



Children's Relief Bethlehem

Lucerne

Report of the statutory auditor
to the General Meeting

on the financial statements 2024



Report of the statutory auditor

to the General Meeting of Children's Relief Bethlehem, Lucerne

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Children's Relief Bethlehem (the Association), which comprise the balance sheet as at 31 December 2024, the statement of operations, the cash flow statement, the statement of changes in capital for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Association as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law as well as the association's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Association in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board's responsibilities for the financial statements

The Board is responsible for the preparation of financial statements that give a true and fair view in accordance with Swiss GAAP FER, the provisions of Swiss law and the Association's articles of incorporation, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or

error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Plan and perform the audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Association as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the audit of the financial statements. We remain solely responsible for our audit opinion.

We communicate with the Board or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In accordance with article 69b para. 3 CC in conjunction with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board, for the preparation of the financial statements.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Remo Waldspühl
Licensed audit expert
Auditor in charge

Carmen Stocker
Licensed audit expert

Luzern, 17 April 2025

Enclosure:

- Financial statements (balance sheet, statement of operations, cash flow statement, statement of changes in capital and notes)

BALANCE SHEET

	Notes	31.12.2024 CHF	%	Prior year CHF	%
ASSETS					
Current assets					
Cash and cash equivalents and money market investments	2.1	16,625,867		16,088,013	
Short-term investments with a quoted market price	2.2	17,524,888		14,254,858	
Receivables from goods and services	2.3	4,258,642		3,349,687	
Other current receivables	2.4	2,126,984		1,855,671	
Inventory	2.5	1		1	
Accrued income and prepaid expenses	2.6	128,642		135,283	
		40,665,025	100.0%	35,683,513	100.0%
Non-current assets					
Property, plant and equipment	2.7	1		1	
		1	0.0%	1	0.0%
Total Assets		40,665,026	100.0%	35,683,514	100.0%
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables goods and services	2.8	344,973		163,281	
Other current liabilities	2.9	45,315		63,122	
Accrued expenses and deferred income	2.10	251,704		86,228	
		641,992	1.6%	312,631	0.9%
Non-current liabilities					
Long-term provisions	2.11	5,412,000		5,160,000	
		5,412,000	14.4%	5,160,000	14.5%
Total liabilities		6,053,992	14.9%	5,472,631	15.3%
Fund capital					
Restricted-use funds CBH		5,321,133		4,700,465	
Restricted-use funds expansion of day surgery		2,743,338		1,472,060	
		8,064,471	19.8%	6,172,525	17.3%
Total liabilities and fund capital		14,118,463	34.7%	11,645,156	32.6%
Organisation capital					
Tied capital		21,827,890		20,800,000	
Free capital		2,210,469		1,128,986	
Annual profit		2,508,204		2,109,372	
		26,546,562	65.3%	24,038,358	67.4%
Total liabilities and capital		40,665,026	100.0%	35,683,514	100.0%

STATEMENT OF OPERATIONS

	Notes	2024 CHF	%	Prior year CHF	%
Operating income					
Donations		11,494,465		10,723,346	
Bequests		688,272		3,397,571	
Total income from donations and bequests	3.1	12,182,737		14,120,917	
Proceeds from sales of goods and services		2,738,252		2,877,165	
Total proceeds from sales of goods and services	3.2	2,738,252		2,877,165	
Total operating income		14,920,989	100.0%	16,998,082	100.0%
Operating expenses					
Project expenses		-1,728,624		-2,138,234	
Personnel expenses	3.3	-7,573,024		-7,734,197	
Administrative expenses		-2,224,682		-2,304,428	
Depreciation and amortisation		-1,050,146		-304,243	
Total operating expenses	3.4	-12,576,477	-84.3%	-12,481,102	-73.4%
Operating result		2,344,513	15.7%	4,516,980	26.6%
Financial result	3.5	1,793,279	12.0%	675,990	4.0%
Extraordinary result	3.6	262,359	1.8%	16,155	0.1%
Annual result before change in funds		4,400,151	29.5%	5,209,126	30.6%
Allocation of restricted-use funds CBH		-10,200,417		-10,186,636	
Allocation of restricted-use funds expansion of day surgery		-1,555,273		-1,472,060	
Appropriation of restricted-use funds CBH		9,579,749		8,558,942	
Appropriation of restricted-use funds expansion of day surgery		283,994		0	
Change in fund capital		-1,891,946	-12.7%	-3,099,754	-18.2%
Annual result before change in capital		2,508,204	16.8%	2,109,372	12.4%

CASH FLOW STATEMENT

(Funds: Cash and cash equivalents and money-market investments)

