

**MEDAIR**

*each life matters*

# REPORT ON FINANCIAL PERFORMANCE **2021**





# MEDAIR LEADERSHIP

The International Board of Trustees is elected from the membership of the Medair Association. There must be a minimum of five Board members, who serve three-year terms. The Chief Executive Officer (CEO) is appointed by and responsible to the Board for the management and operation of the organisation. The Executive Leadership Team assists him in this responsibility. International Board of Trustees and Executive Leadership Team members as of 31 December 2021 are presented below. ■

## INTERNATIONAL BOARD OF TRUSTEES

(AS OF 31 DECEMBER 2021)

- **James Featherby**, Chair
- **Fraser Bell**, Vice Chair
- **Jacques-Antoine Demaurex**, Treasurer
- **Benoit Mandosse**, Secretary
- **Rachel Forster**, Member
- **Anne Headon**, Member
- **Samson Kambarami**, Member
- **Peter Wilson**, Member

## EXECUTIVE LEADERSHIP TEAM

(AS OF 31 DECEMBER 2021)

- **David Verboom**  
CEO
- **Patrick Beringer**  
Executive Office & Legal Director/  
Interim Finance Director
- **Heidi Cockram**  
Information Technology  
Services Director
- **Cynthia Labi**  
Human Resource Director
- **Jean-Bernard Palthey**  
Engagement Director
- **Anne Reitsema**  
International  
Programmes Director



David Verboom  
Chief Executive Officer

To the Board of Trustees of  
Medair, Ecublens

Lausanne, 24 May 2022

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

As statutory auditor, we have audited the consolidated financial statements of Medair, which comprise the balance sheet, income statement, cash flow statement, statement of changes in funds and in capital and notes, for the year ended 31 December 2021. According to the Swiss GAAP FER 21, the Performance report is not subject to the audit of the financial statements.



### Board of trustees' responsibility

The Board of trustees are responsible for the preparation of these consolidated financial statements in accordance with Swiss GAAP FER, the requirements of Swiss law and the deed of foundation. 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. The Board of trustees 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 31 December 2021 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law and the 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 Swiss Civil Code (CC) in relation with article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 69b CC in relation with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the board of trustees.

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

Ernst & Young Ltd



**Karine Badertscher Chamoso**  
Licensed audit expert  
(Auditor in charge)



**Ebru Ac**  
Licensed audit expert

# AUDITED CONSOLIDATED FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> DECEMBER 2021

(All figures shown are in USD)

# STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER 2021

(All figures shown are in USD)

	Note	31 December 2021 USD	31 December 2020 USD
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and bank accounts	6	10,143,332	13,432,422
Donor receivables	7	11,450,560	11,684,762
Other receivables	7	430,649	209,999
Inventory		62,896	48,181
Prepayments		1,508,137	1,253,361
		23,595,574	26,628,725
<b>LONG-TERM ASSETS</b>			
Financial assets	9	2,668,813	1,196,394
Capital assets	10	418,347	640,744
		3,087,160	1,837,138
<b>TOTAL ASSETS</b>		<b>26,682,734</b>	<b>28,465,863</b>
<b>LIABILITIES, FUNDS, AND CAPITAL</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	12	1,582,609	1,689,964
Donor payables		6,952	287,472
Short-term debt		1,151,278	-
Accrued liabilities		2,236,661	3,670,088
Deferred revenue	11	6,590,252	6,115,981
Provisions	13	3,726,767	3,099,709
End-of-contract benefits	14	285,346	35,346
		15,579,865	14,898,560
<b>LONG-TERM LIABILITIES</b>			
Long-term debt		-	2,229,204
End-of-contract benefits	13	318,290	566,515
		318,290	2,795,719
<b>TOTAL LIABILITIES</b>		<b>15,898,155</b>	<b>17,694,279</b>
<b>RESTRICTED FUNDS</b>			
Restricted income funds	2.15	968,937	507,981
Restricted programme funds		563,353	1,265,576
		1,532,290	1,773,557
<b>CAPITAL/UNRESTRICTED FUNDS</b>			
Unrestricted capital	2.16		
Allocated capital		9,252,289	8,998,027
Administrative fund		1,320,000	1,350,000
Capital equipment fund		418,347	640,744
Foreign exchange fund		500,000	500,000
Liquidity reserves fund		2,375,087	2,375,087
Continuity reserves fund		4,593,732	4,087,073
Training fund		45,123	45,123
		9,252,289	8,998,027
<b>TOTAL FUNDS AND CAPITAL</b>		<b>10,784,579</b>	<b>10,771,584</b>
<b>TOTAL LIABILITIES FUNDS, AND CAPITAL</b>		<b>26,682,734</b>	<b>28,465,863</b>

