

# ICVA - International Council of Voluntary Agencies

Geneva

Report of the statutory auditor  
to the Association Board

on the financial statements 2021



# Report of the statutory auditor

## to the Association Board of ICVA - International Council of Voluntary Agencies

Geneva

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

As statutory auditor, we have audited the accompanying financial statements of ICVA - International Council of Voluntary Agencies, which comprise the balance sheet, the statement of income and expenses, the statement of changes in capital and funds, the cash flow statement and the notes, for the year ended 31 December 2021. As permitted by Swiss GAAP FER 21 the information in the performance report is not required to be subject to audit.

#### Board's responsibility

The Board is responsible for the preparation of the financial statements in accordance with Swiss GAAP FER and the requirements of Swiss law. 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 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 2021 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law, the association's deed and internal regulations.

### 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 CC in connection with article 728 CO) and that there are no circumstances incompatible with our independence.

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*PricewaterhouseCoopers SA, avenue Giuseppe-Motta 50, case postale, CH-1211 Genève 2, Switzerland  
Téléphone: +41 58 792 91 00, Téléfax: +41 58 792 91 10, [www.pwc.ch](http://www.pwc.ch)*

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In accordance with article 69b paragraph 3 CC in connection with 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 Association Board.

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

PricewaterhouseCoopers SA

Marcello Stimato

Audit expert  
Auditor in charge

Alexandre Meugnot

Geneva, 10 March 2022

Enclosure:

- financial statements (balance sheet, statement of income and expenses, statement of changes in capital and funds, cash flow statement, and notes)



International  
Council of  
Voluntary  
Agencies

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***International Council of  
Voluntary Agencies  
("ICVA")  
Geneva***

***Financial Statements for the  
period ended  
31 December 2021***

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ICVA (International Council of Voluntary Agencies, Geneva)

Balance sheet as at 31 December  
(in Swiss francs)

Assets	Notes	2021	2020
<b>Current assets</b>			
Cash and cash equivalents	6	1'049'367	1'385'411
Accounts receivable	7	97'304	17'598
Prepaid expenses and accrued income	8	41'485	41'563
Other current assets		37'760	-
<b>Total current assets</b>		<b>1'225'916</b>	<b>1'444'572</b>
<b>Non-current assets</b>			
Financial assets	9	20'077	20'077
Property, plant and equipment, net		5'429	10'858
<b>Total non-current assets</b>		<b>25'506</b>	<b>30'935</b>
<b>Total assets</b>		<b>1'251'422</b>	<b>1'475'506</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable		124'356	160'308
Short-term interest-bearing liabilities		7'403	6'825
Accrued expenses		40'800	41'246
Deferred income		110'610	38'785
Short-term provision	10	42'252	81'462
<b>Total current liabilities</b>		<b>325'421</b>	<b>328'626</b>
<b>Non-current liabilities</b>			
Long-term interest-bearing liabilities		-	6'825
<b>Total non-current liabilities</b>		<b>-</b>	<b>6'825</b>
<b>Total liabilities</b>		<b>325'421</b>	<b>335'451</b>
<b>Restricted funds</b>			
Specific project balances		307'859	526'999
<b>Total restricted funds</b>		<b>307'859</b>	<b>526'999</b>
<b>Reserve</b>			
General Reserve		613'056	932'523
Net result for the year		5'086	-319'467
<b>Total reserves</b>		<b>618'142</b>	<b>613'056</b>
<b>Total liabilities</b>		<b>1'251'422</b>	<b>1'475'506</b>

ICVA (International Council of Voluntary Agencies, Geneva)

Statement of Income and Expenses for the period  
ended 31 December  
(in Swiss francs)

