

Report of the statutory auditor

with financial statements as of 31 December 2016 of

International Disability Alliance, Le Grand-Saconnex

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

Lausanne, 7 June 2017
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Report of the statutory auditor on the financial statements

As statutory auditor, 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 2016.

Board's responsibility

The Board is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the status 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 2016 comply with Swiss law and the status 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 83b 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 83b 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

Serge Clément
Licensed audit expert
(Auditor in charge)



Bojan Radovanovic
Licensed audit expert

Enclosure

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

International Disability Alliance, Le Grand-Saconnex

BALANCE SHEET AS OF 31 DECEMBER 2016

	Note	31.12.2016	31.12.2015
		<u>CHF</u>	<u>CHF</u>
ASSETS			
Current assets			
Cash and cash equivalents		579'002.22	517'842.75
Prepaid expenses		51'667.32	104'542.96
Accrued income	1	348'456.11	98'859.30
Total current assets		<u>979'125.65</u>	<u>721'245.01</u>
TOTAL ASSETS		<u>979'125.65</u>	<u>721'245.01</u>

International Disability Alliance, Le Grand-Saconnex

BALANCE SHEET AS OF 31 DECEMBER 2016

	31.12.2016	31.12.2015
	<u>CHF</u>	<u>CHF</u>
LIABILITIES AND EQUITY		
short-term liabilities		
Trade accounts payable		
to third parties	81'704.57	45'513.37
to management bodies	3'366.90	
Short-term interest-bearing liabilities	1'668.29	2'910.60
Other current liabilities		
to third parties	-	23'756.83
Accrued expenses	23'222.45	11'846.46
Deferred income	2 855'418.97	637'217.77
Total short-term liabilities	965'381.18	721'245.03
Total liabilities	<u>965'381.18</u>	<u>721'245.03</u>
Equity		
Voluntary retained earnings		
Result carryforward	-	-0.02
Result for the year	-	-
Affected funds	3 13'744.47	
Available earnings	<u>13'744.47</u>	<u>-0.02</u>
Total equity	<u>13'744.47</u>	<u>-0.02</u>
TOTAL EQUITY AND LIABILITIES	<u>979'125.65</u>	<u>721'245.01</u>

International Disability Alliance, Le Grand-Saconnex

INCOME STATEMENT 2016

		2016	2015
		CHF	CHF
Operating income	4	2'350'305.97	1'503'599.25
Services and other goods	5	-1'626'658.73	-1'029'756.94
Gross margin		723'647.24	473'842.31
Personnel expenses	5	-721'657.35	-434'825.55
Other operating expenses		-2'594.98	-17'726.81
Earnings before interest		-605.09	21'289.95
Financial cost	6	-22'478.01	-24'873.88
Financial income		5'356.29	3'583.93
Income related to other periods	7	17'726.81	-
Result for the year		0.00	0.00

International Disability Alliance, Le Grand-Saconnex

NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2016

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 subsidises and grants from public institutions (Ministry of Foreign Affairs Australia) or private foundations (Open Society Foundation, Wellspring Advisors Foundation, Disability Rights Fund etc..).

All expenses spent by IDA are related to grant agreements and based upon a budget proposal agreed with the financier. As a consequence IDA cannot make benefits on any grant contract.

Therefore the remaining funds for a contract from one year to another are accrued to the following year. The amount accrued is based on the state of expenditures per grant contract up to 31/12/2016.

Applicable accounting law:

These 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).

Statutes 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.

The International Disability Alliance is located at 150 Route de Ferney, CH1218 Grand Saconnex, Switzerland.

Information, breakdowns and explanations relating to balance sheet and income statement items:

1 - Accrued income

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

	31.12.2016 CHF	31.12.2015 CHF
Action 2015	-	3'965
Department of Foreign Affairs and Trade / Australia - AUSAID	140'612	-
CBM	-	2'533
Fundación Universia	7'026	-
Handicap International	30'216	15'049
Light for the world	4'315	-
Ministry of Foreign Affairs Finland	164'032	47'165
Open Society Foundation	-	28'538
World Health Organisation	-	1'610
Other donors	2'255	-
	348'456	98'859

2 - Deferred income

This account includes payments from donor made during the year to International Disability Alliance and not yet charged to projects.

	31.12.2016 CHF	31.12.2015 CHF
US Private Foundation - Anonymous	191'327	42'654
Department of Foreign Affairs and Trade / Australia - AUSAID	284'920	352'554
Disability Rights Fund	78'504	127'990
Open Society Foundation	265'566	114'020
United Nations Population Fund	35'101	-
	855'419	637'218

3 - Affected funds

In 2016, 13'744.47 CHF of VAT have been recovered from the Swiss Administration.

This amount represents the recoverable VAT from 01/01/2015 to 31/12/2016. During IDA first year of operaiton in 2014, VAT has been paid to authorities.

The amount of recovered VAT has been assigned to an equity fund which will be used in case of losses during the following years.

4 - Operating income by donor

	31.12.2016	31.12.2015
	CHF	CHF
US Private Foundation - Anonymous	260'716	321'216
Department of Foreign Affairs and Trade / Australia - AUSAID	352'463	448'802
CBM International	189'838	142'639
Disability Rights Fund	228'770	118'281
Fundación Universia	23'583	16'051
Handicap International	30'392	16'342
Ministry of Foreign Affairs Finland	164'032	47'165
Open Society Foundation	304'405	274'353
Other donors	58'325	61'753
Swedish International Development Cooperation Agency	657'570	-
Sightsavers	35'194	7'821
UNICEF	-	49'177
United Nations Population Fund	45'018	-
	<u>2'350'306</u>	<u>1'503'599</u>

5 - Services and other goods

	31.12.2016	31.12.2015
	CHF	CHF
Human Resources	-721'657	-434'826
<i>Staff expenditures</i>	-721'657	-434'942
<i>Other HR</i>	-	116
Board expenses / AGA / Board meeting	-146'028	-14'462
Project costs	-1'222'352	-913'457
<i>Making the post 2015 inclusive</i>	-267'288	-147'636
<i>CRPD compliance jurisprudence UN system</i>	-136'385	-205'977
<i>Developing technical and HR resources</i>	-542'278	-325'803
<i>Support to Indigenous PWDs</i>	-73'698	-126'646
<i>Fiscal sponsorship</i>	-202'703	-107'395
Support Costs	-174'039	-60'161
Reasonable Accommodation	-71'255	-49'860
<i>Reasonable accommodation staffs, board and activities</i>	-71'255	-49'744
<i>Other reasonable accommodation</i>	-	-116
VAT & Finance	-14'975	-30'834
	<u>-2'350'306</u>	<u>-1'503'599</u>

6 - Financial cost

	31.12.2016	31.12.2015
	CHF	CHF
Interest expenses	-9'721	-6'770
Foreign exchange losses	-12'757	-18'104
	<u>-22'478</u>	<u>-24'874</u>

7 - Income related to other periods

This exceptional income is due to the reversal of the VAT provision constituted over the previous years. The provision has been reversed as the Swiss Administration has defined the proper taxation to be applied.

Liabilities to pension schemes	<u>-525.75</u>	<u>366</u>
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The average number of full-time equivalents for the year was:

The number of full time employee remain below 10 during the year (same as previous year).