

Annual report

2018



Titel (Hoffnungszeichen)

The people of the Karamoja region of north-eastern Uganda live cut off from the rest of the world. A precarious food situation and a lack of medical care are the biggest challenges here. In order to assist people like Christin Kabusja and her daughter Alise, in the reporting year 2018 Hoffnungszeichen began construction of a clinic in the parish of Kosike. Even though the health centre has not yet been opened, a mobile task force regularly treats the most common illnesses as well as malnourished children. The lives of many people have already taken a turn for the better.

Annual report 2018

Hoffnungszeichen

Foreword and acknowledgements	04–05
About Hoffnungszeichen e.V.	06–15
Who we are, what we do, who we help	06–09
Organisation and structure	10–11
Transparency and communications	12–13
Core focuses	14–15
Where we operate	16–33
Project countries around the world	16–17
Our operations in figures	18–19
South Sudan	20–22
Uganda	24–25
India	26–27
Nagorno-Karabakh	28
Yemen	29
Armenia and Malawi	30
Kenya and Ethiopia	31
Bangladesh and DR Congo	32
Other countries	33
Finances	34–37
Balance sheet and explanation	34–35
Auditors' report	36
Income statement	37
Outlook and strategy	38–39
The Hoffnungszeichen Foundation	40–41

Legal Notice

Publisher:
Hoffnungszeichen | Sign of Hope e.V.
Schneckenburgstr. 11 d · 78467 Konstanz
Tel. +49(0)7531 9450160
Fax +49(0)7531 9450161
Email: info@hoffnungszeichen.de
Website www.hoffnungszeichen.de

Content editor: Reimund Reubelt
Editorial team: Barbara Amann,
Sophie Günthner, Martin Hofmann,
Saskia Polter, Dorit Töpler, Bettina
Wick

Images: Hoffnungszeichen, unless
otherwise indicated.

Donation account:
IBAN: DE72 5206 0410 0000 0019 10
BIC: GENODEF1EK1 · EB Kassel



Executive committee:
Reimund Reubelt (First Chairman),
Klaus Stieglitz (Second Chairman)

Volunteer supervisory board:
Gerhard Heizmann (Chairman),
Manfred Steiner (Deputy Chairman),
Pastor Wilhelm Olschewski and
Stefan Daub



Foreword

Through our projects we support people as they live their everyday lives, but also those living in desperate situations. In 2018, water played a huge role in the assistance we provided around the world.



Gerhard Heizmann
Chairman of the Volunteer Supervisory Board

Extreme drought, dry periods that lasted multiple weeks - in Germany, this is ordinarily something we only hear about in the news, usually in relation to African countries. However, the summer of 2018 showed us that exceptional situations such as these can affect Central Europe too. Burning forests and pastures, water shortages for farmers, the partial suspension of inland shipping - the long term consequences of this drought on our natural surroundings will only manifest themselves little by little.

In our technologically developed, comfortable world with water pipelines, air-conditioned houses and fully-stocked supermarkets, we certainly take notice of this kind of weather phenomenon, but it does not directly influence our well-being. In predominantly dry re-

gions such as northern Kenya or conflict-riven Yemen, on the other hand, water is always in short supply.

Our projects in the fiscal year 2018 were therefore largely centred around water, for example drilling wells in South Sudan or constructing field irrigation systems in Malawi. There is also ample information in the annual report in front of you about other matters that are important to us, such as food, education, healthcare and human rights work. Join us as we look back over the past year and forward to the one to come. Our work for the needy and the oppressed goes on and is always a joint effort. We are grateful to you for your continued support.

Acknowledgements

Then Jesus said to him, "Rise, take up thy bed and walk." (John 5.8)

If only it were so easy! Healing the sick at the touch of a hand - this would be a spectacular sight today, never mind in Jesus' time. Anybody who has ever been seriously ill or who has sick relatives knows how lengthy, exhausting and costly the healing process can be. But the biblical story of Jesus and the sick man is about more than just the wonder of healing. Rather, it tries to tell us that something must be done - just as Jesus did all that he could. We don't know what this kind of healing cost him in terms of strength and dedication.

The projects our employees are tasked with are exhausting and labour-intensive too, for example building health stations from scratch for the local populace in remote regions of Uganda or Ethiopia. But the projects that we facilitate around the world thanks to your

support, dear donors, correspond exactly to the example that Jesus set us: seeing hardship, recognising needs, assessing possibilities and giving aid.

We are very grateful for your faithful and enduring support. Rest assured that between all the figures, tables and statistics in our annual report and in the smile of a new mother in Uganda, in the gratitude of a father in Armenia or the light-heartedness of a pupil in South Sudan, there are also little miracles to be found.



Reimund Reubelt
First Chairman



Who we are

For the last 35 years, Hoffnungszeichen's employees have been working all over the world to alleviate suffering, give aid and support the persecuted. We see ourselves as a bridge that connects the love of our supporters in this part of the world and the people living in crisis-hit areas and disadvantaged regions.

Hoffnungszeichen | Sign of Hope e.V. is a non-denominational human rights and aid organisation. Helping the oppressed all over the world is at the heart of what we do. Drawing on Christian belief for our values and our motivation, Hoffnungszeichen is guided by the principles of compassion, loving one's neighbour and solidarity.

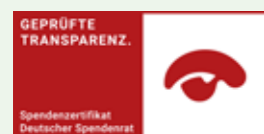
The association was founded in 1983 as CSI Deutschland e.V. in Bonn. Ten years later we moved our headquarters to Singen am Hohentwiel. Following the end of a collaboration with CSI International, in 1999 the Members' Meeting gave the association the name it bears today and a new appearance. The Hoffnungszeichen | Sign of Hope Foundation was founded in 2007. In 2013 Hoffnungszeichen e.V. moved into the premises of the Hoffnungszeichen Foundation in Konstanz.

Hoffnungszeichen has been a member of the German Charities Council since 1997 and was one of the first recipients of the "Spendenzertifikat" (lit. donation certificate). We have been part of the VENRO umbrella organisation since 2013. We are moreover one of the signatories to the voluntary declaration of the Transparent Civil Society Initiative and have consultative status with the United Nations.

Hoffnungszeichen is recognised by the tax office in Konstanz as a not-for-profit and charitable organisation. Donations to Hoffnungszeichen are tax-deductible.

You can find the articles and mission statement of Hoffnungszeichen e.V. at www.hoffnungs-zeichen.de. You can read about the Hoffnungs-zeichen Foundation on pages 40-41.

Hoffnungszeichen is a bearer of the **Spendenzertifikat** awarded by the German Charities Council. The German Charities Council is an umbrella organisation for fund-raising charitable organisations. The Spendenzertifikat, which was first awarded in 2017, certifies that the holder handles money entrusted to it responsibly and transparently.



What we do

Whether it is providing food for the starving, emergency accommodation for earthquake victims, seeds and tools for smallholders, vocational training for women, textbooks for pupils or organising protests for persecuted Christians, the work we do around the world is wide-ranging and precise.

Hoffnungszeichen | Sign of Hope e.V. stands up for people whose rights are under threat or being violated, provides humanitarian aid in the form of disaster relief and emergency aid and is committed to sustainable development cooperation. Satisfying the basic human requirements for food, water, healthcare and shelter are core elements of our work.

One of the regions where we are particularly active is central East Africa. Particular emphasis was placed in the reporting year on South Sudan, where Hoffnungszeichen has been working since 1994, and Uganda, where a health facility is currently under construction in the parish of Kosike.

Human rights work

Hoffnungszeichen stands side by side with people all over the world whose rights are under threat or being vio-

lated. We regularly initiate protest campaigns and appeals and manage practical projects in various countries. We are also involved in the Human Rights Council of the United Nations.

Humanitarian aid

By providing short-term disaster relief, Hoffnungszeichen quickly and unambiguously ensures the survival of victims of natural catastrophes and famines. As part of this short- and medium-term emergency relief, we assist people in priority crisis- and war-afflicted countries.

Development cooperation

In this field of activity we aim to effect structural changes that will support better living conditions through capacity building. We collaborate with local partners and members of staff on the ground, working together to help them achieve sustainable project goals.



Read more about our core focuses on pages 14-15.



How we help

Streamlined work processes, a network of trustworthy partners and comprehensive monitoring mechanisms: providing individual aid requires careful planning. This is why our work is effective and efficient, and focussed entirely around our donors and aid recipients.

*“Whatever you did for one of the least of these brothers of mine, you did for me.”
(Matthew 25:40)*

Hoffnungszeichen’s guiding verse

God created and loves us all, and every person has their dignity. The needs of the individuals who receive the aid we deliver are therefore at the heart of our work. We interact with both the participants of our projects and our donors as equals, treating them with respect, appreciation and tolerance. The main pillars of our work are trust, neutrality and tolerance.

We have been involved in trusting collaborations with a number of different partner organisations based all over the world for several years now. However, we initiate and run some of our projects solely using our own resources. Crisis situations as well as the contexts and causes of structural poverty are becoming ever more complex. In order to achieve high levels of quality and to continue to improve our work, it is important to ensure that everything is handled professionally, from plan-

ning to implementation to the monitoring and evaluation of our projects.

In practical terms, Hoffnungszeichen works in line with internationally recognised principles of humanitarian aid and development cooperation, such as the Core Humanitarian Standard, the standards of the Sphere Project, the VENRO Code and the principles of the International Red Cross and Red Crescent Movement.

Wide-ranging partner networks, such as EU Cord – a network of European Christian non-governmental organisations – serve simultaneously as lobby groups and vital sources of information.

VENRO (Association of German Development and Humanitarian Aid NGOs) is the umbrella organisation of non-governmental organisations in Germany. The goals that we share include eradicating global poverty, implementing human rights and conserving natural resources.



Uganda - building our Hoffnungszeichen clinic



Yemen - humanitarian aid for IDPs



Indonesia - emergency aid after an earthquake and a tsunami



Nagorno-Karabakh - impoverished in a disputed crisis region



South Sudan - special food for malnourished children

Organisation and structure

As a registered association, Hoffnungszeichen is legally, organisationally and financially independent. Behind each of the individual sections of the organisation are people who work either full-time or on a voluntary basis.

