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To the Governing committee of

International Catholic Migration Commission

Geneva

Report on the Audit of the Consolidated Financial Statements 2022 in accordance with Swiss GAAP FER

(for the period from 01.01 to 31.12.2022)

June 19, 2023
14350/21511402/1

STATUTORY AUDITOR'S REPORT

To Governing committee of International Catholic Migration Commission, Geneva

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of International Catholic Migration Commission (the "ICMC" or "Commission"), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statement of activities, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. In accordance with Swiss GAAP FER 21, the disclosures in the performance report are not subject to the audit by the statutory auditor.

In our opinion the consolidated financial statements give a true and fair view of the consolidated financial position of the Commission as at December 31, 2022 and its consolidated results of operations and consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law and ICMC statutes.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Association in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the General Secretariat for the Financial Statements

The General Secretariat is responsible for the preparation of the financial statements, which give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law and complies with the ICMC statutes and for such internal control as the General Secretariat determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the General Secretariat is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the General Secretariat either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Report on Other Legal and Regulatory Requirements

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

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

Geneva, June 19, 2023

BDO Ltd

Nigel Le Masurier
Licensed Audit Expert

Olivier Griot
Licensed Audit Expert
Auditor in Charge

Enclosures:
Consolidated financial statements

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31

(US\$ 000's)

	Note	2022	2021
<u>ASSETS</u>			
Current assets			
Cash and cash equivalents	2/18.3	7 533	8 691
Investment	18.4	816	1 026
Accounts receivable and prepayments	4	972	677
Due from US donors (finished projects)	5	164	79
Due from US donors (ongoing projects)	5	3 766	961
Due from other donors (finished projects)	5	196	1 083
Due from other donors (ongoing projects)	5	106	182
Total Current assets		13 554	12 700
Non Current assets			
Tangible fixed assets	6	63	59
Total Non Current assets		63	59
TOTAL ASSETS		13 617	12 759
<u>LIABILITIES AND NET ASSETS</u>			
Current liabilities			
Accounts payable and accruals	7	2 806	2 032
Provisions	8	3 861	3 346
Total Current liabilities		6 667	5 378
TOTAL LIABILITIES		6 667	5 378
Allocated Fund			
Unexpended funds on-going programs	9	1 124	2 816
Due to other donors (finished projects)	9	338	267
Due to other donors (not started project)	9	54	379
Due to US Government (finished projects)	9	0	7
Total Allocated Fund		1 517	3 469
Fund capital			
Unallocated-designated (after proposed appropriations)			
Administration Reserve	11	1 349	1 349
General Reserve	11	2 267	1 519
Council Meeting funds	11	220	195
Restricted reserves	11	77	77
Surplus/(Deficit) to be allocated	11	1 520	772
Total Fund capital		5 433	3 913
TOTAL FUND		6 949	7 381
TOTAL LIABILITIES AND NET ASSETS		13 617	12 759

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)

		2022			
		Unallocated	Allocated US Federal Funds	Allocated Other Funds	TOTAL All Funds
<u>PUBLIC SUPPORT AND REVENUE</u>	Note				
Public support :					
US Government grants	11/13a	1 600	13 951		15 551
Other grants and contributions	10/13b	1 094		10 031	11 125
Self funded projects :					
Development working group					0
Revenue :					
National contributions	12	140			140
Private donations		1 396			1 396
Investment income					0
Foreign exchange gains					0
Miscellaneous	15	1 399			1 399
Financial Revenue:					
Unrealised gain on investments	14/18.4				0
Total public support and revenue		5 629	13 951	10 031	29 611
<u>EXPENSES</u>					
Management general					
Personnel costs		2 336			2 336
Office expenses		368			368
Travel		42			42
Equipment and maintenance		125			125
Project/program development		254			254
External relations		28			28
Fund raising		612			612
Meetings (Governing Committee, General Assembly)		90			90
Training		6			6
Miscellaneous	16	18			18
Foreign exchange losses		23			23
Investment unrealised loss		208			208
Programs					
Funded by US Government	11		13 951		13 951
Funded by Europe	10			1 673	1 673
Funded by UN	10			7 167	7 167
Funded by Other donors	10			1 192	1 192
Total expenses		4 109	13 951	10 031	28 091
Operating surplus for the year		1 520	0	0	1 520

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

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

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

CONSOLIDATED STATEMENT OF CASH FLOW (total of all funds)