	Notes	2021	2020
<b>Net proceeds from Membership Fees and Grants</b>			
ICVA Membership Fees		549'841	559'419
Denmark - Ministry of Foreign Affairs - DANIDA		221'220	-
Germany - Ministry of Foreign Affairs - SO8		558'678	546'364
Luxemburg - Ministry of Foreign Affairs		108'198	107'712
Norway - Ministry of Foreign Affairs		153'900	150'300
Sweden - Ministry of Foreign Affairs - SIDA		324'510	305'101
Switzerland - Department of Foreign Affairs Republic and Canton of Geneva		300'000	450'000
United Nations Development Programme (UNDP)		40'000	50'176
United Nations International Children's Emergency Fund (UNICEF)		32'274	32'293
United Nations High Commissioner for Refugees (UNHCR)		44'718	25'269
United Nations High Commissioner for Refugees (UNHCR)		88'000	88'000
United Nations High Commissioner for Refugees (UNHCR) - PSEA Fund		336'275	376'034
Hilton Foundation		272'182	536'763
Members' and partners' contributions to projects		52'324	-
		<b>3'082'120</b>	<b>3'227'431</b>
Other operating income		90'851	6'495
<b>Operating Expenses</b>			
Staff costs		- 1'965'188	- 2'003'511
Grants to local non-profit organizations		- 423'730	- 507'880
External Services		- 543'411	- 404'827
Premises charges		- 121'054	- 129'577
Maintenance, repairs and equipment		- 2'626	- 2'535
Travel expenses		- 30'098	- 44'936
IT expenses		- 52'567	- 37'541
Administration and office costs		- 8'831	- 9'830
Communications		- 105'491	- 45'331
Meeting, teleconference and webinar costs		- 79'234	- 55'468
Depreciation and valuation adjustments to fixed assets		- 5'429	- 5'429
Other costs		- 21'615	- 57'709
		<b>- 186'303</b>	<b>- 70'649</b>
Financial income		32'549	113'676
Financial expenses		- 79'677	- 152'355
		<b>- 233'431</b>	<b>- 109'328</b>
		<b>- 233'431</b>	<b>- 109'328</b>
Reduction in Specific Project balances		1'121'377	1'004'487
Increase in Specific Project balances		- 882'860	- 1'214'626
		<b>5'086</b>	<b>- 319'467</b>

ICVA (International Council of Voluntary Agencies, Geneva)

Statement of changes in capital and funds for the period  
ended 31 December

	2021				Balance 31.12.2021
	Balance 01.01.2021	Allocations	Appropriation	Total variation	
<b>Restricted funds</b>					
Republic and Canton of Geneva - NGO FORA 2021	-	40'000	-40'000	-	-
UNHCR - 2021	-	88'000	-88'000	-	-
UNHCR PSEA 2021	-	336'275	-336'275	-	-
Hilton IV - NGO FORA 2021/2022	180'934	-	-67'749	-67'749	113'185
Hilton V	-	233'395	-68'361	165'034	165'034
Swiss Department of Foreign Affairs ("FDFA") 2021-2023	150'000	-	-169'377	-169'377	-19'377
UNDP 2020/2021	13'345	32'274	-45'619	-13'345	-
UNICEF III 2021	25'269	1'845	-27'114	-25'269	-
UNICEF IV 2021-2022	-	42'873	-22'170	20'703	20'703
Luxemburg III	-	108'198	-108'198	-	-
Open Society Foundation	97'451	-	-88'514	-88'514	8'937
IOM	-	-	-	-	-
General Assembly	60'000	-	-60'000	-60'000	-
<b>Total restricted funds</b>	<b>526'999</b>	<b>882'860</b>	<b>-1'121'377</b>	<b>-238'517</b>	<b>288'482</b>
<b>Reserve</b>					
General reserve	613'056	5'086	-	5'086	618'142
<b>Total reserve</b>	<b>613'056</b>	<b>5'086</b>	<b>-</b>	<b>5'086</b>	<b>618'142</b>
<b>Total restricted funds and reserve</b>	<b>1'140'055</b>				<b>906'624</b>