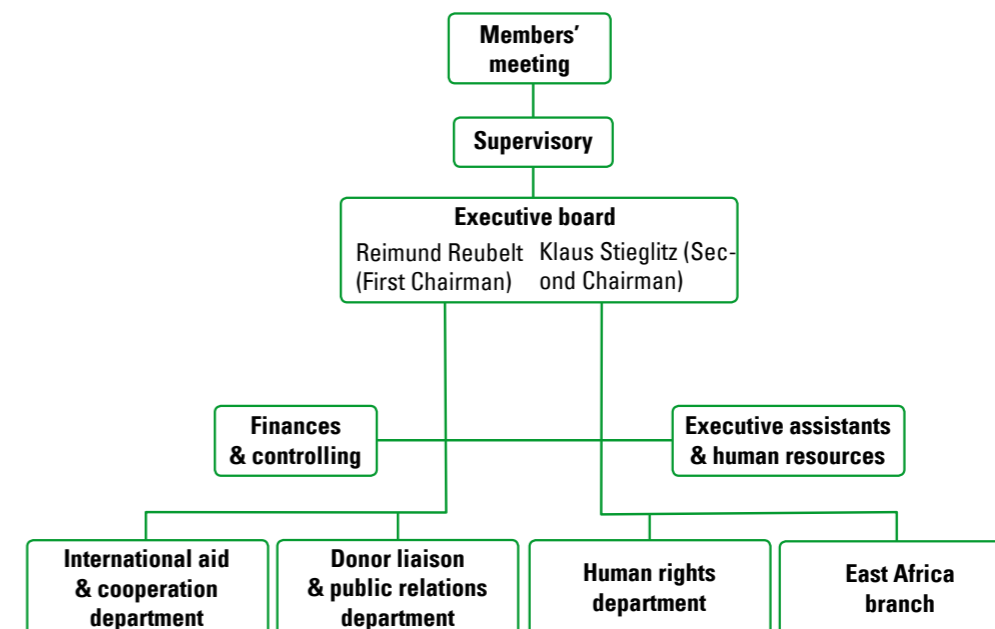
At the end of the reporting year, Hoffnungszeichen employed 22 members of staff at the association's head office in Konstanz, one in Uganda and eleven in the office in Nairobi. The association had 26 members.

Human rights, humanitarian aid and development cooperation have a direct influence on the structure of the association. However, no section of the organisation works by itself - each is supported in their functions by the other departments and specialist teams.

In addition to the main offices in Konstanz, over the years Hoffnungszeichen has also established its own structures in Eastern Europe and particularly in East Africa. The employees based in our premises in Yerevan (Armenia) and Nairobi (Kenya) implement and manage the projects in those respec-

tive regions. Our numerous missions in central Eastern Africa are coordinated from Nairobi, including the construction of a health centre in Uganda.

As well as the members of staff who are directly involved with the projects, we also have employees working in administration, accounting, public relations and donor liaison departments in Nairobi and Konstanz.



Executive board



Volunteer supervisory board

Committees

Alongside the purpose of the association, Hoffnungszeichen's articles also set out its committees:

The **Members' Meeting** usually gathers once a year and decides upon alterations to the articles of association and deals with questions of fundamental significance. The volunteer members are also responsible for appointing and removing members of the supervisory and executive boards and for appointing an auditor.

The full-time **Executive Board** manages the business of the association within the framework of the articles and the decisions taken by the association's other committees. It consists of the First Executive Board and the Second Executive Board.

The voluntary **Supervisory Board** is composed of up to five members and is responsible for the strategic management and monitoring of the executive board. As stipulated by the articles of association, the annual auditor's report is delivered to the supervisory board.

Transparency and communication

Organisations such as Hoffnungszeichen depend on the trust of their supporters. High standards of quality and the greatest possible transparency are required to maintain this trust.

More information can be found at:
www.spendenrat.de
www.fundraisingverband.de
www.venro.org
www.hoffnungszeichen.de

Taking a responsible approach

Making effective, efficient and careful use of the donations that are entrusted to us is our top priority. In addition to a range of internal mechanisms, our membership of the German Charities Council and being a bearer of its Spendenzertifikat are intended to guarantee this. We undertake to abide by strict principles, our adherence to which is monitored by an independent auditor, who also examines our accounts and finances.

Hoffnungszeichen e.V. is a signatory of the Transparent Civil Society Initiative and is therefore committed to disclosing information relating to ten key points. Our membership of VENRO also underpins our aspirations with regard to monitoring, transparency and management. Last but not least, the Konstanz Tax Office recognises our activities as charitable.*

Publicity for a good cause

As well as federal institutions, companies and various foundations, private donors constitute many of our (poten-

tial) sponsors. In order to realise the aims of our association, we must turn to professional means of fundraising. As part of this fundraising, we prepare relevant information and make it available to donors and potential contributors - in the form of our monthly magazine, for example, or internet articles, or this annual report.

Printed appeals for donations are a particularly effective method of gaining new donors for our projects. In the digital sphere, we offer more information and opportunities through our website www.hoffnungszeichen.de. We use our email newsletter and social media channels to access lots of people very quickly.

Hoffnungszeichen is happy to support school classes and congregations with collection campaigns, and will gladly give presentations on our work at trade fairs, lectures and other events. Birthdays, anniversaries and weddings also represent an opportunity for gathering donations.



Employees from the accountancy firm WISTA AG have inspected Hoffnungszeichen's annual financial statement for 2018.

Through our public relations work we can draw attention to the problems we try to resolve and the causes we fight for.

What matters most to us

In order to protect our donors' data, Hoffnungszeichen makes use of a range of organisational and technical measures. Donor addresses are solely used for our own purposes. Personal data is processed in strict compliance with the provisions of the General Data Protection Regulation.

In all of its promotional activities, Hoffnungszeichen places considerable emphasis on appropriate costs. All fundraising activities are compensated irrespective of the degree of success. Staff members are remunerated in line with the public service provisions of the TVöD. We do not approach prospective donors in the street or at their front door.

We aim to report on and promote our work authentically, accurately and with respect for both our donors and the recipients of our aid. With ethical con-

siderations in mind, codes of conduct and relevant regulations drawn up by VENRO and the German Fundraising Association are of particular relevance.

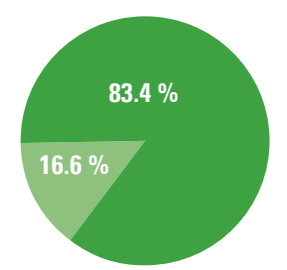
Allocation of resources for the fiscal year 2018

(Expenses in millions of euros)

Work to realise the articles of association	5.22
- Project work	3.46
- Campaigns and public relations work	0.80
- Human resources and amortisation	0.96
Administration costs	1.04
- Publicity	0.62
- Administration	0.42
Total	6.26

83.4 % statutory work
 55.4 % project work
 12.7 % campaigns and public relations work
 15.3 % human resources and amortisation

16.6 % administration costs
 9.9 % publicity
 6.7 % administration



* Most recent notice of exemption dated 01.04.2019 under tax no. 09041/07891.



Core focuses

Providing aid in the short-term, achieving change in the long-term and satisfying basic human needs. Hoffnungszeichen's seven core focus areas are described below.



Food

We make sure that people in desperate situations have access to sufficient food. We help them to supply themselves with food and supply seeds, tools and - when necessary - food rations.



Healthcare

Large numbers of people are still dying from preventable diseases. In many of its projects Hoffnungszeichen ensures access to healthcare and provides information about disease prevention.



Human rights

Hoffnungszeichen exerts selective influence to improve the human rights situation around the world. We provide information about abuses and put pressure on those responsible.



Floods, earthquakes, conflict, famine - in the present era there is often a demand for immediate material help. To deliver this, we collaborate with partners on the ground who know what those affected require most urgently, such as clean drinking water, hygiene products or emergency shelter.



Emergency aid & disaster relief



Combating poverty



Poverty affects millions of people worldwide. Hoffnungszeichen supports these people by, for example, creating alternative earning opportunities to enable them to change their lives by themselves.



Water



In many countries, it is principally the poorest in society who have either no or limited access to clean water. Hoffnungszeichen helps by building drinking water wells, reservoirs and basic sanitary facilities and providing hygiene education.



