

To the Governing committee of

**International Catholic Migration
Commission**

Geneva

**Report of the Statutory Auditor on the Consolidated Financial
Statements for the year 2021 in accordance with Swiss GAAP FER**

(for the year ended 31.12.2021)

June 15, 2022
14059/21511402/1-1

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, 2021, and the consolidated statement of activities, the consolidated cash flow statement and notes to the consolidated financial statements for the year then ended.

Management's Responsibility

The management is responsible for the preparation of these consolidated 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 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 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, 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 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 728 Code of Obligations (CO)) and that there are no circumstances incompatible with our independence.

In accordance with article 728a para. 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 consolidated financial statements according to the instructions of the management.

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

Geneva, June 15, 2022

BDO Ltd

Nigel Le Masurier

Licensed Audit Expert

Olivier Griot

Auditor in Charge
Licensed Audit Expert

Enclosures
Consolidated financial statements

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31
(US\$ 000's)

	Note	2021	2020
<u>ASSETS</u>			
Current assets			
Cash and cash equivalents	2/20.3	8'691	9'960
Investment	20.4	1'026	986
Accounts receivable and prepayments	4	677	645
Due from US donors (finished projects)	5	79	0
Due from US donors (ongoing projects)	5	961	2'247
Due from other donors (finished projects)	5	1'083	12
Due from other donors (ongoing projects)	5	182	326
Total Current assets		12'700	14'176
Non Current assets			
Tangible fixed assets	6	59	81
Total Non Current assets		59	81
TOTAL ASSETS		12'759	14'257
<u>LIABILITIES AND NET ASSETS</u>			
Current liabilities			
Accounts payable and accruals	7	2'032	2'015
Provisions	8	3'346	3'186
Unexpended funds on-going programs	9	2'816	2'339
Due to other donors (finished projects)	9	267	493
Due to other donors (not started project)	9	379	2'014
Due to US Government (finished projects)	9	7	1'068
Total Current liabilities		8'846	11'115
Long term liabilities			
Subsidies	10	0	1
Total Long term liabilities		0	1
TOTAL LIABILITIES		8'846	11'116
Fund capital			
Unallocated-designated (after proposed appropriations)			
Administration Reserve	11	1'349	1'349
General Reserve	11	1'519	1'786
Council Meeting funds	11	195	195
Restricted funds	11	77	77
Surplus/(Deficit) to be allocated	11	772	-267
TOTAL NET ASSETS		3'913	3'140
TOTAL LIABILITIES AND NET ASSETS		12'759	14'257

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)

		2021			
		Unallocated	Allocated	Allocated	TOTAL
			US Federal	Other	
			Funds	Funds	All
					Funds
<u>PUBLIC SUPPORT AND REVENUE</u>	Note				
Public support :					
US Government grants	13/15a	1'137	8'887		10'024
Other grants and contributions	12/15b	1'482		13'443	14'925
Self funded projects :					0
Revenue :					0
National contributions	14	159			159
Private donations		1'740			1'740
Foreign exchange gains		29			29
Miscellaneous	17	758			758
Financial Revenue:					0
Unrealised gain on investments	16/20.4	41			41
Total public support and revenue		5'345	8'887	13'443	27'676
<u>EXPENSES</u>					
Management general					
Personnel costs		2'049			2'049
Office expenses		618			618
Travel		15			15
Equipment and maintenance		116			116
Project/program development		777			777
External relations		41			41
Fund raising		863			863
Meetings (Governing Committee, General Assembly)		3			3
Training					0
Miscellaneous	18	91			91
Foreign exchange losses					0
					0
Programs					0
Funded by US Government	13		8'887		8'887
Funded by Europe	12			2'081	2'081
Funded by UN	12			8'527	8'527
Funded by Other donors	12			2'835	2'835
Total expenses		4'574	8'887	13'443	26'904
Operating surplus/(loss) for the year		772	0	0	772