# INCOME STATEMENT

## 31<sup>ST</sup> DECEMBER 2021

(All figures shown are in USD)

	Note	31 December 2021	31 December 2020
		Total	Total
<b>OPERATING INCOME</b>			
Grants (Restricted)		63,008,936	72,646,683
<i>Institutional Grants</i>		54,389,766	67,006,991
<i>Other Grants</i>		8,619,170	5,639,692
Private Donations		13,026,393	11,614,736
<i>Unrestricted</i>		5,458,164	5,201,134
<i>Restricted</i>		7,568,229	6,413,602
Gifts-in-kind	17	6,983,370	6,121,960
Other income	18	404,925	265,371
<i>Unrestricted</i>		222,141	192,127
<i>Restricted</i>		182,784	73,244
	16	<b>83,423,624</b>	<b>90,648,750</b>
<b>OPERATING EXPENSE</b>			
Humanitarian expense	19	-76,940,618	-83,726,055
Administrative expense	20	-6,804,570	-6,567,780
	21	<b>-83,745,188</b>	<b>-90,293,835</b>
<b>OPERATING RESULT</b>		<b>-321,564</b>	<b>354,915</b>
<b>FINANCIAL RESULT</b>			
Financial income		47,353	422,890
Financial expense		-41,000	-111,652
Realised gain/(loss) on exchange		552,038	381,299
Unrealised gain/(loss) on exchange		-223,832	-56,888
		334,559	635,649
<b>RESULT BEFORE EXTRAORDINARY INCOME</b>		<b>12,995</b>	<b>990,564</b>
Extraordinary income		-	-
<b>RESULT BEFORE CHANGE IN FUNDS</b>		<b>12,995</b>	<b>990,564</b>
<b>FUND ALLOCATIONS</b>			
Withdrawal from/(allocated to) restricted funds		241,267	180,481
<b>ANNUAL RESULT BEFORE ALLOCATION TO CAPITAL</b>		<b>254,262</b>	<b>1,171,045</b>
Allocated to/(withdrawal from) unrestricted funds		-254,262	-1,171,045
<b>RESULT AFTER ALLOCATION</b>		<b>-</b>	<b>-</b>

# CASH FLOW STATEMENT

## 31<sup>ST</sup> DECEMBER 2021

(All figures shown are in USD)

		2021	2020
<b>CASH FLOW FROM OPERATIONS</b>			
Result before change in funds		12,995	990,564
Depreciation	2.9	385,153	418,768
(Increase)/decrease in donor receivables	2.6	234,202	1,674,464
(Increase)/decrease in other receivables	2.6	-220,650	462,115
(Increase)/decrease in inventory	2.7	-14,715	15,977
(Increase)/decrease in prepayments	2.8	-254,776	-161,531
Increase/(decrease) in deferred revenue		474,271	-35,201
Increase/(decrease) in donor payables		-280,520	24,553
Increase/(decrease) in accounts payable	2.11	-107,355	-620,943
Increase/(decrease) in accrued liabilities	2.12	-1,433,427	859,437
Increase/(decrease) in end-of-contract benefits	2.14	1,775	-120,423
Increase/(decrease) in provisions	2.13	627,058	2,090,819
		<b>-575,989</b>	<b>5,598,599</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
(Investments)/disposals in financial assets		-1,472,419	-1,005,071
(Investments) in capital assets		-705,330	-262,303
Disposals in capital assets		542,574	-
		<b>-1,635,175</b>	<b>-1,267,374</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase/(decrease ) in short-term debt		1,151,278	-
Increase/(decrease ) in long-term debt		-2,229,204	-823,717
		<b>-1,077,926</b>	<b>-823,717</b>
<b>CHANGES IN CASH</b>		<b>-3,289,090</b>	<b>3,507,508</b>
<b>CHANGE IN CASH BALANCES</b>			
Opening balance		13,432,422	9,924,914
Closing balance		10,143,332	13,432,422
<b>CHANGES IN CASH</b>		<b>-3,289,090</b>	<b>3,507,508</b>



