Committed to Peace

Anniversary year: 20 years of commitment to peace

forumZFD annual report for the 2016 business year
About forumZFD
At forumZFD, we support people facing violent conflicts on their path to peace. Our organisation was established back 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 a variety of 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,

forumZFD is celebrating twenty years of being committed to peace! The 2016 annual report informs on our association’s anniversary year, which can be summed up in three words, namely reflection, celebration and action.

In June 2016, we spent a whole week sharing our experiences from twenty years of peace work in Germany and abroad and consolidating inspiring impetus for future projects with our local and international employees from more than thirteen countries. We celebrated our achievements with our many friends, partners and supporters.

With our 2016 annual report, we wish to provide the funders, supporters and partners of our peace work with an overview of the key developments in forumZFD’s work over the past year. Furthermore, we shall report on our use of the public funds made available to us as well as the donations we were entrusted with. Please refer to pages 9–14 of this document for the financial report, which includes a detailed overview of our income and expenditure along with the consolidated balance sheet for 2016 and the audit report from our auditing company.

We consider it important to provide you and the public with a transparent insight into our work and financing structures. After all, it is your trust that enables us to continue doing the work that the Forum Ziviler Friedensdienst association was established to do twenty years ago and that we remain committed to to this day:

To accompany people and societies facing conflicts on their path to a peaceful coexistence – through professional training for peace work, civil and non-violent activities for promoting peace and managing conflicts in other countries, helping communities to develop their social structures for preventing violence and fostering social cohesion, and campaigns, lobby work and public outreach activities for a civil peace policy. A peaceful coexistence is possible when social change is the result of a collaborative process. This was also our experience in 2016.

We would like to thank all of those who supported us in 2016: our partners in projects, policies and institutions; our donors, sponsors, voluntary helpers, and, last but not least, our staff! Read on the following pages about everything that we achieved together in 2016 in our continued commitment to peace.

Warm wishes

P. 2: © MustangJoe/Pixabay
All other photos: forumZFD e.V.

P. 100% recycled paper

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

Oliver Knabe
Chairman of the Executive Board

Carsten Montag
Member of the Executive Board
In 2016, we looked back on twenty years of forumZFD. Established in 1996 to advocate the “realisation of the idea of a Civil Peace Service”, what began as a small association quickly evolved from its modest beginnings. Indeed, the anniversary celebrations in July made this impressively clear. For the first time ever, all of the staff from forumZFD’s projects and programmes met for a conference in Cologne and took advantage of this opportunity for an intensive exchange.

For the Board (now the Supervisory Board), the 2016 business year was largely spent preparing for the extensive changes to the association statutes. The increase in projects and programmes in turn led to growth in the finance volumes and personnel. More than one hundred people work for forumZFD at Peace House in Cologne and in the association’s projects and programmes in Germany and abroad. The balance sheet developments are detailed in this annual report.

Structural changes had become necessary in order to handle this growth responsibly without burdening the voluntary, personally liable board members with the full risk. This process kept us busy the entire year and involved closed meetings and collaboration with legal experts.

forumZFD’s new statutes were adopted at the members’ meeting held on 23 October 2016 and thereby came into effect. The voluntary Supervisory Board was elected for a three-year term. In addition, Oliver Knabe was appointed Chairman of the Executive Board and Carsten Montag, a member of the Executive Board.

The key consequences of the changes to the statutes are:

- The members’ meeting shall remain the highest authority of forumZFD e. V. It will elect a voluntary Supervisory Board for a period of three years. This Supervisory Board makes strategic decisions, appoints the salaried Executive Board, and advises and oversees the latter’s activities. The Executive Board manages the association’s business affairs in accordance with its statutes and reports regularly to the Supervisory Board.

- The process to set this up was challenging yet rewarding, as it drew our attention to our roots and to how we wish to continue the tasks we have begun. We would like to thank all of those who supported us during this process with questions and suggestions. We ask members who remain sceptical to keep an open mind to further developments. A very special thanks goes to all our donors, the participants in our peace runs and benefactors. Without their financial support, we would not be where we are today.

- We are confident that we have set the right course for a successful future with the new association statutes to be able to continue developing what we began twenty years ago.

In June 2016, the full-time employees in Germany and abroad celebrated forumZFD’s anniversary during an international workshop and anniversary celebration at Peace House on Am Kölner Brett.

