

To the Board of Management of  
International Disability Alliance, Le Grand-Saconnex

Lausanne, 25 July 2023

## Report of the statutory auditor

### Report on the audit of the financial statements



#### Opinion

We have audited the financial statements of International Disability Alliance (the Association), which comprise the balance sheet as at 31 December 2022, the statement of financial activities 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 comply with Swiss law and 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.



#### Executive Committee's responsibilities for the financial statements

The Executive Committee is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Association's articles of incorporation, and for such internal control as the Executive Committee 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 Executive Committee 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 Executive Committee 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.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

## **Report on other legal and regulatory requirements**



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

Additionally, we point out that, contrary to the requirements of article 699 paragraph 2 CO, the ordinary General Meeting of shareholders was not held within six months after the balance sheet date.

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

Ernst & Young Ltd

Licensed audit expert  
(Auditor in charge)

### **Enclosures**

- ▶ Financial statements (balance sheet and statement of financial activities and notes)

## IDA BALANCE SHEET

## Assets

	NOTE	<u>31.12.2022</u>	<u>31.12.2021</u>
		CHF	CHF
Cash and cash equivalents	7.A	4 280 655	3 406 602
Advances		40 456	34 209
Prepaid expenses		35 354	27 232
Pre-agreed expenses to sub-grantees	7.B	296 845	804 204
Accrued income from donors	7.C	387 283	1 039 992
Receivables from donors	7.D	6 875 724	8 541 514
<b>Total current assets</b>		<b>11 916 317</b>	<b>13 853 753</b>
Deposits	7.E	25 983	25 983
Fixed assets	7.F	27 884	16 573
Receivables from donors	7.D	4 014 555	1 754 009
Pre-agreed expenses to sub-grantees	7.B	97 241	42 754
<b>Total non current assets</b>		<b>4 165 663</b>	<b>1 839 319</b>
<b>TOTAL ASSETS</b>		<b>16 081 980</b>	<b>15 693 072</b>

## IDA BALANCE SHEET

## Liabilities, reserves and surplus

	NOTE	<u>31.12.2022</u>	<u>31.12.2021</u>
		CHF	CHF
Account payable	8.A	637 511	1 073 029
<i>to third parties</i>		303 286	309 439
<i>to managements bodies</i>		8 318	10 191
<i>to sub-grantees</i>		325 907	753 400
Remuneration and social security	8.B	66 897	94 599
Tax administration	8.C	38 748	-
Accrued expenses	8.D	401 045	248 471
Deferred income	8.E	9 812 738	12 466 465
<b>Total short-term liabilities</b>		<b>10 956 939</b>	<b>13 882 565</b>
Accounts payable to sub-grantees	8.A	97 241	42 754
Deferred income	8.E	4 014 555	1 754 009
<b>Total long-term liabilities</b>		<b>4 111 797</b>	<b>1 796 763</b>
Voluntary reserve		13 744	13 744
Net surplus for the year		999 500	-
<b>Total Reserves and surplus</b>	8.F	<b>1 013 244</b>	<b>13 744</b>
<b>TOTAL LIABILITIES, RESERVES AND SURPLUS</b>		<b>16 081 980</b>	<b>15 693 072</b>

IDA STATEMENT OF FINANCIAL ACTIVITIES

For the period from 01 January 2022 to 31 December 2022

	NOTE	<u>2022</u>	<u>2021</u>
		CHF	CHF
Operating income	9.A	13 486 089	8 123 721
Operating expenditure		-7 611 438	-4 801 141
Staff costs - Salaries and Benefits	9.D	-3 986 282	-3 248 323
Other operating expenses		-2 243	-4 648
Depreciations		-20 436	-16 262
<b>Operating surplus</b>		<b><u>1 865 691</u></b>	<b><u>53 347</u></b>
Financial losses	9.B	-1 084 436	-315 049
Financial income	9.C	218 245	261 702
<b>TOTAL SURPLUS OF THE YEAR</b>		<b><u>999 500</u></b>	<b><u>-</u></b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Principles applied (where these are not specified by law)

International Disability Alliance (IDA) is a non-profit organisation funded by Development Aid Agencies, UN Agencies, Non-governmental Organisations, and Private Foundations.

As a Non-Profit-Organization, IDA is not allowed to make any profits on the funding contracts signed with its donors. In case a funding is not entirely spent by the end of the year, the remaining funds are deferred to the following year.

IDA audited financial period started on 01 January 2022 and ended on 31 December 2022.