Year ended December 31

(US\$ 000's)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating surplus for the year	1 520	772
Adjustments for		
- Depreciation	43	43
- Subsidies - Depreciation	0	0
- Unrealized Gain/Loss on Investment	211	-41
- Provisions	515	160
- Provision to Council meeting fund	0	0
- Restricted funds allocation	0	0
Operating surplus before changes in working capital	2 288	934
(Increase)/Decrease in accounts receivable and prepayments	-295	-32
(Increase)/Decrease in amounts due from US Donors (finished projects)	-84	-79
(Increase)/Decrease in amounts due from US Donors (on-going projects)	-2 805	1 286
(Increase)/Decrease in amounts due from other Donors (finished projects)	887	-1 071
(Increase)/Decrease in amounts due from other Donors (on going projects)	76	143
Increase/(Decrease) in accounts payable and accruals	774	17
Increase/(Decrease) in amounts unexpended funds on-going programs	-1 691	477
Increase net in amounts due to other Donors (finished and not started projects)	-254	-1 861
Increase/(Decrease) in amounts due to US Government (finished projects)	-7	-1 061
Allocation from/to restricted fund		
Allocation from/to council meeting fund		
Net cash provided by operating activities	-3 400	-2 181
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments to acquire tangible fixed assets	-48	-24
Investment in fund	0	0
Net cash used in investing activities	-48	-24
Net increase in cash and cash equivalents	-1 158	-1 269
Cash and cash equivalents at January 1	8 691	9 960
Cash and cash equivalents at December 31	7 533	8 691

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

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

MOVEMENTS IN UNRESTRICTED USE FUND BALANCES

<u>US\$ (000's)</u>	<u>Administrati on Reserve</u>	<u>General Reserve</u>	<u>Council Meeting Funds</u>	<u>Restricted Reserves</u>	<u>Unallocated surplus/ (deficit)</u>	<u>Total</u>
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	772	772
Balance at December 31, 2021	1 349	1 519	195	77	772	3 913

<u>US\$ (000's)</u>	<u>Administrati on Reserve</u>	<u>General Reserve</u>	<u>Council Meeting Funds</u>	<u>Restricted Reserves</u>	<u>Unallocated surplus/ (deficit)</u>	<u>Total</u>
2022						
Balance at January 1, 2022	1 349	1 519	195	77	772	3 913
Allocations to the reserve/funds	0	0	25	0	-25	0
Transfers between reserve/funds	0	747	0	0	-747	0
Operating surplus for the year	0	0	0	0	1 520	1 520
Balance at December 31, 2022	1 349	2 266	220	77	1 520	5 433

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, 2022

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, 2022 approximates 290 International and 24 Local Staff (at December 31, 2021 approximates 295 International and 30 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 1 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, 2022

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, Laptops 2 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, 2022 and 2021 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, 2022

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, 2022, ICMC had made all requisite contributions for the 2022 plan year and there were no unfunded obligations with respect to this plan at year-end 2022.

(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 Jordan office has stopped its operational activities since the end of the year 2022 and should officially close the office during the course of 2023.

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2022

Note 4: Accounts receivable and prepayments

	<u>2022</u>	<u>2021</u>
	US\$	US\$
	(000's)	(000's)
Receivables from third parties	366	427
Prepaid expenses	578	231
Advance to employees	28	19
	<u>972</u>	<u>677</u>

Note 5: Due from donors

	<u>2022</u>	<u>2021</u>
	US\$	US\$
	(000's)	(000's)
- US Donors (finished projects)		
USAID	15	0
BPRM	149	79
	<u>164</u>	<u>79</u>
- US Donors (ongoing projects)		
USAID	0	112
BPRM	3,766	849
	<u>3,766</u>	<u>961</u>
- Other Donors (finished projects)		
HI/ECHO	0	72
GIZ	36	221
EC	160	790
	<u>196</u>	<u>1,083</u>
- Other Donors (ongoing projects)		
CIC	0	182
EU	106	0
	<u>106</u>	<u>182</u>

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2022

Note 6: Tangible fixed assets

Cost

	Office Equipment US\$ (000's)	Motor Vehicles US\$ (000's)	Total US\$ (000's)
At January 1, 2021	387	250	637
Additions	22	0	22
Disposals	0	0	0
At December 31, 2021	409	250	658
Additions	47	0	47
Disposals	0	-250	-250
At December 31, 2022	456	0	456

