
***INTERNATIONAL CATHOLIC
MIGRATION COMMISSION,
Geneva, Switzerland***

*Consolidated Financial Statements for the
Year ended December 31, 2016
And Report of the Statutory Auditor*

Report of the statutory auditor

To the Governing committee of
International Catholic Migration Commission, Geneva

Report of the Statutory Auditor on the Consolidated Financial Statements

As statutory auditor, we have audited the accompanying consolidated financial statements of International Catholic Migration Commission ("ICMC"), which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statement of activities, consolidated statement of cash flows and notes to the consolidated financial statements for the year then ended.

Management's Responsibility

Management is responsible for the preparation of these consolidated financial statements in accordance with Swiss GAAP FER, the requirements of Swiss law and ICMC statutes. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error. Management 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements for the year ended December 31, 2016 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 and ICMC statutes.

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 Civil Code (CC) in connection with article 728 Code of Obligations (CO)) and that there are no circumstances incompatible with our independence.

In accordance 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 the consolidated financial statements according to the instructions of management.

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

Deloitte SA

Karine Szegedi Pingoud
Licensed audit expert
Auditor in charge

Lisa Watson
Licensed audit expert

Geneva, June 9, 2017

KSZ/LWA/fta

Enclosures: Consolidated financial statements (consolidated statement of financial position, Consolidated statement of activities, consolidated statement of cash flows and notes)

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31

(US\$ 000's)

	Note	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>			
Current assets			
Cash and cash equivalents	20	12'458	8'692
Accounts receivable and prepayments	4	756	754
Due from US donors (finished projects)	5	289	230
Due from US donors (ongoing projects)	5	285	354
Due from other donors (finished projects)	5	157	0
Due from other donors (ongoing projects)	5	554	467
Total Current assets		<u>14'499</u>	<u>10'497</u>
Non Current assets			
Tangible fixed assets	6	168	103
Total Non Current assets		<u>168</u>	<u>103</u>
TOTAL ASSETS		<u><u>14'667</u></u>	<u><u>10'600</u></u>
<u>LIABILITIES AND NET ASSETS</u>			
Current liabilities			
Accounts payable and accruals	7	2'634	2'138
Provisions	8	1'761	1'599
Unexpended funds on-going programs	9	4'806	2'541
Due to other donors (finished projects)	9	1'238	837
Due to US Government (finished projects)	9	0	8
Total Current liabilities		<u>10'439</u>	<u>7'123</u>
Long term liabilities			
Long term liabilities	10	8	12
Subsidies - Fixed assets		16	0
Total Long term liabilities		<u>24</u>	<u>12</u>
TOTAL LIABILITIES		<u><u>10'463</u></u>	<u><u>7'135</u></u>
Fund capital			
Unrestricted-designated			
Administration Fund	11	1'349	1'349
General Fund	11	2'083	1'721
Council Meeting Fund	11	33	33
Surplus/(Deficit) to be allocated		739	362
TOTAL FUND CAPITAL		<u>4'204</u>	<u>3'465</u>
TOTAL LIABILITIES AND FUND CAPITAL		<u><u>14'667</u></u>	<u><u>10'600</u></u>

The accompanying notes are an integral part of these financial statements.

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended December 31

(US\$ 000's)

	Note	2016			TOTAL All Funds
		Unrestricted	Restricted		
			US Federal Funds	Other Funds	
<u>PUBLIC SUPPORT AND REVENUE</u>					
Public support :					
US Government grants	13/15a	2'624	19'129		21'752
Other grants and contributions	12/15b	630		18'693	19'323
Self funded projects :					
Development working group				189	189
Revenue :					
National contributions	14	167			167
Private donations		1'602			1'602
Investment income	16	1			1
Miscellaneous	17	526			526
Total public support and revenue		5'549	19'129	18'882	43'560
 <u>EXPENSES</u>					
Management general					
Personnel costs		2'684			2'684
Office expenses		504			504
Travel		54			54
Equipment and maintenance		132			132
Project/program development		12			12
External relations		60			60
Fund raising		1'141			1'141
Meetings (Governing Committee, General Assembly)		89			89
Donation					0
Training		6			6
Miscellaneous	18	24			24
Foreign exchange losses		104			104
					0
Programs					
Funded by US Government	13		19'129		19'129
Funded by Europe	12			1'846	1'846
Funded by UN	12			14'530	14'530
Funded by Other donors	12			2'318	2'318
Self funded project				189	189
Total expenses		4'810	19'129	18'882	42'821
Operating surplus for the year		739			739
Change in fund capital		739			739
Fund capital-beginning of year		3'465			3'465
FUND CAPITAL - END OF YEAR		4'204			4'204

