

To the General Assembly of  
**International Disability Alliance, Le Grand-Saconnex**

Lausanne, 10 May 2021

## **Report of the statutory auditor on the financial statements**

As statutory auditor in accordance with art. 28 of the statutes, we have audited the accompanying financial statements of International Disability Alliance, which comprise the balance sheet, income statement and notes for the year ended 31 December 2020.

### **Board's responsibility**

The Board is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of association. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

### **Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements 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 entity's internal control system.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements for the year ended 31 December 2020 comply with Swiss law and the company's articles of association.

## **Report on other legal requirements**

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 69b paragraph 3 Swiss Civil Code (CC) in relation with article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 69b paragraph 3 CC in relation to article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board.

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

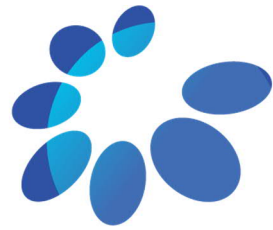
Ernst & Young Ltd

Licensed audit expert  
(Auditor in charge)

Licensed audit expert

### **Enclosure**

- ▶ Financial statements (balance sheet, income statement and notes)



**International  
Disability  
Alliance**

FINANCIAL STATEMENTS, 31/12/2020

## 1. Principles applied in these financial statements (where these are not specified by law):

- International Disability Alliance (IDA) is a non-profit organisation exclusively funded by subsidies and grants from public institutions (Swedish International Development Agency, Ministry of Foreign Affairs Australia, Norwegian Agency for Development Cooperation), Non-governmental organisations (CBM, Sightsavers) or private foundations (Open Society Foundation).
- All expenses committed by IDA are allocated to grant agreements supported by budget proposals agreed with the Donors. Consequently, IDA cannot make benefits on any funding. At the end of the year, the remaining funds on each contract are deferred to the following year.
- For the present financial statement, the amount deferred is based on the expenses incurred for each grant up to 31/12/2020.
- IDA audited financial period started on 01 January 2020 and ended on 31 December 2020.

## 2. Applicable accounting law:

- The present financial statements have been prepared in accordance with the provisions on commercial accounting laid down in articles 957 – 963b Swiss Code of Obligations (CO) (effective 1 January 2013).

## 3. Statutes and location of the Organisation:

- The International Disability Alliance is a non-profit association governed by its Statutes approved by general meeting held on 7 June 2013 and by Article 60. et seq. of Swiss Civil Code.
- IDA Statutes have been Amended twice, during the General Assembly held on 28 October 2017 and the General Assembly held on 04 November 2019.
- The International Disability Alliance has four offices:
  - Geneva office is located at 150 Route de Ferney, CH1218 Grand Saconnex, Switzerland.
  - New York office is located at 205 East 42nd Street New York, NY 10017, United States.
  - Lyon office is located at 18 rue Dumont, 69004 Lyon, France.
  - Belgrade office is located at 33/II Knez Mihailova, 11000 Belgrade, Serbia.

## 4. Registrations of the Organisation:

- The International Disability Alliance is registered in Switzerland as followed:
  - Geneva Register of Commerce, Registration Number # CHE-178.278.102, date: 16 November 2016
  - Administration Fiscale Cantonale, Tax exemption number # 080.502.106
  - Federal Fiscal Administration, V.A.T. number # CHE-492.466.207
- The International Disability Alliance is registered in the United States since 10 January 2017 as Foreign Non-For-Profit Corporation (Section 1304) under Employer Identification Number # 98-1347819.
- The International Disability Alliance has a SIRET number in France since 2015 which allows the employment of staff on French territory (SIRET number 80427472800018).