### 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 thrice, during the General Assembly held on 28 October 2017, the General Assembly held on 04 November 2019 and the General Assembly held on 21 October 2021.

The International Disability Alliance has five 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.
- Thatta Sindh office is located at 30, Opposite Pak Steel Colony, Ghulamullah Road, Makli District Thatta Sindh, Pakistan.

### 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-178.278.102

The International Disability Alliance is registered in the United States since 10 January 2017 as Foreign Non-For-Profit Corporation-

## NOTES TO THE FINANCIAL STATEMENTS

The International Disability Alliance has a SIRET number in France since 2015 which allows the employment of staff on French territory.

The International Disability Alliance is registered in Serbia since March 2021.

The International Disability Alliance has an employer registration in the Spain social security system since July 2021.

The International Disability Alliance is registered in Belgium since October 2022.

### 5. Activities of IDA

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 twenty-four months, so this annual report has been drawn up on the basis of business continuity.

### 6. Exchange rate

IDA uses a unique monthly exchange rate provided by the *Union des Banques Suisses (UBS)*. IDA monthly updates are based on the exchange rates received every first Monday of the month from UBS.

For the annual closing work, IDA use UBS bank accounts annual certifications. The exchange rates for each currency as of 31.12.2022 are as followed:

	31.12.2022	31.12.2021
	Value for 1 CHF	Value for 1 CHF
USD/CHF	1,080847	1,097514
EUR/CHF	1,012740	0,965103
NOK/CHF	10,647473	9,678208
AUD/CHF	1,593819	1,509546
SEK/CHF	8,879507	9,936728
GBP/CHF	0,898535	0,810303

### 7. Valuation Rules - Assets

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

**NOTES TO THE FINANCIAL STATEMENTS**

**A. Cash and cash equivalents**

As of 31.12.2022 Cash and cash equivalents at hand includes the various current accounts from the International Disability Alliance at UBS (Geneva and New York) and Citibank (New York), the savings account at UBS (Geneva), and petty cash from New York and Geneva Offices.

**B. Pre-agreed expenses to sub-grantees**

IDA has been recording pre-agreed expenses related to the total of the sub-grant agreement signed as of 31.12.2022 with the sub-grantees.

As of 31.12.2022 this generated CHF 394'086 of pre-agreed expenses related to sub-grant engagement not yet expensed by the subgrantees (including CHF 296'845 of short term and CHF 97'241 of long term).

This amount includes 182'367 of advances already paid by IDA.

**C. Accrued income from donors**

Accrued income from donors are composed of expenses committed in 2022 and allocated to funding contracts which will be paid in 2023.

	<b>2022</b>	<b>2021</b>
	CHF	CHF
Ministry of Foreign Affairs of The Netherlands	171 276	229 164
Foreign, Commonwealth & Development Office (FCDO)	-	462 179
Humanite & Inclusion (Formerly Handicap International)	-	207 236
Christian Blind Mission	89 344	37 302
Sightsavers	111 874	4 078
International organisation for Migration	-	68 792
Others	14 788	31 241
	<b>387 283</b>	<b>1 039 992</b>

**D. Receivables from donors**

IDA has been recording accounts receivable upon signature of grants received from donors for the entire amount of the engagement signed up to 31.12.2022. This generated CHF 10'890'279 (CHF 6'875'724 for 2023 and CHF 4'014'555 for 2024 and beyond) of accounts receivable from donors as of 31.12.2022.

**E. Deposits**

Deposits are composed of Rental guarantee for NY and Geneva offices, lawyer retainer fees.



## NOTES TO THE FINANCIAL STATEMENTS

### F. Fixed assets

The minimum value of a fixed asset is 500 CHF. The acquisition costs are included in the assets.

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 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 31.12.2022.

### 8. Valuation Rules – Liabilities

#### A. Account payables

To third parties:

Open suppliers balance as of 31.12.2022.

To managements bodies:

Balances related to supplier accounts of Senior Management Team are registered as *“trade account payable to management bodies”*

To sub-grantees:

IDA has been recording accounts payable upon signature of grants given to sub-grantees for the entire amount of the engagement signed up to 31.12.2022. This amount include:

- CHF 211'429 of payable to sub-grantees related to expenses already engaged by sub-grantees;
- CHF 211'719 of payable to sub-grantees for which no expenses have been engaged as of 31.12.2022 (CHF 114'478 for 2023 and CHF 97'241 for 2024 and beyond).

#### B. Remuneration and social security

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

#### C. Tax administration

In 2021 IDA sent a ruling to the tax authorities. Following the reply received in 2022, IDA has adjusted its VAT declarations since 2017, resulting in a VAT repayment of 38'748 CHF.