The accompanying notes are an integral part of these financial statements.

2015

Unrestricted	Restricted		TOTAL All Funds
	US Federal Funds	Other Funds	
1819	14081		15900
1028		15207	16235
		9	9
171			171
2225			2225
9			9
350			350
<u>5602</u>	<u>14081</u>	<u>15216</u>	<u>34899</u>
2576			2576
473			473
51			51
119			119
42			42
56			56
980			980
69			69
650			650
8			8
23			23
193			193
	14081		14081
		2788	2788
		10498	10498
		1921	1921
		9	9
<u>5240</u>	<u>14081</u>	<u>15216</u>	<u>34537</u>
<u>362</u>			<u>362</u>
362			362
3'103			3'103
<u>3465</u>			<u>3465</u>

PUBLIC SUPPORT AND REVENUE

Public support :

US Government grants
Other grants and contributions

Self funded projects :

Development working group

Revenue :

National contributions
Private donations
Investment income
Miscellaneous

Total public support and revenue

EXPENSES

Management general

Personnel costs
Office expenses
Travel
Equipment and maintenance
Project/Program development
External relations
Fund raising
Meetings (Governing Committee, General Assembly)
Donation
Training
Miscellaneous
Foreign exchange losses

Programs

Funded by US
Funded by Europe
Funded by UN
Funded by Other donors
Self funded project

Total expenses

Operating Surplus for the year

Change in fund capital

Fund capital-beginning of year

FUND CAPITAL - END OF YEAR

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

CONSOLIDATED STATEMENT OF CASH FLOW (total of all funds)

Year ended December 31

(US\$ 000's)

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Surplus for the year	739	362
Adjustments for		
- Depreciation	73	70
- Provisions	162	-66
	<u>974</u>	<u>366</u>
Operating surplus before changes in working capital	974	366
Increase/(Decrease) in accounts receivable and prepayments	-2	76
Increase/(Decrease) in amounts due from US Donors (finished projects)	-59	36
(Increase)/Decrease in amounts due from US Donors (on-going projects)	69	2'253
Increase/(Decrease) in amounts due from other Donors (finished projects)	-157	495
Increase/(Decrease) in amounts due from other Donors (on going projects)	-87	-467
Increase/(Decrease) in accounts payable and accruals	496	-109
Increase/(Decrease) net in amounts unexpended funds on-going programs	2'265	1'566
Increase/(Decrease) net in amounts due to other Donors (finished projects)	401	285
(Increase)/Decrease net in amounts due to US Government (finished projects)	-8	-171
Net cash provided by operating activities	<u>3'892</u>	<u>4'330</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments to acquire tangible fixed assets	-138	-51
Net cash used in investing activities	<u>-138</u>	<u>-51</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan and subsidies for tangible assets	21	15
Repayment of long term liabilities	-9	-3
Net cash used in financing activities	<u>12</u>	<u>12</u>
Net increase in cash and cash equivalents	3'766	4'291
Cash and cash equivalents at January 1	<u>8'692</u>	<u>4'401</u>
Cash and cash equivalents at December 31	<u><u>12'458</u></u>	<u><u>8'692</u></u>

The accompanying notes are an integral part of these financial statements.

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2016

Note 1 : General Information

International Catholic Migration Commission (ICMC) is a Swiss based organisation, and its consolidated financial statements are prepared applying the accounting principles of the Swiss GAAP FER and the presentation requirements of Swiss GAAP FER 21 “Accounting for charitable non-profit organisations” and Swiss law (see note 2.1). To enhance comparability for its Donors, ICMC presents its consolidated financial statements in US Dollars (“US\$”).

