Politik der Vernunft: Aufrüstungsspirale stoppen – Frieden und Gerechtigkeit fördern” [“For a policy of reason: stop military rearmament – promote peace and justice”]. In light of the major challenges we are facing, we need a reasonable and far-sighted policy that addresses the causes of war, violence and radicalisation. A policy that is based on reason!

Such a policy ...

... must be reflected in increased **investments in civil peacebuilding**. In the long term, a preventive peace policy could even save money as costly spending on humanitarian aid and reconstruction measures would be avoided.

... does not imply safety through deportation or isolation, but rather recognises that the **causes of radicalisation and terrorism can also be found within our society**.

... opposes all attempts at military rearmament. Any nation wishing to credibly advocate **global disarmament** cannot spend three times as much on the military as it does on development and diplomacy like Germany does.

... acts in the knowledge that less than half of global military expenditure is sufficient to achieve all **UN sustainability goals**.

In terms of peace policy, 2017 was not a good year. It has become clear that a voice advocating peace policy like forumZFD does is particularly important in times like these. We remain firmly committed to continuing to work with others in the future to make clear that alternatives to violence do indeed exist. Our peace projects worldwide are proof of this.

This annual report reviews the areas in which forumZFD was active in 2017 and how the financial resources entrusted to us were used. We would like to thank all of our donors, the public institutions and authorities as well as our sponsors for the trust placed in us.



Oliver Knabe
Executive Board
(Chairman)



Sonja Wiekenberg-Mlalandle
Executive Board
(Finance, HR & Administration)



Alexander Mauz
Executive Board
(Programmes and Qualification)

Report of the Supervisory Board

Focus on support and advice

We reported on the enjoyable celebrations marking forumZFD's twentieth anniversary and the necessary structural changes in the last annual report. In 2017, the formal changes we had made, such as updating the association statutes, were then implemented in practice. A constructive new structure was required for the interaction between the Supervisory Board and Executive Board. In accordance with the new association statutes, the Supervisory Board assumed responsibility for reaching strategic decisions, advising the Executive Board, and monitoring the latter's management. The Supervisory Board fulfilled its functions during a total of ten minutes meetings.

One of the Supervisory Board's key tasks is to appoint the members of the Executive Board. After almost two decades at forumZFD, the long-standing deputy managing director and board member Carsten Montag decided in 2017 that it was time for a new professional challenge. We bid him farewell at the members' meeting in October 2017 with our heartfelt thanks and well wishes.

Continuity was thus followed by change. After much deliberation, the Supervisory Board decided to divide the work of the Executive Board into three key areas that would be managed by three responsible individuals from the start of 2018. It was clear that Oliver Knabe would stay on as chairman of the Executive Board. In autumn 2017, the Supervisory Board appointed Sonja Wiekenberg-Mlalande as the member of the Executive Board responsible for financing – to emphasise the great importance of the aspects of finance and administration. Following an intensive selection procedure, the decision was reached to entrust Alexander Mauz with the field of programmes and qualification as the member of the Executive Board responsible for practical affairs from the start of 2018. The newly formed Executive Board has since performed excellent work not just for the first hundred days, but for more than six months now. The Supervisory Board would like to take this opportunity to thank the Executive Board and all of the staff working at Peace

House and in the projects locally for their excellent work and dedication.

Finally, the Supervisory Board made use of the possibility for cooption in 2017: Dr. Stephan Hocks, a Frankfurt-based lawyer, was appointed as a member of the Supervisory Board in addition to the seven Supervisory Board members elected during the members' meeting.

The Supervisory Board fulfils its tasks in the literal sense of the word: it "advises" the Executive Board and "supervises" business operations. Strategic plans as well as the financial planning were presented and revised, developments outlined and adjusted as necessary, financial and personnel issues as well as projects discussed in detail.

In the reporting year, the Supervisory Board established two new areas of responsibility to optimise its meetings. Michael Germer and Jürgen Menzel are now responsible for financing and Mareike Junge and Heinz Liedgens for human resources. The work of these new areas of responsibility is defined in the rules of procedure, which were adapted to the new structures during the reporting period.

The Board of the Forum Civil Peace Service Foundation is represented on the Supervisory Board by Michael Germer. Within the Forum Civil Peace Service limited company (GmbH), which manages our property "Peace House on Am Kölner Brett", Heinz Liedgens and Michael Germer represent the association as the limited company's sole shareholders.

In our mission statement, we proclaim: "We reject policies that give priority to military means – for example, by investing thousands of times more funds into armaments than into civil conflict transformation." This spirit characterises the work of forumZFD's official bodies. The participants in the peace races as well as our donors and supporters are committed to achieving these goals ... so that "a world without war and violence is possible"! Our thanks to them all. ■

forumZFD e. V. Supervisory Board



Heinz Liedgens
Chairman



Michael Germer
Deputy Chairman



Raana Gräsle
Board Member



Mareike Junge
Board Member



Jürgen Menzel
Board Member



Dominique Pannke
Board Member



Peter Tobiassen
Board Member



Stephan Hocks
Board Member



Helga Tempel
Honorary Chairwoman

Report of the Executive Board

Overview of activities in 2017

“Committed to Peace” is the motto we have chosen for forumZFD’s peace work. According to this principle, we developed our peace work further in 2017 and made a decisive contribution to the peace policy debate.

Changing political circumstances

The 2017 political year showed us that anyone who, like us, wishes to promote peace at home and abroad must also take the political circumstances into account and change these. Hence, we participated in the discussion on the German federal government’s guidelines on preventing crises and building peace with our own input and events.

2017 was an election year in Germany. However, instead of discussing issues such as poverty, climate change and justice, the political debate concentrated on how to keep out fleeing people and secure the country’s borders. forumZFD therefore responded to the German parliamentary election campaign and coalition negotiations with the campaign “Für eine Politik der Vernunft” [“For a policy of reason”] in order to draw the focus of debates to peace and justice and to call for the withdrawal

from the new arms race. We collected thousands of signatures and gained prominent support for our demands through our campaign website, advertisements in daily newspapers and events such as the German Evangelical Church Conference in Berlin. We have succeeded (at least in part) in making our demand for the reinforcement of civil peace policy heard in the political debate.

And indeed, the coalition agreement also contains a few rays of hope: the German federal government wishes to strengthen the Civil Peace Service and to invest significantly more in civil crisis prevention. Furthermore, peace and development research is to be expanded. However, the downsides tend to overshadow: it was not possible to prevent an increase in the defence budget, for instance. Under the new federal government, defence spending will increase significantly in the coming years. At the same time, implementation of the 2030 Agenda for Sustainable Development plays at best a minor role in the coalition agreement.