	2020				Balance 31.12.2020
	Balance 01.01.2020	Allocations	Appropriation	Total variation	
<b>Restricted funds</b>					
Republic and Canton of Geneva - Annual conference	-	10'176	-10'176	-	-
Republic and Canton of Geneva - NGO FORA 2020	-	40'000	-40'000	-	-
UNHCR - PSEA	-	376'034	-376'034	-	-
UNHCR - 2020	-	88'000	-88'000	-	-
Hilton III - NGO FORA 2020	-	184'208	-184'208	-	-
Hilton IV - NGO FORA 2021/2022	-	180'934	-	180'934	180'934
Swiss Department of Foreign Affairs ("FDFA") 2021-2023	-	150'000	-	150'000	150'000
UNDP 2020/2021	-	32'293	-18'948	13'345	13'345
UNICEF 2021	-	25'269	-	25'269	25'269
Luxemburg I	75'983	-	-75'983	-75'983	-
Luxemburg II - NGO FORA 2020	-	107'712	-107'712	-	-
Open Society Foundation	197'161	-	-99'710	-99'710	97'451
IOM	3'716	-	-3'716	-3'716	-
General Assembly	40'000	20'000	-	20'000	60'000
<b>Total restricted funds</b>	<b>316'860</b>	<b>1'214'626</b>	<b>-1'004'487</b>	<b>210'139</b>	<b>526'999</b>
<b>Reserve</b>					
General reserve	932'522	-319'467	-	-319'467	613'055
<b>Total reserve</b>	<b>932'522</b>	<b>-319'467</b>	<b>-</b>	<b>-319'467</b>	<b>613'055</b>
<b>Total restricted funds and reserve</b>					<b>1'140'054</b>

ICVA (International Council of Voluntary Agencies, Geneva)

**Cash Flow Statement for the financial year  
ended 31 December 2021  
(in Swiss francs)**

	2021	2020
<b>Net result for the year</b>	<b>5'086 -</b>	<b>319'467</b>
Change in funds	- 238'517	210'139
Depreciation and valuation adjustments to fixed assets	5'429	5'429
Allocations to provision	- 37'710 -	10'208
Financial results	27'488	54'276
Result for the year (before change in net working capital)	<b>- 238'224 -</b>	<b>59'831</b>
Decrease/(Increase) in Accounts receivable	- 61'830	568'223
Decrease/(Increase) in Prepaid expenses and accrued income	- 37'682 -	34'563
(Decrease)/Increase in Accounts payable and accrued expenses	- 36'398	28'899
(Decrease)/Increase in Deferred income	71'825 -	171'623
<b>Cash flow from operating activities</b>	<b>- 302'309</b>	<b>331'105</b>
Interest paid	- 10'544 -	7'379
Lease repayments	- 6'247 -	5'276
<b>Cash flow from financing activities</b>	<b>- 16'791 -</b>	<b>12'655</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>- 319'100</b>	<b>318'450</b>
Cash & cash equivalents, beginning of year	1'385'411	1'113'858
Effect of foreign currency conversions on cash & cash equivalents - unrealised (loss)/ gain	- 16'944 -	46'897
Cash & cash equivalents, end of year	1'049'367	1'385'411
<b>Change in Cash &amp; cash equivalents</b>	<b>- 319'100</b>	<b>318'450</b>



## **ICVA (International Council of Voluntary Agencies, Geneva)**

### **Notes to the 2021 Financial Statements (in Swiss francs)**

#### **1. Presentation**

The International Council of Voluntary Agencies ("ICVA") is a global consortium of humanitarian non-governmental organizations. It was founded in 1962 and established as an association within the meaning of Article 60 et seq. of the Swiss Civil Code. Its headquarters are located in Geneva, Switzerland. ICVA's mission is to make humanitarian action more principled and effective by working collectively and independently to influence policy and practice.

#### **2. Significant accounting policies**

ICVA financial statements have been prepared in accordance with the Statutes of ICVA, the applicable provisions of the Civil Code (article 69a) and of the Swiss Code of Obligations and the Swiss Generally Accepted Accounting Principles (Swiss GAAP RPC including Swiss GAAP RPC 21).