Education & social issues

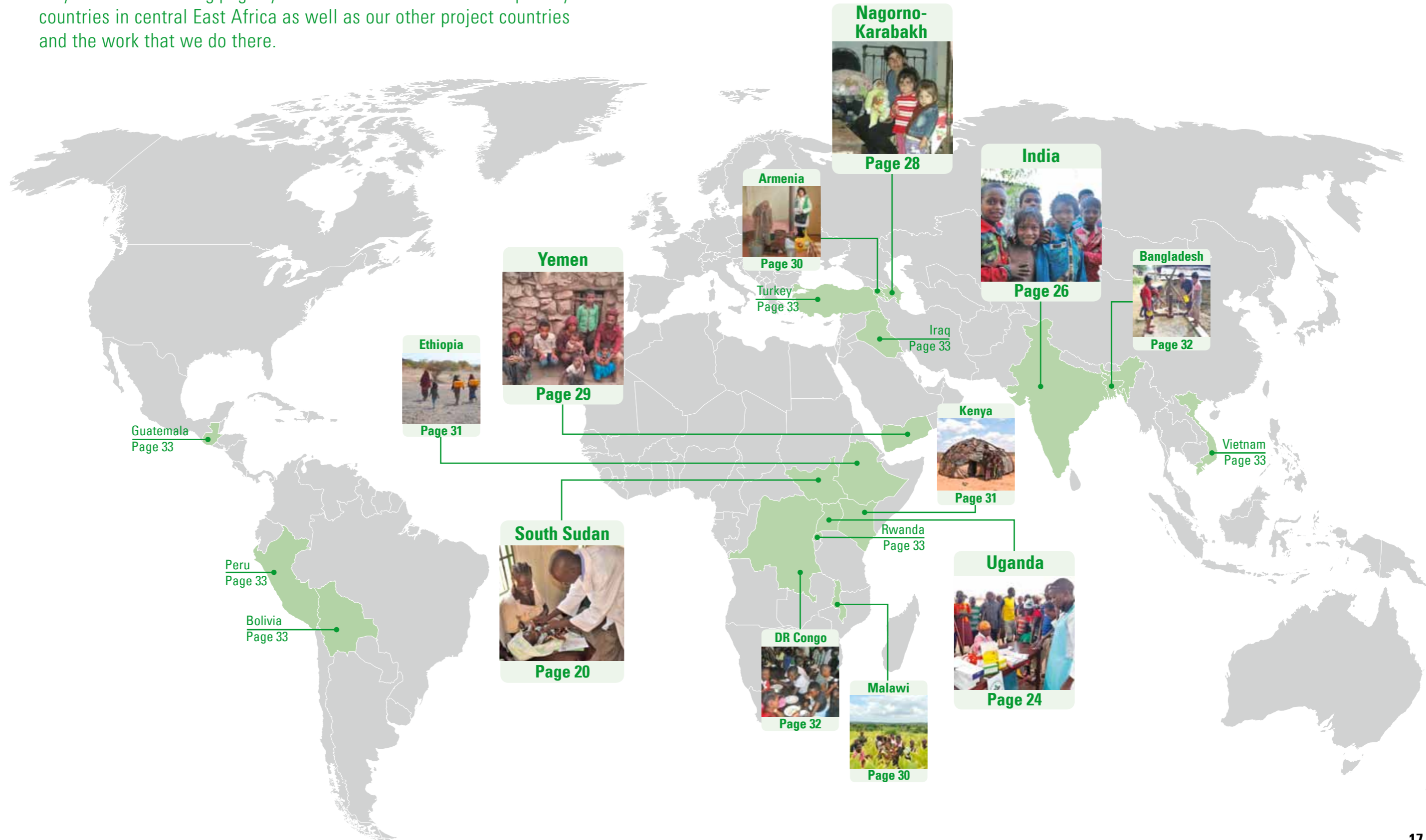


Education is important in overcoming poverty and being able to determine the course of one's own life. We enable access to educational programmes even in the remotest of regions.



Project countries around the world

Hoffnungszeichen e.V. is active all over the world in various different ways. On the following pages you can find out more about our priority countries in central East Africa as well as our other project countries and the work that we do there.



Our operations in figures

Below is a representation of the costs from the reporting year 2018 for statutory activities. Countries in which Hoffnungszeichen ran projects are listed in detail.

Country	Humanitarian aid and development cooperation	Human rights	Number of people reached
Armenia	€ 290,379 Income support, food aid		1,776
Ethiopia	€ 166,464 Basic healthcare provision, construction of health centre, soil rehabilitation for food security, setup of sanitary facilities, healthcare for mothers, food		42,806
Bangladesh	€ 156,427 Food security, hygiene and environmental conduct teaching, water provision		13,500
Nagorno-Karabakh (Azerbaijan)	€ 78,403 Food aid, support provided to a prosthetics centre		2,852
Bolivia	€ 10,013 Construction of a school		184
Guatemala	€ 129,927 Healthcare and education in rural communities		5,330
India	€ 308,128 Income-generating activities, flood relief, reforestation of mangrove forests		10,500
Iraq	€ 55,513 Distribution of hygiene products		2,172
Yemen	€ 58,430 Emergency aid with regard to water supplies		3,633
Kenya	€ 167,561 Basic healthcare, nutrition programme, peacebuilding, healthcare for mothers, emergency malaria treatment, water and hygiene supplies, livestock farming		37,974
DR Congo	€ 94,347 Food security, lunches for street children, water provision	€ 18,065 Psychological support, legal assistance	8,679

Country	Humanitarian aid and development cooperation	Human rights	Number of people reached
Malawi	€ 206,986 Food security, increasing resilience	€ 42,551 Improving the rights of people with albinism	2,149
Peru	€ 5,038 Supporting early-childhood development		28
Rwanda	€ 116,735 Water provision and construction of sanitary facilities		3,245
South Sudan	€ 1,117,531 Basic healthcare, construction of a health centre, donations in kind, distribution of food and aid supplies	€ 244,173 Information campaign and research into drinking water contamination caused by the oil industry	34,531
Turkey		€ 137,939 Provided support to the Christian minority	332
Uganda	€ 444,227 Basic health care provision, emergency cholera treatment, food security, health care for mothers	€ 47,723 Support in registering for land rights	26,400
Vietnam	€ 16,985 Reducing poverty by boosting earning capacity		162
Total Project countries	€ 3,423,067	€ 490,451	196,253
Other project costs incl. donations in kind	€ 431,372	€ 3,451	
Campaigns & public relations work	€ 770,750	€ 98,355 *	
Total	€ 4,625,189	€ 592,257	

* Petition campaigns supporting human rights cases in Egypt, Algeria, Azerbaijan, China, Haiti, India, Indonesia, Iran, Cameroon, Colombia, Myanmar, Nicaragua, Nigeria, Pakistan, Russia, Saudi Arabia, South Sudan, Tajikistan

South Sudan: Healthcare, food, human rights

Our projects to improve healthcare and provide food supplies reach people in large catchment areas. Access to clean drinking water also remains one of our most important focuses.

Republic of South Sudan



Inhabitants: 12.6 Mio.
HDI*: 187 (0.388)

Officially the country is at peace, but many people in Africa's newest country still need help in order to survive.

- Despite the civil war coming to an end in September 2018, living conditions are still extremely unstable.
- The infrastructure is weak, and droughts and floods exacerbate the situation.
- More than half of the South Sudanese population is starving, roughly 4 million people are attempting to leave the country.



Contaminated water endangers the lives of hundreds of thousands

In the Northern Liech State, more than 600,000 people have no choice but to drink contaminated water. This is caused by improper oil extraction and processing. Hoffnungszeichen works closely with grassroots activists from South Sudan and has been standing up for the people of the region and their right to clean drinking water since 2008. We have been running a campaign since 2010 to raise awareness of drinking water contamination in South Sudan. In this reporting year, we also performed a cost analysis for a long-term drinking water supply for those affected, and organised a press conference and a meeting between Hoffnungszeichen, Petronas and Daimler AG.

What we have achieved: Pooling and publication of information. Growing international awareness of the issue.

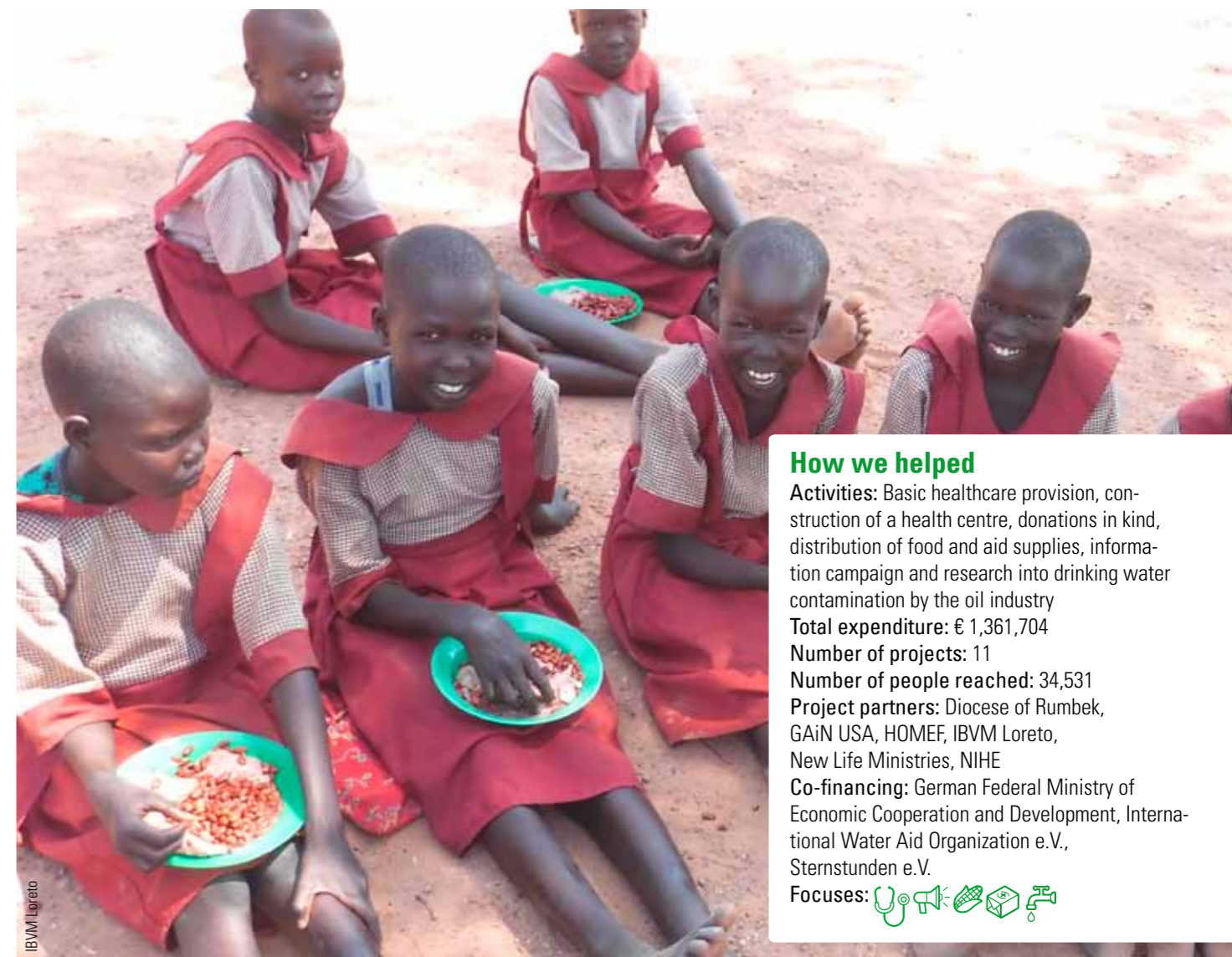
Outlook: The project is ongoing.