## 5. Exchange rate:

- In 2018, the exchange rate used for daily transactions in IDA accounts was the official exchange rate from the Swiss Fiscal Federal Administration.
  - <https://www.estv.admin.ch/estv/fr/home/mehrwertsteuer/dienstleistungen/fremdwaehrungskurse/monatsmittelkurse/aktueller-monatsmittelkurs.html>
- In 2019, IDA changed its exchange rate policy for daily transactions. Between 01/01/2019 and 31/12/2019, IDA applied the weekly exchange rates from *Union des Banques Suisses (UBS)*. IDA weekly updates were based on the exchange rate received every Monday from UBS.
  - [https://ebanking-ch1.ubs.com/app/CGT/Workbench/wb/pageGroup/wb\\_pg\\_mi?peekOnload=true](https://ebanking-ch1.ubs.com/app/CGT/Workbench/wb/pageGroup/wb_pg_mi?peekOnload=true)  
IDA decision to change exchange rate policy in 2019 was motivated with the fact the weekly UBS rates were closer to the market rates used on each banking transaction.
- In 2020, IDA adjusted its exchange rate policy and switched to a unique monthly exchange rate provided by the *Union des Banques Suisses (UBS)*. IDA operations and volume of transactions did not justify weekly updates. IDA monthly updates are based on the exchange rates received every first Monday of the month from UBS.
  - [https://ebanking-ch1.ubs.com/app/CGT/Workbench/wb/pageGroup/wb\\_pg\\_mi?peekOnload=true](https://ebanking-ch1.ubs.com/app/CGT/Workbench/wb/pageGroup/wb_pg_mi?peekOnload=true)  
IDA decision to change exchange rate policy in 2019 was motivated with the fact the weekly UBS rates were closer to the market rates used on each banking transaction.
- For the annual closing work, IDA use UBS bank accounts annual certifications. The exchange rates for each currency as of 31/12/2020 are as followed:

	31/12/2020	31/12/2019
	Value for 1 CHF	Value for 1 CHF
<b>USD/CHF</b>	1.131286	1.032684
<b>EUR/CHF</b>	0.924593	0.919987
<b>NOK/CHF</b>	9.686009	9.074507
<b>AUD/CHF</b>	1.466061	1.469074
<b>SEK/CHF</b>	9.290739	9.667010
<b>GBP/CHF</b>	0.827599	0.779532

At the end of the year, translation differences are calculated for each banks, cashboxes and suppliers open accounts by comparing the official exchange rate from UBS up to 31/12/2020 (table above), with the existing balance in IDA accounts.

## 6. Valuation Rules - Assets:

Since 01 January 2017 IDA implemented the following policy concerning assets valuation:

### A. Fixed tangible assets:

- The minimum value of a fixed tangible asset is 500 CHF. The acquisition costs are included in the assets.
- The depreciations of tangible assets acquired since 01/01/2017 are calculated for a full year.
- The rules adopted for depreciation of fixed assets are the following:

IT Equipment: Laptop, Desktop, printer, scanner, server 3 years linear.

Other office equipment: Meeting room table, 3 years linear.

- An inventory of fixed tangible assets is performed at the end of each year and validated by IDA President, IDA Executive Director and IDA Operations and Finance Director. The most recent inventory list is dated from 31/12/2020.

### B. Other non-current assets:

Deposits: Rental guarantee for NY and Geneva offices, lawyer retainer fees.

### C. Current assets:

Cash and cash equivalents at hand: It includes the various current accounts from the International Disability Alliance at UBS (Geneva) and Citibank (New York), the savings account at UBS (Geneva), and petty cash from New York and Geneva Offices.

Other trade and receivables: All receivables older than 2 years are automatically considered as doubtful receivables and value adjustments are recorded. No other trade and receivables have been registered in 2020.

Prepaid expenses (deferred charges): Prepaid expenses are expenses registered in 2021 and paid in 2020.

Accrued income: Expenses committed in 2020 and allocated to funding contracts which will be paid in 2021.

## 7. Valuation Rules – Liabilities

### A. EQUITY

- No equity capital was established when IDA was legally incorporated in Switzerland on 07 June 2013.

#### IDA Free reserve:

- IDA cannot generate operating profits or losses due to its source of funding. Profits can only result from exceptional operations such as 2016 exceptional profit of 13,744.47 CHF resulting from a tax refund for 2015 fiscal year, issued by the Swiss Federal Fiscal Administration/ VAT office. In such cases, exceptional profits can be affected to an equity fund upon validation from the IDA General Assembly.
- No exceptional profits were generated in 2020 and therefore no additional funds were affected to IDA equity fund which remained stable at 13,744 CHF on 31/12/2020.
- Equity fund is saved on the UBS saving account (IBAN: CH44 0027 9279 1304 13M1 A). The saving account balance up to 31.12.2020 was 13,732 CHF. The difference between the level of equity (13,744.45 CHF) and the saving account balance is due to financial charges. Those charges have been allocated to IDA Profit and Losses account in 2020.
- IDA episodically transfer funds to the saving account to level the balance to 13,744 CHF to match with IDA level of equity.

### B. DEBT-DEFERRED INCOME

- Total subsidies granted for several years and not yet used as of 31st of December 2020.

### C. DEBT-OTHER SHORT-TERM LIABILITIES

Trade accounts payable: Open suppliers and partners balance as of 31/12/2020; Balances related to supplier accounts of Senior Management Team are registered as “*trade account payable to management bodies*”

Remuneration and social security: Payments of Social contributions, pensions and other insurance contributions related to IDA payrolls in Switzerland, United States and France.