For us, it is not only important to address conflicts elsewhere, but also to share our knowledge and experience of civil conflict transformation methods with municipalities within Germany. Hence we laid the

conceptual foundations in 2017 to be able to continue our municipal conflict counselling projects in the long term. This is an important prerequisite for also being able to advise municipalities on increasing social conflicts in the future and to help them to instigate social change.

The UN sustainability agenda also influenced our work in 2017. It is based on the recognition that peace and justice at all levels, both within a country and abroad, must be achieved jointly by the state and civil society. Thus we were involved in the development of new indicators for the German sustainable development strategy, for example, and discussed with municipalities what the agenda can contribute to achieve peaceful and inclusive cities.

In 2017, forumZFD drew attention to its demand for the necessary development of a civil peace policy with various ad formats in the run-up to the German parliamentary elections.

Aufruf: Für eine Politik der Vernunft
Aufrüstungsspirale stoppen – Frieden und Gerechtigkeit fördern

- Eine Politik der Vernunft stärkt zivile Friedensförderung.
- Eine Politik der Vernunft unterlässt, was den Frieden gefährdet.
- Eine Politik der Vernunft verhindert Radikalisierung und Gewalt durch Prävention.
- Eine Politik der Vernunft schafft für alle Menschen Perspektiven auf ein Leben in Frieden, Freiheit und Sicherheit.

Von der nächsten Bundesregierung erwarten wir eine zivile Friedenspolitik und mehr Einsatz für demokratische Beteiligung und soziale Gerechtigkeit.

Aufruf unterzeichnen auf:
www.politikdervernunft.de

forumZFD



Supervisory Board member Peter Tobiasen (left) and Executive Board chairman Oliver Knabe (centre) speaking with Dr. Ute Finckh-Krämer (Member of the Bundestag) at the forumZFD stand during the German Evangelical Church Conference in Berlin.



Bart Denys (left), forumZFD's programme manager for municipal conflict transformation, in conversation with Sylvia Lustig, a long-standing conflict consultant for forumZFD projects, at the German Congress on Crime Prevention in Hanover.

Establishment of sustainable internal structures

For the Executive Board and Supervisory Board, 2017 was the first year in which they worked according on the association's new statutes, which were approved during the members' meeting in October 2016. Our first impression is that the new statutes have stood the test. Greater clarity and accountability regarding tasks, competencies and responsibilities of the members' meeting, Supervisory Board and Executive Board have facilitated and strengthened cooperation. forumZFD also benefits from this in its work to achieve the goals the association set itself as part of its strategic orientation for the years 2015 to 2020. This included reorganisation of the management structure at our headquarters, which we have now implemented. In particular, this has made it easier to involve our established external structure in the project regions.

One of the strategic goals is to increase our visibility in political debates. The intensive work on the redesign and programming of our website in 2017 was the final step (for the time being) in implementation of our new external presence, following a complete overhaul of our corporate design in the previous year. Our contact database now meets the highest data security

standards and has been linked with the new website. Investments in our knowledge management and the associated technical platforms that had to be set up constitute a valuable basis for our future work and will help us to better handle future tasks.

Personnel changes at management level

At the end of 2017, our board member Carsten Montag accepted a new professional challenge at the children's charity *Kindernothilfe*. Carsten Montag decisively shaped the association's work for well over a decade. He was above all instrumental in the setup and expansion of our programme work in Germany and abroad. We would like to take this opportunity to thank him for his commitment to forumZFD.

Personnel changes also characterised the work at our Academy for Conflict Transformation. In summer 2017, the academy's former director Susanne Luithlen left the company to join the development agency *Welthungerhilfe*. We bid her farewell with great thanks for her work. In September, we welcomed Dr. Ljubinka Petrovic-Ziemer as her successor. She has been responsible for the academy's work and further development ever since.

Civil society stakeholders from indigenous groups on the island of Mindanao in the Philippines were among the participants in workshops on non-violent conflict transformation offered by forumZFD in the region.



Ongoing expansion of our project work

The successful cooperation within the Civil Peace Service consortium was instrumental in the German parliament's decision to also make more funds available for the Civil Peace Service (ZFD) in 2017, which in turn allowed us to expand our project work. Thus forumZFD began working in two new project countries in 2017, namely **Ukraine** and **Jordan**.

Looking to **Cambodia**, where we have been active for several years now: in collaboration with the Royal University of Phnom Penh (RUPP), we were able to develop and introduce a course on conflict analysis and methods of civil conflict transformation. The target group is students from the Department of Social Work. At the same time, we concentrated our work on dealing with narratives within various different social majority and minority groups. The aim is to promote mutual understanding through an exchange on the perception of one's own group and that of the respective "other" group. Nationalist and exclusionary tendencies within Cambodian society are thus counteracted with conflict prevention.

In our programme location of Mindanao in the **Philippines** where we have been active for many years, we added the conflict between the Philippine government and the leftist "National Democratic Front" in the Caraga Region to our work in 2017 and concentrated our efforts on prevent-

ing and containing violent extremism. Our local partner was also able to present their experiences to politicians in Berlin and to deliver a presentation on these during a side event hosted by forumZFD together with MISEREOR at the Munich Security Conference.

In the **Western Balkans**, we were able to organise a number of popular events together with various media partners for a culture of remembrance conducive to peace. The academic conference on the "Politics of building peace in the region: burdens of the past, visions for the future" held in collaboration with the Faculty of Political Science at the University of Sarajevo was just one event worthy of note. The event was an important building block for fostering the exchange between peace research and practice.

Our peace work in **Israel and Palestine** was affected by the increasing violent clashes between the conflicting parties. Following a reorientation of the programme strategy, new cooperations and activities were developed and implemented in the field of community organising and social media for the dissemination of inclusive narratives. This also involved supporting and organising a film tour of several German cities by our partner organisation Combatants for Peace, which comprises former Israeli and Palestin-

ian fighters, with their new film "Disturbing the Peace".

In **Lebanon**, the focus was last year once again on preventive peace work with the local population and the many Syrian refugees in the Bekaa plain in order to encourage both sides to work together to improve their living conditions. In addition, countless activists from different sections of society were trained in methods of civil conflict transformation.