Help for the mentally ill

In South Sudan there is almost no professional support for traumatised or mentally impaired people or for epileptics. They are often "kept safe" in prison due to a lack of medical establishments and the inability of their family members to help. Together with the Diocese of Rumbek, Hoffnungszeichen provided aid supplies and medicines, thus giving the mentally ill people held in prison in Rumbek a degree of stability by allowing them to regain some of their dignity. Other inmates with disabilities were also supported.

What we have achieved: We provided bedding, food, clothes and medicine.

Outlook: The project is ongoing.



How we helped

Activities: Basic healthcare provision, construction of a health centre, donations in kind, distribution of food and aid supplies, information campaign and research into drinking water contamination by the oil industry

Total expenditure: € 1,361,704

Number of projects: 11

Number of people reached: 34,531

Project partners: Diocese of Rumbek, GAIN USA, HOMEF, IBVM Loreto, New Life Ministries, NIHE

Co-financing: German Federal Ministry of Economic Cooperation and Development, International Water Aid Organization e.V., Sternstunden e.V.

Focuses: 

Construction of new clinic and free school meals in Maker Kuei

Hoffnungszeichen supported the construction of a clinic building in the village of Maker Kuei for the roughly 1,300 children of the Loreto School and patients from the surrounding area. For many, this is their only access to medical care. With support from the German Federal Ministry of Economic Cooperation and Development, we enabled the construction of a spacious clinic building.

After a famine was declared in February 2017, we assisted the Loreto School by providing food aid to ensure pupils and teachers had access to daily meals. The families of the pupils also received food supplies. We owe particular thanks to Sternstunden e.V., which provided the majority of the financial support for these people.

What we have achieved: Construction of a clinic, provision of food during a famine to numerous children and adults.

Outlook: The basic skeleton is complete, patients are being treated, the project is ongoing.



*The Human Development Index - HDI for short – is a prosperity indicator for countries. It takes into account the income per capita, life expectancy or the number of years spent at school. Each country was given a ranking in 2017 (out of a total of 188 countries).



Saving the young ones from famine

Healthcare provision is severely lacking across large areas of South Sudan. For the people of Rumbek, the health centre there has consequently been an essential point of contact for a number of years. Between 2012 and early 2017, the clinic was run by Hoffnungszeichen itself and then taken over by the Diocese of Rumbek. An important aspect of the clinic's operation - alongside treating patients, maternity care, antenatal support, vaccinations, health advice and providing information - is a nutrition programme for undernourished children (in collaboration with the Missionaries of Charity) and the associated provision of food and aid supplies.



What we have achieved: Hoffnungszeichen provided support in the form of food and aid supplies as well as medicines, and also subsidised salaries.

Outlook: The project is ongoing.



Uganda: Between drought and water shortages

There is widespread malnourishment in rural areas as well as a lack of clean water and medical assistance. Our projects help people to find ways out of their predicaments.

Republic of Uganda



- Inhabitants: 42.9 Mio.
HDI: 162 (0.516)
- The landscape makes the country particularly susceptible to the effects of climate change, such as droughts and floods.
- 2006: Peace after 20 years of civil war. The majority of internally displaced persons has returned to their home areas.
 - Just 56 % of the population has access to clean drinking water, and 41 % to sanitary facilities.
 - As a result of climate change, the northern regions in particular had insufficient rainfall for several years.



Ensuring food security through effective farming

With this project we are promoting the long-term improvement of food security and increase in the household incomes of 2,000 smallholder families (approx. 12,000 people) in the north-eastern Teso region of Uganda. Together with our partner SOCADIDO, we worked with the farmers to develop sustainable and community-based methods of cultivation and profitable marketing strategies. Training courses supported the formation of self-administered organisational structures with a view to independent and stable production and marketing. Other issues such as HIV/AIDS, human rights, natural resources and disaster prevention were also discussed.

What we have achieved: As a result of their training and more suitable seeds, in the first two years of the project the 2,000 smallholder families were able to increase their crop yields by 45 % for cassava and by 420 % for sorghum.

Outlook: The collaboration with our dependable partner SOCADIDO has been successfully running since 2007. The project is due to run until 2021.



How we helped

Activities: Basic health care provision, emergency cholera treatment, food security, health care for mothers, support in registering for land rights

Total expenditure: € 491,950

Number of projects: 4

Number of people reached: 26,400

Project partners: Amudat District Health Office, Diocese of Moroto, SOCADIDO

Co-financing: German Federal Ministry of Economic Cooperation and Development

Focuses: 

A clinic for an underdeveloped region

The residents of the remote district of Amudat have a high degree of acute malnourishment and a high HIV infection rate. More than half of the local populace has no access to clean drinking water. By building and operating a clinic in the parish of Kosike, Hoffnungszeichen is giving hope to the local people. Even though still under construction, medical treatment days are already being offered to the populace. Once opened, the clinic will run a nutrition programme for malnourished children in particular and medical care for pregnant women as well as obstetrics. There are also plans to organise a regular programme of vaccinations for children. Injured and sick patients as well as both in- and out-patients will be treated in the main building of the Hoffnungszeichen clinic.

What we have achieved: A water tower to provide a stable supply of water and toilets were built. A medical team offers treatment days twice a week.

Outlook: The clinic is due to be completed and opened in 2019.



India:

Environmental protection benefits people too

The residents of the Sundarbans are dependent on the ecologically healthy interplay between people and nature. Our programme here is focussed on capacity building.

Republic of India






Inhabitants: 1,339.2 Mio.
HDI: 130 (0.64)

India is frequently afflicted by natural catastrophes. Climate change, tropical storms and floods are all causes for concern for the population.

- The seventh largest country by land mass and second most densely populated country on the planet.
- Part of the Sundarbans was declared a world heritage site in 1987 and a biosphere reserve in 2001.
- The Sundarbans are poorly suited to human habitation.



How we helped

Activities: Income-generating activities, flood relief, reforestation of mangrove forests
Total expenditure: € 308,128
Number of projects: 3
Number of people reached: 10,500
Project partners: DIW Vision India, DRCSC, WATCH
Co-financing: German Federal Ministry of Economic Cooperation and Development
Focuses:   

Protecting the environment, securing food

The Sundarban Islands, which are home to the largest mangrove forest on earth, are a unique ecosystem that is under threat both from the impacts of climate change and direct interference by the local population (e.g. logging). The people who reside here live harsh lives; poverty and hunger are widespread. In order to improve the diets of 330 schoolchildren on the one hand and simultaneously to educate them about protecting the environment and sustainability on the other, our partner DRCSC created gardens in nine primary and secondary schools and organised corresponding courses and workshops. The food that is grown in the schools' gardens is incorporated into the children's school meals.

In August 2018, the southern Indian state of Kerala was hit by flooding. More than 350 people died, and more than 800,000

suffered from the effects of the monsoon. Together with our partner organisation, the Women's Association for Liberation, Transformation and Community Health (WATCH), we distributed basic foodstuffs such as rice, sugar, lentils and oil, as well as bedding, clothes and hygiene products, to 500 families in the severely affected district of Idukki.

What we have achieved: School meals and environmental education for 330 pupils in nine schools on the Sundarban islands, and the distribution of aid supplies to 500 families affected by flooding in the Idukki district of Kerala.

Outlook: The projects were successfully completed and have come to an end.



Nagorno-Karabakh Hardship in the Caucasus

High rates of unemployment and destroyed infrastructure are causing hardship for many families. There is moreover a constant unseen danger of land mines. We distribute food supplies and support the Prosthetics Centre.

Nagorno-Karabakh Republic of Artsakh




Inhabitants: 9.8 Mio. (Azerbaijan)
HDI: 80 (0.757) (Azerbaijan)

For the last several decades, many of the people in this war-ravaged and disputed region have been living in poverty. The conflict is currently deemed to be frozen.

- An official ceasefire has been in place in this region, which is contested by Armenia and Azerbaijan, since 1994.
- The roughly 145,000 inhabitants are suffering as a result of the recurring rounds of conflict.
- Thousands of land mines threaten the lives and health of the local populace.



How we helped

Activities: Food aid, support provided to the Prosthetics Centre
Total expenditure: € 78,403
Number of projects: 1
Number of people reached: 2,852
Project partners: –
Co-financing: –
Focuses: 

Hope even in the deepest hardship

In the spring and autumn of each year we distribute food supplies to socially deprived families, elderly people, orphans and war widows who are dependent on direct assistance due to a lack of family or other support. These packages contain tinned food, rice, pasta, oil, sugar and other aid supplies and help the recipients to get through periods of particular hardship, which can last for several weeks. Meagre stocks of supplies are completely used up in many households by the end of a long winter, and to make matters worse unemployment is even higher in winter than at other times of year. The elderly need what little money they have for medication. Some of them have nothing to eat for days at a time. Our aid transports are planned and organised by our long-serving and experienced Armenian members of staff. Thousands of hidden mines lie concealed across the entire Nagorno-Karabakh re-

gion. Many people fall victim to these treacherous war weapons each year. Lots of victims of land mine explosions receive custom-fitted prosthetics at the Prosthetics Centre in the capital Stepanakert. For the most part, these allow the victims to lead unrestricted everyday lives. Home visits are organised for patients who cannot reach the Centre due to physical limitations or financial problems.

What we have achieved: Twice-yearly delivery of food supplies to 340 disadvantaged families. Creation of individually fitted prosthetics and repairs of walking aids.

Outlook: We have been supporting the Prosthetics Centre since 1995 and provided food aid since 2000. Both of these established collaborations are ongoing.




Yemen: A country in a state of emergency

The brutal civil war is destroying the already unstable country with lasting effects and has robbed almost all of its inhabitants of their livelihoods. Famine and water shortages are having particularly dire effects. Our projects help people by providing them with clean water.



