

Medair **Invest in Aid** Foundation



# Annual Report

# 2021

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The Medair Invest in Aid Foundation has the objective to support the humanitarian aid activities of the not-for profit NGO Medair by means of fundraising and taking a capital and reserve building approach. From its own assets the foundation then supports Medair financially through regular donations, often yearly. Those donations have the necessary flexibility to respond to some of Medair's priority needs.

#### **Where does the support of the foundation's comes from?**

The support started with an initial capital of 50 000 swiss francs given by the association Medair, when the Foundation was created. Then the capital of the Foundation has been built up thanks to private donations from generous and faithful donors. Those donations have been significantly completed by legacies received by the Foundation over the years. These are important financial resources for both the Foundation and Medair.

#### **What support was given to the foundation in 2021?**

During the year 2021 the foundation received private donations of an amount of 12 500 swiss francs. This income has come from faithful and generous private donors. In 2021 no legacies have been received.

#### **What has been the yearly support from the Foundation to Medair?**

The Foundation has the objective to usually give a yearly support to Medair. The last few years this financial support has been of 50 000 CHF per year. This has been the case in 2017 and 2018.

During the year 2020 the board of the Foundation decided not to make a new donation to Medair, partly because of the special and large donation of CHF 150 000 already made in 2019.

During the year 2021, there have been no new donations made to Medair. This will now, for the most part, be done through the yearly payment of the interest charges due to Medair for the loans made to the Medair Invest in Aid Foundation. Those effective transfers will start in 2022, but it is already part of the provisions and accrued liabilities (related party) visible in the balance sheet of the Financial Statement 2021.

#### **Who are the members of the board of the foundation?**

The Medair's CEO is by the statutes of the foundation member of the Board. He functions currently as the President. David Sauter, a long serving former Medair staff at the Global Support Office is also member and is the Secretary of the Board.

One change in the Board membership has been implemented in 2021, with one member leaving. The Finance Director and Executive Office Director of Medair has left the Foundation's board. The board is grateful for her contribution during her time as board member.

**Members of the Foundation's Board at 31<sup>st</sup> of December 2021:** David Verboom, President, David Sauter, Secretary, Jacques Demaurex, Jeff Erickson, Jim Jackson as member.

David Verboom is the CEO of the humanitarian NGO Medair. Jacques Demarex is also member of the Board of the association Medair. Two Board members have significant financial and assets management experience.

### **Main financial results for the year 2021**

The full audited financial statements for the year 2021, with notes, is available on request by e-mail to [david.sauter@medair.org](mailto:david.sauter@medair.org) or can be downloaded from the Medair website at <https://www.medair.org/annual-reports/> .

#### ***Operating income***

The total amount of operating income has been of 12 500 CHF, received from unrestricted private donations.

#### ***Operating expense***

The management and administrative expenses have totalled 4 375 CHF, mainly composed of the costs of the yearly audit review and the issuing of the financial statements, notes and the report of the auditors. The Foundation is subject to a limited scope audit due to its current size. The accounts are reviewed according to the Swiss GAAP FER accounting standards.

The Foundation has decided not to make a new donation to Medair in 2021, as explained above.

#### ***Financial gains and losses***

The amount of realised financial gains has been of CHF 4 388. The amount of unrealized financial gains has been of CHF 103 561, due to an increase in the values of the current financial investments held at the end of the year 2021. The financial costs have been of CHF 2 385 and the interest charges due to Medair, for the year 2021, are calculated at CHF 43 220. Thus, the net financial result is of CHF 61 013 at the end of the year 2021.

#### ***Final financial results***

The operating result has been positive at CHF 8 125. The result before change in restricted funds is also positive at CHF 69 138. These are encouraging results.

The total assets of the Foundation as of 31 December 2021 amount to CHF 3 322 122.

### **Financial Investments**

At the end of 2021 an amount of CHF 848 328 was invested in financial securities, that is 81.8 % of the total Foundation's assets, without counting the loans received from Medair, and 18.2 % was held in cash.

Those financial investments were made, in proportion of the total assets of the Foundation (without counting the loans received from Medair) of 9.5 % in bonds funds, 18.2 % in real estate funds and 54.1 % in equity funds. This represents a balanced investment portfolio in line with the investment strategy of the Foundation during the year 2021.

The year 2021 yielded a positive result with 13.9 % gains on the value of the total of the financial investments, with a net total financial result of CHF 61 013, once the financial costs, fees, interest charges due to Medair and exchange rates gains/losses have been deducted.

The financial investment Committee, now composed of two Board members, takes the lead to monitor the financial investments of the Foundation, with a mid to long term approach.

### **Partner's banks**

The Foundation has the BCV (Vaud Cantonal Bank) as retail bank partner, where cash donations are received, and the operating expenses of the Foundation are managed.

The private Bank Bonhôte, with its main base in Neuchâtel, is the partner bank for all the financial investments of the Foundation.

### **Future developments of the Foundation**

A new stream of resources, to build up the financial assets of the foundation, is planned to be the NGO Medair itself. Medair has the vision and the needs to build up financial reserves over the years in order to gain the necessary independence and flexibility in its humanitarian aid operations. And the Foundation will be one of the means to achieve this goal. Medair is planning, from 2020 onwards, to set aside parts of its reserve at the care of the Medair Invest in Aid Foundation.

Of course, it is hoped that more friends and partners will join Medair and support the Medair Invest in Aid Foundation so that the humanitarian aid provided worldwide by Medair is even better supported with flexible funding and an amount of reserve that strengthen the financial stability and independence of Medair.

The two first steps of this reserve building strategy have been implemented in 2020 and 2021. Medair has first transferred a loan of USD 1 000 000 to the Foundation, in November 2020. Then Medair has transferred a loan of USD 1 500 000 in April 2021. Both loans are made initially with an agreed interest rate of 3% per annum. This way of proceeding allows Medair to remain the only full owner of those funds.

**A big thank you to the donors, friends and supporters of the Medair Invest in Aid Foundation**, that enabled the Foundation to pursue its goals and continue to faithfully support Medair and its mission, vision and strategy.

### **How to support the Medair Invest in Aid Foundation?**

For cash donation, in Swiss franc, please use the following account: BCV Bank-IBAN CH08 0076 7000 E524 6564 1. For cash donations in other currencies than Swiss franc, or for the donations of securities or donations in kind, or donations through a Will, please contact David Sauter to receive the necessary information and details.

**The Foundations is tax exempt** on all donations and legacies, being in cash, securities or material support (in-kind), like real estate, art works etc. All donations, of any kind, are tax deductible.

**The Foundation is ZEW certified**, since more than 10 years, and has undergone a recertification process completed in 2020. The Foundation is ZEW certified as a sub-organisation of Medair.

For any questions please contact the secretary of the board of the foundation – David Sauter at [david.sauter@medair.org](mailto:david.sauter@medair.org). The detailed and audited financial report is also available on request at this e-mail address. It is also available on the Medair's website.

**Medair Invest in Aid Foundation – Chemin du Croset 9 – 1024 Ecublens – Switzerland**

**To learn more about the activities of Medair please visit [www.medair.org](http://www.medair.org)**