Short term interest-bearing liabilities: Balance of IDA Mastercard account.

Accrued expenses: Provisions for untaken paid leaves, attendance fees for IDA President and annual audits.

Provision for untaken paid leaves: From 01/01/2018 IDA has implemented the following rules for the payment of financial provisions related to the staffs’ paid leaves balance at the end of the fiscal year:

- The balance of paid leaves should be at zero for any IDA employee; any exception to the rule should be validated by IDA Executive Director (and IDA President or Treasurer in case of the IDA Executive Director)

- The payment of paid leaves balance will be calculated as followed:
  - ⇒ number of untaken leaves days \* daily annual salary – For all the countries except France
  - ⇒ (annual gross salary/10) \*(number of days/25) – For France (as per the French law)
- The daily annual salary is calculated by dividing the annual gross salary (thirteen months included but excluded of bonuses, RA and RTT allowance) by the number of working days (261 days).



International Disability Alliance, Le Grand- Saconnex

BALANCE SHEET AS OF 31 DECEMBER 2020

	NOTE	2020	2019
		<u>CHF</u>	<u>CHF</u>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		2,943,474	1,549,440
Other trade and receivable		132,529	63,118
Prepaid expenses		0	10,290
Accrued income	8.A	169,231	606,831
<b>Total current assets</b>		<b>3,245,233</b>	<b>2,229,679</b>
<b>Non Current assets</b>			
Deposits		14,443	13,826
Fixed assets		12,481	17,842
<b>Total non current assets</b>		<b>26,924</b>	<b>31,669</b>
<b>TOTAL ASSETS</b>		<b>3,272,157</b>	<b>2,261,348</b>

International Disability Alliance, Le Grand- Saconnex

BALANCE SHEET AS OF 31 DECEMBER 2020

	NOTE	2020	2019
		<u>CHF</u>	<u>CHF</u>
<b>LIABILITIES AND EQUITY</b>			
<b>Short-term liabilities</b>			
Trade accounts payable		602,504	306,105
to third parties		598,769	302,292
to managements bodies		3,736	3,814
Remuneration and social security		1,466	17,001
Short-term interest-bearing liabilities		0	5,433
Accrued expenses		149,736	84,649
Deferred income	8.B	2,504,706	1,834,414
<b>Total short-term liabilities</b>		<b><u>3,258,413</u></b>	<b><u>2,247,603</u></b>
<b>Equity</b>			
Free reserve		13,744	13,744
<b>Total equity</b>		<b><u>13,744</u></b>	<b><u>13,744</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>3,272,157</u></b>	<b><u>2,261,348</u></b>

## International Disability Alliance, Le Grand- Saconnex

### INCOME STATEMENT 2020

	NOTE	2020	2019
		<u>                    </u>	<u>                    </u>
			CHF
Operating income	8.C	5,949,836	6,475,270
Operating expenses		-3,040,862	-4,242,069
<b>Gross margin</b>		<u>2,908,975</u>	<u>2,233,201</u>
Staff costs - Salaries and Benefits	8.D	-2,811,107	-2,088,099
Other operating expenses	8.D	-3,583	-17,682
Depreciations	8.D	-13,081	-9,009
<b>Earnings before interest</b>		<u>81,205</u>	<u>118,412</u>
Financial losses	8.E	-228,063	-184,828
Financial profits	8.F	146,427	60,921
Income related to other periods	8.G	432	5,496
<b>ANNUAL BALANCE</b>		<u>0</u>	<u>0</u>

**8. Information, breakdowns, and explanations related to balance sheet and income statement items:**

**A. Accrued Income:** This account includes the payments not yet made by the donor, while the corresponding projects have been partially or fully realized.

<b>2020 Accrued income</b>	<b>2020</b>	<b>2019</b>
	<b>CHF</b>	<b>CHF</b>
Foreign, Commonwealth & Development Office (FCDO)	82,619	48,684
CBM International	61,269	37,594
Sightsavers	11,931	113,212
World Health Organization	8,637	0
Disabled People Organisation - Denmark	4,774	0
Ministry of Foreign Affairs of Germany	0	5,454
Other funding	0	31,886
Humanity & Inclusion (Formerly Handicap International)	0	28,397
Disability Rights Advocacy Fund	0	341,603
	<b>169,231</b>	<b>606,831</b>

**B. Deferred Income:** This account includes payments from donors processed in 2020 to International Disability Alliance and not yet charged to projects.