	2024 CHF	Prior Year CHF
Cash flow from operating activities		
Annual result before allocation to organisational capital	2,508,204	2,109,372
Change in fund capital	1,891,946	3,099,754
Immediate depreciation of PP&E CBH	1,050,146	304,243
Increase (+)/decrease (-) in provisions	252,000	-822,000
Accounting profit (-)/loss (+) on securities	-1,076,696	-687,652
Disposal of securities	7,459,777	2,185,723
Purchase of securities	-9,653,111	-2,438,969
Increase (-)/ decrease (+) in accounts receivable	-1,180,268	1,433
Increase (-)/ decrease (+) in prepayments and accrued income	6,641	-35,058
Increase (+)/decrease (-) in current liabilities	329,361	-102,746
Cash flow from operating activities	1,588,000	3,614,099
Investing activities		
Investments in non-current assets	-1,050,146	-304,243
Granting/repayment of loans	0	2
Cash flow from investing activities	-1,050,146	-304,241
Capital surplus / requirement	537,855	3,309,858
Financing activities		
Increase/decrease in non-current financial assets	0	0
Cash flow from financing activities	0	0
Increase/decrease in cash and cash equivalents	537,855	3,309,858
(Funds: Cash and cash equivalents and money-market investments)		
Cash and cash equivalents (funds)		
Cash and cash equivalents as at 1 January	16,088,013	12,778,154
Cash flow from operating activities	1,588,000	3,614,099
Cash flow from investing activities	-1,050,146	-304,241
Cash flow from financing activities	0	0
Balance of cash and cash equivalents as of 31.12.	16,625,867	16,088,013

STATEMENT OF CHANGES IN CAPITAL

Fund capital 2024	Opening balance	Allocated (external)	Internal transfer	Appropriated (external)	Total change	Closing balance
	CHF	CHF	CHF	CHF	CHF	CHF
Restricted-use funds CBH	4,700,465	10,200,417	0	-9,579,749	620,668	5,321,133
Restricted-use funds expansion of day surgery	1,472,060	1,555,273	0	-283,994	1,271,278	2,743,338
Total restricted-use funds	6,172,525	11,755,689	0	-9,863,743	1,891,946	8,064,471

In 2024, CHF 1,555,572.69 in donations were earmarked for day surgery. Together with the previous year's donations, this totaled to CHF 3,027,332.61 at the end of the year. Of this amount, CHF 283,994.30 was paid out from the start of construction until the end of the year, meaning that earmarked donations of CHF 2,743,338.31 are available for day surgery as of December 31, 2024.

Fund capital 2023	Opening balance	Allocated (external)	Internal transfer	Appropriated (external)	Total change	Closing balance
	CHF	CHF	CHF	CHF	CHF	CHF
Restricted-use funds CBH	3,072,771	11,658,696	-1,472,060	-8,558,942	1,627,694	4,700,465
Fund earmarked donations expansion of day surgery	0	0	1,472,060	0	1,472,060	1,472,060
Total restricted-use funds	3,072,771	11,658,696	0	-8,558,942	3,099,754	6,172,525

Organisation capital 2024	Opening balance	Allocated (external)	Internal transfer	Appropriated (external)	Total change	Closing balance
	CHF	CHF	CHF	CHF	CHF	CHF
Projects in Bethlehem and region	400,000	0	0	-122,111	-122,111	277,889
Disaster fund	250,000	56,341	0	-56,341	0	250,000
Currency fluctuations	3,000,000	500,000	0	0	500,000	3,500,000
Construction, maintenance, refurbishment CBH	2,000,000	0	0	0	0	2,000,000
Reserve for operating costs CBH	13,350,000	650,000	0	0	650,000	14,000,000
Expansion CBH/Expansion of services	1,800,000	0	0	0	0	1,800,000
Tied capital	20,800,000	1,206,341	0	-178,452	1,027,889	21,827,890
Free capital (accumulated)	3,238,358	-1,206,341	0	178,452	-1,027,889	2,210,469
Profit/loss for the year	0	0	2,508,204	0	2,508,204	2,508,204
Free capital	3,238,358	-1,206,341	2,508,204	178,452	1,480,315	4,718,673
Total organisation capital	24,038,358	0	2,508,204	0	2,508,204	26,546,562

Organisation capital 2023	Opening balance	Allocated (external)	Internal transfer	Appropriated (external)	Total change	Closing balance
	CHF	CHF	CHF	CHF	CHF	CHF
Projects in Bethlehem and region	400,000	376,186	-120,000	-256,186	0	400,000
Disaster fund	300,000	144,981	0	-194,981	-50,000	250,000
Currency fluctuations	2,200,000	800,000	0	0	800,000	3,000,000
Construction, maintenance, refurbishment CBH	3,000,000	0	-1,000,000	0	-1,000,000	2,000,000
Reserve for operating costs CBH	13,000,000	350,000	0	0	350,000	13,350,000
Hospital development	286,210	0	-286,210	0	-286,210	0
Expansion CBH/Expansion of services	0	393,790	1,406,210	0	1,800,000	1,800,000
Tied capital	19,186,210	2,064,957	0	-451,167	1,613,790	20,800,000
Free capital (accumulated)	2,742,776	-2,064,957	0	451,167	-1,613,790	1,128,986
Profit/loss for the year	0	0	2,109,372	0	2,109,372	2,109,372
Free capital	2,742,776	-2,064,957	2,109,372	451,167	495,582	3,238,358
Total organisation capital	21,928,986	0	2,109,372	0	2,109,372	24,038,358