Note 2 : Activity and summary of significant accounting policies

2.1 Activity and basis of presentation

Activity

ICMC is a non-profit association based in Geneva, Switzerland and registered under section 60 ff of the Swiss Civil Code. ICMC’s main mission is the protection and assistance to refugees, migrants and displaced persons. Translating these principles into concrete actions, ICMC provides a wide range of resettlement, integration and repatriation assistance programs. The number of people employed by ICMC at December 31, 2016 approximates 38 International and 674 National Staff.

Basis of presentation

The consolidated financial statements have been prepared in accordance with the provisions of the Swiss GAAP FER 21 Accounting for Charitable non-profit organisations (“FER 21”). The consolidated financial statements include the accounts of ICMC Geneva, its branch offices and subsidiaries, ICMC Inc. and ICMC Europe. All inter-organizational balances and transactions have been eliminated in consolidation.

Use of estimates in preparation of the financial statements

The preparation of financial statements in conformity with the Swiss GAAP FER and FER 21 (re-enacted on 1 January 2016) requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based on management’s best knowledge of current events and actions, actual results ultimately may differ from those estimates.

Statement of financial position

The consolidated statement of financial position distinguishes between restricted and Unrestricted net assets. Restricted net assets are those net assets received from third parties to implement projects. Unrestricted net assets are those which are freely available and used for internally designated purposes.

Statement of activities

The consolidated statement of activities also distinguishes between Restricted and Unrestricted public support and revenue. Restricted use public support includes funds granted by the US Federal funds granted by US Government, and Other Grants and Projects. In addition, restricted use Funds include donations received the use of which is allocated to specific projects and/or time periods.

2.2 Fixed assets

Tangible fixed assets purchased from Unrestricted use Funds are capitalised and depreciated in equal instalments over the projected useful life of the assets.

Tangible fixed assets purchased from Restricted use Funds are normally expensed in the consolidated statement of activities in the year of purchase. It is considered improbable that such expenditures will generate future economic benefit to ICMC due to the short-term nature of program contracts and the terms of most grant contracts where rights over residual program assets are vested with the grantors.

The estimated useful life of fixed assets is as follows:

Office equipment: Computers 3 years, Telephone system 7 years, Software 3 years, Printer and Photocopy machines 4 years, Office furniture: 7 years, Motor vehicles: 3 years.

2.3. Foreign currency translation

ICMC's functional currency is the US\$. The main reasons for selecting the US\$ as the functional currency are that the largest part of received funds are in US\$ and the US\$ is the foreign currency that is most widely traded in the field.

Assets and liabilities denominated in currencies other than US\$ have been translated at the December 31, 2016 and 2015 rates of exchange per the *Wall Street Journal*. Public Support, Revenue and Expenses are translated into US\$ on a monthly basis using the month end exchange rates per the Wall Street Journal.

Exchange gains/losses resulting from the application of the accounting principles outlined above are credited/charged to the Statement of Activities.

2.4 Revenue and expenditure recognition

Contributions, funds and grants are normally received as a result of a specific program solicitation or with donor-imposed restrictions and are normally subject to a contract that defines the programs and services that ICMC must undertake. Public support revenue is recognised over the duration of the contract in proportion to the achievement of the conditions attached to the contributions or grants.

National contributions from members are recognised as revenue on receipt in the year they are due. Unpaid contributions are not recognised if collection is uncertain.

Contributions, without donor-imposed restrictions, if any, are reported as unrestricted support and increases in unrestricted fund capital.

Contributions with donor-imposed restrictions, if any, are reported as restricted support unless these restrictions are met in the same reporting period.

Contributions are recognized as income once the related service has been provided and collection is deemed to be certain. Contributions, as a general rule, are measured at the fair value on the date received. For contributed services, the fair value may be determined based upon the fair value of services received or fair value of asset or asset enhancement resulting from the service.