How we helped

Activities: Emergency aid by providing water supplies
Total expenditure: € 58,430
Number of projects: 2
Number of people reached: 3,633
Project partners: Relief and Development Peer Foundation
Co-financing: IWAQ
Focuses: 

Republic of Yemen

Inhabitants: 28.3 Mio.
HDI: 178 (0.452)

More than 20 million people in Yemen were dependent on humanitarian aid.

- The country's inhabitants have been suffering as a result of a power struggle between various armed groups since 2013.
- Around two million people have been displaced to other parts of the country.
- Famine, cholera and a lack of health care provision are threatening peoples' lives.

Emaciated by war and famine

For a number of years the people of Yemen have been exposed to a brutal war with no protection. Since three quarters of the country consists of desert, Yemen must import around 90 % of its foodstuffs. According to the United Nations, around 1.8 million children suffered the effects of famine in 2018, and more than 400,000 of them were life-threateningly malnourished. Estimates indicate that 16 million Yemenis (approximately 60 % of the population) require humanitarian aid if they are to have access to clean water, basic sanitation and hygiene facilities. The lack of clean water is facilitating the outbreak of epidemics. However, hospitals are insufficiently equipped.

We collaborate with our Yemeni partner organisation, the Relief and Development Peer Foundation, in order to deliver aid and have given thousands of people access to clean water through a variety of

measures. Teaching people about hygiene and distributing hygiene products also ensured that diseases such as cholera could not spread further.

What we have achieved: Well restoration, construction of a water tank and a pipe system with four water stations for approximately 1,700 people in Al-Faqwa, Al-Hasha, Al-Kashowba and Al-Hasb, in addition to hygiene education. Provision of clean drinking water for more than 1,800 people in the Far Al Udayn District.

Outlook: The project began in 2017 and the project's goals were achieved. Demand remains high due to the large number of people affected, which is why more aid should be delivered in the fiscal year 2019.



Republic of Armenia



Inhabitants: 2.9 Mio.
HDI: 83 (0.755)

How we helped

Activities: Income support, food aid
Total expenditure: € 290,379
Number of projects: 2
Number of people reached: 1,776
Project partners: Green Lane
Co-financing: German Federal Ministry of Economic Cooperation and Development

Focuses:   



Support for smallholders and winter aid

As part of a winter aid programme in the town of Jajur, our employees delivered food and hygiene packages to 150 impoverished families, pensioners and invalids. In the village of Hankavan, together with our partner Green Lane we supported 144 smallholder families with training sessions, seeds, tools and machinery.

› The projects are due to last for many years and are ongoing.



Republic of Malawi



Inhabitants: 18.6 Mio.
HDI: 171 (0.477)

How we helped

Activities: Food security, increasing resilience, strengthening the rights of people with albinism
Total expenditure: € 249,537
Number of projects: 2
Number of people reached: 2,149
Project partners: CCJP, CICOD
Co-financing: German Federal Ministry of Economic Cooperation and Development, Development Cooperation Foundation of Baden-Württemberg

Focuses:   



Training and practical assistance for smallholders

Together with our partner CICOD, we are helping some 1,500 farmers in the Dowa District by imparting to them improved methods of cultivation, irrigation and crop storage, information about reforestation and soil maintenance and a catastrophe prevention strategy. We are empowering people with albinism, who are often ostracised and attacked in Malawi, with a range of projects run by our partner CCJP.

› Achievements so far: 96 % of common land is now sustainably farmed (previously 15 %), reforestation has reached 5 %.



Peacebuilding on the borders of Ethiopia

Together with our partner PSIP, in this project we supported efforts to find peaceful solutions to conflicts between nomadic herder families who were competing over grazing land and water. Meetings and discussions between the groups are organised under the leadership of peace brokers.

› Development of joint grazing plans, regular meetings of the peace committee. The project began in 2018.



Republic of Kenya

Inhabitants: 49.7 Mio.
HDI: 142 (0.59)

How we helped

Activities: Basic healthcare, nutrition programme, peacebuilding, healthcare for mothers, emergency malaria treatment, water and hygiene supplies, livestock farming

Total expenditure: € 167,561

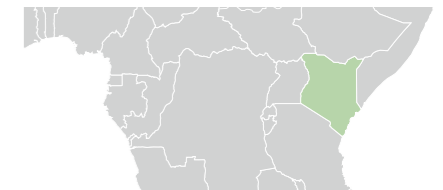
Number of projects: 6

Number of people reached: 37,974

Project partners: County Government of Marsabit, Daasanach Development Organization, FMSJ, PSIP

Co-financing: –

Focuses:     



Water in drought conditions

In collaboration with ECC SDC we facilitated access to drinking water in Debub Ari. We built water tanks in this drought-afflicted district and laid water pipelines. The hour-long treks to the closest source of clean water that many people had to make have now been hugely shortened. We also educated the local population about hygiene and water management.

› 220 households (1,320 people) are now benefiting from access to drinking water.



The Federal Democratic Republic of Ethiopia

Inhabitants: 105.0 Mio.
HDI: 173 (0.463)

How we helped

Activities: Basic healthcare provision, construction of a health centre, soil rehabilitation for improved food security, construction of sanitary facilities, healthcare for mothers, food aid

Total expenditure: € 166,464

Number of projects: 3

Number of people reached: 42,806

Project partners: ECC SDC, SCORE

Co-financing: German Society for International Cooperation

Focuses:    





People's Republic of Bangladesh



Inhabitants: 164.7 Mio.
HDI: 136 (0.608)

How we helped

Activities: Food security, hygiene and environmental conduct teaching, water provision
Total expenditure: € 156,427
Number of projects: 2
Number of people reached: 13,500
Project partners: KOINONIA
Co-financing: German Federal Ministry of Economic Cooperation and Development
Focuses:



Routes out of poverty

With our help, 2,000 women in the state of Rangpur were able to generate their own income by growing vegetables, for example. In order to improve the living conditions of 1,200 families in the Chittagong Hill Tracts, we are funding the refurbishment of drinking water wells and supporting the teaching of good hygiene and environmental conduct. We are running the projects with support from the German Federal Ministry for Economic Cooperation and Development and our partner KOINONIA.

› Education, seeds and seedlings, loans, land allocation, refurbishment and construction of wells and toilets.



DR Congo



Inhabitants: 81.3 Mio.
HDI: 176 (0.457)

How we helped

Activities: Food security, lunches for street children, water supplies, psychological support, legal assistance
Total expenditure: € 112,412
Number of projects: 4
Number of people reached: 8,679
Project partners: AJDC, HPP, PEDER
Co-financing: –
Focuses:



Supporting the most vulnerable in society

Around 700 street children are looked after, taught and supplied with meals by our partner PEDER in the Archdiocese of Bukavu. In Sud-Ubangi we treated 271 malnourished children together with HPP. 254 families received courses in nutrition and vegetable cultivation. We are supporting internally-displaced people in Sud-Kivu with hygiene products and teaching.

› Food for street children and malnourished infants, teaching, hygiene and water aid.



Bolivia

Inhabitants: 11.1 Mio.
HDI: 118 (0.693)

How we helped

Activities: Construction of a school
Total expenditure: € 10,013
Number of projects: 1
Number of people reached: 184
Project partners: Mano a Mano Bolivia
Co-financing: –
Focuses:



Guatemala

Inhabitants: 16.9 Mio.
HDI: 127 (0.65)

How we helped

Activities: Health and education in rural communities
Total expenditure: € 129,927
Number of projects: 1
Number of people reached: 5,330
Project partners: FUNDAP
Co-financing: Medicor Foundation
Focuses:



Iraq

Inhabitants: 38.3 Mio.
HDI: 120 (0.685)

How we helped

Activities: Distribution of hygiene products
Total expenditure: € 55,513
Number of projects: 2
Number of people reached: 2,172
Project partners: AAS-I, CAPNI
Co-financing: –
Focuses:



Peru

Inhabitants: 32.2 Mio.
HDI: 89 (0.75)

How we helped

Activities: Supporting early-childhood development
Total expenditure: € 5,038
Number of projects: 1
Number of people reached: 28
Project partners: INTSOL
Co-financing: –
Focuses:



Rwanda

Inhabitants: 12.2 Mio.
HDI: 158 (0.524)

How we helped

Activities: Water provision and construction of sanitary facilities
Total expenditure: € 116,735
Number of projects: 1
Number of people reached: 3,245
Project partners: ARDE/KUBAHO
Co-financing: German Federal Ministry for Economic Cooperation and Development
Focuses:



Turkey

Inhabitants: 80.7 Mio.
HDI: 64 (0.791)

How we helped

Activities: Provided support to the Christian minority
Total expenditure: € 137,939
Number of projects: 3
Number of people reached: 332
Project partners: Archdiocese of Tur Abdin
Co-financing: –
Focuses:



Vietnam

Inhabitants: 95.5 Mio.
HDI: 116 (0.694)

How we helped

Activities: Reducing poverty by boosting earnings
Total expenditure: € 16,958
Number of projects: 1
Number of people reached: 162
Project partners: Allianz-Mission in Vietnam
Co-financing: –
Focuses:



Balance sheet

issued 30 September 2018

Assets			Liabilities	
	30.09.2018	30.09.2017	30.09.2018	30.09.2017
	EUR	EUR	EUR	EUR
A. Fixed assets			A. Equity capital	
I. Intangible assets			I. Reserve assets	
Concessions acquired against payment, commercial proprietary rights and similar rights and assets such as licenses for such rights and assets	26,967.00	46,275.00	Free reserves (§ 62 Revenue Code (AO))	2,385,511.67
II. Tangible assets			II. Retained earnings	0.00
Other facilities, fixtures and fittings, and business equipment	274,215.00	222,507.00	B. Unspent donations	
			1. Donations as yet unspent on statutory work	718,608.52
			2. Long-term donations	
				428,134.89
				268,700.00
				1,146,743.41
			C. Provisions	
			Other provisions	128,907.51
B. Current assets			D. Liabilities	
I. Accounts receivable and other assets			1. Liabilities from as yet unused donations for specific purposes	60,209.57
Other assets	16,145.18	37,821.42	2. Trade payables	13,228.13
II. Cash assets, bank balance at Federal Bank, credit balances at financial institutions and cheques	3,296,219.63	3,059,876.97	3. Other liabilities	20,920.73
C. Accruals and deferred income items				94,358.43
	141,974.21	4,732.21		140,222.91
	<u>3,755,521.02</u>	<u>3,371,212.60</u>		<u>3,755,521.02</u>
				<u>3,371,212.60</u>

Explanatory note to the financial statement

General information

The association's fiscal year (FY) relates to the period between 1 October 2017 and 30 September 2018. The annual financial statement issued on 30 September 2018 was drawn up in accordance with the accounting standards of the German Commercial Code (HGB (Section 264 et seq.)), those of the Institute of Public Auditors and the relevant provisions of the General Fiscal Law (AO) for charitable organisations. The stricter regulations for so-called smaller capital companies as set out in Section 267 HGB were voluntarily applied. The profit and loss account was prepared on the basis of the cost of sales method (Section 275 Para. 3 HGB). The structure was adapted to the particular requirements of donation-dependent organisations as set out in Statement IDW-RS-HFA 21. Further detail was added in accordance with the provisions of the German Charities Council, of which the association is a member.