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

2020				
Unallocated	Allocated US Federal Funds	Allocated Other Funds	TOTAL All Funds	
				<u>PUBLIC SUPPORT AND REVENUE</u>
				Public support :
884	8'113		8'996	US Government grants
1'045		13'814	14'859	Other grants and contributions
				Self funded projects :
				Revenue :
178			178	National contributions
1'536			1'536	Private donations
26			26	Foreign exchange gains
511			511	Miscellaneous
236			236	
4'417	8'113	13'814	26'343	Total public support and revenue
				<u>EXPENSES</u>
				Management general
2'868			2'868	Personnel costs
625			625	Office expenses
25			25	Travel
130			130	Equipment and maintenance
62			62	Project/Program development
38			38	External relations
902			902	Fund raising
1			1	Meetings (Governing Committee, General Assembly)
1			1	Training
33			33	Miscellaneous
				Foreign exchange losses
				Programs
	8'113		8'113	Funded by US
		907	907	Funded by Europe
		9'591	9'591	Funded by UN
		3'316	3'316	Funded by Other donors
4'684	8'113	13'814	26'610	Total expenses
-267	0	0	-267	Operating surplus/(loss) for the year

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

CONSOLIDATED STATEMENT OF CASH FLOW (total of all funds)

Year ended December 31

(US\$ 000's)

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating surplus/(loss) for the year	772	-267
Adjustments for		
- Depreciation	43	50
- Subsidies - Depreciation		-1
- Unrealized Gain on Investment	-41	-236
- Provisions	160	325
- Provision to Council meeting fund	0	0
- Restricted funds allocation	0	0
Operating surplus/(loss) before changes in working capital	<u>934</u>	<u>-129</u>
(Increase)/Decrease in accounts receivable and prepayments	-32	-185
(Increase)/Decrease in amounts due from US Donors (finished projects)	-79	26
(Increase)/Decrease in amounts due from US Donors (on-going projects)	1'286	-1'668
(Increase)/Decrease in amounts due from other Donors (finished projects)	-1'071	794
(Increase)/Decrease in amounts due from other Donors (on going projects)	143	37
Increase/(Decrease) in accounts payable and accruals	17	70
Increase/(Decrease) in amounts unexpended funds on-going programs	477	942
Increase net in amounts due to other Donors (finished and not started projects)	-1'861	-346
Increase/(Decrease) in amounts due to US Government (finished projects)	<u>-1'061</u>	<u>490</u>
Net cash provided by operating activities	<u>-2'181</u>	<u>159</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments to acquire tangible fixed assets	-24	-51
Investment in fund	<u>0</u>	<u>-750</u>
Net cash used in investing activities	<u>-24</u>	<u>-801</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
New loan for tangible assets	0	0
Repayment of long term liabilities	<u>0</u>	<u>0</u>
Net cash used in financing activities	<u>0</u>	<u>0</u>
Net increase in cash and cash equivalents	-1'269	-770
Cash and cash equivalents at January 1	<u>9'960</u>	<u>10'730</u>
Cash and cash equivalents at December 31	<u><u>8'691</u></u>	<u><u>9'960</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, 2021

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, 2021 approximates 295 International and 30 Local Staff (at December 31, 2020 approximates 483 International and 31 Local 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 1st January 2017) 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 funds. Restricted net funds are those net assets received from third parties to implement projects. Unrestricted funds 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.

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2021

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, 2021 and 2020 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.

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2021

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.

The 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, 2021, ICMC had made all requisite contributions for the 2021 plan year and there were no unfunded obligations with respect to this plan at year-end 2021.

(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 Shared Costs

The organisation applies a shared costs policy for meeting donors' requirements, in terms of accuracy and fairness.

The monthly actual expenses incurred for common services that benefit for several projects are allocated on the basis of the monthly actual direct costs of the relevant projects.

2.8 Cash and cash equivalents

Cash and cash equivalents include petty cash and bank accounts.

2.9 Accounting Standards

The Organisation follows the principles of the Swiss GAAP FER (and specifically Swiss GAAP FER 21), and in accordance with the provisions of the Swiss code of obligations for the purpose of compliance with Swiss law.

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 years will increase slightly due to the global environment.