Pledged amounts not yet received are recognised in the statement of activities when expenditures are incurred in advance of the receipt of funds and a contract has been signed with the grantor. Each program is based on conditions of realisation and/or improvement; hence the revenue is recognised when the funds are effectively transferred by the donor.

Interest income is recognised on an accrual basis and is presented as a component of investment income.

2.5 Income taxes

ICMC is a not-for-profit association and is exempt from Swiss corporate income and capital taxes exemption granted by the Geneva Cantonal authorities. The latest exemption was received on the 9th September 2016 for an undefined period.

2.6 Employee benefits

(i) Retirement benefit obligations - Secretariat employees in Switzerland

ICMC operates a Swiss pension scheme for all of its Secretariat employees in Geneva. The plan is a collective plan administered externally and it is funded based on annual premiums calculated by the external administrator of the multi-employers collective fund, in compliance with Swiss employee benefit legislation and the fund rules. The plan is accounted for as a defined contribution scheme under Swiss GAAP FER.

ICMC costs recognised in the financial statements under the Swiss law represent the annual employer's contribution to the plan for each employee, as no additional contribution will be supported by the organisation at the time of employee's retirement. At December 31, 2016, ICMC had made all requisite contributions for the 2016 plan year and there were no unfunded obligations with respect to this plan at year-end 2016.

(ii) Retirement benefit obligations - expatriate employees

In April 2007, a specific pension scheme was launched for all expatriate employees. Contributions are based on gross salary during the term of employment in the organization and no costs will be recognized in periods after the termination of service of the employees. The contributions are transferred to an external and independent insurance company that manages the funds in accordance with the policy agreed by the employees.

(iii) Other employee benefits

Certain employees are entitled to additional benefits that accrue based on the number of years of service. Such benefits are payable in full when the employee terminates his employment with ICMC or retires.

2.7 Cash and cash equivalents

Cash and cash equivalents include petty cash and bank accounts.

2.8 Recently Issued Accounting Standards

The Organisation follows the principles of the Swiss GAAP FER (and specifically Swiss GAAP FER 21), and the new Swiss financial reporting law which enters into force on the 1st January 2013 and was adopted by ICMC on January 1, 2015.

Note 3 : Subsequent events and perspectives

There were no subsequent events that would have a material impact on the financial statements. The Association anticipates that the level of activity for the coming year will decrease slightly due to the global environment.

Note 4 : Accounts receivable and prepayments

	2016	2015
	US\$	US\$
	(000's)	(000's)
Receivables from partners	18	87
Receivables from third parties	185	136
Prepaid expenses	545	524
Advance to employees	8	7
	756	754

Note 5 : Due from donors

	2016	2015
	US\$	US\$
	(000's)	(000's)
- US Donors (finished projects) BPRM	0	230
- US Donors (finished projects) USAID	289	0
- US Donors (ongoing projects) USAID	285	354
- Other Donors (finished projects) GFMD	157	0
- Other Donors (ongoing projects) Intersos/ECHO	0	107
EC	165	358
CONCORD	0	2
OCHA	251	0
CIC	116	0
AUSTRALIA	16	0
ICMC – Self funded projects	6	0
	554	467

Note 6 : Tangible fixed assets**Cost**

	Office Equipment US\$ (000's)	Motor Vehicles US\$ (000's)	Total US\$ (000's)
At January 31, 2015	323	147	470
Additions	51	0	51
Disposals	-23	-17	-40
At December 31, 2015	351	130	481
Additions	79	59	138
Disposals	-19	0	-19
At December 31, 2016	411	189	600

Accumulated depreciation

At January 1, 2015	267	81	348
Charge for the year	41	29	70
Accumulated depreciation on disposals	-23	-17	-40
At December 31, 2015	285	93	378
Charge for the year	47	26	73
Accumulated depreciation on disposals	-19	0	-19
At December 31, 2016	313	119	432
Net Book value At December 31, 2016	98	70	168
Net Book value At December 31, 2015	66	37	103