# STATEMENT OF CHANGES IN CAPITAL AND FUNDS 2021

(All figures shown are in USD)

	Opening balance	Allocation to / Income	Financial gain/(loss)	Internal Fund transfers	Withdrawal from	Closing balance
<b>RESTRICTED FUNDS</b>						
Restricted income funds						
COVID19 response fund	229,131	14,429		-156,850	-86,710	-
Disaster risk management fund	-	-			-	-
Emergency response fund	278,850	664,412		-76,143 b)	-96	867,023
East Africa famine	-	1,474			-	1,474
Innovation in Aid Fund	-	8,749			-8,749	-
Health & nutrition fund	-	113,406			-36,258	77,148
Refugee Aid Fund	-	195			-	195
Rohingya crisis fund	-	7,009		12,590	-19,599	-
Shelter & infrastructure fund	-	-			-	-
WASH fund	-	8,706			3,847	12,553
Women & Children Fund	-	10,544			-	10,544
	<b>507,981</b>	<b>828,924</b>		<b>-220,403</b>	<b>-147,565</b>	<b>968,937</b>
Restricted programme funds						
Afghanistan	-	5,592,164			-5,206,056	386,108
Bangladesh	-	5,381,962			-5,381,962	-
D.R. Congo	-	10,509,368		156,850	-10,666,218	-
Ethiopia	-	377,019		250,952	-627,971	-
Honduras	-	270,558		133,555	-404,113	-
Madagascar	-	1,860,906			-1,860,906	-
Middle East Regional Programme	871,139	29,920,275			-30,614,169	177,245
Philippines	327,111	-		-321,477 c)	-5,634	-
Somalia	44,002	5,704,053			-5,748,055	-
South Sudan	-	15,805,840	-69		-15,805,771	-
Sudan	23,324	1,642,791			-1,666,115	-
Shared Support Center	-	-			-	-
Closed country programmes	-	-151,454		523 b)	150,931	-
	<b>1,265,576</b>	<b>76,913,482</b>	<b>-69</b>	<b>220,403</b>	<b>-77,836,039</b>	<b>563,353</b>
<b>TOTAL RESTRICTED FUNDS</b>	<b>1,773,557</b>	<b>77,742,406</b>	<b>-69</b>	<b>-</b>	<b>-77,983,604</b>	<b>1,532,290</b>
<b>CAPITAL/UNRESTRICTED FUNDS</b>						
Unrestricted capital						
Undesignated funds	-	5,458,164		-1,711,552	-3,746,612	-
Allocated capital						
Administrative fund	1,350,000	223,054	6,422	1,081,277 a)	-1,340,753	1,320,000
Capital equipment fund	640,744	-	-	451,822	-674,219	418,347
Foreign exchange fund	500,000	-	328,206	-328,206	-	500,000
Liquidity reserves fund	2,375,087	-			-	2,375,087
Continuity reserves fund	4,087,073	-		506,659	-	4,593,732
Training fund	45,123	-			-	45,123
<b>Total allocated capital</b>	<b>8,998,027</b>	<b>223,054</b>	<b>334,628</b>	<b>1,711,552</b>	<b>-2,014,972</b>	<b>9,252,289</b>
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>8,998,027</b>	<b>5,681,218</b>	<b>334,628</b>	<b>-</b>	<b>-5,761,584</b>	<b>9,252,289</b>
<b>TOTAL CHANGES IN CAPITAL AND FUNDS</b>	<b>10,771,584</b>	<b>83,423,624</b>	<b>334,559</b>	<b>-</b>	<b>-83,745,188</b>	<b>10,784,579</b>

## Note

- This is a net number after the field contribution in support of administrative costs.
- Some final adjustments on closed country programmes booked in 2021 have been covered by our Emergency Response Fund.
- Remaining funds from emergency response in Philippines are reallocated to the Emergency Fund as Medair ended its emergency response activities in the country in 2018.