At the end of 2023, a new fund "Expansion of CBH/Expansion of Services" was opened in CRB's organisational capital. This fund will finance the expenses for the expansion of the hospital in order to expand the services offered. With the board resolutions of March 30, 2023 and November 30, 2023, the following resources were allocated to this fund:

- a) CHF 1,000,000 from the "Construction, maintenance, refurbishment CBH" fund
- b) CHF 120,000 from the "Projects in Bethlehem and region" fund
- c) the balance of the "Hospital development" fund, which is dissolved at the end of 2023: CHF 286,210.

In total, the Expansion CBH/Expansion of services fund will be augmented by CHF 1,406,210. Further allocations will be made from future annual results whenever possible.

NOTES TO THE FINANCIAL STATEMENTS 2024

1.1 Basic principles

Children's Relief Bethlehem (CRB) finances for the main part the Caritas Baby Hospital (CBH) in Bethlehem. CRB maintains its own accounting system on site. At year-end, the figures are integrated in the financial accounting of CRB and consolidated in the operating statement of CRB.

Accounts are kept in Swiss francs (CHF). The accounting of the Caritas Baby Hospital in Bethlehem uses the local currency (Israeli shekels or ILS). Assets and liabilities recorded in foreign currencies are translated using the closing exchange rate as at the balance sheet date. Expenses and income recorded in foreign currencies are translated using the annual average exchange rate. Foreign currency translation differences are recorded through profit and loss in the financial result.

The following exchange rates were used (in CHF):	31.12.2024	Prior year
Closing rate USD	0.9063	0.8416
Closing rate EUR	0.9385	0.9297
Closing rate ILS	0.2487	0.2337
Average rate USD	0.8801	0.9146
Average rate EUR	0.9524	0.9857
Average rate ILS	0.2391	0.2511

The financial reporting is done in accordance with the requirements of Swiss GAAP FER and, in particular, Swiss GAAP FER 21, providing a true and fair view of the financial position, the cash flows and the results of operations. Further, the financial statements comply with Swiss law and the principles and guidelines of the ZEWO Foundation.

1.2 Accounting principles

In principle, the financial statements apply the acquisition or production cost method. This is based on the individual valuations of the assets and liabilities. The main accounting principles are presented below. Unless indicated otherwise, valuations represent the market values as at the balance sheet date.

1.2.1 Cash and cash equivalents

This item includes cash in hand, postal and bank accounts. In Israel, cash and cash equivalents are subject to transfer restrictions. However, since these funds are freely available in Israel, they are recorded at market value.

1.2.2 Money-market investments

This item includes investments in short- and medium-term money-market instruments (fixed-term deposits, call deposits, deposit accounts) in Switzerland or Germany.

1.2.3 Securities

Securities consists of bonds, shares, structured products, investment funds and precious metals. They are measured at the market value as at the balance sheet date. Any accrued interest is included in prepayments and accrued income.

1.2.4 Derivative financial instruments

Children's Relief Bethlehem may enter into foreign exchange option and forward transactions for the purpose of managing its cash and cash equivalents. These transactions are disclosed in the notes using the option according to Swiss GAAP FER 27, RZ 8.

1.2.5 Accounts receivable

This item consists mainly of accounts receivable due from related parties relating to donations that have not yet been disbursed as well as other receivables. They are recorded at their nominal value less an appropriate allowance for doubtful debts.

1.2.6 Inventory

The inventories include medicines and medical supplies from the Caritas Baby Hospital in Bethlehem. The Children's hospital in Bethlehem is located in a conflict zone. Inventories in Bethlehem are therefore exposed to a significant loss risk (destruction, unstable political environment, expropriation, etc.). The higher-than-average loss risk is accounted for by valuing non-current assets at a pro memoria value of CHF 1 in accordance with Swiss GAAP FER 2.

1.2.7 Accrued income and prepaid expenses

This item consists mainly of advance payments and accrued interest on fixed-term deposits.

1.2.8 Non-current assets

Non-current assets comprise the hospital building in Bethlehem, including all equipment, medical devices, office equipment and movable property. The Children's hospital in Bethlehem is located in a conflict zone. Non-current assets (the building and movable property) in Bethlehem are therefore exposed to a significant loss risk (destruction, unstable political environment, expropriation, etc.). The higher-than-average loss risk is accounted for by valuing non-current assets at a pro memoria value of CHF 1 in accordance with Swiss GAAP FER 2. It would be too risky to apply scheduled depreciation based on an estimated useful life in subsequent years, not least due to uncertainty regarding funding. Movable property at CRB's office in Lucerne is not recorded as an asset but directly charged to profit and loss.