Note 7 : Accounts payable and accruals

	2016	2015
	US\$	US\$
	(000's)	(000's)
Social costs	1,344	877
Withholding tax	168	118
Payable to partners	0	150
Payable to third parties	23	29
Accruals for project audit fees	34	57
Accruals for statutory audit fees	247	200
Accruals others	812	707
Deferred revenue	6	
Total Accounts payable and accruals	2,634	2,138

Note 8 : Provisions

	<u>2016</u>	<u>2015</u>
	US\$	US\$
	(000's)	(000's)
Provision for other employee benefits		
At January 1	1,492	1,594
Increase in liability (charged to Personnel costs)	311	346
Less paid out in year	-192	-448
	<u>1,611</u>	<u>1,492</u>

As the other employee benefits concern mainly severance and vacation accruals for the employees who worked on the programs in which the term is less than one year, this debt is considered as short-term debt.

	<u>2016</u>	<u>2015</u>
	US\$	US\$
	(000's)	(000's)
Other provisions		
At January 1	107	71
Increase in liability:		
Council	50	46
Other	0	0
Paid out in the year:		
Council	0	0
Other	-7	-10
At December 31	<u>150</u>	<u>107</u>
Total Provisions	<u>1,761</u>	<u>1,599</u>

Note 9 : Due to donors

	2016	2015
	US\$	US\$
	(000's)	(000's)
- Unexpended funds for ongoing projects		
BPRM	1,737	903
ECHO	1,704	0
Other European agencies	0	446
Swiss Government	0	94
Turkish Government	0	75
UNOCHA	0	241
ICMC – Self funded projects	401	636
Other	689	146
Co-funding MADE	275	0
	4,806	2,541
- Other Donors (finished projects)		
UN bodies	1,007	742
Other	231	95
	1,238	837
- US Donors (finished projects)		
BPRM	0	8
	0	8

Note 10 : Long term liabilities

	2016	2015
	US\$	US\$
	(000's)	(000's)
At January 1	12	0
Contract for copy machine and printer	0	15
Repayment during the year	-4	-3
	248	12

Note 11 : Movements in unrestricted use fund balances

<u>US\$ (000's)</u>	<u>Administration Fund</u>	<u>General Fund</u>	<u>Council Meeting Fund</u>	<u>Unallocate d surplus/ (deficit)</u>	<u>Total</u>
2015					
Balance at January 1, 2015	1,349	1,845	33	-124	3,103
Appropriations to/(from)	0	-124	0	124	0
Unrestricted operating surplus	0	0	0	362	362
Balance at December 31, 2015	1,349	1,721	33	362	3,465
2016					
Balance at January 1, 2016	1,349	1,721	33	362	3,465
Appropriations to/(from)	0	362	0	-362	0
Unrestricted operating surplus	0	0	0	739	739
Balance at December 31, 2016	1,349	2,083	33	739	4,204

The purpose of the Administration Fund is to cover the minimum basic need to secure the continuity of the Organization headquarters function when the General Fund is endowed to secure the operational activities.

Note 12 : Other grants and contributions

		<u>2016</u>	<u>2015</u>
		<u>US\$</u>	<u>US\$</u>
		<u>(000's)</u>	<u>(000's)</u>
UNHCR	Pakistan	459	799
	Greece	3,718	1,357
	Staff Deployment	9,118	8,326
	Europe	0	0
UNOCHA	Jordan	1,235	16
ACILS	Indonesia	0	23
European Commission (ECHO) Jordan		677	1,356
European Commission (ECHO) Pakistan		164	0
European Commission (EUROPEAid) Europe		1,005	1,111
European Union		0	301
Swiss Government		308	3
Turkish Government		89	20
Others		118	72
Several donors –GFMD		104	751
CIC		1,698	1,072
Total Restricted grants and contributions		18,693	15,207
Indirect expense recoveries (Note 15b)		630	1,028
Total all funds		19,323	16,235

As at December 31, 2016, for current other grants and contributions programs (which are generally less than one year) the pledged amount still to be received from other donors was KUS\$ 2,734 (2014: KUS\$ 817).