<b>2020 Deferred income</b>	<b>2020</b>	<b>2019</b>
	<b>CHF</b>	<b>CHF</b>
Department of Foreign Affairs and Trade / Australia	1,126,932	306,717
Norwegian Agency for Development Cooperation	295,880	224,905
US Private Foundation - Anonymous	291,587	338,399
European Commission	274,496	274,838
Swedish International Development Cooperation Agency	210,000	0
Open Society Foundation	118,000	292,477
Sightsavers	57,892	28,414
Disabled People Organisation - Denmark	51,340	0
CBM International	36,356	57,683
Joseph P. Kennedy Jr Foundation	24,876	114,270
International labour organization	16,956	3,880
Others	392	0
Foreign, Commonwealth & Development Office (FCDO)	0	0
Disability Rights Fund	0	140,162
Humanity & Inclusion (Formerly Handicap International)	0	3,743
UNICEF	0	48,925
	<b>2,504,706</b>	<b>1,834,414</b>

C. **Operating Income per donor:** IDA operating income is exclusively based on grants and subsidies.

**2020 Operating income per donor**

	<b>2020</b>	<b>2019</b>
	<b>CHF</b>	<b>CHF</b>
Department of Foreign Affairs and Trade / Australia	1,084,526	894,514
Norwegian Agency for Development Cooperation	941,435	107,518
Sightsavers	683,185	438,423
Swedish International Development Cooperation Agency	615,787	627,108
Foreign, Commonwealth & Development Office (FCDO)	594,243	1,177,795
US Private Foundation - Anonymous	512,257	344,174
Ministry of Foreign Affairs of Finland	436,363	662,700
CBM International	336,190	679,985
Open Society Foundation	332,894	441,123
Disability Rights Fund	196,529	327,143
JP Kennedy, JR Foundation	99,072	79,770
Other donors	74,278	71,595
World Health Organization	32,495	0
Disabled People Organisation - Denmark	5,675	118,585
Humanite & Inclusion (Formerly Handicap International)	3,732	400,636
International labour organization	834	24,825
European Commission	342	0
Ministry of Foreign Affairs of Germany	0	54,374
Ford Foundation	0	25,003
	<b>5,949,836</b>	<b>6,475,270</b>

#### D. Expenses by budget headlines:

	2020 CHF	2019 CHF	% vs N-1
<b>Staff costs</b>	<b>-2,811,107</b>	<b>-2,088,099</b>	<b>35%</b>
Salaries and Benefits	-2,687,374	-1,870,127	
Reasonable Accommodation Staffs	-123,733	-217,972	
<b>Operating Expenses</b>	<b>-3,040,861</b>	<b>-4,242,069</b>	
<b>A. Governance / General Assembly / Board meeting</b>	<b>-92,003</b>	<b>-262,279</b>	<b>-65%</b>
Governance / General Assembly / Board meeting	-92,565	-264,949	
Governance costs transferred to Financial Losses and Profits	562	2670	
<b>B. Project Costs</b>	<b>-2,349,100</b>	<b>-3,333,531</b>	<b>-30%</b>
Support to IDA Members	-859,284	-521,063	
Trust Fund	-5,030	0	
International Cooperation	-217,525	-683,986	
Humanitarian Rights	-83,452	-369,018	
Technical capacities Development	-233,411	-945,050	
Thematic advocacy	-428,134	-32,710	
SDGs and Humanitarian	-256,505	-330,888	
Fiscal Sponsorships	-279,029	-474,974	
Project Financial costs transferred to Financial Losses and Profits	15,590	24,133	
Project Financial costs transferred to Other Operating Costs	0	25	
Taxes and Finance costs transferred to Operating costs	-2,320	0	
<b>Executive Direction and Senior Management</b>	<b>-114,154</b>	<b>-260,081</b>	<b>-56%</b>
Executive Direction and Senior Management	-114,172	-261,000	
Executive Direction and Senior Management transferred to Financial Losses and Profits	17	919	
<b>D. Support Costs</b>	<b>-485,603</b>	<b>-386,178</b>	<b>26%</b>
Support Costs	-179,528	-459,006	
Administration, Audit and Legal cost	-258,821	0	
Support costs transferred to Depreciations	13,081	9,009	
Support costs transferred to Others operating costs	0	60	
Support costs transferred to Financial Losses and Profits	-59,903	69,255	
Support costs transferred to income from others periods	-432	-5,496	
<b>Depreciations</b>	<b>-13,081</b>	<b>-9,009</b>	<b>45%</b>
<b>Other Operating costs</b>	<b>-3,583</b>	<b>-17,682</b>	<b>-80%</b>
<b>Financial Losses and Profits</b>	<b>-81,637</b>	<b>-123,907</b>	<b>-34%</b>
Financial Losses	-131,273	-44,528	
Governance costs transferred to Financial Losses and Profits	-562	-2,670	
Project Financial costs transferred to Financial Losses and Profits	-15,590	-24,133	
Support costs transferred to Financial Losses and Profits	59,903	-69,255	
Fundraising Financial cost transferred to Financial Losses and Profits	-17	-919	
Financial Losses and Profits transferred to Others Operating costs	3,583	17,597	
Financial Losses and Profits transferred to Operating costs	2,320	0	
<b>Income related to other periods</b>	<b>432</b>	<b>5,496</b>	<b>-92%</b>
<b>TOTAL EXPENSES</b>	<b>-5,949,836</b>	<b>-6,475,270</b>	<b>-8%</b>