Therefore, investments for construction projects are capitalised as buildings in construction and they are written off only when the construction phase has ended.

An inventory of all movable property is available. Please refer to note 2.7, in the notes to specific items on the balance sheet.

1.2.9 Current liabilities

This item includes all invoices outstanding as at balance sheet date for services that have already been rendered. Measurement is at nominal value.

1.2.10 Accrued expenses and deferred income

This item comprises liabilities resulting from the individual expense and income positions recorded according to the accrual principle and matching of cost and revenue. Measurement is at nominal value.

1.2.11 Provisions

This item comprises provisions created for existing liabilities for which an outflow of funds is likely. The amount of the provision is based on the Board of Directors' estimate and reflects the outlook of future expenses as at the balance sheet date.

1.3 Cash flow statement accounting principles

The cash flow statement considers the cash funds (cash and cash equivalents, money-market investments). The cash flow statement presents the changes in these funds, classifying them into operating, investing and financing activities. The indirect method is used for the cash flow statement.

1.4 Statement of changes in capital

The statement of changes in capital presents the development of each of the individual restricted-use funds and the organisation capital.

1.4.1 Restricted-use funds

This position includes donations which have been earmarked for specific purposes of Children's Relief Bethlehem. These funds represent a performance obligation to the donors until they have been fully appropriated.

1.4.2 Tied and free organisation capital

This item comprises the funds that may be used within the scope of the statutory purpose of Children's Relief Bethlehem. Tied capital includes funds not subject to a restraint on disposal by third parties and which are ring-fenced for a designated purpose by the Board of Directors of Children's Relief Bethlehem. The free capital may be used at the Children's Relief Bethlehem Board's discretion for projects that correspond to the purpose of Children's Relief Bethlehem.

1.5 Related party organisations/institutions

The following organisation/institution is considered a related party:

- Deutscher Caritas-Verband, Freiburg im Breisgau, Germany (DCV)
- Pension Fund Foundation of Children's Relief Bethlehem, Lucerne
- Reserve Foundation of Children's Relief Bethlehem, Lucerne (patronal foundation)

DCV processes the donations in Germany on behalf of Children's Relief Bethlehem. The pension fund insures employees of Caritas Baby Hospital against old age, invalidity and death. The Reserve Foundation of Children's Relief Bethlehem provides voluntary, special benefits for employees working at the Caritas Baby Hospital, which supplement those of the Pension Fund Foundation.

In accordance with Swiss GAAP FER, the dioceses in Switzerland, the archdiocese Freiburg i.Br. and other dioceses in Germany are not considered related parties. This also applies to the following associations:

- "Aiuto Bambini Betlemme" based in Verona, Italy (founded in November 2005)
- "Kinderhilfe Bethlehem Österreich" based in Vienna, Austria (founded in October 2007)

The above associations are legally independent and pursue the same purpose as Children's Relief Bethlehem in Lucerne.

Transactions with related parties:

Clearing account of Deutscher Caritas-Verband e.V. D-Freiburg		31.12.2024	Prior year
Balance as at 1.1.	EUR	1,699,927	1,309,739
Donations received	EUR	4,092,654	4,566,786
Direct costs	EUR	-538,086	-476,597
Subtotal	EUR	5,254,495	5,399,927
Remittances to CRB	EUR	-3,500,000	-3,700,000
Balance as at 31.12. in EUR	EUR	1,754,495	1,699,927
Exchange rate		0.94	0.92
Balance as at 31.12. in CHF	CHF	1,650,844	1,570,191
		(Credit balance)	(Credit balance)
Current account of Pension Fund Foundation CRB, Lucerne		31.12.2024	Prior year
Balance as at 1.1.		-16,508	59,953
Debit - pension fund CBH	CHF	404,627	337,147
Debit - administrative costs third parties	CHF	64,625	43,857
Debit/credit payment transfers	CHF	16,509	-59,953
Credit contributions to pension fund CBH	CHF	-412,493	-396,383
Debit/credit - interest	CHF	850	-1,130
Balance as at 31.12.	CHF	57,609	-16,508
		(Credit balance)	(Debit balance)
Current account of Reserve Foundation of Children's Relief Bethlehem, Lucerne		31.12.2024	Prior year
Balance as at 1.1.		116,792	111,057
Debit - severance payments CBH	CHF	46,204	96,154
Debit - critical illness payments CBH	CHF	16,227	0
Debit - administrative costs third parties	CHF	23,966	18,888
Debit/credit payment transfers	CHF	-116,792	-111,057
Debit/credit - interest	CHF	1,300	1,750
Balance as at 31.12.	CHF	87,696	116,792
		(Credit balance)	(Credit balance)

NOTES TO BALANCE SHEET

	31.12.2024	Prior year
	CHF	CHF
2.1 Cash and cash equivalents and money market investments		
CHF	10,331,134	9,977,426
EUR	2,560,817	1,993,725
USD	2,580,811	2,998,011
ILS	1,153,106	1,118,851
Total cash and cash equivalents and money market investments	16,625,867	16,088,013

CHF 500'000 of the item 'Cash and cash equivalents and money market investments' is pledged as a margin limit for hedging foreign currency transactions.