Note 13 : US Government grants

Funds have been granted by the US Government in respect of the following programs:

	<u>2016</u>	<u>2015</u>
	US\$	US\$
	(000's)	(000's)
BPRM RSC-Middle East	15,359	9,566
Humanitarian - Jordan	1,868	1,629
Humanitarian - Syria	0	1,145
Gender violence – Indonesia and Malaysia	495	420
Humanitarian – Pakistan	384	485
USAID Syria	1,023	836
Total Restricted US Grants	19,129	14,081
Indirect expense recoveries (note 15a)	2,624	1,819
Total all funds	21,752	15,900

As at December 31, 2016, for current US Government programs (which are generally less than one year) the pledged amount still to be received from the US Government was KUS\$6,549 and (2015 KUS\$ 16,273).

Note 14: National contributions

	<u>2016</u>	<u>2015</u>
	US\$	US\$
	(000's)	(000's)
Bishops Conference of Belgium	11	11
Bishops Conference of Australia - Archdiocese	3	3
Bishops Conference of Canada	7	0
Bishops Conference of Germany	3	3
Bishops Conference of Italy - Migrants	11	0
Bishops Conference of Austria	3	3
Bishops Conference of Switzerland	3	3
Bishops Conference of France - Pastorale des Migrants	0	3
Bishops Conference of USA - MRS	75	100
Bishops Conference of New Zealand	3	3
Bishops Conference Poland	3	0
Bishops Conference Spain	3	3
Bishops Conference of Korea	3	3
Bishops Conference of Ireland	3	3
Council Pontifico contribution	22	22
Others	14	11
	<u>167</u>	<u>171</u>

Note 15a : Contributions - US Government grant

ICMC has recovered a portion of its indirect expenses as a grant from the US Government under the following programs:

	<u>2016</u>	<u>2015</u>
	US\$	US\$
	(000's)	(000's)
<u>At provisional recovery rate:</u>		
BPRM - RSC -Middle East	2,073	1,262
- Humanitarian - Jordan	252	213
- Humanitarian - Syria	5	57
- Gender violence - Indonesia and Malaysia	67	55
- Humnitarian – Pakistan	52	63
DLR - Pakistan	0	0
USAID - Syria	109	87
Sub-Total	<u>2,558</u>	<u>1,737</u>
<u>Adjustments previous rates</u>	<u>66</u>	<u>82</u>
	<u>2,624</u>	<u>1,819</u>

Note 15b : Contributions - Other Grants

ICMC has recovered a portion of its indirect expenses as a grant for basic infrastructure costs from other donors. These indirect expense recoveries are based on fixed rates that represent a percentage of total allowable expenditure. These were set at various rates for 2014 and 2015.

Note 16 : Investment income

	<u>2016</u>	<u>2015</u>
	US\$	US\$
	(000's)	(000's)
Interest received on short term deposit	1	9
	<u>1</u>	<u>9</u>

Note 17 : Miscellaneous income

	<u>2016</u>	<u>2015</u>
	US\$	US\$
	(000's)	(000's)
Rental income	35	28
Other unrestricted funding	431	285
Other	60	37
	<u>526</u>	<u>350</u>

Note 18 : Miscellaneous expenses

	<u>2016</u>	<u>2015</u>
	US\$	US\$
	(000's)	(000's)
Contributions/Subscriptions to Voluntary Agencies	22	20
Other	2	3
	<u>24</u>	<u>23</u>

Note 19 : Related party transactions

All inter-organizational balances and transactions have been eliminated in the consolidated financial statements. There were no transactions with those charged with governance.

Note 20 : Financial instruments

ICMC does not enter into foreign currency exchange contracts and does not hold any off-balance sheet financial instruments.

20.1 Credit risk

Financial assets that potentially subject ICMC to concentrations of credit risk consist of cash and cash equivalents, investments and receivables from grantors. Cash and cash equivalents are placed with high credit quality financial institutions, investments are only made in highly rated government or state debt and grant receivables are primarily due from the US Government or other large political institutions.

20.2 Fair values

As at December 31, 2016 and 2015 the fair value of cash and cash equivalents, investments and other current assets and liabilities are not materially different from their carrying amounts.