Training of peace experts

In our advanced training courses at the Academy for Conflict Transformation, 56 participants were trained as peace experts in full-time courses. A total of 16 people attended our part-time courses. A further 22 people received training or further education in two online seminars. The increasing relevance of digital learning is demonstrated not only by the webinars, but also the part-time course, which has been designed in a blended learning format. The response to our online seminars and both e-learning formats has been very good. We therefore wish to increase the number of webinars further.

At the end of the year, we organised a professional exchange for our long-standing trainers in cooperation with the renowned Tavistock Institute in London. "Assertiveness and Permeability in Peace Work" was the theme. Our trainers had the opportunity to reflect on their own approach to dealing with borders and to receive suggestions for assuming a productive and creative approach to difficult experiences in peace and educational work under professional guidance.

Further budget increase

Our budget totalled around €7 million, a good eight percent higher than in the previous year. Thanks to the increased support from the Civil Peace Service programme of the German federal government, but also due to the encouraging backing of our donors, we were able to expand our work overseas. In 2017, for example, we were only slightly off the excellent donation result of 2016. The hugely successful peace runs also played a considerable part in the positive donation result. With the support of countless volunteers, peace runs were held in eight cities with over 15,000 schoolchildren – combined with an educational programme for children and young people that explained the opportunities and chances for non-violent conflict transformation. The Forum Civil

Peace Service Foundation once again supported the association's work with a four-digit sum (see Foundation report on p. 18–19).

Despite these positive results, the association's annual result fell well short of expectations. For the first time in ten years, the annual result was negative, with a loss of around €50,000.00. The main reason for this was the significantly lower income from lump sums for the personnel support of deployed peace experts within the framework of the Civil Peace Service programme. We consequently strengthened human resources and took measures to improve controlling. At the same time, we made necessary investments in our information technology (IT) and office equipment, and expanded our knowledge management in order to create sustainable structures for the coming years. Detailed financial figures for 2017 can be found on pages 10–13 of this annual report.

Words of thanks

The association's versatile work was only possible in 2017 thanks to the many people and institutions that have supported and funded us for many years now.

This includes the countless volunteers as well as the full-time staff at our headquarters in Cologne and in our project locations

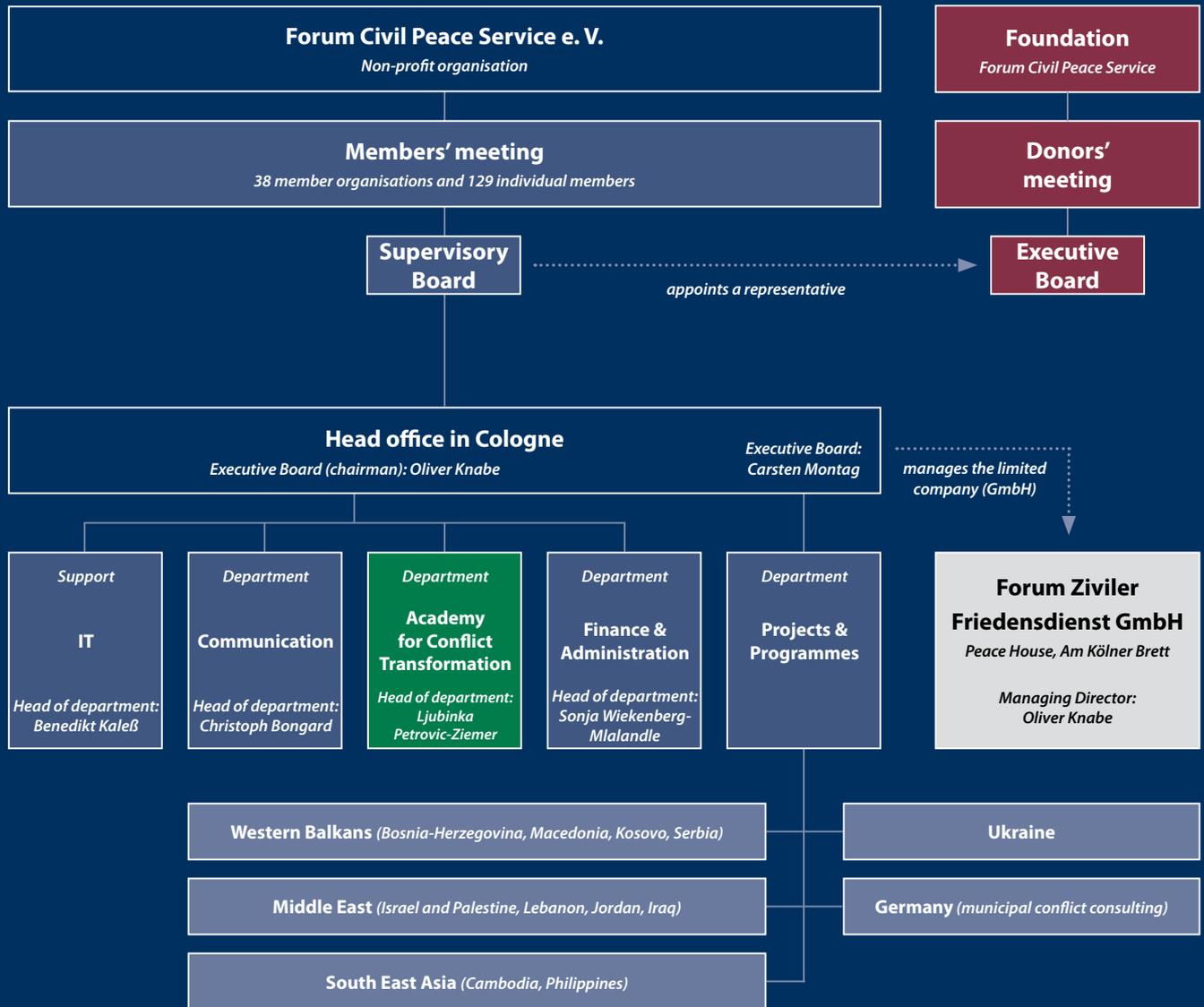
worldwide. It also includes our donors, colleagues at our institutional donors, dialogue partners in civil society and politics, and, last but not least, our partner organisations in the eleven project countries in which we were active in 2017. We would like to express our gratitude to them all and hope for a continued fruitful cooperation – "Committed to Peace" – in 2018. ■

In 2017, the donation receipts were sent out together with this thank-you card.



