

Committed to Peace



forumZFD



Actively advocating civil peace policy. In Europe and worldwide.

forumZFD annual report for the 2018 business year

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Legal information

Forum Ziviler Friedensdienst e. V. (forumZFD)

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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,

The year 2018 showed us just how much is at stake: the climate crisis and plight of the global ecosystems are evolving from a mere prognosis to a tangible reality for humankind and our planet. And as if this were not enough, the nuclear deal with Iran is in jeopardy and crucial treaties on nuclear disarmament are on the brink of collapse. The dispute over refugee quotas and the tragic fatalities on the Mediterranean route remind us that even within the European Union, peace and solidarity are by no means guaranteed. Right-wing extremist views are increasingly being expressed openly in social networks. Perhaps you have also been overwhelmed by pessimism at times over the past year in light of these global developments.

But where dangers lie, salvation also awaits. And nothing shows this better than the developments since 20 August 2018 when a schoolgirl demonstrated in front of the Swedish parliament for the first time instead of going to school. The unique movement that has since emerged has inspired many other groups working to achieve the goals for global sustainable development.

In 2018, we at forumZFD launched a campaign to oppose the growing militarisation of the European Union, an institution affording such great potential for peace. We do not wish to merely stand by and watch as funds for peacebuilding activities are cut and regimes that violate human rights or wage war are supplied with military equipment. Our response to this regrettable development is the “Save the European Peace Project” campaign. Today, at the end of summer 2019, we can safely say that we have successfully initiated what is one of forumZFD’s largest campaigns to date.

This annual report informs on forumZFD’s activities in 2018 within its various fields of work. We are guided in our work by the principle of being “part of the global effort to reduce the use of weapons and other forms of collective violence, and to replace this with non-violent action – between individuals, groups and peoples”.

This is only possible with a great deal of support: through practical action, ideas and criticism, and financial contributions. We would like to thank all those who have supported us in one way or another over the past year 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

2018: focus on the stabilisation of new structures at forumZFD

2018 was a year for stabilisation of the new structures at Forum Ziviler Friedensdienst e. V. (forumZFD). The Supervisory Board convened in Cologne, Berlin, Frankfurt and Königswinter on a total of four occasions, twice for two days and twice for one day. In addition, there were two telephone conferences. Honorary chairwoman Helga Tempel also attended the first meeting. Meetings between the unsalaried Supervisory Board and salaried Executive Board are now a regular occurrence and have proven their worth.

We considered it important for these two organs to meet at the very start of the year under review to discuss their mutual expectations and wishes. Their duties are set out in Sections 8 and 9 of the association statutes. The respective new roles have also been clarified as necessary. In light of the experience gained in 2017, the common rules of procedure were revised – as were the responsibilities assigned to the Executive Board.

A working group led by Dr. Stephan Hocks was formed to address the task set at the AGM of reviewing the new statutes. There was also an in-depth discussion with Mr. Koch about experiences with association statutes and rules of procedure. The report will be presented at the AGM in 2019.

The Supervisory Board accepted the written audit report from Dr. Krause & Partner GmbH auditing company and approved the annual financial statement. It also considered the update to the 2018 financial planning 2.0.

A start was made on establishing close contact and exchanging with our member organisations. It became clear in the process that it is important to remain in close contact, as this allows us to agree cooperation and mutual support directly during discussions. One to two members of the Supervisory Board and one member of the Executive Board or from the head office took part in each meeting on forumZFD's behalf.

The discussions shall be continued.

During a workshop, the Supervisory Board and Executive Board examined in detail how to take a critical approach to racism (“Rassismuskritisch denken lernen”). The workshop was proposed during discussions held as part of the “20 years of forumZFD” anniversary celebrations. We have recognised how important it is to raise awareness for this topic – not only on a personal level, but also on a structural one. The Executive Board was tasked with planning and implementing a corresponding procedure for forumZFD.

Individual members of the Supervisory Board visited projects and conferences in Germany and abroad, and reported on their discussions with employees and partner organisations. These visits are important as they give our work the necessary “grounding”.

The current Supervisory Board's term in office will end in 2019. Against this backdrop, we have also always critically reviewed our tasks, responsibilities and roles in the meetings held during the year under review. We set ourselves the goal of making proposals for the board elections at the AGM, which will reflect as comprehensively as possible the range of tasks and topics of our work – also in terms of the personnel. The association statutes provide the framework for this.

Legal or education policy expertise, experience as a peace consultant or in organisational development, consulting practice and expert knowledge of financial matters – together, the members of the Supervisory Board bring all of these skills to the table. Thanks to the people affording these various knowledge and skills, the work within the Supervisory Board is both effective and rewarding.

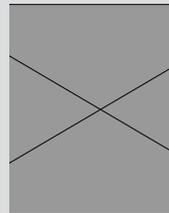
forumZFD e. V. Supervisory Board



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

2018 annual report

Focus on expanding project work and strengthening public outreach

Looking back on 2018, it can be determined that the peace work of the Forum Ziviler Friedensdienst e. V. (forumZFD) could be significantly expanded and the association's visibility in peace policy debates enhanced on both the national and EU levels. In our annual report, we would now like to briefly outline to our sponsors, supporters, members, and member organisations as well as the general public what contributed to this. Over the following pages, we provide an overview of the concrete figures and balance sheets in the financial reports for the association, foundation and limited company (GmbH).