Accumulated depreciation

At January 1, 2021	306	249	554
Charge for the year	42	1	43
Accumulated depreciation on disposals	0	0	0
At December 31, 2021	348	250	598
Charge for the year	44	0	44
Accumulated depreciation on disposals	0	-250	-250
At December 31, 2022	392	0	392
Net Book value At December 31, 2022	64	0	64
Net Book value At December 31, 2021	61	0	61

Note 7: Accounts payable and accruals

	2022 US\$ (000's)	2021 US\$ (000's)
Social costs	1,522	1,092
Withholding tax	334	193
Payable to third parties	328	254
Accruals for audit fees	176	275
Accruals others	446	218
Total Accounts payable and accruals	2,806	2,032

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2022

Note 8: Provisions

	<u>2022</u>	<u>2021</u>
	US\$	US\$
	(000's)	(000's)
Provision for other employee benefits		
At January 1	2,419	2,961
Increase in liability (charged to Personnel costs)	699	136
Less paid out in year	-83	-678
	<u>3,035</u>	<u>2,419</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>2022</u>	<u>2021</u>
	US\$	US\$
	(000's)	(000's)
Other provisions		
At January 1	927	225
Increase in liability:		
Other	527	748
Paid out in the year:		
Other	-628	-46
At December 31	<u>826</u>	<u>927</u>
Total Provisions	<u>3,861</u>	<u>3,346</u>

Other provisions are retained to cover potential rejected expenditures from restricted funds and a potential decrease in the NICRA rate.

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2022

Note 9: Due to donors

	<u>2022</u>	<u>2021</u>
	US\$	US\$
	(000's)	(000's)
- Unexpended funds for ongoing projects		
BPRM	0	1,622
Other European agencies	312	938
ICMC – Self funded projects	1	0
Private Foundation	811	168
UN Bodies	0	88
	<u>1,124</u>	<u>2,816</u>
- Other Donors (finished projects)		
UN bodies	326	214
Other	4	53
	<u>330</u>	<u>267</u>
- US Donors (finished projects)		
BPRM	8	7
	<u>8</u>	<u>7</u>
- Other Donors (not started projects)		
UNHCR	0	342
Other	54	37
	<u>54</u>	<u>379</u>

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2022

Note 10: Other grants and contributions

		<u>2022</u>	<u>2021</u>
		US\$	US\$
		<u>(000's)</u>	<u>(000's)</u>
UNHCR	Pakistan	0	941
	Greece	2,079	2,805
	Staff Deployment	5,060	4,335
	Malaysia	0	105
UNOCHA	Jordan	0	306
IOM	Europe	28	0
UN Agencies		7,167	8,492
European Commission (ECHO)	Pakistan	0	1,017
	Europe	810	448
	European Union (EUAA)	863	615
European Funds		1,673	2,080
GIZ	Pakistan	0	464
	Vatican and Catholic Inspired Organisations	219	208
	Others	484	555
	GIZ –GFMD	0	0
	Swiss Government –GFMD	208	222
	Several donors –GFMD	21	278
	CIC	259	1,144
		1,191	2,871
Total Restricted grants and contributions		10,031	13,443
Indirect expense recoveries (Note 13b)		1'094	1,482
Total all funds		11,125	14,925

As at December 31, 2022, 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\$ 631 (2021: KUS\$ 738).

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2022

Note 11: US Government grants

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

	<u>2022</u>	<u>2021</u>
	US\$	US\$
	(000's)	(000's)
BPRM RSC-Middle East	11,674	6,255
Humanitarian - Jordan	1,431	1,913
Gender violence – Indonesia and Malaysia	531	511
USAID Geneva	315	208
Total Restricted US Grants	13,951	8,887
Indirect expense recoveries (note 13a)	1,600	1,137
Total all funds	15,551	10,024

As at December 31, 2022, 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\$ 22,444 (2021 KUS\$ 14,500).

Note 12: National contributions

	<u>2022</u>	<u>2021</u>
	US\$	US\$
	(000's)	(000's)
Bishops Conference of Belgium	3	3
Bishops Conference of Australia - Archdiocese	4	4
Bishops Conference of Canada	3	3
Bishops Conference of Germany	3	4
Bishops Conference of Italy - Migrants	21	0
Bishops Conference of Austria	3	4
Bishops Conference of Switzerland	3	3
Bishops Conference of USA - MRS	75	75
Bishops Conference of New Zealand	3	4
Bishops Conference Spain	3	4
Bishops Conference of Korea	3	4
Bishops Conference of Ireland	3	7
Bishops Conference of Denmark	0	3
Bishops Conference of Malta	3	3
Bishop Conference of Luxembourg	3	3
Holy See	0	29
Others	7	6
	140	159