# STATEMENT OF CHANGES IN CAPITAL AND FUNDS 2020

(All figures shown are in USD)

	Opening balance	Allocation to / Income	Financial gain/(loss)	Internal Fund transfers	Operating expense (A)	Expenses charged to undesignated funds (B)	Withdrawal from (A + B)	Closing balance
<b>RESTRICTED FUNDS</b>								
Restricted income funds								
COVID19 response fund		807,447			-578,316		-578,316	229,131
Disaster risk management fund	-	-			-		-	-
Emergency response fund	718,109	-413,874		-25,385 b)	-		-	278,850
East Africa famine	-	-			-		-	-
Innovation in Aid Fund	-	13,176			-13,176		-13,176	-
Health & nutrition fund	-	-722			122	600	722	-
Refugee Aid Fund	3,190	-3,190			-		-	-
Rohingya crisis fund	-	-984			984		984	-
Shelter & infrastructure fund	202	-202			-		-	-
WASH fund	12,017	272,920			-285,123	186	-284,937	-
Women & Children Fund	4,102	-4,102			-		-	-
	<b>737,620</b>	<b>670,469</b>		<b>-25,385</b>	<b>-875,509</b>	<b>786</b>	<b>-874,723</b>	<b>507,981</b>
Restricted programme funds								
Afghanistan	-	5,919,953			-6,610,225	690,272	-5,919,953	-
Bangladesh	-	5,027,467			-5,342,037	314,570	-5,027,467	-
D.R. Congo	-	17,424,206			-18,712,579	1,288,373	-17,424,206	-
Honduras	-	168,099			-180,317	12,218	-168,099	-
Madagascar	-	1,157,221			-1,358,865	201,644	-1,157,221	-
Middle East Regional Programme	473,979	30,462,057	418,356		-32,255,317	1,772,064	-30,483,253	871,139
Philippines	330,961	1,440			-5,290	-	-5,290	327,111
Somalia	411,478	5,705,800			-6,073,276	-	-6,073,276	44,002
South Sudan	-	18,401,861			-19,016,711	614,850	-18,401,861	-
Sudan	-	336,253			-312,929		-312,929	23,324
Closed country programmes	-	19,204		25,385 b)	-6,181		-6,181	-
	<b>1,216,418</b>	<b>84,585,153</b>	<b>418,356</b>	<b>25,385</b>	<b>-89,873,727</b>	<b>4,893,991</b>	<b>-84,979,736</b>	<b>1,265,576</b>
<b>TOTAL RESTRICTED FUNDS</b>	<b>1,954,038</b>	<b>85,255,622</b>	<b>418,356</b>	<b>-</b>	<b>-90,749,236</b>	<b>4,894,777</b>	<b>-85,854,459</b>	<b>1,773,557</b>
<b>CAPITAL/UNRESTRICTED FUNDS</b>								
Unrestricted capital								
Undesignated funds	-	5,200,941		-306,164			-4,894,777	-
Allocated capital								
Administrative fund	1,323,900	192,187	-107,117	-582,603 a)	523,633		523,633	1,350,000
Capital equipment fund	797,209	-	-	-88,233	-68,232		-68,232	640,744
Foreign exchange fund	987,580	-	324,410	-811,990	-		-	500,000
Liquidity reserves fund (Operations fund)	2,375,087	-	-	-	-		-	2,375,087
Continuity reserves fund (Reserves fund HQ)	2,298,083	-	-	1,788,990	-		-	4,087,073
Training fund	45,123	-	-	-	-		-	45,123
<b>Total allocated capital</b>	<b>7,826,982</b>	<b>192,187</b>	<b>217,293</b>	<b>306,164</b>	<b>455,401</b>		<b>455,401</b>	<b>8,998,027</b>
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>7,826,982</b>	<b>5,393,128</b>	<b>217,293</b>	<b>-</b>	<b>455,401</b>		<b>-4,439,376</b>	<b>8,998,027</b>
<b>TOTAL CHANGES IN CAPITAL AND FUNDS</b>	<b>9,781,020</b>	<b>90,648,750</b>	<b>635,649</b>	<b>-</b>	<b>-90,293,835</b>		<b>-90,293,835</b>	<b>10,771,584</b>