Continuous expansion

of peace work

The continuous growth in recent years gained further momentum in 2018. This can be seen in the total turnover of almost €8.6 million, which corresponds to an increase of 22% compared to the previous year. The number of employees in Germany and abroad has risen to 156 overall (107 abroad, 49 at the head office). The peace projects have also been expanded significantly in three new countries (in Iraq, from 2018; in Jordan and Ukraine, from late 2017). Since July 2018, forumZFD has been registered as a vocational training centre permitted to offer apprenticeships in office

management and human resources. The first apprenticeship position for an office management clerk was filled in the same year. This programme development and the expansion of our peace work were above all possible thanks 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 and the special initiative to tackle the root causes of displacement also implemented by the BMZ.

At the head office, we responded to these developments by dividing up the tasks of the association's Executive Board (management) and assigning them to a total of

three individuals at the start of the year. The Supervisory Board appointed Sonja Wiekenberg-Mlalandle as a third member of the Executive Board, responsible for finance, human resources and administration. Alexander Mauz has been a member of the Executive Board since the start of 2018 and oversees Projects & Programmes and qualification measures. Oliver Knabe, Chairman of the Executive Board, has been assigned responsibility for communications and policy.

With regard to forumZFD's general public presence, both our peace policy activities in the campaign and lobbying work and the complete redesign of our website at the start of 2018 as well as the increased use of social media have led to a tangible increase in public awareness. We are conscious that there is still a great deal of potential here and a fair amount of work lies ahead of us yet.

Project and programme work

With regard to our project work, the opening of project offices in Kiev and Odessa in the **Ukraine** should be mentioned here first. Concrete preliminary forms of cooperation have already been developed with

A number of ZFD partners in Cambodia are implementing creative remembrance work on the crimes of the Khmer Rouge. For art can help recover repressed memories and open the way to reconciliation.





Lebanon is home to the most refugees in the world in proportion to its own population. This constitutes a huge challenge for a country that already has its fair share of issues.

local partner organisations.

It was not possible to open an office and set up a local structure for our peace work in **Jordan** until the end of 2018 – following a lengthy application phase to acquire official accreditation for forumZFD in the country. We have been working tirelessly ever since to identify partner organisations and recruit international and local experts. forumZFD's many years of experience in Lebanon were extremely helpful in this. There has been a continuous intensive exchange between these work areas in the programme planning.

Following a preliminary study in 2017, our project proposal to set up a peace project in northern **Iraq** was approved. We were aware that it would not be easy to set up project work in the field due to the precarious safety situation. In 2018, the necessary infrastructure was established in the project region, and international and local staff

were recruited. We are more convinced than ever of the importance of a local presence and the opportunities to contribute to peace in the region.

We were able to substantially expand our project work in **Lebanon**. In 2018, the focus remained on training and empowering local grassroots groups, particularly in the border region with Syria where the Syrian refugees, who meanwhile number over one million, represent a permanent conflict potential. Conflicts arose time and time again between refugees and the local population regarding the resources available here, which are already scarce. forumZFD's projects help them to address existing problems together and to overcome conflicts.

The work in **Israel and Palestine** proved challenging. In autumn 2018, dramatic escalation and violent confrontations arose

between Palestinians from the Gaza Strip and the Israeli military. At forumZFD, we became highly concerned about our employees in the field when there was even talk of a third intifada (popular uprising of the Palestinians) and thus possibly of a larger, violent conflict. Fortunately, the situation has since calmed down again somewhat. However, many partner organisations in the region feel that the possibilities and rights of their peace initiatives and dialogue programmes are increasingly being restricted by the policies of the Israeli government led by Benjamin Netanyahu. This process whereby the work of civil society groups is restricted, which is now manifesting itself worldwide, is referred to as "shrinking spaces". The forumZFD team also had to take this problematic development into account in its project work.

It has become increasingly clear over the many years of activity in the **Western Balkans** (Bosnia-Herzegovina, Kosovo, Macedonia and Serbia): forumZFD is gaining more and more recognition and trust in the individual countries and is perceived as a peace actor. Our long-term local presence is now paying off. However, nationalist tendencies in the respective countries unfortunately continue to fuel conflicts; forumZFD tries to counteract these with its



In the Combatants for Peace NGO, former Israeli soldiers and Palestinian resistance fighters lay down their weapons and instead fight side by side for peace.

In Bosnia-Herzegovina, war veterans from the former conflicting parties collaborate on joint peace work.



© KURVE Wustrow/CNA

local partner organisations.

In South East Asia, the **Philippines** and **Cambodia**, our peace consultants and local employees make an important contribution to the non-violent handling of conflicts. While 2018 was spent rebuilding the team in Cambodia after a challenging transition phase, the staff on the island of Mindanao (Philippines) celebrated the conclusion of a peace agreement at the beginning of 2019 following many years of civil war between rebel groups and the central government in Manila. After years of negotiations, some of the Muslim regions on Mindanao were granted comprehensive concessions for autonomy within the framework of the Bangsamoro peace process. With its numerous initiatives, training programmes and dialogue support, forumZFD played at least a small part in this success. Civil society groups must now be strengthened further in order to make fruitful use of the newly acquired autonomy.