As permitted by Swiss GAAP FER 21, the accounts were prepared in compliance with the conceptual framework, the fundamental recommendations and recommendation 21.

Information required by Swiss GAAP FER 21 on the performance of the Association, and not disclosed in the financial report, is included in the annual report. The statement of income and expenses is presented using the classification of expenses by nature.

#### **Scope of the Financial Statements**

To ensure comparability with the current financial year, certain items from the previous year have been reclassified.

#### **3. Valuation principles**

The financial statements have been prepared using historical cost principles and are presented in Swiss francs.

#### **Accounts Receivables**

Accounts receivable are amounts due from parties for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets.

These receivables are valued at their nominal values. Credit default risks are accounted for by specific allowances.

#### **Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are converted into Swiss francs at year-end exchange rate.

Transactions in foreign currencies are recorded in Swiss francs at the rate received or, if not exchanged into Swiss Francs, at the exchange rate in force on the first day of the month of the transaction.

#### **Property, plant and equipment**

Property, plant and equipment are valued at purchase cost less any depreciation required by generally accepted accounting principles. Depreciation is charged on a straight-line basis over the useful life of the fixed asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. For financial leases, the useful life corresponds to the duration of the contractual lease.

#### **Revenue recognition**

Revenue is recognized when it is likely that the economic benefits associated with the transaction are received and when the economic benefits can reliably be estimated.

## **ICVA (International Council of Voluntary Agencies, Geneva)**

### **Notes to the 2021 Financial Statements (in Swiss francs)**

#### **Donations**

Donations are recognized as income when ICVA acquires control. They are considered as unrestricted funds, unless the donor stipulates a specific restriction.

When the donor requires their donation to be allocated to a specific cause, the donation is recorded as an allocated fund. Allocated funds that are unused at Balance Sheet date are presented under the section "Specific Project Balances" in the Balance Sheet.

#### **Contributions in kind**

ICVA regularly receives donations in kind, primarily in the form of free use of goods or services from members and partners. These contributions in kind are not recorded in the financial accounts, since it is difficult to determine a reliable monetary equivalent for their value.

#### **Programme expenditure**

Expenditures are recognised when they are incurred and are valued at transaction costs.

#### **Related parties**

Related parties include Board members of ICVA, but not member organizations, since ICVA is a network of independent non-governmental organizations, which do not exert a significant influence on its decisions.

#### **Provisions**

Provisions are recorded when it is likely that a specific liability will materialize in the future and if this liability can be valued accurately.

### **4. Tax exemption**

ICVA qualifies for exemption from local and federal income tax and capital tax, according to Article 9.1 (f) of the Law on taxation of legal persons ("LIPM"). The local exemption was renewed on March 22, 2011 for a period of 10 years. The local exemption renewal is under process.

### **5. Management of financial risks**

Risks are periodically analysed on an organisation-wide basis, which gives rise to a report that is submitted to the Board of Directors. In terms of financial risks, we draw your attention to the following items:

#### **Foreign exchange risk**

ICVA is exposed to exchange rate fluctuations, since a large part of its income and expenses are in foreign currencies. ICVA has no active foreign exchange risk hedging policy and tends to convert currencies as and when they are required. The reserves are kept mainly in Swiss francs.

#### **Banking risk**

ICVA avoids banking risk by working with UBS Switzerland, which has low risk of default.

#### **Counterparty risk**

The counterparty risk is limited, insofar as most of the third party receivables are due from governments or public bodies with whom ICVA has grant agreements.

#### **Current liquid assets and reserves**

The reserves of ICVA are indispensable in preserving its operational capacity to react quickly and in managing varying timelines for grant transfers, including transfers made only on a reimbursement basis. ICVA policy ensures that sufficient cash is available at all times for its activities and the majority of ICVA's reserves are composed of cash or cash equivalents.