In line with the approach used in the previous year, the revenue recognition looked at more than just the use of donations in accordance with statutory purposes. Instead, non-purpose-specific donations received in previous years were counted as income and added to the free reserves. This creation of reserves was done with the aim of ensuring the association's institutional capacity to fulfil the aims set out in the articles of association and to balance out periodic variations in revenue.

Accounting and evaluation methods

The balance sheet and profit and loss statement were drawn up in accordance with the accounting and valuation provisions of sections 246 et seqq. and 252 et seqq. of the HGB. The structure conforms with the provisions of Sections 265 and 266 of the HGB.

Tangible fixed assets are valued at acquisition or production cost and are subject by scheduled depreciation. The straight-line depreciation on depreciable tangible fixed assets is calculated based on the asset depreciation range of the objects of between three and 13 years. Assets with a value of up to € 410 were written off immediately. Receivables and other fixed assets are stated at their nominal value or lower fair values determined at the accounting date. Other provisions account for all apparent risks and uncertain liabilities up to the accounting date and until the creation of the balance statement. They are measured based on anticipated use.

The liabilities are reported in the balance sheet at their settlement value. Receivables and liabilities in foreign currencies were recorded in principle with the exchange rate used when the payment was converted or with the monthly average exchange rate. Losses resulting from changes in the exchange rate by the reporting date were taken into consideration. Bank liabilities, cash assets and bank liabilities in foreign currencies were converted at the reporting date using the mean spot exchange rate.

Balance sheet: Explanatory notes and significant changes

Assets - fixed assets

The intangible fixed assets are valued at cost and depreciated by scheduled depreciation. Straight-line depreciation is calculated on the basis of an asset depreciation range of three to four years. This relates to acquired and depreciated software, particularly with regard to the redesign of our website.

The tangible assets relate to depreciated fixtures and office equipment in our premises in Konstanz and Nairobi.

Assets - liquid assets

As well as liquid assets (bank and cash balances), this also includes deposits and advances.

Assets - deferred income

This asset includes prepaid invoices amounting to € 15,000, which are to be assigned to the following year. The increase over the previous year is a result of sectioning off the tangible assets of the new mobile clinic in Kosike, Uganda, amounting to € 127,000.

Liabilities and equity - equity capital

€ 390,000 were added from the income to the free reserves, € 33,000 of which came from legacies in accordance with Section 62 (3) No. 1 of the Revenue Code (AO) and € 357,000 came from general and specific donations in accordance with Section 62 (1) No. 3 AO, with a maximum limit of 10 % of their overall amount.

Liabilities and equity - unspent donations

The reduction of the as yet unspent donations means € 137,000 more liquid assets could be injected into aid projects as revenues from donations in the same time period. The purpose-specific portion of this, amounting to € 60,000, resulted from a refinancing and is intended for use in the following year.

The fixed assets are predominantly made up of longer-term donations.

Liabilities and equity - provisions

This item essentially contains provisions for the 13th month's salary (pro rata), storage costs, acquisition and auditing costs, as yet unused days of holiday and travel and performed overtime.

Liabilities and equity - liabilities

Liabilities from as yet unused donations for specific purposes amounting to € 60,000 resulted from a refinancing of an aid project completed in the previous year.

Accounts payable trade are liabilities for payments to suppliers and service providers that had not been settled at the accounting date. This also includes payments that had already been executed but were not carried out within the right time period.

Other liabilities principally included wage and incidental wage costs for employees in Nairobi that could only be paid out after the accounting date, as well as the liabilities for income and church tax in Germany.

Income statement: Explanatory notes and significant changes Revenues

The composition of the revenues from donations amounting to € 6,606,000 can be seen in the table next to the income statement. The reduction of the overall donation amount is the result of two opposing developments. On the one hand, there was a reduction in private donations by € 653,000 and of donations in kind by € 806,000, but on the other the amount of government grants increased by € 327,000. Private donors still make the largest contribution, however, with a total of € 4,926,000.

The income from donations is then calculated from the sum of the donations received and the use of donations as per the articles of association from the previous year (+ € 1,080,000) less the donations that could not be spent in this fiscal year (€ 1,162,000). € 60,000 of purpose-specific donations could not be spent. These will soon be used for projects in the FY 2019 in line with the articles of association.

Expenses from fulfilling the aims laid out in the articles of association

The project expenses for humanitarian aid, development cooperation work and human rights work performed with a view to fulfilling the aims in the articles of association amount to € 2,997,000. The personnel costs

required to achieve this rose by € 130,000 to € 891,000. This covers not only the costs of project workers in the International Aid and Cooperation Department, but also the costs of personnel who performed pro rata services in line with the articles of association. With the exception of a proportion of the administrative costs, it also includes the expenses of our staff members in Kenya for their work to fulfil the aims of our articles of association. Depreciations stem from equipping the office in Nairobi and a vehicle that is used in northern Kenya and Uganda.

The expenses of € 798,000 arising from the generation of information for donors result particularly from the intensive human rights work in South Sudan (contamination of groundwater due to oil extraction). The remaining expenses are indirect costs that were accrued in Germany for project management and report generation and were then attributed to the projects.

Administrative expenses

Personnel expenses rose by € 34,000 compared with the previous year. All employees in Germany are paid in line with the public service provisions of the TVöD. All members of staff who travel around in crisis regions and war zones moreover receive a special monthly allowance of approximately 134 € per person. The salaries for the two full-time chairmen were determined in this fiscal year according to salary groups 15Ü and 15, and resulted in a gross annual income of € 184,000. Costs for work performed both in line with the articles of association and irrespective of them were split from the rest of the personnel costs for each employee in Konstanz. The average number of staff members in Germany was 22. The number of working hours in a week for a full-time member of staff was 40. Other administrative expenses principally include software costs, consultancy fees for data protection and fire safety and auditing costs for the annual financial statement.

Publicity expenses

The income statement drawn up against DSR guidelines only includes marketing costs - in other words solely the costs for direct appeals for donations in our magazines, supplements, mailings and other publicity campaigns. The total expenses were reduced by € 53,000 compared with the previous year to € 622,000, and the allocation shows the high weighting given to mailings.

The result of the non-profit department amounted to € 349,000, € 96,000 less than the previous year because no assets were transferred. Other sources of revenue principally comprised cash discounts, income from differences in rates and reimbursed continued pay. The consequent annual result for the FY 2018, amounting to € 390,000, was transferred to the free reserves.

As was the case last year, the breakdown by origin of other sources of revenue and expenses requested by the German Charities Council makes it clear that almost 100 % of our overall income stems from our intangible activities.

Information on changes to administrative costs set out by the German Charities Council

The administrative costs coefficient - the ratio of publicity and administrative expenses to the total expenses - is 16.62 % (up from 14.35 % the year before). See pages 12-13 for more details.

Report of the auditor of annual financial statement

Attn Hoffnungszeichen I Sign of Hope e.V.:

We have audited the annual financial statement - consisting of the balance sheet, profit and loss account as well as appendix - taking into consideration the accounting and the status report of Hoffnungszeichen I Sign of Hope e.V., Konstanz, for the business year 1 October 2017 to 30 September 2018. The legal representatives of the company are responsible for the annual financial statement and the status report according to the German provisions under commercial law. Our task is to issue an assessment of the annual financial statement, taking into consideration the accounting and the status report on the basis of the audit conducted.

We have undertaken our audit of the annual financial statement pursuant to § 317 HGB German Commercial Code, applying the principles of proper annual audits as issued by the Institute of Public Auditors in Germany (IDW). According to this, the audit is to be planned and conducted in a way which adequately ensures the recognition of irregularities and infringements affecting the portrayal of the asset, financial and earnings position provided in the annual financial statement, observing the principles of proper accounting, and as stated in the status report. Knowledge of business activities and the economic and legal environment of the association as well as taking into consideration the expectations of possible errors determine the audit procedure. The effectiveness of the internal accounting control systems as well as verification of the information in the accounts and annual financial statement were assessed mainly on the basis of sampling checks within the extent of the audit. The audit includes the assessment of the balance sheet accounting principles and essential assessments of the legal representative as well as the appraisal of the overall view of the annual financial statement. We are of the opinion that our audit provides a reasonable basis for our assessment.

Our audit has not raised any objections.

Based on the findings of our audit it is our assessment that the annual financial statement are commensurate with legal provisions and the supplementary provisions of the articles of association, complies with the principles of proper bookkeeping and provides an appropriate picture of the actual asset, financial and earnings position of the association. The status report is in accordance with the annual financial statement, complies with legal provisions, overall provides an accurate portrayal of the position of the association and sufficiently portrays the opportunities and risks of future development.