Financing could be secured and expanded for our **municipal conflict consulting in Germany**. One highlight in 2018 was undoubtedly the two-day inter-municipal symposium on the early recognition of integration conflicts and seizing opportunities ("Integrationskonflikte frühzeitig erkennen – Chancen nutzen") held in Salzgitter-Bad

The conflict in Ukraine has serious consequences for the civil population. Civil society organisations uncover human rights violations and campaign for justice.

in November. forumZFD invited more than 50 representatives from municipalities in Lower Saxony, North Rhine-Westphalia, Mecklenburg-Western Pomerania, Berlin and Hamburg as well as from universities in Baden-Württemberg and Bavaria. The symposium was an important building block in raising awareness for the overall municipal conflict consulting programme, establishing new contacts and sounding out possible partnerships. In terms of the content, the participants discussed future-oriented, conflict-sensitive approaches to social integration.

The core expertise workshop held in Walberberg in May 2018 should also be mentioned here. Employees of the foreign representations and head office spent several days discussing how forumZFD could expand its core competences and which topics should become central programme components in the future. An intensive

exchange process was thus initiated, which will lead to concrete guidelines for future project work in 2019. Four focal fields were identified: dealing with the past, peace education, community mobilisation, and municipal conflict consulting.

Training of peace consultants

A total of 37 people were trained as peace consultants during our advanced training courses at the Academy for Conflict Transformation. We are delighted that the state government of North Rhine-Westphalia once again granted several scholarships this year to enable for people from conflict countries to participate in 2018. A further 15 people took part in the part-time courses. Our online seminars remained popular in 2018. A total of 39 people took advantage of these training offers. In addi- ▶



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tion, the Academy ran regular information sessions for students interested in learning more about a career in peace work. It gives us hope when graduates of the Academy for Conflict Transformation are recruited for professional positions in international peace work.

Campaigns, educational work and public outreach

In February 2018, forumZFD co-hosted a side event at the Munich Security Conference that aimed to promote approaches to conflict work in which the logic of peace prevails. Under the title of “Strategies against terrorism and violent extremism”, we invited speakers from the Philippines and northern Iraq to report on civil approaches to conflict work and to network with politicians from various parties during follow-up talks in Berlin.

During the negotiations for the coalition government at the start of 2018, we publicly called for a halt to arms exports to war zones and for the reinforcement of civil peacebuilding (e.g. expansion of the Civil Peace Service/ZFD programme).

From the middle of the year, our public outreach work focused on preparation of the “Save the European Peace Project” campaign in the run-up to the European elections in 2019. During a meeting held in the autumn, activities were developed and preliminary lobby talks held in Brussels with members of the European Parliament.

At the time, we did not expect the campaign launched in 2019 to become one of the largest ever initiated by forumZFD.

Due to unfavourable weather conditions (too hot or too rainy), the peace runs during which schoolchildren raise money for our peace work were not such a financial success in 2018 as anticipated. We were unable to compensate fully for the resulting financial gap. However, the educational offers and workshops conducted in schools were well received.

forumZFD’s work on the Sustainable Development Goals (SDGs) should also be mentioned here. We have continued to actively raise the subject of peace in the debate on sustainable development during numerous events and publications.

Words of thanks

We do not wish to conclude the 2018 annual report without expressing our gratitude to all those who have supported our peace work in the most diverse ways in 2018. Our sincere thanks go to our employees in our project locations and in the head office in Cologne as well as to our partner organisations. They all once again showed great commitment in 2018. We would also like to thank our institutional donors, all dialogue partners from civil society and politics as well as our members and member organisations. Finally, we would particularly like to express our gratitude to all those who supported our work on a voluntary basis

