

Pan Eco  
Foundation for Sustainable Development  
and Intercultural Exchange  
8415 Berg am Irchel  
Switzerland

Financial Statements 2009

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## Balance sheet as of 31 December 2009

Comparison current year / prior year

	<b>2009</b>		<b>2008</b>	
	CHF	%	CHF	%
<b>Assets</b>				
Cash	67'289.59	33%	41'767.46	17%
Receivables	26.11	0%	1'258.22	1%
Accrued income	79'323.56	38%	194'512.27	80%
<b>Current assets</b>	<u>146'639.26</u>	<u>71%</u>	<u>237'537.95</u>	<u>97%</u>
Tangible fixed assets	59'608.06	24%	6'111.24	3%
<b>Non-current assets</b>	<u>59'608.06</u>	<u>29%</u>	<u>6'111.24</u>	<u>3%</u>
<b>Assets</b>	<u><u>206'247.32</u></u>	<u><u>100%</u></u>	<u><u>243'649.19</u></u>	<u><u>100%</u></u>
<b>Liabilities, funds and capital</b>				
Liabilities	52'873.90	26%	16'509.25	7%
Accrued liabilities	10'245.00	5%	6'123.80	3%
<b>Liabilities</b>	<u>63'118.90</u>	<u>31%</u>	<u>22'633.05</u>	<u>9%</u>
<b>Restricted Funds</b>	<u>104'787.45</u>	<u>51%</u>	<u>182'675.17</u>	<u>75%</u>
Paid-in capital	10'000.00	5%	10'000.00	4%
Internally generated unrestricted operating funds	28'340.97	14%	28'340.97	12%
<b>Capital of the organisation</b>	<u>38'340.97</u>	<u>19%</u>	<u>38'340.97</u>	<u>16%</u>
<b>Liabilities, funds and capital</b>	<u><u>206'247.32</u></u>	<u><u>100%</u></u>	<u><u>243'649.19</u></u>	<u><u>100%</u></u>

## Statement of operations for the year ended 31 December 2009

Comparison current year / prior year

	<b>2009</b>		<b>2008</b>	
	CHF	%	CHF	%
<b>Income</b>				
Donations of sponsors and other foundations	1'416'503.69	73%	1'383'967.28	76%
Other donations	486'124.45	25%	433'251.05	24%
<b>Income from fund raising campaigns</b>	<b>1'902'628.14</b>	<b>98%</b>	<b>1'817'218.33</b>	<b>100%</b>
Sales	2'392.00	0%	2'230.50	0%
Income Travel Services	17'427.00	1%	17'800.00	1%
Income Environmental education Switzerland	16'858.00	1%	14'974.00	1%
Income from events	-	0%	1'471.10	0%
<b>Income from services rendered</b>	<b>36'677.00</b>	<b>2%</b>	<b>36'475.60</b>	<b>2%</b>
<b>Income</b>	<b>1'939'305.14</b>	<b>100%</b>	<b>1'853'693.93</b>	<b>100%</b>
<b>Expenditure on services</b>				
Environmental Education Switzerland	-473'456.20	-24%	-279'348.14	-15%
Environmental Education Sumatra, Sumat	-167'896.39	-9%	-228'822.63	-12%
Environmental Education Seloliman, Java	-199'248.61	-10%	-174'725.88	-9%
Environmental Education	-840'601.20		-682'896.65	
Sumatran Orang Utang Conservation	-573'245.69	-30%	-644'088.43	-35%
Environmental protection / nature conservati	-573'245.69	-30%	-644'088.43	-35%
Ecological Construction	-54'054.47	-3%	-54'275.07	-3%
Reconstruction Sumatra	-	0%	-10'912.00	-1%
Sustainable Development	-54'054.47	-3%	-65'187.07	-4%
Partnerships and other projects	-237'134.77	-12%	-362'231.35	-20%
<b>Direct project expenditure</b>	<b>-1'705'036.13</b>	<b>-88%</b>	<b>-1'754'403.50</b>	<b>-95%</b>
<b>Communication and fund raising</b>	<b>-179'424.44</b>	<b>-9%</b>	<b>-92'139.25</b>	<b>-5%</b>
<b>Purchase of goods</b>	<b>-8'545.60</b>	<b>0%</b>	<b>-614.96</b>	<b>0%</b>
<b>Administration</b>	<b>-120'540.70</b>	<b>-6%</b>	<b>-101'085.64</b>	<b>-5%</b>
<b>Expenditure on services</b>	<b>-2'013'546.87</b>	<b>-104%</b>	<b>-1'948'243.35</b>	<b>-105%</b>
<b>Operating result</b>	<b>-74'241.73</b>	<b>-4%</b>	<b>-94'549.42</b>	<b>-5%</b>