2.2 Short-term investments with a quoted market price

Equity instruments CHF	1,017,700	1,451,211
Shares USD	578,765	0
Bonds CHF	1,863,000	0
Bonds USD	298,772	0
Investment funds CHF	12,805,469	11,805,719
Investment funds EUR	85,347	287,023
Investment funds various currencies	159,989	0
Investment funds USD	715,847	710,906
Total short-term investments with a quoted market price	17,524,888	14,254,858

2.3 Receivables from goods and services

Receivables due from patients Caritas Baby Hospital	5,663,165	4,529,278
Contingency reserve Caritas Baby Hospital	-1,404,523	-1,179,591
Total Receivables from goods and services	4,258,642	3,349,687

Receivables due from patients are recorded at nominal value less impairment.

2.4 Other current receivables

Deutscher Caritas-Verband e.V., D-Freiburg (related party)	1,650,844	1,570,191
Pension fund CRB (related party)	57,609	-16,509
Reserve Foundation CRB (related party)	87,696	116,792
Withholding tax	218,183	97,086
Other - Caritas Baby Hospital	112,651	88,111
Total other current receivables	2,126,984	1,855,671

2.5 Inventory

Inventory	1	1
Total Inventory	1	1

Inventories are reported at a pro memoria value of CHF 1, as the Caritas Baby Hospital is located in a conflict zone (see also the notes under accounting principles).

2.6 Accrued income and prepaid expenses

Other - Caritas Baby Hospital	93,630	68,168
Other - Offices	35,013	67,115
Total accrued income and prepaid expenses	128,642	135,283

2.7 Property, plant and equipment

Property, plant and equipment 2024	1.1.2024	Addition	Disposal	31.12.2024
	CHF	CHF	CHF	CHF
Purchase value				
Building - Caritas Baby Hospital	23,835,110	77,461	-37,701	23,874,870
Facilities under construction (expansion of day surgery)	0	283,994	0	283,994
Equipment, movable property - Caritas Baby Hospital	12,212,950	688,691	-720,546	12,181,095
	36,048,060	1,050,146	-758,247	36,339,959
Accumulated valuation adjustments				
Building - Caritas Baby Hospital	23,835,109	77,461	-37,701	23,874,869
Facilities under construction (expansion of day surgery)	0	283,994	0	283,994
Equipment, movable property - Caritas Baby Hospital	12,212,950	688,691	-720,546	12,181,095
	36,048,059	1,050,146	-758,247	36,339,958
Property, plant and equipment, net carrying amount	1	0	0	1
Property, plant and equipment 2023	1.1.2023	Addition	Disposal	31.12.2023
	CHF	CHF	CHF	CHF
Purchase value				
Building - Caritas Baby Hospital	23,800,630	34,480	0	23,835,110
Equipment, movable property - Caritas Baby Hospital	12,065,315	269,763	-122,128	12,212,950
	35,865,945	304,243	-122,128	36,048,060
Accumulated valuation adjustments				
Building - Caritas Baby Hospital	23,800,629	34,480	0	23,835,109
Equipment, movable property - Caritas Baby Hospital	12,065,315	269,763	-122,128	12,212,950
	35,865,944	304,243	-122,128	36,048,059
Property, plant and equipment, net carrying amount	1	0	0	1

The hospital buildings and equipment are disclosed at a pro memoria value of CHF 1 as the Caritas Baby Hospital is located in a conflict zone (see also comments in the section on accounting principles). Investments in ongoing building projects are capitalised during the construction phase and fully written off upon completion of the construction work.

As at 31.12.2024, the imputed residual value of the equipment and movable property of Caritas Baby Hospital (not including the hospital building) amounts to about CHF 1,231,090 (prior year CHF 950,000) and the hospital building has an imputed residual value of about CHF 6,068,000 (prior year CHF 5,590,000). The value of facilities under construction (expansion of day surgery) amounts to CHF 283,994 (prior year CHF 0).

All property, plant and equipment is unencumbered and thus freely available to Children's Relief Bethlehem.