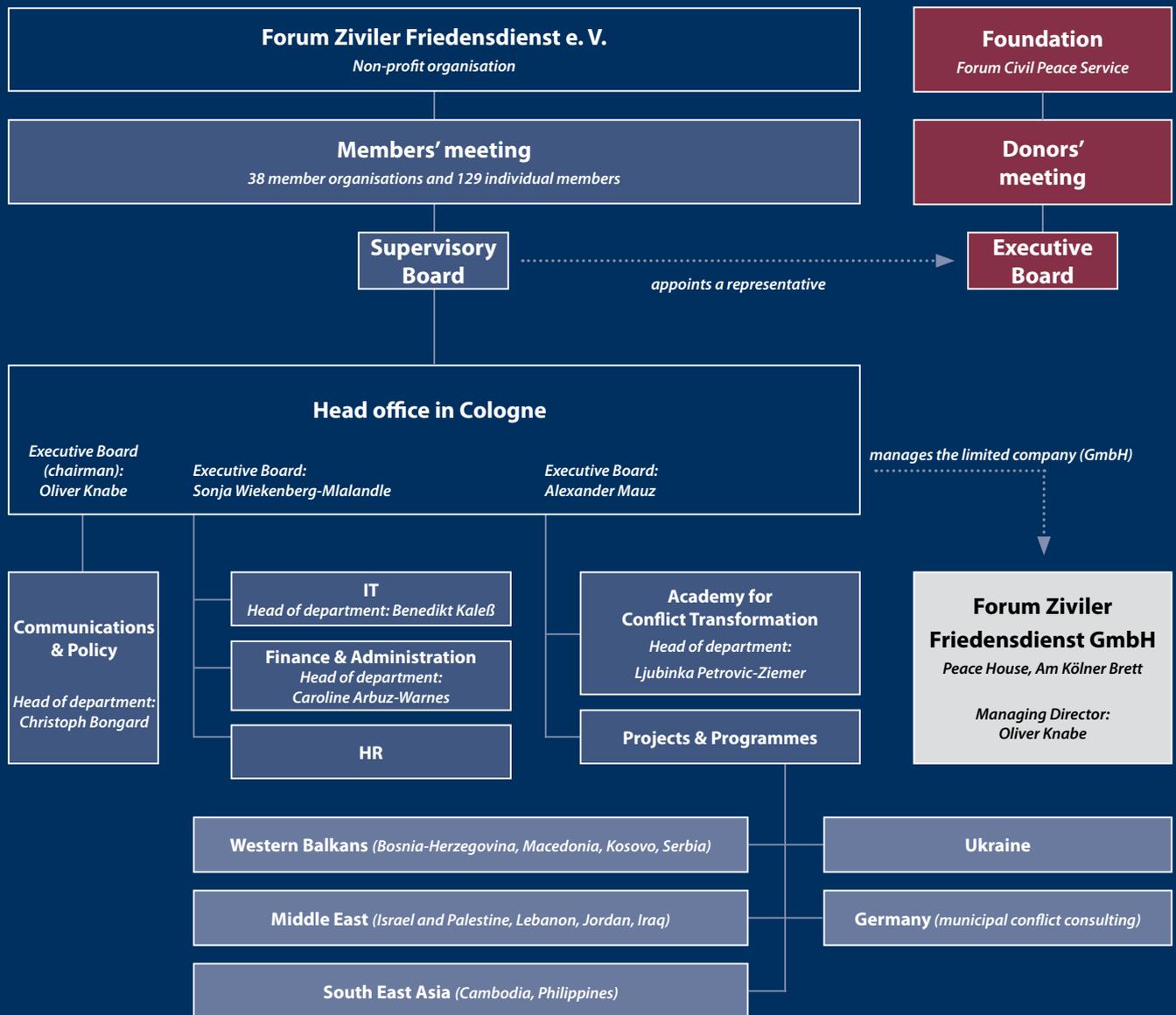
and/or facilitated our peace work in the first place through their donation, funding grant, endowment or interest-free loan.

Our heartfelt thanks for the trust placed in us. We can assure you that forumZFD will remain committed to peace in the future. We would be delighted to stay in touch, entirely in keeping with forumZFD’s claim of “Committed to Peace”.



North Macedonian society is divided. This divide between the different ethnicities could trigger to another conflict. The ZFD partner LOJA uses dialogue and education to campaign for a peaceful coexistence.

forumZFD's organisational structure (as at 31.12.2018)



forumZFD member organisations

Antikriegshaus Sievershausen • Bund für Soziale Verteidigung (BSV) • Bündnis 90 / Die Grünen KV Mettmann • Bündnis 90 / Die Grünen Ortsverband Ratingen • 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 Willy-Brandt-Zentrum e.V. • 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

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 the names of key decision-makers, along with information on the sources and uses of funding and personnel structures. Please see www.forumZFD.de for full details.

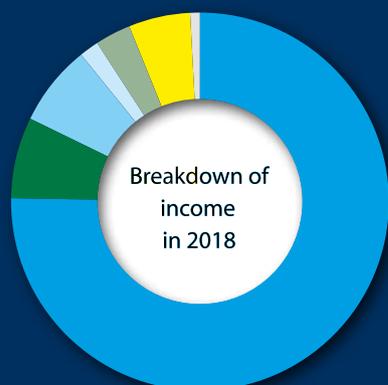


Income and expenditure / forumZFD

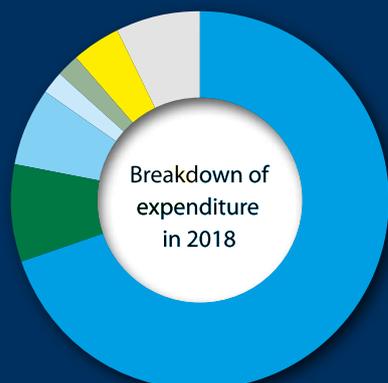
1 January to 31 December 2018

INCOME		2018 (€)	2017 (€)
Institutional grants			
BMZ projects overseas	●	6,438,033	5,077,124
BMZ qualification	●	585,468	569,906
Conflict consulting in Germany	●	583,195	475,813
Third-party/other funding	●	144,309	149,136
Income from qualification	●	272,103	197,538
Donations, membership fees	●	447,404	474,040
Interest and other revenue	●	53,367	43,698
TOTAL		8,523,879	6,987,254