The Pakistan office has stopped its operational activities since the end of the year 2021 and should officially close the office during the course of 2022.

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2021

Note 4: Accounts receivable and prepayments

	<u>2021</u>	<u>2020</u>
	US\$	US\$
	(000's)	(000's)
Receivables from third parties	427	237
Prepaid expenses	231	400
Advance to employees	19	8
	<u>677</u>	<u>645</u>

Note 5: Due from donors

	<u>2020</u>	<u>2020</u>
	US\$	US\$
	(000's)	(000's)
- US Donors (finished projects)		
BPRM	<u>79</u>	<u>0</u>
- US Donors (ongoing projects)		
USAID	112	6
BPRM	<u>849</u>	<u>2,241</u>
	<u>961</u>	<u>2,247</u>
- Other Donors (finished projects)		
HI/ECHO	72	0
GIZ	221	0
EC	<u>790</u>	<u>12</u>
	<u>1,083</u>	<u>12</u>
- Other Donors (ongoing projects)		
CIC	182	215
GFMD	<u>0</u>	<u>111</u>
	<u>182</u>	<u>326</u>

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2021

Note 6: Tangible fixed assets

<u>Cost</u>	Office Equipment US\$ (000's)	Motor Vehicles US\$ (000's)	Total US\$ (000's)
At January 1, 2020	418	250	668
Additions	51	0	51
Disposals	-83	0	-83
At December 31, 2020	387	250	636
Additions	22	0	22
Disposals	0	0	0
At December 31, 2021	408	250	658

Accumulated depreciation

At January 1, 2020	358	229	587
Charge for the year	30	20	50
Accumulated depreciation on disposals	-82	0	-82
At December 31, 2020	306	248	555
Charge for the year	42	1	43
Accumulated depreciation on disposals	0	0	0
At December 31, 2021	347	250	598
Net Book value At December 31, 2021	61	0	60
Net Book value At December 31, 2020	81	1	81

Note 7: Accounts payable and accruals

	2021	2020
	US\$	US\$
	(000's)	(000's)
Social costs	1,092	1,096
Withholding tax	193	78
Payable to third parties	254	260
Accruals for project audit fees	100	119
Accruals for statutory audit fees	175	171
Accruals others	218	291
Total Accounts payable and accruals	2,032	2,015

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2021

Note 8: Provisions

	<u>2021</u>	<u>2020</u>
	US\$	US\$
	(000's)	(000's)
Provision for other employee benefits		
At January 1	2,961	2,682
Increase in liability (charged to Personnel costs)	136	634
Less paid out in year	-678	-355
	<u>2,419</u>	<u>2,961</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>2021</u>	<u>2020</u>
	US\$	US\$
	(000's)	(000's)
Other provisions		
At January 1	225	179
Increase in liability:		
Other	748	46
Paid out in the year:		
Other	-46	0
At December 31	<u>927</u>	<u>225</u>
Total Provisions	<u>3,346</u>	<u>3,186</u>

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2021

Note 9: Due to donors

	<u>2021</u>	<u>2020</u>
	US\$	US\$
	(000's)	(000's)
- Unexpended funds for ongoing projects		
BPRM	1,622	0
ECHO	0	81
Other European agencies	938	819
UNOCHA	0	328
ICMC – Self funded projects	0	10
Private Foundation	168	786
Aurora Prize	0	109
UN Bodies	88	0
Co-funding MADE	0	22
GIZ	0	184
	<u>2,816</u>	<u>2,339</u>
- Other Donors (finished projects)		
UN bodies	214	493
Other	53	0
	<u>267</u>	<u>493</u>
- US Donors (finished projects)		
BPRM	7	1,068
	<u>7</u>	<u>1,068</u>
- Other Donors (not started projects)		
UNHCR	342	2,014
Other	37	0
	<u>379</u>	<u>2,014</u>

Note 10: Long term liabilities

	<u>2021</u>	<u>2020</u>
	US\$	US\$
	(000's)	(000's)
At January 1	1	1
Repayment during the year	1	0
	<u>0</u>	<u>1</u>