Over 5,000 schoolchildren took part in forumZFD's peace run in Berlin.

forumZFD's organisational structure (as at 31.12.2017)



forumZFD member organisations

Antikriegshaus Sievershausen • Bund für Soziale Verteidigung (BSV) • Bündnis 90 / Die Grünen KV Mettmann • Bündnis 90 / Die Grünen Ortsverband Ratingen • Bündnis 90 / Die Grünen Kreisverband Mönchengladbach • CARE Deutschland Luxemburg e. V. • Deutsche Evangelische Arbeitsgemeinschaft für Erwachsenenbildung (DEAE) • Deutsche Friedensgesellschaft – Vereinigte Kriegsdienstgegner (DFG-VK NRW) • Dietrich-Bonhoeffer-Verein e.V. • Eine Welt Zentrum Herne • Evangelische Arbeitsgemeinschaft für Kriegsdienstverweigerung und Frieden • Evangelische Landeskirche in Baden – Arbeitsstelle Frieden Förderverein • Frauennetzwerk für Frieden e.V. • Friedensinitiative Nottuln • Gustav-Heinemann-Friedensgesellschaft • Internationale Ärzte für die Verhütung des Atomkrieges (IPPNW) • Kirchenkreis Hattingen-Witten • Kirchenkreis Münster • Komitee für Grundrechte und Demokratie e.V. • Leserinitiative Publik e.V. • Netzwerk Friedenssteuer e.V. • Ohne Rüstung Leben e.V. • OWEN – Mobile Akademie für Geschlechterdemokratie und Friedensförderung e.V. • Ökumenisches Zentrum Berlin • pax christi Deutschland • pax christi Diözesanverband Aachen • pax christi Diözesanverband Essen • pax christi Diözesanverband Freiburg • pax christi Köln • pax christi Diözesanverband Limburg • pax christi Diözesanverband Mainz • pax christi Diözesanverband München • pax christi Diözesanverband Münster • pax christi Diözesanverband Paderborn • pax christi Rottenburg-Stuttgart • Theologische Hochschule Friedensau • Vereinigte Kirchenkreise Dortmund und Lünen – Ref. Jugend u. Ökumene • Willy-Brandt-Zentrum e.V.

Transparency

forumZFD is a signatory of the Transparent Civil Society initiative, which aims at greater transparency, quality and control of non-profit organisations. With its signature, forumZFD commits to enabling the general public online access to ten crucial items of information. These include the association statutes and names of the key decision-makers, along with information on the sources and uses of funding and personnel structures. Please see www.forumZFD.de for full details.

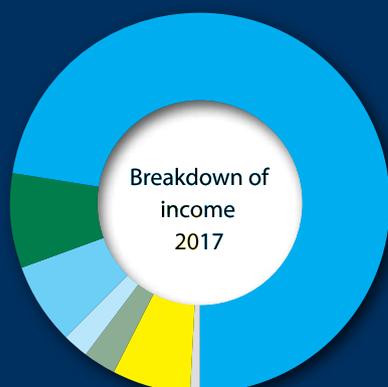


Income and expenditure – forumZFD

1 January to 31 December 2017

INCOME		2017 (€)	2016 (€)
Institutional grants			
BMZ projects overseas	●	5,077,124	4,637,171
BMZ qualification	●	569,906	571,280
Conflict consulting in Germany	●	475,813	331,625
Third-party/other funding	●	149,136	234,904
Income from qualification	●	197,538	180,429
Donations, membership fees	●	474,040	482,990
Interest and other revenue	●	43,698	53,279
TOTAL		6,987,254	6,491,677

EXPENDITURE		2017 (€)	2016 (€)
Project funding and support			
Projects overseas	●	4,828,994	4,387,064
Qualification	●	639,152	627,787
Conflict consulting in Germany	●	466,049	320,947
Other projects	●	166,619	246,552
Campaigns as per the statutes, educational/awareness work	●	147,303	135,348
Fundraising, advertising, public outreach	●	297,421	259,690
General administration	●	489,538	424,702
TOTAL		7,035,075	6,402,090



- 72.66% BMZ projects overseas
- 8.16% BMZ qualification
- 6.81% Conflict consulting in Germany
- 2.13% Third-party/other funding
- 2.83% Income from qualification
- 6.78% Donations, membership fees
- 0.63% Interest and other revenue



- 68.64% Projects overseas
- 9.09% Qualification
- 6.62% Conflict consulting in Germany
- 2.37% Third-party, other funding
- 2.09% Campaigns, educational/awareness work
- 4.23% Fundraising, advertising, public outreach
- 6.96% General administration

Profit and loss statement – forumZFD

1 January to 31 December 2017

INCOME	2017 (€)	2016 (€)
Income – core budget	517,737.92	536,268.52
Income – BMZ projects overseas	5,077,124.20	4,637,170.84
Income – BMZ qualification	717,415.52	715,274.16
Income – other project qualification	50,028.10	36,435.10
Income – conflict consulting in Germany	475,812.55	331,624.62
Income – third-party/other funding	149,136.01	234,903.73
Total income	6,987,254.30	6,491,676.97
EXPENDITURE		
Expenditure – core budget	– 565,648.81	– 446,681.58
Expenditure – BMZ projects overseas	– 5,077,124.20	– 4,637,170.84
Expenditure – BMZ qualification	– 717,415.52	– 715,274.16
Expenditure – other project qualification	– 50,028.10	– 36,435.10
Expenditure – conflict consulting in Germany	– 475,722.55	– 331,624.62
Expenditure – third-party/other funding	– 149,136.01	– 234,903.73
Total expenditure	– 7,035,075.19	– 6,402,090.03
Transfers to / withdrawals from reserves	– 2,602.51	– 43,371.25
BALANCE SHEET PROFIT/LOSS	– 50,423.40	46,215.69

In the period under review, the association reported a balance carried forward (result carried forward from previous years plus reserves created) of €4,870.42 – a profit for the first time. Unfortunately, this positive development is offset by a balance sheet loss of €50,423.40 in this financial year. The deficit not covered by equity capital (so the association's debt) therefore totalled €45,552.98 by the reporting date. However, this deficit is secured many times over by loans with a subordination agreement (totaling around €288,000.00), which are regarded as substitute equity. The reserves increased slightly to €113,324.74 (€110,722.23 in the previous year).

On the income side, the negative annual result was largely due to lower income from planned lump sums for personnel support for deployed employees. This effect was compensated in part by yet another very good donation result of €354,365.81 (€379,229.32 in the previous year), even though the amount donated was slightly lower than in 2016.

Funding grants (regular donations made via direct debit authorisations) rose from €72,743.00 to €88,299.00.