EXPENDITURE		2018 (€)	2017 (€)
Project funding and support			
Projects overseas	●	5,995,423	4,828,994
Qualification	●	720,919	639,152
Conflict consulting in Germany	●	563,392	466,049
Other projects	●	169,464	166,619
Campaigns as per the statutes, educational/awareness-raising work	●	171,802	147,303
Fundraising, advertising, public outreach	●	347,894	297,421
General administration	●	619,935	489,538
TOTAL		8,588,831	7,035,075



- 75.53% BMZ projects overseas
- 6.87% BMZ qualification
- 6.84% Conflict consulting in Germany
- 1.69% Third-party/other funding
- 3.19% Income from qualification
- 5.25% Donations, membership fees
- 0.63% Interest and other revenue



- 69.80% Projects overseas
- 8.39% Qualification
- 6.56% Conflict consulting in Germany
- 1.97% Third-party/other funding
- 2.00% Campaigns, educational/awareness-raising work
- 4.05% Fundraising, advertising, public outreach
- 7.22% General administration

Profit and loss statement / forumZFD

1 January to 31 December 2018

INCOME	2018 (€)	2017 (€)
Income – core budget	500,771.74	517,737.92
Income – BMZ projects overseas	6,438,033.46	5,077,124.20
Income – BMZ qualification	751,583.20	717,415.52
Income – other project qualification	105,987.10	50,028.10
Income – conflict consulting in Germany	583,195.12	475,812.55
Income – third-party/other funding	144,308.81	149,136.01
Total income	8,523,879.43	6,987,254.30
EXPENDITURE		
Expenditure – core budget	– 565,722.93	– 565,648.81
Expenditure – BMZ projects overseas	– 6,438,033.46	– 5,077,124.20
Expenditure – BMZ qualification	– 751,583.20	– 717,415.52
Expenditure – other project qualification	– 105,987.10	– 50,028.10
Expenditure – conflict consulting in Germany	– 583,195.12	– 475,722.55
Expenditure – third-party/other funding	– 144,308.81	– 149,136.01
Total expenditure	– 8,588,830.62	– 7,035,075.19
Transfers to / withdrawals from reserves	– 66,171.39	– 2,602.51
BALANCE SHEET PROFIT/LOSS	1,220.20	– 50,423.40

The association recorded net profit totalling €1,220.20 during the reporting period. A loss of €111,724.37 was carried forward despite this due to the balance sheet loss from the previous year (result carried forward from previous years plus reserves created).

The deficit not covered by equity capital (so the association's debt) therefore totalled €110,504.17 by the reporting date. However, this deficit is secured many times over by loans with a subordination agreement (totalling around €282,000), which are regarded as substitute equity.

In addition, a market value appraisal of the office building (Peace House on Am Kölner Brett) prepared in July 2019 revealed hidden reserves of around €456,000 compared to the balance sheet value as at 31 December 2018. The reserves decreased by €66,171.39 to €47,153.35 (previous year: €113,324.74).

On the income side, the anticipated income from the subsidy of administrative expenditure as well as from planned lump sum payments to support deployed employees remained below plan. In addition, unfavourable weather conditions meant that the donations for the peace runs held during the reporting year did not meet the financial planning. This negative effect was partially offset by another very good general donation result, which included funding grants.

The association's total turnover also grew considerably from €7.0 million in 2017 to €8.6 million in 2018. This represents a further increase of around 22.1% 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 tackle the root causes of displacement 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) once again increased by around 19% compared to the previous year. The reasons for this increase are the ongoing investments in personnel recruitment, the final phase of the relaunch of our website, and further improvements to our database. These are all investments that we continue to regard as urgently necessary for the establishment of sustainable and future-proof structures. This is reflected in the expenditure, with increased personnel costs as well as higher depreciation and costs for office supplies.

The administrative expenses remained at a constantly low level of around 11.3% compared to the previous year.

The Forum Ziviler Friedensdienst limited company (GmbH), which acquired the Peace House on Am Kölner Brett in 2012 and has run the property ever since, is wholly owned by the association. The limited company (GmbH) closed the 2018 financial year with a net loss of €–2,168.75 (see the financial report for the limited company on p. 16–17).

Balance sheet / forumZFD

As at 31 December 2018

ASSETS	2018 (€)	2017 (€)
A Fixed assets		
I Intangible assets		
Concessions, industrial property rights and similar rights and assets acquired in return for payment, as well as licenses	46,132.00	47,256.00
II Tangible assets		
Other equipment, furniture and fixtures	42,179.00	31,132.00
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	472,602.61	73,456.99
2 Accounts receivable from affiliated companies	39.12	0.00
3 Other assets	7,812.89	5,720.44
II Assets at credit institutions	804,276.40	1,345,755.76
C Accruals and deferrals	24,406.16	5,476.24
D Deficit not covered by equity capital	110,504.17	45,552.98
TOTAL	1,532,952.35	1,579,350.41

Explanations of the balance sheet forumZFD e. V. – as at 31.12.2018

Accounting and valuation methods

The tangible assets are included in the balance sheet with 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 €800 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 decreased by €541,479.36 to €804,276.40.

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 €110,504.17. This is the association's debts.