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2021

Note 11: Movements in unrestricted use fund balances

<u>US\$ (000's)</u>	<u>Administration Reserve</u>	<u>General Reserve</u>	<u>Council Meeting Funds</u>	<u>Restricted Funds</u>	<u>Unallocated surplus/ (deficit)</u>	<u>Total</u>
2020						
Balance at January 1, 2020	1,349	2,139	195	77	-353	3,407
Allocations to the reserve/funds	0	0	0	0	0	0
Withdrawals from the reserve/funds	0	0	0	0	0	0
Transfers between reserve/funds	0	-353	0	0	353	0
Operating surplus for the year	0	0	0	0	-267	-267
Balance at December 31, 2020	1,349	1,786	195	77	-267	3,140
2021						
Balance at January 1, 2021	1,349	1,786	195	77	-267	3,140
Allocations to the reserve/funds	0	0	0	0	0	0
Transfers between reserve/funds	0	-267	0	0	267	0
Operating surplus for the year	0	0	0	0	773	772
Balance at December 31, 2021	1,349	1,519	195	77	772	3,912

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.

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2021

Note 12: Other grants and contributions

		<u>2021</u>	<u>2020</u>
		US\$	US\$
		<u>(000's)</u>	<u>(000's)</u>
UNHCR	Pakistan	941	1,454
	Greece	2,805	3,977
	Staff Deployment	4,335	3,598
	Malaysia	105	76
UNOCHA	Jordan	306	486
European Commission (ECHO)	Pakistan	1,017	574
	Europe	448	333
	European Union (EASO)	615	417
	GIZ Pakistan	464	116
	Vatican and Catholic Inspired Organisations	208	0
	Others	555	579
	GIZ –GFMD	0	235
	Swiss Government –GFMD	222	154
	Several donors –GFMD	278	212
	CIC	1,144	1,603
Total Restricted grants and contributions		13,443	13,814
Indirect expense recoveries (Note 15b)		1,482	1,045
Total all funds		14,925	14,859

As at December 31, 2021, 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\$ 738 (2020: KUS\$ 642).

Note 13: US Government grants

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

		<u>2021</u>	<u>2020</u>
		US\$	US\$
		<u>(000's)</u>	<u>(000's)</u>
BPRM	RSC-Middle East	6,255	5,472
	Humanitarian - Jordan	1,913	2,118
	Gender violence – Indonesia and Malaysia	511	517
USAID	Geneva	208	0
Total Restricted US Grants		8,887	8,113
Indirect expense recoveries (note 15a)		1,137	884
Total all funds		10,024	8,996

As at December 31, 2021, 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\$ 14,500 (2020 KUS\$ 10,342).

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2021

Note 14: National contributions

	2021	2020
	US\$	US\$
	(000's)	(000's)
Bishops Conference of Belgium	3	3
Bishops Conference of Australia - Archdiocese	4	3
Bishops Conference of Canada	3	3
Bishops Conference of Germany	4	4
Bishops Conference of Italy - Migrants	0	24
Bishops Conference of Austria	4	4
Bishops Conference of Switzerland	3	3
Bishops Conference of USA - MRS	75	75
Bishops Conference of New Zealand	4	3
Bishops Conference Poland	0	1
Bishops Conference Spain	4	4
Bishops Conference of Korea	4	4
Bishops Conference of Ireland	7	0
Bishops Conference of Denmark	3	3
Bishops Conference of Malta	3	3
Bishop Conference of Luxembourg	3	3
Holy See	29	28
Others	6	10
	159	178

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:

	2021	2020
	US\$	US\$
	(000's)	(000's)
<u>At provisional recovery rate:</u>		
BPRM - RSC -Middle East	980	609
- Humanitarian - Jordan	268	220
- Gender violence - Indonesia and Malaysia	72	54
USAID -Geneva	29	1
Potential rate decrease 2021	-212	0
	1,137	884

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 2021 and 2020.