## NOTES TO THE FINANCIAL STATEMENTS

**D. Accrued expenses.**

Provisions for payroll expenses (untaken paid leaves, bonuses) and annual audits fees. The balance of paid leaves at the end of the year should be at zero for any IDA employee; any exception to the rule should be validated by the IDA Executive Committee after a first approval of the Executive Director.

**E. Deferred income**

Deferred income is related to the total engagement of the donors for the grants not yet spent for a project as of 31.12.2022.

The total engagement includes a total of CHF 2'937'013 received in advance from the donors.

Engagement from donors received in cash	2022 CHF	2021 CHF
Department of Foreign Affairs and Trade / Australia	1 525 871	67 776
Norwegian Agency for Development Cooperation	379 721	1 602 621
Open Society Foundation	211 123	206 247
Foreign, Commonwealth & Development Office (FCDO)	188 451	3 658
US Private Foundation - Anonymous	157 507	309 121
Ministry of Foreign Affairs of Finland	152 697	-
Disabled People Organisation	106 306	66 590
European Commission	95 820	232 714
Swiss Federal Department of Foreign Affairs	28 155	-
Sightsavers	25 556	179 319
Light for the world	19 740	47805
CBM International	16 655	149 312
United Nations International Children's Emergency Fund	9 641	164260
Norwegian Federation of Deaf Blind	9 325	43431
Humanite & Inclusion (Formerly Handicap International)	5 544	-
World Bank	2 812	-
Others	2 091	9 149
Swedish International Development Cooperation Agency	-	841 631
Joseph P. Kennedy Jr Foundation	-	1 316
	<b>2 937 013</b>	<b>3 924 951</b>

Income receivables from donors	2022 CHF	2021 CHF
Long-term liabilities	4 014 555	1 754 009
Short-term liabilities	9 812 738	12 466 465
	<b>13 827 293</b>	<b>14 220 474</b>

## NOTES TO THE FINANCIAL STATEMENTS

### F. Reserves and surplus

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

Voluntary 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.

Net surplus for the year: In 2022 IDA has received a donation of \$ 1 000 000 (CHF 999'500) from Sightsavers, an English NGO. The purpose of this amount is to strengthen IDA's financial sustainability, governance framework capacity and independence of decision-making.

The General assembly will be on the 31<sup>st</sup> of October 2023

## NOTES TO THE FINANCIAL STATEMENTS

## 9. Information related to statement of financial activities:

## A. Operating Income per donor

IDA operating income is exclusively based on grants and subsidies.

Donors	2022 CHF	2021 CHF
Norwegian Agency for Development Cooperation	2 388 037	1 517 998
Foreign, Commonwealth & Development Office (FCDO)	2 338 373	1 632 562
Swedish International Development Cooperation Agency	1 956 419	442 756
CBM International	1 063 343	644 884
Ministry of Foreign Affairs of The Netherlands	1 003 751	335 629
Sightsavers – exceptionnal donation	999 500	-
Sightsavers	758 330	508 342
Department of Foreign Affairs and Trade / Australia	620 005	1 576 080
US Private Foundation - Anonymous	594 849	344 856
Humanite & Inclusion (Formerly Handicap International)	495 219	435 067
UNICEF	327 558	170358,72
Open Society Foundation	289 500	142 512
Ministry of Foreign Affairs of Finland	232 691	9 423
European Commission	198 907	58 252
Others donors	58 721	8 232
Light for the World	48 964	-
Disabled People Organisation	40 665	37 163
United Nations Agencies	35 865	197326,06
Disability Right Funds	30 921	-
World Bank	1 769	-
The Atlas Alliance	1 531	-
JP Kennedy, JR Foundation	1 316	23 560
Swiss Federal Department of Foreign Affaires	6	-
International labour organization	-	22 243
World Health Organization	-	14 335
Ministry of Foreign Affairs of Germany	-	-
Ford Foundation	-151	2 142
<b>TOTAL</b>	<b>13 486 089</b>	<b>8 123 721</b>

## NOTES TO THE FINANCIAL STATEMENTS

## B. Financial losses

	2022	2021
	CHF	CHF
Bank fees	-60 513	-43 940
Interest	-85 207	-6 883
Foreign exchange losses	-272 529	-83 902
Translation differences	-666 187	-180 324
	<b>- 1 084 436</b>	<b>-315 049</b>