The association's total turnover grew from €6.5 million in 2016 to €7.0 million in 2017, which represents a further increase of around 8.4% compared to the previous year. This is largely due to the increase in funding from the German Federal Ministry for

Economic Cooperation and Development (BMZ) as part of the Civil Peace Service (ZFD) programme on the one hand and the special initiative to combat the causes of flight also implemented by the BMZ on the other. In collaboration with members of the Civil Peace Service consortium, forumZFD has campaigned for an increase in funding for the Civil Peace Service for many years now.

On the expenditure side, spending on the so-called "core budget" (i.e. not covered by the institutional support for our project work) increased by around 15% compared to the previous year. The reasons for this are increased investments in personnel expansion, relaunch of our website and improvement of our database. These investments were necessary for the development of sustainable, future-proof structures. This is reflected in the expenditure, with increased personnel costs as well as higher depreciation and costs for office supplies.

Overall, administrative costs remained low, at around 11.2%.

The Forum Ziviler Friedensdienst limited company (GmbH), which acquired the Peace House on Am Kölner Brett in 2012 and has run the property since then, is wholly owned by the association. The limited company (GmbH) closed the 2017 financial year with net profit totalling €12,464.80 (see the financial report for the limited company on p. 16–17).

Balance sheet / forumZFD

As at 31 December 2017

ASSETS	2017 (€)	2016 (€)
A Fixed assets		
I Intangible assets		
Concessions, industrial property rights and similar rights and assets acquired in return for payment, as well as licenses	47,256.00	967.00
II Tangible assets		
Other equipment, furniture and fixtures	31,132.00	26,703.00
III Financial assets		
Shares in affiliated companies	25,000.00	25,000.00
B Current assets		
I Accounts receivable/other assets		
Accounts receivable from services	73,456.99	137,818.43
2 Other assets	5,720.44	6,304.92
II Assets at credit institutions	1,345,755.76	676,828.60
C Accruals and deferrals	5,476.24	3,583.00
D Deficit not covered by equity capital	45,552.98	0.00
TOTAL	1,579,350.41	877,204.95

Explanations of the balance sheet forumZFD e. V. – as at 31.12.2017

Accounting and valuation methods

The tangible assets are included in the balance sheet at their acquisition or production costs minus the scheduled depreciation. Depreciation is only calculated on a linear basis *pro rata temporis*. Low-value assets with acquisition costs of up to €410 respectively are fully depreciated.

Receivables are shown at nominal values; adjustments have been made to the extent necessary. Liabilities are included in the balance sheet at their settlement value.

The reserves are developed in line with the statutory requirements. The provisions cover all foreseeable risks and have been determined on the basis of a reasonable commercial estimate.

ASSETS

A Fixed assets

- I Intangible assets account for the CiviCRM software acquired and depreciated as scheduled.
- II Tangible assets: above all the office furnishings and business equipment are included here, taking the scheduled depreciation into account.
- III Financial assets: an investment was made in a share in the Forum Civil Peace Service limited company (GmbH).

B Current assets

- I Accounts receivable and other assets: accounts receivable are mainly from our branch offices and projects. They are contributions, which have already been forwarded but have not yet been deducted. An according sum appears on the liabilities side under "Liabilities from projects".
- II Cash, Federal Bank assets, assets at credit institutions and in cheques: the account balance increased by €668,927.16 to €1,345,755.76.

C Accruals and deferrals on the assets side include the payments for spending in the coming year already made during this period.

D Deficit not covered by equity capital: the balance sheet showed a shortfall of €45,552.98. This is the association's debts.

This deficit arose entirely in 2017. Financially, the shortfall is hedged by subordinated loans taken from supporters totalling €281,951.53, which serves as substitute equity.

LIABILITIES	2017 (€)	2016 (€)
A Association equity		
1 Loss carried forward	- 108,454.32	- 156,670.01
2 Free reserves	113,324.74	110,722.23
3 Profit/loss on the balance sheet	- 50,423.40	46,215.69
4 Deficit not covered	45,552.98	0.00
B Provisions		
Other provisions	55,541.00	45,249.85
C Liabilities		
1 Liabilities to credit institutions	2,523.63	1,568.89
2 Liabilities from deliveries and services	72,896.87	45,333.91
3 Liabilities from projects	955,936.76	284,763.29
4 Liabilities to members	393,413.29	386,903.31
5 Liabilities to affiliated companies	56,881.05	30,460.70
6 Other liabilities	37,268.76	64,075.68
D Accruals and deferrals	4,889.05	16,581.41
TOTAL	1,579,350.41	877,204.95

LIABILITIES

A Equity

- I Loss carried forward: every year, the loss carried forward is adjusted by the net profit/loss from the previous year. The loss carried forward increased by €50,423.40 due to the negative annual result.
- II Free reserves: the free reserve was formed in accordance with § 62 para. 1 no. 3 of the German Fiscal Code (*Abgabenordnung, AO*) to the level permissible.
- III Net profit: the net profit corresponds with the outcome of the profit and loss statement.

B Provisions: in the case of the provisions, €39,641.00 are due to holiday reserves. €3,900.00 are for the costs of the annual accounts. The remaining provisions of €12,000.00 mainly relate to provisions for archiving.

C Liabilities

- 1 Liabilities to credit institutions.
- 2 Liabilities from deliveries and services: this item includes the invoices open with different suppliers settled within the payment target at the start of 2018.
- 3 Liabilities from projects: project funding already forwarded but not yet used is included here.
- 4 Loans: the loans from our supporters are presented here with and without subordination agreements. Totaling €393,413.29, the loans are largely unchanged compared to the previous year total of €386,903.31.
- 5 Liabilities to affiliated companies.
- 6 Other liabilities: beside liabilities to the tax authorities (income tax for December and VAT for salaried workers abroad in accordance with § 13b of the German Value Added Tax Act) and social security contributions for December, liabilities to EN.CPI are included here.

D On the liabilities side, accruals and deferrals include the payments received for services only provided by the association in the next period.

Audit opinion

The Bonn-based auditing and tax advising company Dr. Krause & Partner GmbH conducted an external audit of forumZFD's accounts. In its report dated 3 August 2018 on the audit of the 2017 financial year, it stated:

"We conducted our audit of the annual financial statements in accordance with § 317 of the German Commercial Code (*Handelsgesetzbuch, HGB*) and generally-accepted German standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer, IdW*). (...)