This shortfall increased by €64,951.19 in 2018. Financially, the shortfall is hedged by subordinated loans taken from supporters totalling €281,951.53, which serves as substitute equity.

LIABILITIES	2018 (€)	2017 (€)
A Association equity		
1 Loss carried forward	- 158,877.72	- 108,454.32
2 Free reserves	47,153.35	113,324.74
3 Profit/loss on the balance sheet	1,220.20	- 50,423.40
4 Deficit not covered	110,504.17	45,552.98
B Provisions		
Other provisions	50,636.00	55,541.00
C Liabilities		
1 Liabilities to credit institutions	37,850.68	2,523.63
2 Liabilities from deliveries and services	39,967.31	72,896.87
3 Liabilities from projects	863,225.60	955,936.76
4 Liabilities to members	386,501.15	393,413.29
5 Liabilities to affiliated companies	81,763.55	56,881.05
6 Other liabilities	73,008.06	37,268.76
D Accruals and deferrals	0.00	4,889.05
TOTAL	1,532,952.35	1,579,350.41

LIABILITIES

A Equity

- Loss carried forward: every year, the loss carried forward is adjusted by the net profit/loss from the previous year. The loss carried forward from the previous year increased by €50,423.40 due to the negative annual result.
- 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. In 2018, we reduced this sum by €66,171.39 to €47,153.35.
- Net profit: the net profit corresponds with the outcome of the profit and loss statement.
- Deficit not covered by equity capital originates from the balance sheet loss in the previous year and increased by €64,951.19 in 2018.

B Provisions: in the case of the provisions, €34,736.00 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

- Liabilities to credit institutions.
- Liabilities from deliveries and services: this item includes the invoices open with different suppliers settled within the payment target at the start of 2019.
- Liabilities from projects: project funding already forwarded but not yet used is included here.
- Liabilities to members: the loans from our supporters are presented here with and without subordination agreements. Totalling €386,501.15, the loans are largely unchanged compared to the previous year total of €393,413.29.
- Liabilities to affiliated companies: this is predominantly a loan to the Forum Ziviler Friedensdienst limited company (GmbH) totalling €80,000 for which the interest rate is 3% per annum.
- 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.

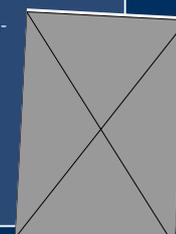
Audit opinion

The Bonn-based auditing and tax advising company Dr. Krause & Partner GmbH conducted an external audit of forumZFD's accounts.

In its report dated 24 July 2019 on the audit of the 2018 financial year, it stated:

"We conducted our audit of the annual financial statements in accordance with § 217 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 and financial position of the limited company's operations as at 31.12.2018 in accordance with the German principles of proper accounting."



Donations as an investment in peace

How forumZFD uses and multiplies funds

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 consultants at our Academy for Conflict Transformation and for the municipal conflict consulting programme in Germany. As a general rule, these funds are used exclusively 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 or public outreach measures. This particularly applies for advertising and fundraising 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 implementation measures detailed under Section 2 para. 3 of the association 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."

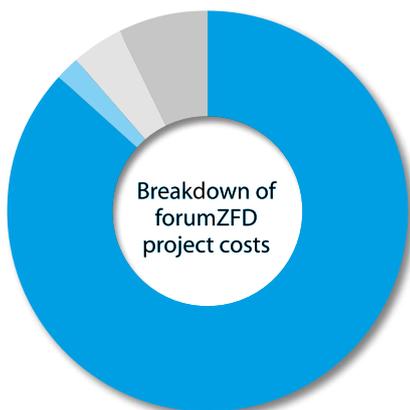
The awareness-raising and lobby work that project implementation entails therefore constitute intrinsic components of our mandate to advocate the establishment of non-violent conflict transformation and measures to prevent violence and urge a change to the military-oriented (security) policy. Raising awareness for the causes of conflicts among politicians and the German public and for the consequences of violence represents an important contribution to the promotion of civil conflict transformation as a whole. For the causes of violence can often not only be found in the regions where our peace consultants 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 as per the association statutes as well as a reasonable administrative cost share currently totalling around 10 percent.

With an overall budget of just over €8.5 million in 2018, donations lay at around €450,000 (cf. p. 10–11). In 2018, forumZFD was thus able to generate an additional €18 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 in peace!

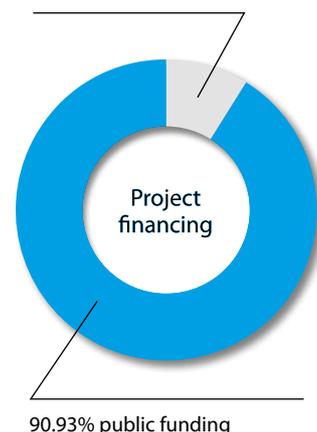


Project cost allocation at forumZFD

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

●	86.73%	€86,730	Project support/supervision
●	2.00%	€2,000	Awareness-raising/educational work
●	4.05%	€4,050	Fundraising, advertising, public outreach
●	7.22%	€7,220	Administration
	11.27%		

9.03% association funds/donations



forumZFD worldwide

Facts and figures (as at 31.12.2018)

Western Balkans



Projects and locations:

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

Number of employees:

27 (deployed: 10; local: 17)

Project funding:

€1,533,350

Funding sources:

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:

5 (deployed: 1; local: 4)

Project funding:

€363,843

Funding sources:

Federal Ministry for Economic Cooperation and Development (BMZ)

South East Asia



Projects and locations:

Philippines: Mindanao: Davao;
Butuan; Cotabato; Manila; Cambodia:
Phnom Penh; Battambang

Number of employees:

Philippines: 17 (deployed: 4; local: 13)
Cambodia: 7 (deployed: 2; local: 5)

Project funding:

Philippines: €685,691
Cambodia: €374,108

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: 17 (deployed: 9; local: 8)
Lebanon: 17 (deployed: 8; local: 9)
Jordan: 7 (deployed: 3; local: 4)
Iraq: 2 (deployed: 2)

Project funding:

Israel and Palestine: €1,404,179
Lebanon: €1,742,687
Jordan: €283,989
Iraq: €34,296

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
(of which 9 contract workers)

Project funding:

€583,195

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: 21 persons
Online courses: 15 persons

Seminar participants:

Full-time courses: 39 persons
Seminars: 28 persons
In "Peace work as a profession" seminars: 41 persons

Project funding: €857,570

Funding sources:

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

Public outreach, educational work and fundraising



Location:

Peace House, Am Kölner Brett

Employees: 49

Work areas:

Campaigns, educational work and fundraising

Project funding:

Campaigns, educational work and awareness raising: €171,802
Public outreach and fundraising/advertising: €347,894

Funding sources:

Engagement Global (EG), Stiftung Umwelt und Entwicklung, Brot für die Welt, membership fees, funding grants and donations

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 head office. forumZFD e. V. set up the Forum Ziviler Friedensdienst limited company (GmbH) in 2011 to establish a permanent base for the head office by purchasing 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. The limited company is thus decisive to the association's long-term financial stability.

It was only possible to purchase real estate, as loans totalling €450,000 could be obtained

from forumZFD e. V.'s backers to purchase an office building. In addition, four other peace foundations invested a portion of their foundation capital (€230,000 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 ultimately made it possible to acquire the building housing the present-day headquarters in Cologne-Ehrenfeld, which we moved into in spring 2012. We would like to thank all backers again in 2018 for the trust placed in us and for supporting the limited company's financing concept.

In the year under review, we successfully repaid all but around €6,000 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 in the Peace House on Am Kölner Brett (see Foundation report on p. 18–19).

Due to the continuous expansion of our work, there are no longer sufficient workstations available at Peace House. The increase in the number of staff has meant that additional office space has had to be leased close to the head office. The review of the possibility of creating additional space by extending the building returned a negative verdict: the additional space would not be sufficient. 2018 was devoted to planning and preparing an alternative concept/building for a Peace House 2.0. The costs for preliminary planning of the expansion work could be written off at the end of the year. This explains the negative year-end result of € -2,168.75 for Forum Ziviler Friedensdienst limited company (GmbH) (see the profit and loss statement as well as the balance sheet).

Profit and loss statement / GmbH

1 January to 31 December 2018

INCOME	2018 (€)	2017 (€)
1 Total income	65,500.44	67,469.09
2 Other operating income		
a Other miscellaneous operating income	300.00	90.06
Total income	65,800.44	67,559.15
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	- 6,881.40	- 6,883.31
b Insurance, contributions and fees	- 2,848.21	- 1,627.95
c Repairs and maintenance	- 7,195.80	- 3,071.05
d Miscellaneous operating expenses	- 12,072.48	- 2,769.71
Total expenditure	42,843.89	28,198.02
5 Other interest and similar revenue of which from affiliated companies	1,151.25	1,026.67
6 Interest and similar expenses	- 26,276.55	- 27,584.00
ANNUAL NET LOSS/PROFIT	- 2,168.75	12,803.80



Balance sheet / GmbH

As at 31 December 2018

ASSETS	2018 (€)	2017 (€)
A Fixed assets		
I Tangible assets		
1 Properties, rights equivalent to real estate property and buildings, incl. buildings on third-party land	783,639.13	797,485.13
B Current assets		
I Inventories		
1 Advance payments	0.00	5,652.50
II Accounts receivable and other assets		
1 Accounts receivable from deliverie/services	840.00	240.00
2 Accounts receivable from companies	80,000.00	55,000.00
3 Other assets	1,000.44	1,229.09
III Assets at credit institutions	94,585.42	95,434.92
TOTAL	960,064.99	955,041.64

LIABILITIES	2018 (€)	2017 (€)
A Equity		
I Subscribed capital	25,000.00	25,000.00
II Loss carried forward	- 282.13	- 13,085.93
III Annual net loss/profit	- 2,168.75	12,803.80
B Provisions		
1 Other provisions	1,125.00	1,350.00
C Liabilities		
1 Liabilities to credit institutions	6,448.29	54,028.37
2 Liabilities from deliveries and services	1,075.17	0.00
3 Liabilities to affiliated companies	10.12	0.00
4 Other liabilities	923,657.29	874,945.40
D Accruals and deferrals	5,200.00	0.00
TOTAL	960,064.99	955,041.64

Explanations of the balance sheet

Forum Ziviler Friedensdienst limited company (GmbH) – as at 31.12.2018

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 Inventories: there were no inventories in 2018.