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2021

Note 16: Investment income

	2021	2020
	US\$	US\$
	(000's)	(000's)
Unrealised gain on investments	41	236
	41	236

Note 17: Miscellaneous income

	2021	2020
	US\$	US\$
	(000's)	(000's)
Rental income	23	44
Other unrestricted funding	604	427
Other	131	40
	758	511

Note 18: Miscellaneous expenses

	2021	2020
	US\$	US\$
	(000's)	(000's)
Contributions/Subscriptions to Voluntary Agencies	16	14
Other	75	19
	91	33

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.

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Notes to the Consolidated Financial Statements for the year ended December 31, 2021

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, 2021 and 2020 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>31/12/21</u>	<u>USD</u> <u>(000)</u>		<u>Local</u> <u>currency</u> <u>(000)</u>	<u>Conversion</u> <u>rate</u> <u>31/12/20</u>	<u>USD</u> <u>(000)</u>
Total petty cash			<u>35</u>				<u>22</u>
Bank accounts							
USD	6,450	1.0000	6,450		5,207	1.0000	5,207
EUR	1,538	1,1371	1,749		2,627	1.2216	3,209
CHF	219	1,096131	240		575	1.1301	650
YTL	269	0.0750	20		413	0.1345	56
PKR	1	0.0056	1		108,002	0.0063	676
JOD	87	1,4124	124		54	1.4124	76
Other			<u>72</u>				<u>64</u>
Total bank accounts			<u>8,656</u>				<u>9,938</u>
Total Cash and cash equivalents			<u>8,691</u>				<u>9,960</u>

20.4 Investments and Financials incomes

In 2020, ICMC invested 750 KUSD in a Socially Responsible Investment Fund. This investment generated in 2021 41 KUSD (2020 KUSD 236) of unrealised gains.

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Notes to the Consolidated Financial Statements for the year ended December 31, 2021

Note 21: Headquarter lease agreement

In July 2021, ICMC signed a non-cancellable lease agreement until December 31, 2026. The annual rent was agreed at CHF 51,636 (approximately US\$ 56,600). As required by Swiss law, the annual amount of the rent will be revised from time to time. The cost for 2021 is CHF 168,696 (US\$ 185,387). The remaining obligation is USD US\$ 282,999 at 31st December of 2021.

	<u>31.12.2021</u>	<u>31.12.2020</u>
	<u>US\$</u>	<u>US\$</u>
Within one year	56,600	163,199
Between 1 to 5 years	226,399	0
Over 5 years	0	0
	<u>282,999</u>	<u>163,199</u>

Note 22: Headquarter- management remuneration

The key management personnel of ICMC paid in Switzerland is composed by 3 persons at the year-end (General Secretary, the CFO and the COO). In addition, in 2021, the remuneration 2021 include Directors and Heads of department who left ICMC during the year due to a restructuration. They received in 2021 all together KUS\$561 (KCHF512), in comparison of 2020 KUS\$894 (KCHF791) for 5 members. Governing Committee members did not receive any remuneration in 2021 (or 2020).

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 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 LLC Lebanon	Lebanon Beirut	Corporation	Subsidiary	Full consolidation	Geneva	100
ICMC Malaysia	Malaysia Kuala Lumpur	Association	Branch	Full consolidation		
ICMC Pakistan	Pakistan Islamabad	Association	Branch	Full consolidation		
ICMC Turkey	Turkey Istanbul	Association	Branch	Full consolidation		

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Notes to the Consolidated Financial Statements for the year ended December 31, 2021

Note 24: Audit remuneration

Fees for audit services in relation to the consolidated financial statements amount to CHF 175,000 (2020 CHF 175,000). There were no non-audit fees related services provided by the group auditors during the period.

Note 25: Key figures in Swiss Francs

	2021	2020
	CHF	CHF
	(000's)	(000's)
<u>Balance Sheet:</u>		
Assets	11,409	12,643
Liabilities	7,839	9,863
Capital funds	3,570	2,779
<u>Profit and Loss account</u>		
Income	25,249	23,311
Expenses	24,545	23,547
Surplus	704	-236

Closing rate 2021: 1 CHF = 1,096131 USD