### Note on Fundraising and Strategic Coordination costs (from budget above)

A new budget headline has been created in 2018 to cover the following expenses: 1/ Secretariat Coordination and Executive Director travels; 2/ Fundraising costs; 3/ Coordination costs with IDDC and IDA strategic partners; 4/ IDA Program Committee; 5/ Communication and Social Media costs

### Note on Fiscal sponsorships:

The International Disability Alliance supports the work of the UN Special Rapporteur on the Rights of Persons with Disabilities, the TCI Asia-Pacific and CBM United States (the fiscal sponsorship recipients) with grant management and contracting employees on their behalf.

These entities could not directly engage with some Donors due to administrative capacities, national legislation ruling civil society funding or registration issues.

Within the frame of fiscal sponsorship, IDA limits its support to receiving funds, ensuring compliance of the spending with Swiss and US legislation (where IDA is legally incorporated), and with Donors' regulations.

IDA fully respects the independence of the Fiscal Sponsorship Recipient and does not interfere with any decisions of their Management. The Fiscal sponsorship Recipient is ultimately responsible for any decision-making regarding the allocation of its resources. Therefore, IDA cannot be held responsible for any results and/or outcomes stated in the grant application, which would be partially or wholly not achieved by the Fiscal Sponsorship Recipient in the agreed time frame.

### E. Financial losses:

	<b>2020</b>	<b>2019</b>
	<b>CHF</b>	<b>CHF</b>
Interest expenses	-28,848	-26,678
Foreign exchange losses	-199,216	-158,150
<i>Foreign exchange losses</i>	-98,860	
<i>Translation differences</i>	-100,356	
	<b>-228,063</b>	<b>-184,828</b>

## F. Financial profits

	<u>2020</u> CHF	<u>2019</u> CHF
Other Financial Profits	70	71
Foreing exchange Profits	146,357	60,850
<i>Foreing exchange Profits</i>	83,776	
<i>Translation differences</i>	62,581	
	<u>146,427</u>	<u>60,921</u>

Overall, the balance of financial losses and profits represented 1.37% of the total budget, compared to 1.91% % in 2019.

## G. Income related to other periods:

<u>2020</u> CHF	<u>2019</u> CHF
432	5496

## H. Balance to pension schemes

<u>2020</u> CHF	<u>2019</u> CHF
-1,544	-1404



I. Up to 31/12/2020 IDA has 36 employees:

	31/12/2020	31/12/2019
	EFT	EFT
Geneva Office	17	14
<i>Fiscal sponsor</i>	2	2
New York Office	8	7
<i>Fiscal sponsor</i>	1	1
Serbian Office	3	3
French Office	2	2
Indian Office	2	1
Canadian Office	1	1
Ethiopia Office	1	
Sudan Office	1	
Spain Office	1	
<i>Fiscal sponsor</i>	1	
	<b>36</b>	<b>28</b>

9. COVID-19 and subsequent events

- In March 2020, the World Health Organization (WHO) declared the spread of COVID-19 a pandemic. This spread and the responses of governments to deal with the pandemic are influencing everyday life and the economy.
- For 2020 financial year, the COVID-19 pandemic had a negative effect on IDA spending which ended 40% lower than the original budget forecast realised in January 2020.
- Nevertheless, IDA donors remained committed to support IDA for 2021-2023 period; the 2021 budget forecast a spending increase of 36% from 2020. All funding covering 2021 are secured as of 01 March 2021.
- When preparing the annual report, the board of directors considered the continued activities of the company positively. It is considered realistic that the company can continue its activities for the next twelve months, so this annual report has been drawn up on the basis of business continuity.