I Receivables and other assets essentially include the receivables arising from accommodation expenses from forumZFD e. V., incidental rental costs and a loan of €80,000. The loan was already repaid at the start of the following year.

III Assets at credit institutions

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: thanks to the annual net profit in the previous year, the loss carried forward could be reduced by €12,803.80 to €282.13.

III Annual net loss: the annual net loss of -€2,168.75 was offset against the loss carried forward and carried forward to the new account.

B Provisions: The provisions totalling €1,125.00 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 €54,028.37 to €6,448.29 (originally €300,000.00). In 2018, 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 €17,580.08.

2 Liabilities from deliveries and services: this item includes the invoices open with different suppliers settled within the payment target at the start of 2019.

3 Liabilities to affiliated companies – one open account with forumZFD e. V.

4 Other liabilities are mainly the loans. The loan periods run for between one and ten years. The loans increased by €48,711.89.

C On the liabilities side, the **accruals and deferrals** include the payments for spending in the coming year already made during this period.

Forum Civil Peace Service Foundation

Growth course maintained in 2018

The Forum for Civil Peace Service Foundation continued to develop favourably in 2018. With an increase in foundation capital of €78,000, the foundation's share capital could be increased from €271,000 in 2017 to €349,000 in 2018. The foundation moreover received a total of €3,860 in donations.

On the expenditure side, expenses totalled just over €6,000. This sum can largely be attributed to further development of the website, which has been entirely redesigned, as well as to the costs associated with regular advertising in 'Publik-Forum' magazine. The administrative costs for travel expenses, telephone fees and office supplies only amounted to around €275. In 2018, the Executive Board's work was once again voluntary and completed free of charge.

In addition to the aforementioned donations of €3,860, the foundation generated interest income of €8,572.50 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 €5,640 to forumZFD e. V. as a donation. The foundation's contribution to the association's funding therefore increased to €26,140 since the foundation's establishment in 2014.

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. It 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. so as to reduce its dependence on public funding.

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 with the positive development of the foundation. The results have even exceeded expectations. However, the Executive Board still sees its most important task in attracting further investors in peace wishing to make a long-term contribution to peace work even beyond their own lifetime by donating a portion of their assets or legacy. For information on how to become an investor in peace, please see www.stiftung-forumZFD.de.

The 2018 audit report and balance sheet for the Forum Civil Peace Service Foundation is available on the foundation's new website: www.stiftung-forumZFD.de.

Forum Civil Peace Service Foundation Board



Heinz Wagner
Chairman



Margit Röhm
Deputy Chairwoman



Neithard Petry
Treasurer



Tilman Evers
Board Member



Michael Germer
Board Member

For information on how to become an investor in peace as well as on 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
912732-32

Email oelerich@forumZFD.de

Profit and loss statement / Foundation

1 January to 31 December 2018

INCOME	2018 (€)	2017 (€)
Operating income	3,860.00	2,700.00
Other interest and similar revenue	8,572.50	5,771.67
Total income	12,432.50	8,471.67
EXPENDITURE		
Room and advertising costs	- 6,109.19	- 3,892.29
Other costs	- 137.07	- 99.91
Other expenses	- 5,640.00	- 4,000.00
Total expenditure	- 11,886.26	- 7,992.20
ANNUAL NET PROFIT	546.24	479.47

Balance sheet / Foundation

As at 31 December 2018

ASSETS	2018 (€)	2017 (€)
A Current assets		
I Other loans		
1 Loans	354,000.00	276,000.00
II Cash, Federal Bank assets, assets at credit institutions and in cheques	13,589.64	8,014.40
III Accounts receivable and other assets	0.00	0.00
TOTAL	367,589.64	284,014.40

LIABILITIES	2018 (€)	2017 (€)
A Equity		
1 Subscribed capital	349,000.00	271,000.00
2 Profit carried forward	1,014.40	534.93
3 Annual net profit	546.24	479.47
D Liabilities		
Other liabilities	17,029.00	12,000.00
TOTAL	367,589.64	284,014.40

Capital development

Since founding



Explanations of the balance sheet Forum Civil Peace Service Foundation – as at 31.12.2018

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 Receivables include the loan from forumZFD e. V. 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 €349,000.00 (€286,000 in endowments and €63,000.00 in foundation contributions). The new endowments totalled €78,000.00 in 2018.
- 2 Profit carried forward: in light of the annual net profit, the profit carried forward could be increased by €479.47 to €1,014.40 compared to €534.93 in the previous year.
- 3 Annual net profit: the annual net profit of €546.24 was offset against the profit carried forward and carried forward to the new account.

D Liabilities

Other liabilities are mainly the loans. The loan periods run for between one and five years.

“We are guided by the vision of a world community which does not resort to violence when dealing with disparities. Our instruments of civil conflict management and our expertise in this field are contributions to such a world.”

Excerpt from forumZFD’s mission statement



forumZFD

Committed to Peace

forumZFD

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BIC BFSWDE33XXX