	31.12.2024 CHF	Prior year CHF
2.8 Trade payables services		
Other - Caritas Baby Hospital	305,415	104,947
Other - Offices	37,708	57,029
Social security	1,851	1,305
Total trade payables services	344,973	163,281
2.9 Other current liabilities		
Projects in Bethlehem and region	45,315	63,122
Total other current liabilities	45,315	63,122
2.10 Accrued expenses and deferred income		
Other - Caritas Baby Hospital	0	3,266
Other - Offices	227,104	55,861
Governing bodies	24,600	27,100
Total accrued expenses and deferred income	251,704	86,228

2.11 Long-term provisions	Carrying amount 1.1.2024 (CHF)	Increase (CHF)	Usage (CHF)	Reversal (CHF)	Carrying amount 31.12.2024 (CHF)
Provisions for severance payment obligations CBH staff (in CHF)	5,160,000	252,000	0	0	5,412,000
Prior year (in CHF)	5,982,000	0	0	-822,000	5,160,000

These provisions were created for severance payments owed to local employees of CBH upon termination of an employment contract with Caritas Baby Hospital as stipulated by Palestinian law. Provided the funds are available, the patronal foundation reserve of Children's Relief Bethlehem may also disburse these severance payments to the Caritas Baby Hospital employees. As at year-end, the severance payment obligations were as follows:

	31.12.2024	Prior year
Severance payment obligations in ILS	21,762,630	22,079,997
Exchange rate (prior year: FTA closing rate)	0.2487	0.2337
Severance payment obligations in CHF	5,412,000	5,160,000

NOTES TO THE STATEMENT OF OPERATIONS

	2024 CHF	Prior year CHF
3.1 Income from donations and bequests		
Switzerland	6,845,730	8,432,425
Germany	3,923,009	4,485,882
Italy	880,916	442,392
Austria	187,023	146,126
Palestine	346,060	614,094
Total donations and bequests by origin	12,182,737	14,120,917
Restricted use - Caritas Baby Hospital	10,200,417	10,006,546
Restricted use - Expansion of day surgery	1,555,273	1,472,060
Free - Projects in Bethlehem and region	427,048	2,642,312
Total donations and bequests by	12,182,737	14,120,917
Donations of goods and materials are valued cautiously and are included in the donation income for "Palestine" at CHF 512 (previous year CHF 47,235).		
3.2 Proceeds from sales of goods and services		
Hospital charges, consultation fees	2,682,303	2,826,593
Annual contributions of members	4,019	4,068
Other operating income CBH	51,009	44,268
Other operating income CRB	922	2,236
Total proceeds from sales of goods and services	2,738,252	2,877,165
3.3 Personnel expenses		
Personnel expenses for projects and services	7,038,945	7,220,500
Personnel expenses for fundraising and publicity work	347,436	334,736
Personnel expenses for administrative activities	186,643	178,962
Total personnel expenses	7,573,024	7,734,197

3.4 Operating expenses

3.4.1 Detailed operating expenses	2024		Prior year	
	CHF		CHF	
Project and service expenses CBH				
Project expenses Caritas Baby Hospital	1,578,840		1,687,067	
Personnel expenses	7,013,136		7,196,295	
Administrative expenses	818,080		845,812	
Depreciation and amortisation	1,050,146		304,243	
Total project and service expenses CBH	10,460,202	83.2%	10,033,416	80.4%
Project and service expenses				
Bethlehem and region				
Project expenses Bethlehem and region	149,784		451,167	
Personnel expenses	25,809		24,205	
Administrative expenses	2,859		2,163	
Total project and service expenses	178,452	1.4%	477,535	3.8%
Bethlehem and region				
Fundraising and publicity work				
Personnel expenses	347,436		334,736	
Administrative expenses	1,226,126		1,261,199	
Total fundraising and publicity work	1,573,562	12.5%	1,595,936	12.8%
Administrative expenses				
Personnel expenses	186,643		178,962	
Administrative expenses	177,617		195,254	
Total administrative expenses	364,261	2.9%	374,215	3.0%
Total operating expenses	12,576,477	100.0%	12,481,102	100.0%

Fundraising and publicity work represented 12.4% and administrative expenses 2.9% of the expenditure. These key ratios are collected in accordance with the requirements of Swiss GAAP FER 21 and with the guidelines of the ZEWO Foundation for the calculation of the administrative expenses of non-profit organisations.

3.4.2 Project and service expenses	2024	Prior year
	CHF	CHF
Project expenses Caritas Baby Hospital		
Operating equipment	144,572	143,652
Drugs	612,607	631,550
Laboratory	257,418	244,261
Medical need	14,872	20,074
Meals for patients/mothers	44,329	40,680
Vehicles and transport expenses	28,581	31,458
Other operating expenses	76,624	73,646
Social assistance	422,079	394,994
Change in inventories	-22,241	106,751
Total project expenses Caritas Baby Hospital	1,578,840	1,687,067