Development of donation revenues and expenses



Figures in millions of euros per fiscal year
* private and public grants, donations in kind, legacies and fines given or paid during the fiscal year

Donation revenues Fiscal year 2018




	2018	Previous year
Financial donations	€ 4,925,810.57	€ 5,579,280.95
+ Public money	€ 1,058,054.64	€ 731,062.07
+ Private money	€ 238,668.38	€ 352,160.94
+ Fines	€ 500.00	€ 0.00
+ Legacy gifts	€ 32,793.35	€ 90,346.01
+ Donations in kind	€ 432,394.79	€ 1,238,488.53
= Donations received during the fiscal year	€ 6,688,221.73	€ 7,991,338.50
+ Use of donations received in previous years	€ 1,079,829.18	€ 1,153,542.26
- Unspent donations from the fiscal year	€ -1,162,157.30	€ -968,250.63
= Income from use of donations in the fiscal year	€ 6,605,893.61	€ 8,176,630.13

Income statement



for the fiscal year 1 October 2017 to 30 September 2018.

Profit and loss account	Fulfilment of statutory aims / voluntary sector / economic activity for purpose-related goals				Previous year	
	Grand total Indirect intangible activities /projects	Humanitarian aid and development cooperation	Human rights	Management and administration		Publicity for donations
total						
1. Donations received during the fiscal year	€ 6,688,221.73	€ 6,688,221.73				€ 7,991,338.50
2. Use of donations received in previous years	€ 1,079,829.18	€ 1,079,829.18				€ 1,153,542.26
3. Unspent donations from the fiscal year	€ -1,162,157.30	€ -1,162,157.30				€ -968,250.63
4. Sum of revenues from voluntary sector	€ 6,605,893.61	€ 6,605,893.61				€ 8,176,630.13
Expenses from fulfilling the aims laid out in the articles of association						
5 a) Project payments	€ -2,997,377.54	€ -2,997,377.54	€ -2,827,383.32	€ -169,994.22		€ -4,544,141.83
5 b) Personnel expenses	€ -891,189.76	€ -891,189.76	€ -729,539.34	€ -161,650.42		€ -760,779.22
5 c) Depreciations	€ -63,966.74	€ -63,966.74	€ -51,258.77	€ -12,707.97		€ -65,865.74
5 d) Information for donors	€ -797,548.57	€ -797,548.57	€ -686,090.70	€ -111,457.87		€ -731,936.60
5 e) Other expenses from fulfilling the aims laid out in the articles of association	€ -467,363.09	€ -467,363.09	€ -330,916.46	€ -136,446.63		€ -519,931.31
5. Total costs from projects and article-related activities	€ -5,217,445.70	€ -5,217,445.70	€ -4,625,188.59	€ -592,257.11		€ -6,622,654.70
Administrative expenses						
6 a) Personnel costs	€ -239,563.56			€ -239,563.56		€ -205,378.79
6 b) Depreciations	€ -10,498.17			€ -10,498.17		€ -10,715.36
6 c) Occupancy costs	€ -20,595.45			€ -20,595.45		€ -15,266.98
6 d) Other administrative expenses	€ -146,717.52			€ -146,717.52		€ -202,368.12
6. Total administrative expenses Konstanz/Africa	€ -417,374.70			€ -417,374.70		€ -433,729.25
Publicity expenses						
7 a) Personnel expenses	€ -163,660.94				€ -163,660.94	€ -123,572.73
7 b) Depreciations	€ -12,206.07				€ -12,206.07	€ -10,440.10
7 c) Magazine	€ -41,179.33				€ -41,179.33	€ -40,520.82
7 d) Direct mailings	€ -209,662.59				€ -209,662.59	€ -298,912.85
7 e) Supplements	€ -74,813.84				€ -74,813.84	€ -89,513.72
7 f) Other printing and shipping	€ -80,592.46				€ -80,592.46	€ -67,008.96
7 g) Other publicity expenses	€ -40,355.22				€ -40,355.22	€ -45,498.62
7. Total publicity expenses	€ -622,470.45				€ -622,470.45	€ -675,467.80
Total expenses	€ -6,257,290.85					€ -6,475,024.80
8. Result from intangible activities	€ 348,602.76	€ 16,566.49		€ 4,295.83	€ 2,712.26	€ 444,778.38
9. Other operating revenue	€ 23,574.58	€ 17,666.49				€ 0.19
10. Other interest and related income	€ 17,666.49			€ 244.00		€ 9,673.50
11. Interest and related expenditure	€ -244.00					€ 209.00
12. Annual net earnings / Net loss for the year	€ 389,599.83	€ 1,422,680.70		€ -413,322.87	€ -619,758.19	€ 0.19
Total revenues	€ 6,647,134.68	€ 6,640,126.40		€ 4,051.83	€ 2,712.26	€ 0.19
Total expenses	€ 6,257,534.85	€ 5,217,445.70		€ 417,618.70	€ 622,470.45	€ 0.00
	100 %	99.90 %		0.06 %	0.04 %	0.00 %
				6.67 %	9.95 %	0.00 %

WISTA AG
Auditing company
Tax consultancy

(Th. Rondot) Auditor
(H.-J. Philipp) Auditor

WISTA AG

Mannheim,
28 January 2019
Ro/Ph/Se/GM
2019/017

The complete annual financial statement with a status report written by the executive board and the auditor's report can be requested from Hoffnungszeichen e.V.

Outlook and strategy

The goals of our article-related work

Satisfying the fundamental human requirements for food, drink and safety is the key objective of our work. In line with our mission statement, the regional emphasis of our activities is focussed on central East Africa, and on Uganda, northern Kenya and Ethiopia in particular.

The goal is to use our personnel on the ground to design projects as effectively as possible and to make efficient use of the funds available to us. We successively build up and expand our fields of activity, namely human rights, humanitarian aid and development cooperation, in each new region that we start work in. Our activities also focus on such matters as nutrition, health, water combating poverty, education and social issues.

As part of our human rights work, in South Sudan we will continue to give attention to the 600,000 people whose health is gravely threatened by the improper disposal of waste by the oil industry, and in particular by the toxic, contaminated groundwater that this has produced. Hoffnungszeichen will sustain its efforts to make the perpetrators of this human and environmental catastrophe to take responsibility for their actions.

We will moreover continue to stand up for people living in other countries whose human rights, especially the freedom of religion, are being infringed and will make use of our consultative status with the United Nations to this end.

Financial and personnel planning

The finances for on-going projects and for carrying out planned investments are principally guaranteed for the planning period of the next five years by private donations, grants from institutional and public donors as well as interest and other revenues.

The reserves will be entirely covered by liquid assets. The moderate build-up of reserves will allow the association to continue to operate should any risks entail negative changes to our income. We will set aside roughly one third of our liquid assets as an emergency and catastrophe reserve as "free reserves". Hoffnungszeichen e.V. endeavours to invest its liquid assets in line with ethical guidelines and the basic principle of "security over return".

We are making plans for our income to increase continuously over the next five years and for our expenses to rise accordingly, which will principally go towards the work we do in line with our articles of association and thus towards helping destitute people in the hardest-hit countries. In order to achieve these income goals and to expand our project work, further staff members will be recruited in the

Donor Liaison & Public Relations Department and the International Aid & Cooperation Department.

The number of staff members in Africa (12 at present) will gradually increase to more than 20 people in the course of the fiscal year 2019 as a result of the construction of our own health centre in Uganda.

We are trying to keep the proportion of our overall expenses made up of administrative and publicity costs to an appropriate level of less than 20 %.

Opportunities and risks

Our own high-quality projects, e.g. in Uganda and northern Kenya, the development projects that we run in collaboration with local partner organisations in India, Armenia, Rwanda, Malawi, Bangladesh and Guatemala and aid transports to crisis regions will open up opportunities for us to increase our revenues in the following fiscal year through both public financing and grants from other institutions. Our commitment to human rights in South Sudan and our strategic refocussing in Africa present the opportunity to improve public awareness and thereby to open up access to new donors.

Planning the finances for the fiscal years 2019 to 2023 according to the definition of the German Charities Council (DSR).

Income in millions of euros	Fiscal year				
	2019	2020	2021	2022	2023
Individual financial donations	5.30	5.50	5.70	6.00	6.30
Public financial donations	1.60	1.65	1.70	1.80	1.95
Institutional donors/foundations/NGOs	1.05	1.10	1.15	1.20	1.25
Donations in kind	0.70	0.70	0.70	0.75	0.75
Other sources of revenue	0.05	0.05	0.05	0.05	0.05
Total revenues	8.70	9.00	9.30	9.80	10.30

Expenses in millions of euros	Fiscal year				
	2019	2020	2021	2022	2023
Project work/work to fulfil aims of articles of association	7.30	7.55	7.80	8.20	8.65
Administration	0.60	0.60	0.65	0.70	0.70
Publicity/donor liaison	0.80	0.85	0.85	0.90	0.95
Total expenses	8.70	9.00	9.30	9.80	10.30

Proportion of administrative and publicity costs in overall expenditure in %	2019	2020	2021	2022	2023
	16.1	16.1	16.1	16.3	16.0

Uncertainty in the economic and financial situation poses a risk, particularly as far as funding through institutional and public donors is concerned.

Ever since South Sudan declared independence from the rest of Sudan on 9th July 2011, the youngest country in the world has implemented increasingly repressive and authoritative measures. Corruption and a civil war that broke out in late 2013 are visible signs of a failing state. The weak state will resort to violence to consolidate its hold on power, which is bound to have serious negative impacts on the working conditions of non-governmental organisations. This can mean that individual partner projects in South Sudan suffer as a result or must even be discontinued.

We will continue to monitor human rights violations resulting from industrial pollution caused by improper waste disposal, which severely damages the health of local people, and will criticise the conduct of the perpetrator, Petronas, all the more. We will also continue to remind Daimler AG, the Formula 1 partner of Petronas, of its own ethical commitments and voice public criticism of the company where we are able to identify breaches of these standards. There are legal and consequently financial risks associated with criticising these two companies, which we are minimising through prudent public relations work and raising the relevant insurance cover.