**ICVA (International Council of Voluntary Agencies, Geneva)**

**Notes to the 2021 Financial Statements  
(in Swiss francs)**

**6. Cash & cash equivalents**

	<b>2021</b>	<b>2020</b>
Bank accounts	1'045'626	1'381'774
Cash	3'741	3'637
<b>Total</b>	<b>1'049'367</b>	<b>1'385'411</b>

**7. Accounts Receivables**

	<b>2021</b>	<b>2020</b>
Membership Fees	94'678	46'246
Provision Membership Fees	-27'148	-28'648
Swiss Department of Foreign Affairs ("FDFA")	19'377	-
Others	10'397	-
<b>Total accounts receivables</b>	<b>97'304</b>	<b>17'598</b>

ICVA had an open receivable at 31 December 2021 with a Donor (Swiss Department of Foreign Affairs ("FDFA")) as the expenses incurred during the period exceed the transfer received at 31 December 2021. Further fund will be received in next period, thus it triggered recognition of a receivable.

ICVA performed an individual analysis of Membership Fees due at 31 December 2021, and assessed that a provision was necessary to cover the risk of no collection at 31 December 2021 for 27'148.

**8. Prepaid expenses and accrued income**

	<b>2021</b>	<b>2020</b>
Prepaid expenses and accrued income	41'485	41'563

The prepaid expenses and accrued income are mainly composed of insurance premiums and payment for services not yet rendered on the field.

**9. Financial assets**

	<b>2021</b>	<b>2020</b>
Rental Deposits	20'077	20'077

The guarantee deposits include the rental deposits with a financial institution for offices and parkings.

**10. Personnel expenses**

The number of full-time equivalents over the period ended 31 December 2021 was 18.8 (2020: 17.8).

The total remuneration paid to individuals entrusted with management is not disclosed, as permitted by Swiss GAAP FER 21.

A provision of 42'252 as of 31 December 2021 (2020: 81'462) was recorded for the employees leave balance at the year-end.

**11. Pension plan obligation**

ICVA employees working for three months per year or more and based in Switzerland, benefit from a scheme covering retirement, invalidity pension, and death according to the provisions of the Federal Law for occupational retirement (LOB).

The occupational benefits are provided by the pension fund "Patimonia" (in 2020: Nest), according to a defined-contribution benefit plan:

- investment yield has no impact on premiums,
- the employer does not guarantee the benefit amount.

The Plan is composed of the contributions of ICVA and the employees, and it plan covers the usual occupational benefits: retirement, invalidity pension, and death benefits. Risks are insured by the pension funds.

The capital ratio of the pension fund is 110% at 31 December 2021 (2020 by Nest: 111%).

As of December 31st, 2021, LPP amount due was CHF 35'516 (2020: nil).

Notes to the 2021 Financial Statements  
(in Swiss francs)

12. Off-balance sheet commitments

**Commitments related to office contracts**

ICVA rents office space in Geneva for its headquarters under renewable contracts for a period of 5 years, with a notice period for termination of six months. The contracts were reconducted in 2020 for a period of 5 years. Nevertheless, part of the office will be left on June 30, 2022, no commitment exists anymore for it, since a new tenant has been found by ICVA before leaving. For the other part of the office, the commitment remains until April 2025.

The future payments are:

	2021	2020
To 1 year	50'232	76'980
From 1 to 5 years	39'312	256'386
	<b>89'544</b>	<b>333'366</b>

**Leasing movement schedule**

ICVA contracted a leasing agreement with a supplier on January 1st, 2018 for two printers for a 60 months period. This leasing is considered as a finance lease and has been activated. The future payments are:

	2021	2020
To 1 year	8'100	8'100
From 1 to 5 years	-	8'100
	<b>8'100</b>	<b>16'200</b>

13 Board compensation

The members of the Board are not compensated except for reimbursements of travel and accommodation costs when these are not covered by their own organization.

14 Subsequent events

Subsequent to the end of the financial year, there have been no significant events impacting the annual accounts of 2021 between the balance sheet date and the date of signing the financial statements.