	2024 CHF	Prior year CHF
Project expenses Bethlehem and region		
Occupied Palestinian Territories (West Bank, East Jerusalem, Gaza Strip)	149,784	304,550
Israel	0	78,331
Lebanon	0	18,286
Syria	0	50,000
Total project costs Bethlehem and region	149,784	451,167
Personnel expenses Caritas Baby Hospital		
Wage costs and social insurance	6,815,633	6,773,476
Change in provision for severance payments	-78,932	167,008
Other personnel expenses	276,435	255,810
Total personnel expenses Caritas Baby Hospital	7,013,136	7,196,295
Personnel expenses Bethlehem and region		
Wage costs and social insurance	23,344	22,553
Other personnel expenses	2,465	1,652
Total personnel expenses Bethlehem and region	25,809	24,205
General and administrative expenses Caritas Baby Hospital		
Office space expenses	37,640	36,350
Maintenance, repairs, replacement of operating equipment	139,929	193,202
Property insurance	52,133	55,247
Energy and other expenses	359,451	361,020
Administrative and IT costs	228,929	199,993
Total general and administrative expenses Caritas Baby Hospital	818,080	845,812
General and administrative expenses Bethlehem and region		
Office space expenses	2,637	2,072
Maintenance, repairs, replacement of operating equipment	101	2
Energy and other expenses	120	89
Total general and administrative expenses Bethlehem and region	2,859	2,163
Depreciation of PP&E Caritas Baby Hospital		
Direct depreciation of furniture, equipment, software	688,691	269,763
Direct depreciation of hospital buildings	77,461	34,480
Direct depreciation of assets under construction (day surgery)	283,994	0
Total depreciation of PP&E Caritas Baby Hospital	1.050,146	304,243
Total project and service expenses	10,638,654	10,510,951

3.4.3 Fundraising and publicity work

	2024	Prior year
Personnel expenses	347,436	334,736
Office space expenses	25,628	25,429
Fundraising Switzerland	636,562	694,603
Fundraising Germany	516,871	480,213
Fundraising Palestine	17,061	22,790
Fundraising Italy	17,741	19,951
Fundraising Austria	12,263	18,214
Total fundraising and publicity work	1,573,562	1,595,936

Administrative expenses in Germany are recognised in the "Fundraising Germany" line item.

3.4.4 Administrative expenses

Personnel expenses	186,643	178,962
Office space expenses	18,217	14,617
Maintenance, repairs, replacement of operating equipment	760	12
Property insurance	8,831	9,800
Energy and other expenses	900	628
Administrative and IT costs	148,910	170,197
Total administrative expenses	364,261	374,215

3.5 Financial result**Financial expenses**

Interest expenses, disbursements	16,753	19,589
Securities expenses	132,526	90,788
Price losses on short-term securities	0	6
Realised currency losses	184,029	442,694
Unrealised currency losses	330,932	236,829
Total financial expenses	664,240	789,907

Financial income

Interest income	191,055	120,544
Income from short-term securities	244,894	256,122
Price gains on short-term securities	219,881	100,223
Unrealised currency gains	0	989,008
Realised currency gains	1,801,690	0
Total financial income	2,457,519	1,465,898

Total financial result	1,793,279	675,990
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3.6 Extraordinary, non-recurring or prior-period result

Compensation account credit balance	0	514
Pension fund CRB credit balance	0	12,944
Collective health insurance credit balance	933	2,699
Refund of foreign withholding tax 2019 - 2020	513	0
Refund of accident insurance CBH	279,428	0
Final settlement of accident insurance previous years CBH	-18,498	0
Extraordinary expenses from disposal of fixed assets	-17	-2
Total extraordinary, non-recurring or prior-period result	262,359	16,155

ADDITIONAL INFORMATION**Compensation of the members of the governing bodies**

The board members of Kinderhilfe Bethlehem perform their services on a voluntary basis. Actual expenses incurred in the course of their board activities are reimbursed to the board members (expense reimbursement). In 2024, a total of CHF 1,814 (previous year: CHF 1,245) was paid to the board members as expense reimbursement. Otherwise, the board members receive no further compensation.

Since only one person is entrusted with the management of the company, their compensation is not disclosed (according to Swiss GAAP FER 21, margin note 45).

Pension fund

The permanent employees of Caritas Baby Hospital are insured against the financial consequences of old age, disability, and death through the company's own pension foundation, Kinderhilfe Bethlehem. Both retirement benefits and risk benefits are paid as a lump sum, and the amount of the benefits is based on the existing retirement savings (defined contribution plan). Financing is provided through a savings contribution of 8% (previous year: 8%) of the insured salary. Employers and employees each pay half (4%; previous year: 4%). The pension plan expenses for Caritas Baby Hospital staff amounted to CHF 206,246 in 2024 (previous year: CHF 198,191). Actuarial calculations using a retrospective method are not required due to the defined contribution plan. There are no obligations from the termination of employment relationships for which no provisions have been established. There are also no employer contribution reserves. As of December 31, 2024, the coverage ratio of the pension fund is 143.1% (previous year: 133.9%).