"Our audit did not give rise to any cause for objection. In our opinion, based on the findings of our audit, the annual financial statement complies with the legal requirements and gives a true and fair account of the net assets, financial position and results of the association's operations in accordance with the German principles of proper accounting."



How we finance our peace work

Donations to forumZFD: an investment in peace

We receive public grants from various institutions and donors (Federal Ministry for Economic Cooperation and Development/BMZ, European Commission/EU, Federal Office for Migration and Refugees/BAMF, municipalities, etc.) for almost all of our programmes of the Civil Peace Service (ZFD abroad), to train peace experts at our Academy for Conflict Transformation and for the municipal conflict consulting programme in Germany. These funds are primarily used for the concrete local implementation of projects and include a lump sum for tasks to ensure the proper management of funds, personnel support and administration. In some cases, we must contribute up to 20% ourselves.

Public funding cannot be used at all (or only in part) to finance project-related advocacy, educational work and public outreach measures. However, these aspects are concrete fields of work forming part of the association's core tasks, as they are defined in the forumZFD's statutes. Four of the eleven measures detailed under § 2 para. 3 to implement the purpose of the statutes are described as follows:

"In particular, the purpose of the statutes is achieved through

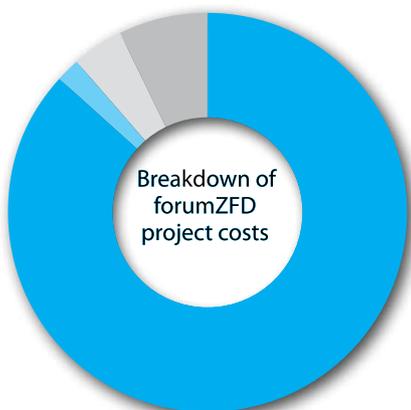
- a) *public outreach for non-violent conflict transformation;*
- b) *committing to a peace policy approach to politics and administration, including the promotion of measures for non-violent conflict transformation and conflict prevention;*
- c) *promoting an active peace policy in Germany and worldwide, in particular through the Civil Peace Service;*
- (...)
- g) *attracting and supporting volunteers who are committed to non-violent conflict transformation."*

The awareness-raising and lobby work that project implementation entails is therefore a direct component of our mandate to advocate the establishment of non-violent conflict transformation and measures to prevent violence and urge a change to the military-oriented (security) policy. Raising awareness for the causes of conflicts among politicians and the German public and for the consequences of violence constitutes an important contribution to the promotion of civil conflict transformation as a whole.

For the causes of violence are often not only to be found in the regions where our peace experts are deployed, but in part in our Western societies themselves.

This means that in our communication with funding groups, support initiatives and donors, we make it clear that the funds entrusted to us are also used for advocacy, educational work and public outreach in Germany, advertising and fundraising measures as per the association statutes as well as a reasonable administrative cost share currently totalling around 11 percent.

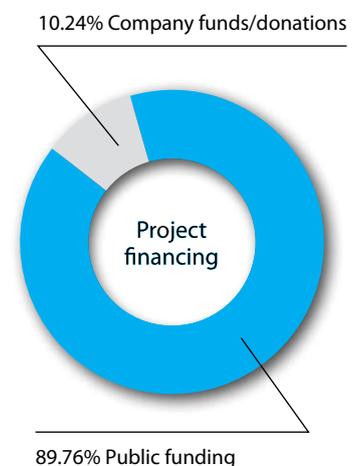
With an overall budget of almost €7 million in 2017, the donation share lay at around €500,000.00 (cf. p. 10–11). In 2017, forumZFD was thus able to generate an additional €13.00 from every euro donated for peace work worldwide by applying for public and other institutional grants. Making a donation to forumZFD is therefore a good and worthwhile investment! ■



Project cost allocation at forumZFD

(Sample calculation with a project cost volume of €100,000)

- 86.71% €86,710
Project implementation/supervision
- 2.09% €2,090
Awareness-raising/educational work
- 4.23% €4,230
Fundraising, advertising, public outreach
- 6.97% €6,970
Administration
- 11.20%



forumZFD worldwide

Facts and figures (as at 31.12.2017)

Western Balkans



Projects and locations:

Bosnia-Herzegovina: Sarajevo
Kosovo: Pristina
Macedonia: Skopje
Serbia: Belgrade

Number of employees:

23 (deployed: 7; local: 16)

Project funding:

€1,483,965.00

Funding sources:

German Federal Ministry for Economic Cooperation and Development (BMZ); Erasmus+; European Union; EuropeAid; Southeast Europe Association

Ukraine



Projects and locations:

Ukraine: Kiev, Odessa

Number of employees:

2 (deployed: 1; local: 1)

Project funding:

€187,777.00

Funding sources:

Federal Ministry for Economic Cooperation and Development (BMZ)

South East Asia



Projects and locations:

Philippines: capital of Manila and island of Mindanao: Davao; Butuan; Cotabato
Cambodia: Phnom Penh; Battambang

Number of employees:

Philippines: 16 (deployed: 5; local: 11)
Cambodia: 6 (deployed: 4; local: 2)

Project funding:

Philippines: €541,781.00
Cambodia: €384,377.00

Funding sources:

Federal Ministry for Economic Cooperation and Development (BMZ)

Middle East



Projects and locations:

Israel and Palestine: Jerusalem
Lebanon: Beirut
Jordan: Amman
Iraq: Erbil

Number of employees:

Israel and Palestine: 15 (deployed: 7; local: 8)

Lebanon: 11 (deployed: 5; local: 6)

Jordan: 1 (deployed: 1)

Project funding:

Israel and Palestine: €1,268,874.00

Lebanon: €1,106,159.00

Jordan: €64,153.00

Iraq: €17,617.00 (project under review)

Funding sources:

Federal Ministry for Economic Cooperation and Development (BMZ)

Municipal conflict consulting in Germany



Projects and locations:

town of Ludwigslust; rural district of Peine; town of Verden; city of Salzgitter; district of Berlin-Moabit; Baden-Württemberg Cooperative State University/Heidenheim; Ministry for Social Affairs, Health and Equal Opportunities of Lower Saxony/Hanover

Number of employees:

10 consultants

Project funding:

€475,813.00

Funding sources:

Asylum, Migration and Integration Fund (AMIF) of the European Union; Federal Office for Migration and Refugees (BAMF); Ministry for Social Affairs, Youth and Family of Lower Saxony

Academy for Conflict Transformation



Projects and locations:

Full-time course: 19 persons
Part-time course: 14 persons

Seminar participants:

Full-time courses: 34 persons
Specialist seminars: 23 persons

Project funding:

€802,180.00

Funding sources:

Federal Ministry for Economic Cooperation and Development (BMZ); State Chancellery of North Rhine-Westphalia; Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

Lobby work and campaigns, educational work and public outreach



Location:

Peace House on Am Kölner Brett

Work areas:

Campaigns, educational work, public outreach and fundraising

Project funding:

Campaigns, educational and awareness-raising work: €147,303.00

Fundraising, advertising and public outreach: €297,421.00

Funding sources:

Engagement Global; Brot für die Welt; Stiftung Umwelt und Entwicklung (NRW); Katholischer Fonds

Forum Ziviler Friedensdienst GmbH

Peace House on Am Kölner Brett requires spatial expansion

The Forum Ziviler Friedensdienst limited company (GmbH) operates Peace House on Am Kölner Brett, which is home to forumZFD's headquarters. Due to the ongoing expansion of our work, there is no longer any space left at Peace House on Am Kölner Brett. The increase in staff numbers means the association has had to lease additional office space. Hence we began examining the possibilities in 2017 to expand the existing building on the neighbouring site already owned by the limited company. forumZFD e. V. created the Forum Ziviler Friedensdienst limited company (GmbH)

in 2011 to establish a permanent base for the association headquarters through the purchase of real estate. The long-planned idea of buying a building to use as an office and ensure financial security for the association by creating equity was thereby addressed and implemented. In the long term, the limited company therefore makes an important contribution to the association's financial stability.

It was only possible to purchase real estate, as loans totalling €450,000 could be obtained from forumZFD e. V.'s sponsors

to purchase an office building. In addition, four other peace foundations invested a portion of their foundation capital (€230,000.00 in total) in the "Peace House on Am Kölner Brett" property and have received interest payments to further their own projects ever since. An additional bank loan of €300,000.00 ultimately made it possible to acquire the building housing the present-day head office in Cologne-Ehrenfeld, which we moved into in spring 2012. We would like to thank all sponsors again in 2017 for the trust they have placed in us and for supporting the limited company's financing concept.

In the past few years, we have successfully repaid most of the loan granted by the bank or replaced this with low-interest loans from other funders. The Forum Civil Peace Service Foundation played an important role here through investment of the increased foundation capital (see Foundation report on p. 18–19). Following initial losses, the limited company has returned positive financial statements since 2014. In 2017, the surplus amounted to €12,464.80. ■

Profit and loss statement / GmbH

1 January to 31 December 2017

INCOME	2017 (€)	2016 (€)
1 Total income	67,469.09	63,240.00
2 Other operating income		
a Income from the release of provisions	0.00	99.11
b Other miscellaneous operating income	90.06	0.00
Total income	67,469.09	63,429.17
EXPENDITURE		
3 Depreciation		
a on intangible assets of fixed assets and tangible assets	- 13,846.00	- 13,846.00
4 Other operating expenses		
a Room costs	- 7,222.31	- 6,240.58
b Insurance, contributions and fees	- 1,627.95	- 1,602.03
c Repairs and maintenance	- 3,071.05	- 11,126.75
d Miscellaneous operating expenses	- 2,769.71	- 1,034.90
e Losses from the disposal of fixed assets	0.00	- 181.50
f Other miscellaneous operating expenses	0.00	- 344.94
Total expenditure	28,537.02	34,376.70
5 Other interest and similar revenue of which from affiliated companies	1,026.67	181.67
6 Interest and similar expenses	- 27,584.00	- 28,722.65
ANNUAL NET PROFIT	12,464.80	421.43



Balance sheet / GmbH

As at 31 December 2017

ASSETS	2017 (€)	2016 (€)
A Fixed assets		
I Tangible assets		
1 Properties, rights equivalent to real estate property and buildings, incl. buildings on third-party land	797,485.13	811,331.13
B Current assets		
I Inventories		
1 Advance payments	5,652.50	2,677.50
II Accounts receivable and other assets		
1 Accounts receivable from deliveries/services	240.00	0.00
2 Accounts receivable from companies with which a shareholding exists	55,000.00	30,000.00
3 Other assets	1,229.09	460.70
II Cash, assets at credit institutions and in cheques	95,434.92	48,385.81
C Accruals and deferrals	0.00	1,281.54
TOTAL	955,041.64	894,136.68

LIABILITIES	2017 (€)	2016 (€)
A Equity		
I Subscribed capital	25,000.00	25,000.00
II Loss carried forward	- 13,085.93	- 13,507.36
III Annual net profit	12,464.80	421.43
B Provisions	1,350.00	1,000.00
C Liabilities		
1 Liabilities to credit institutions	54,028.37	99,656.07
2 Liabilities from deliveries and services	0.00	554.11
3 Other liabilities	875,284.40	781,012.43
TOTAL	955,041.64	894,136.68

Explanations of the balance sheet

Forum Ziviler Friedensdienst limited company (GmbH) – as at 31.12.2017

Accounting and valuation methods

The balance sheet has been prepared in accordance with the provisions of the German Commercial Code (*Handelsgesetzbuch*, HGB).

The tangible assets are included in the balance sheet at their acquisition or production costs minus the cumulative depreciation. Depreciation is only calculated on a linear basis.

Without exception, all receivables and other assets have a remaining term of up to one year and are shown with nominal values. Liquid assets are shown at their nominal value. Liabilities are included at the settlement value.

The other provisions cover all foreseeable risks and have been determined on the basis of a reasonable commercial estimate.

ASSETS

A Fixed assets

I Tangible assets show the property and office building acquired and depreciated on schedule.

B Current assets

I Receivables and other assets essentially include the receivables arising from accommodation expenses from forumZFD e.V. and a too high an interest payment to a foundation. The interest was already repaid at the start of the following year.

II Cash, Federal Bank assets, assets at credit institutions and in cheques.

C **Accruals and deferrals** on the assets side include the payments for spending in the coming year already made during this period.

LIABILITIES

A Equity

I Subscribed capital: the company share capital totalled €25,000.00. Forum Ziviler Friedensdienst e.V. participates in the share capital to the full amount.

II Loss carried forward: in light of the annual net profit, the loss carried forward from the previous year of €13,507.36 could be reduced by €421.43.

III Annual net income: the annual net profit of €12,464.80 was offset against the loss carried forward and carried forward to the new account.

B **Provisions:** The provisions totalling €1,350.00 relate to the costs associated with preparation of the annual accounts.