## Statement of operations for the year ended 31 December 2009

Comparison current year / prior year

	<b>2009</b>		<b>2008</b>	
	CHF	%	CHF	%
<b>Operating result</b>	-74'241.73		-94'549.42	
Financial income	595.50		832.68	
Financial expenses	-4'241.49		-480.14	
<b>Financial result</b>	-3'645.99		352.54	
<b>Result before allocation and use of funds</b>	-77'887.72		-94'196.88	
Allocation	-401'029.40		-305'545.35	
Use	478'917.12		399'742.23	
<b>Result from restricted funds</b>	77'887.72		94'196.88	
Allocation	-		-	
Use	-		-	
<b>Result from capital of the organisation</b>	-		-	
<b>Result after allocation and use of funds</b>	-		-	

## Statement of changes in capital 2009

	Opening balance 1 January 2008	Allocation	Use	Closing balance 31 Dec' 2008
<b>Restricted funds</b>				
Environmental education	-	100'075.00	-100'075.00	-
Environmental protection and nature conservation	54'130.55	261'954.40	-263'723.85	52'361.10
Sustainable Development	1'480.27	-	-1'480.27	-
Other projects	127'064.35	39'000.00	-113'638.00	52'426.35
	<b>182'675.17</b>	<b>401'029.40</b>	<b>-478'917.12</b>	<b>104'787.45</b>
<b>Capital of the organisation</b>				
Paid-in capital	10'000.00	-	-	10'000.00
Internally generated unrestricted operating funds	28'340.97	-	-	28'340.97
	<b>38'340.97</b>	<b>-</b>	<b>-</b>	<b>38'340.97</b>

## Notes to the financial statements 2009

Comparison current year / prior year

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in CHF

### 1. Accounting principles

The financial statements of Pan Eco have been prepared in accordance with Swiss GAAP FER and give a true and fair view of the financial position and the results of operations. The financial statements comply with Swiss law, the charter and regulations of the foundation and the provisions of ZEWÖ Foundation (Fachstelle für gemeinnützige, spendensammelnde Organisationen).

The assets are valued at historical costs (acquisition costs or costs of production) and are valued individually. Expenses and income are recognized on an accrual basis.

Foreign currency positions are translated at year end exchange rates of the Swiss Federal Tax Administration to Swiss Francs ("CHF"). Translation differences are recognized in the income statements.

### 2. Explanations of balance sheet position

#### *Cash*

Cash is valued at the nominal amount.

#### *Receivables*

Receivables are valued at par value less impairment, if any.

#### *Accrued income*

In the current year, no prepayments for projects have been transferred. Donations granted for the current year that are paid in early 2009 have been recognized in 2008.

## Notes to the financial statements 2009

Comparison current year / prior year

in CHF

### ***Tangible Fixed assets***

Tangible fixed assets are valued at historical costs less accumulated depreciation. The depreciation is recognised on a systematic basis over the useful life time. Assets above CHF 2'000 are capitalised.

The useful life time is estimated:

Facilities	5 years
Hard- and Software	3 years

	Facilities	Hard-/Software	Total
<u>Accumulated gross values of cost</u>			
Opening balance 1.1.2009	13'535.20	27'211.50	40'746.70
Additions	52'670.95	21'786.40	74'457.35
Closing balance 31.12.2009	66'206.15	48'997.90	115'204.05

<u>Accumulated depreciation</u>			
Opening balance 1.1.2009	-9'241.12	-25'394.34	-34'635.46
Depreciation	-11'881.23	-9'079.30	-20'960.53
Closing balance 31.12.2009	-21'122.35	-34'473.64	-55'595.99
Net carrying amounts 31.12.2009	45'083.80	14'524.26	59'608.06