**Report of the Supervisory Board**

**Continuity and change**

- **Hanna Lagedens** 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
- **Helga Tempel** Honorary Chairwoman

In June 2016, the full-time employees in Germany and abroad celebrated forumZFD’s anniversary during an international workshop and anniversary celebration at Peace House on Am Kölner Brett.

**Report of the Executive Board**

**Focus of our work in 2016**
Providing training for peace

This summary begins with the aspect that set everything in motion twenty years ago, namely the training of peace consultants. To date, more than 500 peace consultants have been trained at our Academy for Conflict Transformation (because “peace needs experts”). Many are still active worldwide in conflict regions for forumZFD or other organisations for development cooperation. In 2016, the course content was extensively revised and the conceptual foundations laid for our new training format: webinars. These online seminars on selected topics will enable peace consultants to participate in our courses without the expense of having to travel from the project regions.

Finding peaceful solutions to violent conflicts: shaping social change and integration

We have worked with our partners in more than ten countries to help manage conflicts and show that lasting alternatives to violence do exist. Against the background of over 1.5 million refugees in Lebanon, we have considerably expanded our work in the country’s host communities. By training community workers in methods of conflict transformation, for instance, projects are developed that combine the interests of both Syrian refugees and local residents. In addition, we have strengthened our commitment with new programmes in Jordan and Ukraine. In Germany, we help communities to develop their social structures and deal with the consequences of social change. The demographic shift, immigration and unemployment often bring uncertainty, fears and new conflicts.

Helping to shape peace policy

With the “Peace and Justice. NOW!” campaign, we advocate peacebuilding policy that reduces military spending. We support the 2030 Agenda with expert contributions to consistent, peace-enhancing implementation of the German sustainable development strategy. Together with the German Platform for Peaceful Conflict Management (Plattform Zivile Konfliktbearbeitung), we have also actively furthered the debate on the German federal government’s peace policy guidelines on “Preventing crises, resolving conflicts, building peace” and campaigned for greater involvement of the peace potential of the local civil society and the promotion of innovative instruments such as civil peacekeeping. This and the work of our partners in the Civil Peace Service consortium have played a part in the Civil Peace Service as a whole being recognised by members of all political parties as an important peace policy programme for the federal government. In 2016, this was also reflected in an increase in the programme funding from the federal budget.

The next 20 years...

To enable us to continue our peace work effectively in the coming years, we instigated important and necessary structural developments in 2016. With expansion of our projects in conflict management in Germany and abroad, the number of employees has risen to significantly more than 30 staff based at the head office in Cologne. With the introduction of a new electronic storage system we have also taken an important step towards improving our knowledge management and simplifying our work processes.

Images p. 5–8: The exchange of experiences during the international workshop marking forumZFD’s twentieth anniversary was extremely helpful to future organisation of the project work.

Finally, we would like to mention one further important change that was agreed at the members’ meeting in October 2016 (also following intensive preparation): the Forum Ziviler Friedensdienst e. V. association (forumZFD) has adopted a new association structure and statutes, which enable clearer assignment of tasks and decision-making processes. While the old statutes focused on establishing a civil peace service, the new statutes describe the peace policy tasks and objectives in far greater detail. We are very pleased that these changes were also unanimously supported by the members and member organisations.
Very pleasing growth in donations

We are delighted with the level of donations in 2016. More than 16,000 schoolchildren participated in the annual peace runs, raising over €200,000. Many also used our educational materials in class to consider the question of how peace can be fostered in violent conflicts. We achieved a record level of donations in 2016 overall, with donation income totalling almost €490,000.

Our heartfelt thanks to all our supporters, sponsors and donors for this! In 2016, your trust in our peace work was once again essential to all of the project measures and activities that we implemented.