20.3 Foreign currency risk

Financial assets that potentially subject ICMC to concentrations of currency risk consist of cash and short-term deposits, investments and receivables from grantors in another currency than US\$. The current expenses incurred for HQ in Switzerland are paid in CHF whereas few CHF are received as income. In that situation the organisation is highly sensitive to the variation of US\$ and EUR against CHF. Foreign currency movements are continuously monitored by the organisation but currently there is no use of currency exchange contracts. An analysis of cash assets by currency is provided here:

	<u>Local</u> <u>currency</u> <u>(000)</u>	<u>Conversion</u> <u>rate</u> <u>31/12/16</u>	<u>USD</u> <u>(000)</u>	<u>Local</u> <u>currency</u> <u>(000)</u>	<u>Conversion</u> <u>rate</u> <u>31/12/15</u>	<u>USD</u> <u>(000)</u>
Total petty cash			<u>180</u>			<u>36</u>
Bank accounts						
USD	6,738	1.0000	6,738	4,664	1.0000	4,664
EUR	4,185	1.052	4,403	2,301	1.0860	2,499
CHF	941	0.9814	924	787	0.9980	785
YTL	381	0.2838	108	887	0.3427	304
SYP	0	0.0019	0	593	0.0026	2
PKR	4,167	0.0096	40	10,628	0.0095	101
JOD	42	1.4124	59	204	1.4124	289
Other			<u>6</u>			<u>12</u>
Total bank accounts			<u>12,278</u>			<u>8,656</u>
Total Cash and cash equivalents			<u>12,458</u>			<u>8,692</u>

Note 21: Headquarter lease agreement

From September 2007, ICMC signed a non-cancellable lease agreement until December 31, 2012. After this date, an automatic extension has been made on an annual basis. The annual rent was agreed at CHF 143,676 (approximately US\$ 149,356). As required by Swiss law, the annual amount of the rent will be revised from time to time. The cost for 2016 is CHF 154,306 (US\$ 156,220). The cost for the coming years is expected to be stable and in line with the 2016 cost.

Note 22: Headquarter- management remuneration

Directors and Heads of departments (five staff members) paid in Switzerland, received KUS\$869 (KCHF860), all together in 2016, in comparison of 2015 KUS\$805 (KCHF785). Governing Committee members did not receive any remuneration in 2016 (or 2015).

Note 23: Scope of consolidation

<u>Entity</u>	<u>Based in</u>	<u>Legal status</u>	<u>Relation</u>	<u>Consolidated Method</u>	<u>Shareholder</u>	<u>%</u>
ICMC	Switzerland Geneva	Association	Parent entity	Full consolidation		
ICMC Europe	Belgium Brussels	Association	Affiliate entity	Full consolidation		
ICMC Greece	Greece Athens	Association	Branch	Full consolidation		
ICMC HK	Hong Kong	Ltd. Company Not for profit	Branch	Full consolidation		
ICMC Inc.	USA Washington- Boston	Corporation Not for profit	Affiliate entity	Full consolidation		
ICMC Jordan	Jordan Amman	Corporation Not for profit	Subsidiary	Full consolidation	Geneva	100
ICMC Lebanon	Lebanon Beirut	Association	Branch	Full consolidation		
ICMC Malaysia	Malaysia Kuala Lumpur	Association	Branch	Full consolidation		
ICMC Pakistan	Pakistan Islamabad	Association	Branch	Full consolidation		
ICMC Syria	Syria Damascus	Association	Branch	Full consolidation		
ICMC Turkey	Turkey Istanbul	Association	Branch	Full consolidation		

Note 24: Audit remuneration

Fees for audit services in relation to the consolidated financial statements amount to CHF 172,800. There were no non-audit related services provided by the group auditors during the period.

Note 25: Key figures in Swiss Francs

	2016	2015
	CHF	CHF
	(000's)	(000's)
<u>Balance Sheet:</u>		
Assets	14,944	10,621
Liabilities	10,661	7,149
Capital funds	4,823	3,472
<u>Profit and Loss account</u>		
Income	44,383	34,969
Expenses	43,630	34,606
Surplus	753	363