	Facilities	Hard-/Software	Total
<u>Accumulated gross values of cost</u>			
Opening balance 1.1.2008	9'535.20	27'211.50	36'746.70
Additions	4'000.00	-	4'000.00
Closing balance 31.12.2008	13'535.20	27'211.50	40'746.70

<u>Accumulated depreciation</u>			
Opening balance 1.1.2008	-7'894.08	-21'715.17	-29'609.25
Depreciation	-1'347.04	-3'679.17	-5'026.21
Closing balance 31.12.2008	-9'241.12	-25'394.34	-34'635.46
Net carrying amounts 31.12.2008	4'294.08	1'817.16	6'111.24

### ***Liabilities and accrued liabilities***

These balance sheet items are not related to projects.

### ***Restricted funds and capital of the organisation***

The detail and the changes in capital can be found in the "Statement of changes in capital".

## Notes to the financial statements 2009

Comparison current year / prior year

in CHF

### 3. Explanations of positions of the statement of operations

#### *Expenditure on services*

The expenditure on services are subdivided according to Swiss GAAP FER 21 in direct project expenditure (projects of the foundation) and administrative project expenditure (Communication and fundraising, purchase of goods and administration).

	2009	2008
<u>Direct project expenditure</u>		
Personnel costs	1'166'384.79	1'219'398.63
Travel and representation	65'546.44	28'519.63
Maintenance	10'343.98	893.84
Operating expenditure	462'760.92	505'591.40
	<u>1'705'036.13</u>	<u>1'754'403.50</u>
<u>Administrative project expenditure</u>		
Personnel costs	168'066.44	157'291.47
Travel and representation	5'293.25	129.45
Administrative	34'877.98	17'337.26
Fundraising	75'670.29	11'535.27
Maintenance	3'642.25	2'520.19
Depreciation	20'960.53	5'026.21
	<u>308'510.74</u>	<u>193'839.85</u>
Expenditure on services	<u>2'013'546.87</u>	<u>1'948'243.35</u>

Depreciation are charged to the administrative project expenditure.

#### *Direct project expenditure*

The foundations' regional, national and international projects descriptions, the targets achieved and the future challenges are outlined in the detailed annual report.

The following transactions (cash transfers) with related parties (legally independent organisations, partnerships) took place in the current year:

	2009	2008
Yayasan Ekosistem Lestari, Medan, Indonesien	425'032.00	542'558.40
Environmental Education Center, Seloliman, Java	153'190.66	83'749.68
Environmental Education Center, Puntondo, Sulawesi	24'206.65	45'439.19

## Notes to the financial statements 2009

Comparison current year / prior year

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in CHF

### ***Communication and fund raising***

The activities are described in more detail in the annual report.

### ***Administration***

Administration expenses include expenditures for management, legal advice, human resources, accounting, information technology and logistics. These divisions render services to the overall foundation Pan Eco and to the partnerships.

### ***Results from restricted funds and capital of the organisation***

The detail and the changes can be found in the "Statement of changes in capital".

## **4. Explanations to the Statement of changes in capital**

### ***Allocation and use***

The columns allocation and use outline the positions disclosed in the statement of operations in more detail (by fund). The purpose of this regulation is to prove that the restricted funds received are spent in accordance with the purpose dedicated.

## **5. Other disclosure**

### ***Remuneration to Members of the Board of Foundation***

Only pocket expenses are refunded.

### ***Transaction with related parties***

Related parties include the Board of Foundation, advisory board and foreign partner organisations. Other transactions than those outlined in chapter 3 (Explanations of positions of the statement of operations) did not take place.

### ***Volunteer services***

Employees of the foundation and third parties rendered volunteer work to the foundation. The recognition would cause disproportional time and effort. However, the foundation will implement a "volunteer services management" in the future.

### ***Events occurring after the balance sheet date***

The Board of the foundation has approved the financial statement on March 26, 2010. There are no after balance sheets date events that have an impact on the financial statements 2009.

## Notes to the financial statements 2009

Comparison current year / prior year

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in CHF

### 5. Risk assessment

Based on a periodic and systematic risk identification, material risks for the foundation are assessed and evaluated for their probability of occurrence and the extent of the financial impact. With adequate actions, these risks are avoided, reduced or transferred. The remaining risks are monitored consequently. The last risk assessment has been performed on March 26, 2010.

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