Conclusion

An intensive yet highly successful 2016 lies behind us. A year in which we were able to provide important peace policy input and, in some places, contribute to furthering peace, preventing violence and improving social cohesion. Last but not least, our peace consultants (together with their local employees and the project partners) played a key role in making this possible – supported by motivated and committed employees at the head office. We would therefore like to take this opportunity to express our special thanks to you all.

forumZFD’s organisational structure

**Foundation**
Forum Civil Peace Service

**Members’ meeting**
37 member organisations and 136 individual members

**Executive Board**
Manages the limited company (GmbH)

**Supervisory Board**
Appoints a representative

Forum Ziviler Friedensdienst GmbH
Peace House, Am Kölner Brett
Managing Director: Oliver Knabe

**Head office in Cologne**
Chairman of the Executive Board: Oliver Knabe

**Members of the Executive Board**: Carsten Montag

**Donors’ meeting**

**Support**
Head of department: Benedikt Kaleß

**IT**
Head of department: Benedikt Kaleß

**Department Communication**
Head of department: Christoph Bongard

**Department Finance & Administration**
Head of department: Susanne Lauther

**Department Projects & Programmes**

**Department Academy for Conflict Transformation**
Head of department: Susanne Lauther

**Forum Ziviler Friedensdienst e. V.**
Non-profit organisation

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.
Revenue and spending in the 2016 financial year

During the reporting period, the association recorded net profit totalling €6,215.69. The deficit not covered by equity capital (so the association’s debt) was entirely balanced by the reporting date. The capital reserves increased to €110,722.23.

On the revenue side, the positive annual results are in particular due to the extremely positive development of donations: the donation total (excluding funding grants) increased almost 20%, which can largely be attributed to the increase in funding from the Federal Ministry for Economic Cooperation and Development (BMZ). 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.

To safeguard the association’s financial ability to act in the long term, €43,371.25 were put into the free reserve. The Forum Civil Peace Service limited company (GmbH), which is wholly owned by the association and operates Peace House on Am Kölner Brücke that was acquired in 2012, closed the 2016 financial report.

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

The association’s total turnover rose from €5.4 million in 2015 to €8.5 million in 2016. This corresponds to an increase of around 20%, which can largely be attributed to the increase in funding in the association statutes as well as interpretation of IDW pronouncement RS HFA 14 on accounting for associations. The present financial statement has been prepared in accordance with the statutory provisions and in particular § 317 of the German Commercial Code (Handelsgesetzbuch, HGB) and the German principles for the orderly reporting of financial statement (BvS 45). On the spending side, spending on the so-called “core budget” i.e. not covered by the institutional support for our project work) increased by around 24%. This included the increased spending on personnel as well as the higher office and consulting costs.

Profit and loss statement / forumZFD

1 January to 31 December 2016

<table>
<thead>
<tr>
<th>INCOME</th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income – core budget</td>
<td>536,268.52</td>
</tr>
<tr>
<td>Income – BMZ projects overseas</td>
<td>4,637,170.84</td>
</tr>
<tr>
<td>Income – BMZ qualification</td>
<td>715,274.16</td>
</tr>
<tr>
<td>Income – other project qualification</td>
<td>36,435.10</td>
</tr>
<tr>
<td>Income – conflict consulting in Germany</td>
<td>331,642.62</td>
</tr>
<tr>
<td>Income – third-party/other funding</td>
<td>234,903.73</td>
</tr>
<tr>
<td>Total income</td>
<td>6,641,676.97</td>
</tr>
<tr>
<td>Withdrawals from reserves</td>
<td>0.00</td>
</tr>
<tr>
<td>Total</td>
<td>6,641,676.97</td>
</tr>
</tbody>
</table>

Profit and loss statement / forumZFD

1 January to 31 December 2016

<table>
<thead>
<tr>
<th>EXPENDITURE</th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure – core budget</td>
<td>446,681.58</td>
</tr>
<tr>
<td>Expenditure – BMZ projects overseas</td>
<td>4,637,170.84</td>
</tr>
<tr>
<td>Expenditure – BMZ qualification</td>
<td>715,274.16</td>
</tr>
<tr>
<td>Expenditure – other project qualification</td>
<td>36,435.10</td>
</tr>
<tr>
<td>Expenditure – conflict consulting in Germany</td>
<td>331,642.62</td>
</tr>
<tr>
<td>Expenditure – other projects</td>
<td>234,903.73</td>
</tr>
<tr>
<td>Total expenditure</td>
<td>6,402,090.03</td>
</tr>
<tr>
<td>Transfers to reserves</td>
<td>43,371.25</td>
</tr>
<tr>
<td>Net profit</td>
<td>6,459,676.97</td>
</tr>
</tbody>
</table>