Number of full-time employees

	31.12.2024		Prior year	
	No. of employees	No. of FTE	No. of employees	No. of FTE
Caritas Baby Hospital, Bethlehem	253	239.0	261	245.0
Office, Lucerne	9	6.2	9	6.3
Total	262	245.2	270	251.3

Residual amount of the liabilities from sale-like leasing transactions and other leasing obligations that expire or may be terminated in more than twelve months as of the balance sheet date:

		31.12.2024	Prior year
Right of use for four plots of land in Bethlehem (as of 20.02.1975 for 99 years) until 20.02.2074;	ILS	3,515,600	3,585,912
Residual amount of the financial liability (not discounted)	Rate	0.2391	0.2511
Fixed rental and service contract for printer (colour system)	CHF	840,580	900,423
Office, Lucerne until 31.03.2026;	CHF	7,500	13,400
Residual amount of the financial liability (not discounted)			
Fixed lease and service contract for inserter Office, Lucerne until 31.12.2025;	CHF	2,400	4,800
Residual amount of the financial liability (not discounted)			

Contingent liabilities

Children's Relief Bethlehem has no contingent liabilities.

Assets under reservation of ownership

With the exception of a margin limit of CHF 500,000 to hedge foreign currency transactions, the assets are unencumbered and therefore freely available.

Derivative financial instruments

Children's Relief Bethlehem may enter into foreign exchange option and forward transactions for the purpose of managing its cash and cash equivalents. No transactions were open as at the balance sheet date of 31.12.2024 nor as at the prior year reporting date.

Auditor's fees

The fees relating to the audit of the financial statements, including for the Caritas Baby Hospital in Bethlehem, amounted to CHF 40,158 (Vorjahr PY: 44,722).

Events occurring after the balance sheet date

We are not aware of any events occurring after the balance sheet date that significantly influence the 2024 financial statements.

Approval of the financial statements

The 2024 financial statements were approved by the Board of Directors as of 10 April 2025 and submitted to the general assembly.

PERFORMANCE REPORT 2024

Children's Relief Bethlehem in Lucerne was founded in January 1963 by Caritas Switzerland and the Deutschen Caritas-Verband (German Caritas Association).

Name and registered office: Kinderhilfe Bethlehem, Luzern (KHB)
Legal form: Association according to art. 60ff Swiss Civil Code
Articles of association: dated 31 January 1963 with amendments to the Articles on 08.06.2005/14.06.2012/13.06.2013/05.06.2019

Purpose and goals

Children's Relief Bethlehem, based in Lucerne, is a non-profit association and runs the Caritas Baby Hospital in Bethlehem, Palestine. The association thus ensures medical care for all children in Bethlehem and the surrounding area. All of them have the right to equivalent medical services. In addition, within the bounds of its financial possibilities, the association supports projects to the benefit of mothers and children in Bethlehem and the region and provides emergency aid.

Tens of thousands of children and babies are given in-patient or out-patient treatment at the Caritas Baby Hospital every year. All children receive help, regardless of their origin and religion. The treatment concept also involves parents in the recovery process and the hospital has a well-developed social service. With 253 local employees the Caritas Baby Hospital is an important employer in the region. The Caritas Baby Hospital strengthens the local healthcare sector and is one of the leaders in training doctors and caregivers in the field of paediatrics.

Services rendered	2024 CHF	Prior year CHF
Project expenses Caritas Baby Hospital	10,460,202	10,033,416
Project expenses Bethlehem and region	178,452	477,535

Board of Directors

Name	Function / Links to related parties	Mandate period
Hardegger Sibylle, Solothurn *)	President, Diocese of Basel	06.2024 - 06.2026
Freiseis Fabian, D-Freiburg	VP / Archdiocese of Freiburg	06.2024 - 06.2026
Angehrn Michael, Binningen		06.2024 - 06.2026
Biermayer Jutta Renate, D-Seckach	Delegate kfd Bundesverband e.V. and Diocesan Association Freiburg	06.2024 - 06.2026
Fasel Hugo, St. Ursen *)	Delegate of Caritas Switzerland	06.2024 - 06.2026
Hackethal Stephanie, Glarus Süd		06.2024 - 06.2026
Klitsch-Ott Christoph, D-Freiburg	Delegate of Deutscher Caritas-Verband	06.2024 - 06.2026
Mordasini Carlo Andrea, Bern		06.2024 - 06.2026

*) as employer representative on the Board of Trustees of the Pension Fund Foundation CRB, Lucerne

The Board members are elected for a period of two years.

Executive Management

Name

Salmon Kathrin
Oetliker Carera Sybille

Function

Executive management (from 1.07.2024)
Executive management (until 30.06.2024)

Caritas Baby Hospital management:

Bandak Issa
Allawi Ra'fat
Marzouqa Awad Hiyam
Saca Christine
Araj Atallah
Qumsiyeh Suhair

Chief Executive Officer
Chief Medical Offies (from 1.08.2024)
Chief Medical Officer (until 31.08.2024)
Chief Financial Officer
Chief Operating Officer
Chief Nursing Officer

Auditors

PricewaterhouseCoopers AG, Lucerne

For all other disclosures, please refer to the annual report which forms an integral part of the performance report.