## C. Financial income

	2022	2021
	CHF	CHF
Other financial income	70	70
Foreign exchange income	77 349	84 243
Translation differences	140 826	177 389
	<b>218 245</b>	<b>261 702</b>

## D. Employees

	31.12.2022	31.12.2021
	EFT	EFT
Geneva Office	15	15
New York Office	8	8
<i>Fiscal sponsor</i>	2	
Serbian Office	8	4
French Office	4	4
Indian Office	3	2
Luxembourg	1	-
Bangladseh	1	-
Nepal	1	-
Tunisia	1	-
Canadian Office	2	1
Pakistan Office	4	4
Peru Office	1	1
Kenya Office	1	1
Sudan Office	1	1
Belgium office	1	-
Spain Office	2	2
<i>Fiscal sponsor</i>	1	
	<b>54</b>	<b>43</b>

## NOTES TO THE FINANCIAL STATEMENTS

## E. Expenses by budget headlines

	2022	2021	% vs N-1
<b>Staff costs</b>	<b>-3 986 282</b>	<b>-3 248 323</b>	<b>23%</b>
HUMAN RESOURCES	-3 789 038	-3 128 960	21%
RA Secretariat	-197 244	-119 363	65%
<b>Operating Expenditures</b>	<b>-7 611 438</b>	<b>-4 801 141</b>	<b>59%</b>
<b>Governance</b>	<b>-338 241</b>	<b>-33 315</b>	<b>915%</b>
<b>Project Costs</b>	<b>-6 346 856</b>	<b>-4 011 463</b>	<b>58%</b>
HUMAN RIGHTS MECHANISMS	-298 607	-340 616	-12%
INTERNATIONAL COOPERATION	-771 260	-170 026	354%
THEMATIC ADVOCACY	-988 661	-737 471	34%
SDGS AND HUMANITARIAN FRAMEWORKS	-439 533	-104 492	321%
SUPPORT TO IDA MEMBERS	-2 488 831	-1 731 728	44%
TECHNICAL CAPACITY DEVELOPMENT	-1 125 252	-565 416	99%
IDA TRUST FUND	-43 751	-242 730	-82%
IDA HELP DESK	-13 443	-	0%
COMMUNICATION - M&E-SURVEY	-177 518	-118 984	49%
<b>Senior Management</b>	<b>-192 718</b>	<b>-54 332</b>	<b>255%</b>
<b>Support Costs</b>	<b>-733 673</b>	<b>-702 030</b>	<b>4%</b>
Administration and Legal cost	-418 488	-480 233	-14%
Support costs	-337 864	-242 459	39%
Support costs transferred to Depreciations	20 436	16 262	26%
Support costs transferred to Others operating costs	2 243	4 400	-49%
<b>Depreciations</b>	<b>-20 436</b>	<b>-16 262</b>	<b>26%</b>
<b>Other Operating costs</b>	<b>-2 243</b>	<b>-4 400</b>	<b>-52%</b>
<b>Financial Losses and Profits</b>	<b>-866 191</b>	<b>-53 347</b>	<b>1524%</b>
<b>TOTAL EXPENSES</b>	<b>-12 486 589</b>	<b>-8 123 721</b>	<b>54%</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note on budget headlines

Budget headlines build on the revised IDA budget framework created in 2021 and adjusted in 2022. The budget is divided into 14 units (numbered above from 1 to 13. The last one being the financial losses and profits).

- Human resources: Covers salaries and benefits costs for IDA staffs and other employees under IDA payroll and covered by IDA fiscal sponsorships.
- Reasonable Accommodation (RA) Secretariat: Reasonable Accommodation costs for IDA Secretariat staffs.
- Governance: Covers costs of governance such as Board meetings and IDA General Assembly.
- Project costs: Cover IDA project costs
- Senior Management: Covers costs of secretariat coordination and senior management travels, fundraising and coordination with IDA partners
- Administration and legal: Cover the information management systems costs, legal, compliance, due diligence, fiscal and audit costs.
- Support costs: Cover IDA office rent, utilities, telecommunications, and IT costs.
- Financial losses and profit: detailed below in points E and F.

### Note on fiscal sponsorships

The International Disability Alliance supports the work of the African Disability forum, the World Federation of Deafblind, TCI Global, the Pan-African Network of Organisations of Persons with Disabilities, RIADIS, World Federation of Deaf and CBM United States (the fiscal sponsorship recipients) with grant management and contracting employees on their behalf.

The revised IDA budget framework distributes the fiscal sponsorship costs within the 14 IDA budget headlines instead of aggregating it into one separated budget headline.

### 10. Subsequent events

None