Balance sheet / forumZFD

as at 31 December 2016

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>net value of fixed assets</td>
<td>281,951.53</td>
</tr>
<tr>
<td>other assets</td>
<td>4,591,784.72</td>
</tr>
<tr>
<td>Total assets</td>
<td>7,373,736.25</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>equity capital</td>
<td>281,951.53</td>
</tr>
<tr>
<td>net profit</td>
<td>4,591,784.72</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>4,873,736.25</td>
</tr>
</tbody>
</table>

In its report dated 18 October 2017 on the audits of the 2016 financial year, it stated: "Our audit does not give rise to an adverse opinion. According to our assessment based on the knowledge acquired during the course of the audits, the annual financial statement complies with the statutory provisions and supplementary regulations in the association statutes as well as interpretation of IDW pronouncement RS HFA 14 on financial reporting for associations. The present financial statement has been prepared in accordance with the statutory provisions and in particular § 317 of the German Commercial Code (Handelsgesetzbuch, HGB) and the German principles for the orderly reporting of financial statement (BvS 45)."
The Forum Ziviler Friedensdienst limited company (GmbH) operates Peace House on Am Kölner Brett, where forumZFD’s head office is located.

Due to the continuous expansion of our work, there is no longer any space available at Peace House on Am Kölner Brett. All available workstations are in use. In 2016, the GmbH therefore commissioned an architect to draw up designs to extend Peace House on Am Kölner Brett, which we moved into in spring 2012. We would like to thank all lenders for the trust they have placed in us and for supporting the GmbH’s financing concept.

In the past few years, it has been possible to repay most of the loans granted by the bank or to replace these with low-interest loans from other funders. Following slight initial losses, the GmbH has presented positive financial statements since 2014.

In addition, four other peace foundations invested a portion of their foundation capital (€230,000 in total) in the property “Peace House on Am Kölner Brett” and have since received interest payments to further their own projects. An additional bank loan of €380,000 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 lenders for the trust they have placed in us and for supporting the GmbH’s financing concept.

Loans totalling €450,000 were successfully obtained from forumZFD e. V. funders to purchase a property.

**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 at a linear rate. Without exception, immovable and other assets have a remaining time of up to one year and are shown with nominal value. Capital assets are shown at their nominal value. The other provisions cover all foreseeable risks and have been determined on the basis of a reasonable commercial estimate.

**Profit and loss statement / GmbH**

1. January to 31 December 2016

**INCOME / EXPENDITURE €**

1. Revenue 63,240.00
2. Total income 63,240.00
3. Other operating income
   a) Income from the release of provisions 99.11
4. Depreciation
   a) on intangible assets of fixed assets and tangible assets 13,846.00
5. Other operating expenses
   a) Room costs 6,240.58
   b) Insurance, contributions and fees 1,602.03
   c) Repairs and maintenance 11,126.75
d) Advertising and travel expenses 0.00
e) Miscellaneous operating expenses 1,004.90
f) Losses from the disposal of fixed assets 181.50
5. Other miscellaneous operating expenses 134.94
6. Other interest and similar revenue of affiliated companies €181.67 (€0.00) 181.67
7. Interest and similar expenses 28,722.65
8. Earnings after tax 421.43

**Annual net profit** 421.43

**Balance sheet / GmbH**

as at 31 December 2016

**ASSETS €**

A. Fixed assets
   1. Tangible assets
      a) Properties, rights equivalent to real estate property and buildings, incl. buildings on third-party land 811,331.13
   B. Current assets
      1. Inventories
         a) Advance payments 2,677.50
      B. Accounts receivable and other assets
         1. Accounts receivable from deliveries and services 0.00
         2. Accounts receivable from companies with which a shareholding exists 30,000.00
   C. Other assets 460.70
   II. Cash, assets at credit institutions and in cheques 48,385.81
   C. Accruals and deferrals 1,281.54

**Total** 894,136.68

**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 at a linear rate. Without exception, immovable and other assets have a remaining time of up to one year and are shown with nominal value. Capital assets are shown at their nominal value. The other provisions cover all foreseeable risks and have been determined on the basis of a reasonable commercial estimate.