The European Union's General Data Protection Regulation, which came into force in all member states on 25 May 2018, also potentially creates uncertainty in the handling of data due to tighter legislation. This results in an increased risk of liability.

The safety of our staff members in Africa may be threatened in the event of regional outbreaks of violence. An elaborate safety analysis and early risk warning system is intended to minimise the dangers of such flare-ups.

The necessary continuous supply of our partner projects in South Sudan with food, medicines and medical equipment can be delayed or occasionally even suspended by the weather (in the rainy season), by the risk of violence on the transport route or by theft. In order to minimise this risk, long planning periods and appropriate quantities of stock must be taken into account. Our own health programme in Uganda, which is currently under development and includes the running of a health centre, is inherently exposed to risks. These risks are counteracted by corresponding liquidity reserves. The security risks for our staff members are reduced by implementing protective measures such as fences and security staff.

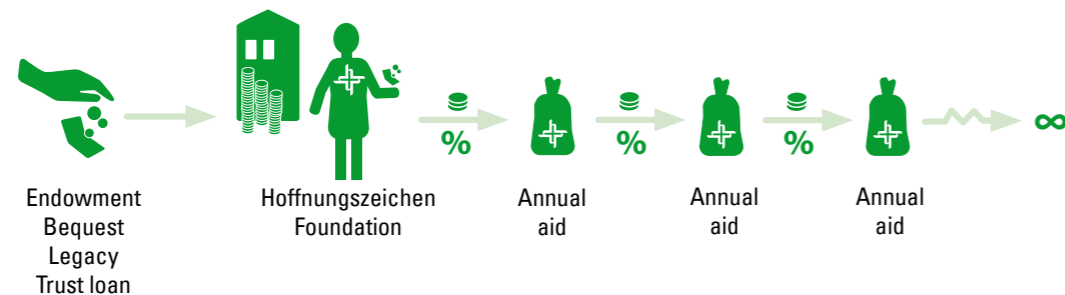
Our employees themselves may also pose risks for Hoffnungszeichen. People make mistakes and, for medical personnel in particular, mistakes can have serious consequences. We try to counteract this risk through quality assurance measures and a careful staff selection process.

There is also the risk that staff members on the ground may act without authorisation and thereby cause Hoffnungszeichen material or immaterial harm. We endeavour to counter this risk with our comprehensive rules of conduct (guidelines). Line management responsibility and our internal monitoring system allow us to ensure compliance with these rules.

Our wealth of experience and experienced members of staff mean we can prevent many risks from arising and react quickly in emergencies.

On these pages you can read an excerpt from the status report in the annual financial statement. The executive board's complete status report and other important information, as well as guidelines referred to elsewhere, can be viewed at www.hoffnungszeichen.de.





Help as a donor

If you want to be sure that your gift or bequest does lasting good, we would recommend supporting the Hoffnungszeichen Foundation.



A large part of the endowment fund was invested in an office building in Konstanz in 2011. Hoffnungszeichen e.V. is one of the tenants.

The Hoffnungszeichen | Sign of Hope Foundation fulfils the desire of many donors for their bequests to make a long-term difference to overcoming hardship and poverty. Background: Donations given to the Hoffnungszeichen association will soon be used for projects. The work of the foundation is funded above all by income generated by the endowment fund - it has long-lasting, secure and invested along ethical guidelines. The foundation, which was founded by Hoffnungszeichen e.V., does not have its own employees - its personnel and finances are instead managed by the association itself.

Revenues for a good cause

Rent revenues, donations and interest income allow the foundation to deliver aid to destitute people year after year. These funds meant six projects across three different countries were supported in the fiscal year. This aid benefited the Women's Centre in the South Sudanese town of Nzara. In Kenya, South Sudanese refugees were able to complete training courses. In the Indian city of Kolkata,

the foundation was able to strengthen the rights of children and provide them with medical care.

Become a donor

By giving an endowment to the basic assets, you can increase the foundation's revenues and make a long-term contribution to helping people in hardship. A bequest or a legacy can also add financial or material assets to the foundation's capital - this allows you to help those in need beyond your own lifetime.

A trust loan would suit donors who are content to do without a part of their financial assets for a longer period of time, which would be made available to Hoffnungszeichen free of interest. The revenues will in turn be used for our projects. Loan periods and termination options give the lender financial flexibility. The amount can be transferred into the foundation's basic assets in the event of death or at the end of the loan period.

Hoffnungszeichen | Sign of Hope Stiftung, Konstanz

Balance sheet issued on 30 September 2018

ASSETS SIDE	30.09.2018 EUR	30.09.2017 EUR	LIABILITIES SIDE	30.09.2018 EUR	30.09.2017 EUR
A. FIXED ASSETS			A. EQUITY CAPITAL		
II. Tangible assets			I. ENDOWMENT CAPITAL	1,402,219.03	1,394,693.11
1. Land, rights similar to land rights and buildings, including buildings on third-party land	1,031,269.00	1,063,410.00	II. Free reserves as per Section 62 Para. 1 No. 3 AO	43,959.26	43,959.26
2. Technical equipment and machines	1,173.00	1,588.00	III. Account carried forward	-118,379.37	-112,459.77
3. Other facilities, fixtures and fittings and business equipment	4,501.00	1,628.00		1,327,798.92	1,326,192.60
	1,036,943.00	1,066,626.00	B. EXTRAORDINARY ITEMS FROM DONATIONS AND SIMILAR GRANTS	9,666.77	10,326.66
II. Financial assets			C. PROVISIONS		
Investment securities	30,000.00	85,000.00	Other provisions	11,800.00	15,605.00
				11,800.00	15,605.00
	1,066,943.00	1,151,626.00	D. LIABILITIES		
B. CURRENT ASSETS			1. Trade payables thereof with a remaining term of up to one year € 5,531.65 (previous year: € 7,349.31)	5,531.65	7,349.31
I. Inventory			2. Trust loan	135,000.00	155,000.00
Raw materials & supplies	11,000.00	8,500.00	3. Other liabilities thereof with a remaining term of up to one year € 14,993.56 (previous year: EUR 17,565.70) thereof from taxes € 0.00 (previous year: € 1,996.24)	14,993.56	17,565.70
II. Accounts receivable and other assets			4. Liabilities from as yet unused donations for specific purposes	2,249.94	1,271.21
1. Account receivables from deliveries and services	0.00	283.63		157,775.15	181,186.22
2. Other assets	18,538.51	14,998.83	E. ACCRUALS AND DEFERRED INCOME ITEMS	512.00	1,043.00
	18,538.51	15,282.46			
III. Bank balances, credit balances at financial institutions	404,487.47	352,820.11			
C. ACCRUALS AND DEFERRED INCOME ITEMS	6,583.86	6,124.91			
	1,507,552.84	1,534,353.48		1,507,552.84	1,534,353.48

Profit and loss statement for the fiscal year 2017/2018

	2017/2018 EUR	2016/2017 EUR
1. Grants received in the fiscal year	50,549.61	57,629.33
2. Use of grants received in previous years	10,326.66	3,958.33
3. As yet unused donations and similar grants	-10,638.77	-11,587.66
4. Income from use of donations in the fiscal year	50,237.50	50,000.00
5. Leasing and rental revenues	154,213.20	148,260.42
6. Expenses from fulfilling the aims of the articles of association		
Project costs	-50,237.50	-50,000.00
7. Manufacturing costs for realising income from renting and leasing	-149,305.18	-157,738.16
8. Gross profit on sales	4,908.02	-9,477.74
9. General administrative costs	-11,156.37	-9,367.53
	-6,248.35	-18,845.27
10. Other operating revenue	748.53	183.60
11. Other interest and related income	1,146.37	2,601.15
12. Interest and related expenditure	-6.73	-49.64
13. Result after tax	-4,360.18	-16,110.16
14. Other taxes	-1,559.42	-2,114.46
15. Annual result	-5,919.60	-18,224.62
16. III. Account carried forward for previous year	-112,459.77	-94,235.15
17. Account carried forward	-118,379.37	-112,459.77

The Hoffnungszeichen Foundation
... was founded in 2007 and is an incorporated foundation in civil law based in Konstanz.

Voluntary Board of Directors:	Reimund Reubelt (Chairman) Klaus Stieglitz (Deputy Chairman)
Voluntary Supervisory board:	Manfred Steiner (Chairman), Gerhard Heizmann (Deputy Chairman), Ute Felgenhauer-Laier
Foundation supervisory authority:	Regional Council of Freiburg (File no. 14-2214.8)
Non-profit status:	Notice of exemption dated 13.04.2018 (Konstanz Tax Office, tax no. 09041/20443)
Account for donations and endowments:	DE36 6602 0500 0008 7240 00 (Bank für Sozialwirtschaft)

More information about the Hoffnungszeichen Foundation can be found at:
www.hoffnungszeichen-stiftung.de

The Hoffnungszeichen Foundation is a member of the **Association of German Foundations**, which represents the interests of more than 22,000 German foundations. With 4,400 members, it is the largest association of foundations in Europe.





Thank you!

24,870 donors gave **80,527 financial donations** amounting to **6.26 million euros**. As well as 2.41 million euros of free donations, 1.78 million euros were devoted to our work in **South Sudan**, 0.62 million for projects in **Armenia**, 0.37 million to provide support in **Yemen** and **Uganda** benefited from 0.28 million euros.

With your help, in **2018** Hoffnungszeichen e.V. was able to run **50 projects** in **18 countries**. This support reached **196,253 people**.

We are particularly grateful to the **2,113** donors who support our commitment in the long-run with a **project partnership**.

Donation account:
DE72 5206 0410 0000 0019 10



*“Whatever you did for one of the least of these brothers
of mine, you did for me.”*

Matthew 25:40

Hoffnungszeichen | Sign of Hope e.V.

Schneckenburgstr. 11 d · 78467 Konstanz
Tel. +49(0)7531 9450160 · Fax +49(0)7531 9450161
Email: info@hoffnungszeichen.de
Website: www.hoffnungszeichen.de