C Liabilities

1 Liabilities to credit institutions decreased compared to the previous year from €99,656.07 to €54,028.37 (originally €300,000.00). In 2017, a special repayment totalling €30,000.00 was once again made to the Bank für Sozialwirtschaft (BfS) in addition to the regular monthly repayments of €15,627.70.

2 Liabilities from deliveries and services: this item includes the invoices open with different suppliers settled within the payment target at the start of 2018.

3 Other liabilities mostly include the loans. The loan periods run for between one and ten years. The loans increased by €60,904.96.

Forum Civil Peace Service Foundation

Favourable growth course in 2017

The Forum for Civil Peace Service Foundation continued to develop favourably in 2017. With a total increase in foundation capital of €95,000.00, the foundation's share capital could be increased from €186,000.00 in 2016 to €271,000.00 in 2017. In addition, the foundation received donations totalling €2,700.00.

On the expenditure side, expenses totalled less than €4,000.00. The lion's share of this sum went towards year-round advertising in Publik-Forum magazine. The administrative costs for travel expenses, telephone fees and office supplies only amounted to around €180. In 2017, the Executive Board's work was once again voluntary and completed free of charge.

In addition to the aforementioned donations of €2,700.00, the foundation generated interest income of around €5,800.00 through its investment in Peace House on Am Kölner Brett (Forum Ziviler Friedensdienst limited company). At the end of the year under review, the foundation transferred €4,000.00 to the forumZFD association as a donation. The foundation's funding for the association therefore increased to a total of €19,500.00 in just three years.

The foundation sees its work as part of the global effort to replace the use of weapons and other forms of collective violence with non-violent action – between individuals, groups and peoples. The foundation strives in this way to contribute to the creation of social structures for fair and lasting peace in Germany, Europe and worldwide. In order to achieve these goals, the statutes provide specifically for promotion of the peace work accomplished by forumZFD e. V. in order to reduce its dependence on public donors.

By making a donation of at least €5,000 (as per the statutes) through a bequest, legacy or gift, sponsors help to boost the foundation's assets. The legislators support this form of social commitment with special tax benefits. Donations and bequests are subject to the legal stipulation that the full amount donated must remain foundation capital. The foundation can only pursue its statutory goal of supporting forumZFD's peace work with the revenue from the foundation's assets and the donations received.

The Executive Board is pleased about the dynamic development of the foundation, which even exceeded expectations in the 2017 reporting year. However, it remains an important task to attract further investors in peace, who are prepared to make a long-term contribution to peace work even beyond their own lifetime by donating a portion of their assets or legacy.

The full audit report and balance sheet of the Forum Civil Peace Service Foundation for the year 2017 is available on the foundation's new website (www.stiftung-forumZFD.de). You will also find information on how to become an investor in peace, along with other opportunities to support the foundation.

The audit report and balance sheet for the foundation can be viewed online at www.stiftung-forumZFD.de.

Forum Civil Peace Service Foundation Board



Heinz Wagner
Chairman



Margit Röhm
Deputy Chairwoman



Neithard Petry
Treasurer



Tilman Evers
Board Member

For information on how to become an investor in peace as well as other opportunities to support the foundation, please see www.stiftung-forumZFD.de.

In case of questions about the foundation, please contact:



Thomas Oelerich
Fundraising & Communications Officer

Telephone +49 (0)221 912732-32
Email oelerich@forumZFD.de

Profit and loss statement / Foundation

1 January to 31 December 2017

INCOME	2017 (€)	2016 (€)
Operating income	2,700.00	4,655.00
Other interest and similar revenue	5,771.67	4,717.50
Total income	8,471.67	9,372.50
EXPENDITURE		
Room and advertising costs	- 3,892.29	- 4,306.16
Other costs	- 99.91	- 106.26
Other expenses	- 4,000.00	- 5,000.00
Total expenditure	- 7,992.20	- 9,412.42
ANNUAL NET PROFIT	479.47	- 39.92

Balance sheet / Foundation

As at 31 December 2017

ASSETS	2017 (€)	2016 (€)
A Current assets		
I Other loans		
1 Loans	276,000.00	156,000.00
II Cash, Federal Bank assets, assets at credit institutions and in cheques.	8,014.40	7,534.93
III Accounts receivable and other assets	0.00	30,000.00
TOTAL	284,014.40	193,534.93

LIABILITIES	2017 (€)	2016 (€)
A Equity		
1 Subscribed capital	271,000.00	176,000.00
2 Profit carried forward	534.93	574.85
3 Annual net profit	479.47	- 39.92
D Liabilities		
Other liabilities	12,000.00	17,000.00
TOTAL	284,014.40	193,534.93

Capital development

Since founding



Explanations of the balance sheet

Forum Civil Peace Service Foundation

– as at 31.12.2017

Accounting and valuation methods

The balance sheet has been prepared in accordance with the provisions of the German Commercial Code (*Handelsgesetzbuch*, HGB). Without exception, all receivables and other assets have a remaining term of up to one year and are shown with nominal values. Liquid assets are shown at their nominal value. Liabilities are included at the settlement value.

ASSETS

A Current assets

- I Other loans include the loan to the limited company (GmbH). The interest was already repaid at the end of the year.
- II Cash, Federal Bank assets, assets at credit institutions and in cheques.

LIABILITIES

A Equity

- 1 Subscribed capital: the foundation capital amounts to €271,000.00 (€208,000.00 in endowments and €63,000.00 in foundation contributions). The new endowments totalled €95,000.00 in 2017.
- 2 Profit carried forward: due to the loss in the previous year, the profit carried forward in 2017 decreased by €39.92 to €534.93.
- 3 Annual net profit: the annual net profit of €479.47 was offset against the profit carried forward and carried forward to the new account.

D Liabilities

Other liabilities mostly include the loans. The loan periods run for between one and five years.

*“We reject policies
that give priority to military means
– for example, by investing thousands of
times more funds into armaments
than into civil conflict transformation.”*

(Excerpt from forumZFD’s mission statement)



forumZFD

Committed to Peace

forumZFD

Forum Ziviler Friedensdienst e. V.
Am Kölner Brett 8
50825 Cologne

Telephone +49 (0)221 912732-0
Fax +49 (0)221 912732-99
Email kontakt@forumZFD.de
www.forumZFD.de

Donation account:
Bank für Sozialwirtschaft (BFS)
IBAN DE37 3702 0500 0008 2401 01
BIC BFSWDE33XXX