**PROFITS AND LOSSES**

1. Liabilities to credit institutions with a remaining term of more than one year €99,656.07 (€143,539.04)
2. Liabilities from deliveries and services with a remaining term of up to one year €574.11 (€643.11)
3. Other liabilities with a remaining term of up to one year €641,500.30 (€631,731.41) with a remaining term of more than one year €366,512.13 (€372,691.90)

**Total** 894,136.68

**INCOME / EXPENDITURE €**

1. Revenue 63,240.00
2. Total income 63,240.00
3. Other operating income
   a) Income from the release of provisions 99.11
4. Depreciation
   a) on intangible assets of fixed assets and tangible assets 13,846.00
5. Other operating expenses
   a) Room costs 6,240.58
   b) Insurance, contributions and fees 1,602.03
   c) Repairs and maintenance 11,126.75
d) Advertising and travel expenses 0.00
e) Miscellaneous operating expenses 1,004.90
f) Losses from the disposal of fixed assets 181.50
5. Other miscellaneous operating expenses 134.94
6. Other interest and similar revenue of affiliated companies €181.67 (€0.00) 181.67
7. Interest and similar expenses 28,722.65
8. Earnings after tax 421.43

**Annual net profit** 421.43
Established in 2014, the initial foundation capital of €63,000 could be increased in the following two years to €188,000 by the end of 2016 through donations and loans. From capital gains and donations in 2016, the foundation made €5,000 available for forumZFD’s peace work, which was paid to the association at the start of 2017. This brought the total funding amount since the foundation’s establishment to €16,500.

In accordance with the statutes, the foundation’s central task is to promote the non-profit organisation Forum Ziviler Friedensdienst e. V. The foundation sees its work as 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. The foundation strives in this way to contribute to the creation of social structures for fair and lasting peace in Germany, Europe and worldwide.

By making a donation, (minimum of €5,000), bequest, legacy or gift, sponsors contribute to increasing the foundation’s assets. Donations and bequests are subject to the legal stipulation that the full amount donated must remain foundation capital. Only the revenue from the foundation assets as well as donations to the foundation may be used for the foundation’s purpose, i.e. forumZFD e. V.’s peace work. The legislators support this form of social commitment with special tax benefits.

An important task for the Board and the donors’ meeting over the coming years will be to encourage more people to make a long-term contribution to promoting peace beyond their own lifetime by donating a portion of their assets or legacy. The greater the foundation’s assets, the higher the revenue available for forumZFD e. V.’ work to promote peace.

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

Forum Civil Peace Service Foundation
Slow but continuous growth

Overview of development

- Initial capital: €63,000 (December 2014)
- Foundation capital: €146,000 (December 2015)
- Foundation capital: €176,000 (December 2016)

Forum Civil Peace Service Foundation Board

Hanna Wagner
Chairman
Neithard Petry
Treasurer
Margit Roth
Deputy Chairman

Western Balkans
- Projects and locations: Bosnia and Herzegovina: Sarajevo; Kosovo: Pristina; Macedonia: Skopje; Serbia: Belgrade
- Number of employees: 26 (deployed: 12; local: 14)
- Project funding: €1,870,505
- Funding sources: Federal Ministry for Economic Cooperation and Development (BMZ); EVZ Foundation; PeaceNexus Foundation

Middle East
- Projects and locations: Israel and Palestine: Jerusalem; Lebanon: Beirut; Sarajevo
- Number of employees: 15 (deployed: 7; local: 8)
- Project funding: €1,084,485
- Funding sources: Federal Ministry for Economic Cooperation and Development (BMZ); Robert Bosch Foundation

Germany
- Projects and locations: Germany: Europe and worldwide
- Number of employees: 6 consultants
- Project funding: €331,625
- 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; funding from the participating municipalities

South-East Asia
- Projects and locations: Philippines: Mindanao; Davao; Butuan; Cotabato; Manila; Cambodia: Phnom Penh; Battambang
- Number of employees: 14 (deployed: 3; local: 11)
- Project funding: €580,553
- Cambodia: €448,464
- Funding sources: Federal Ministry for Economic Cooperation and Development (BMZ)

For more 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 and Communications Officer
Telephone +49 (0)221 912732-32
Email oelerich@forumZFD.de

Facts and figures

Funding sources:
- Federal Ministry for Economic Cooperation and Development (BMZ)
- EVZ Foundation
- PeaceNexus Foundation

Project funding:
- €1,870,505
- €1,084,485
- €331,625

Number of employees:
- 26 (deployed: 12; local: 14)
- 15 (deployed: 7; local: 8)
- 6 consultants

Overview of development

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