INTERNATIONAL CATHOLIC MIGRATION COMMISSION

Notes to the Consolidated Financial Statements for the year ended December 31, 2022

Note 13a: Contributions - US Government grant

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

		2022	2021
		US\$	US\$
		(000's)	(000's)
<u>At provisional recovery rate:</u>			
BPRM	- RSC -Middle East	1,636	980
	- Humanitarian - Jordan	200	268
	- Gender violence - Indonesia and Malaysia	74	72
USAID	-Geneva	44	29
Potential rate	Decrease 2021	80	-212
Potential rate	Decrease 2022	-434	0
		<u>1,600</u>	<u>1,137</u>

Note 13b: 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 2022 and 2021.

Note 14: Investment income

	2022	2021
	US\$	US\$
	(000's)	(000's)
Unrealised gain on investments	0	41
	<u>0</u>	<u>41</u>

Note 15: Miscellaneous income

	2022	2021
	US\$	US\$
	(000's)	(000's)
Rental income	8	23
Other unrestricted funding	585	604
Other	806	131
	<u>1,399</u>	<u>758</u>

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Notes to the Consolidated Financial Statements for the year ended December 31, 2022

Note 16: Miscellaneous expenses

	<u>2022</u>	<u>2021</u>
	US\$	US\$
	(000's)	(000's)
Contributions/Subscriptions to Voluntary Agencies	15	16
Other	<u>3</u>	<u>75</u>
	<u>18</u>	<u>91</u>

Note 17: 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 18: Financial instruments

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

18.1 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.

18.2 Fair values

As at December 31, 2022 and 2021 the fair value of cash and cash equivalents, investments and other current assets and liabilities are not materially different from their carrying amounts.

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Notes to the Consolidated Financial Statements for the year ended December 31, 2022

18.3 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>31/12/22</u>	<u>USD</u> <u>(000)</u>		<u>Local</u> <u>currency</u> <u>(000)</u>	<u>Conversion</u> <u>rate</u> <u>31/12/21</u>	<u>USD</u> <u>(000)</u>
Total petty cash			28				35
Bank accounts							
USD	5,327	1.0000	5,327		6,450	1.0000	6,450
EUR	1,784	1.0702	1,909		1,538	1.1371	1,749
CHF	118	1.0809	128		219	1.096131	240
YTL	1,981	0.0535	106		269	0.0750	20
PKR			0		1	0.0056	1
JOD	25	1.4124	35		87	1.4124	124
Other			0				72
Total bank accounts			7,505				8,656
Total Cash and cash equivalents			7,533				8,691

18.4 Investments and Financials incomes

In 2020, ICMC invested 750 KUSD in a Socially Responsible Investment Fund. This investment generated 208 KUSD of unrealised loss in 2022 (2021 KUSD 41 unrealised gains).

Note 19: 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 2022 is CHF 54,636 (US\$ 57,790). The remaining obligation is USD US\$ 226,399 at 31st December of 2022.

	<u>31.12.2022</u> <u>US\$</u>	<u>31.12.2021</u> <u>US\$</u>
Within one year	57,590	56,600
Between 1 to 5 years	168,909	226,399
Over 5 years	0	0
	226,399	282,999

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Notes to the Consolidated Financial Statements for the year ended December 31, 2022

Note 20: 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). They received in 2022 all together KUS\$385 (KCHF356), in comparison of 2021 KUS\$561 (KCHF512) for those 3 members. Governing Committee members did not receive any remuneration in 2022 (or 2021).

Note 21: 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 Turkey	Turkey Istanbul	Association	Branch	Full consolidation		

Note 22: Audit remuneration

Fees for audit services in relation to the consolidated financial statements amount to CHF 175,000 (2021 CHF 175,000). There were no non-audit fees related services provided by the group auditors during the period.

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Notes to the Consolidated Financial Statements for the year ended December 31, 2022

Note 23: Key figures in Swiss Francs

	2022	2021
	CHF	CHF
	(000's)	(000's)
<u>Balance Sheet:</u>		
Assets	12,597	11,409
Liabilities	6,168	7,839
Total funds	5,026	3,570
<u>Profit and Loss account</u>		
Income	27,393	25,249
Expenses	25,987	24,545
Surplus	1,406	704

Closing rate 2022: 1 CHF = 1,080964 USD