## Note

- a) This is a net number after the field contribution in support of administrative costs.  
b) Final adjustments on closed country programmes booked in 2020 (USD -25'385) have been covered by our Emergency Response Fund.

# MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2021

## 1. Presentation

Medair helps people who are suffering in remote and devastated communities around the world survive crises, recover with dignity, and develop the skills they need to build a better future.

Medair was founded in 1989 and is established as an association under article 60 et seq. of the Swiss Civil Code. Medair is independent of any political, economic, social, or religious authority.

The Medair headquarters is located in Ecublens, Switzerland.

Medair  
Chemin du Croset 9  
1024 Ecublens  
Switzerland

These consolidated financial statements for the year which ended on 31<sup>st</sup> December 2021 were authorised for public release in accordance with a resolution of the Board of Trustees on May 24<sup>th</sup>, 2022.

### 1.1. Medair affiliates and foundations

The Medair affiliate offices worldwide and foundations listed below are part of the Medair group of organisations. Each affiliate office is a separate legal entity with its own Board. The affiliates agree to support the work of Medair worldwide through affiliation and trademark agreements with Medair.

Medair e.V. Deutschland Cologne Germany (Registered Association)	Medair UK London United Kingdom (Registered Charity – England and Wales)
Medair France Chabeuil France (Association)	Medair US Wheaton, Illinois United States of America (Not-for-profit organisation)
Stichting Medair Nederland Amersfoort The Netherlands (Foundation)	

Medair Canada affiliate closed its activity in 2021. The date of revocation of Medair Canada charitable status was January 16, 2021.

Two independent Swiss foundations also support the work of Medair. Medair Invest in Aid (MIAF) promotes long-term financial development and endowment income for Medair. Medair Staff Assistance Foundation (MSAF) assists expatriate staff with medical expenses, health insurance, and repatriation on behalf of Medair.

Medair Invest in Aid Ecublens Switzerland (Zewo certified)	Medair Staff Assistance Foundation Ecublens Switzerland
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These affiliates and foundations provide personnel, financial, and technical resources to the mission of Medair through a network of donors.

# MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2021

## 2. Significant accounting policies

### 2.1. Basis for preparing the consolidated financial statements

The consolidated financial statements have been prepared in accordance with the Swiss generally accepted accounting principles (Swiss GAAP RPC/FER). These financial statements present a true and fair view of Medair's assets, financial situation, and the results of operations.

The preparation of the consolidated financial statements requires the Executive Leadership Team to make judgements best estimates and assumptions that may affect the reported amounts of assets, liabilities, revenue, expenses, and disclosures at the reporting date.

These financial statements have been prepared using the historical cost convention. The accrual method of accounting has been used for all revenue and expenses incurred in Switzerland and the affiliate offices. The accrual method is also in use in country programmes.

The reporting currency is the US dollar (USD).

Unless otherwise stated, all amounts in these financial statements are rounded to the nearest thousand. As a result, there may be rounding differences between the amounts reported in the various notes.

Medair uses the fund accounting method in which all revenues and expenses are assigned to a specific fund. Revenues are recorded as restricted or unrestricted, depending on donor designation. All expenses are considered unrestricted. The net result of current year activities is allocated to fund balances at the close of the fiscal year.

### 2.2. Consolidation principles

These consolidated financial statements incorporate the income and expenses for all humanitarian programmes worldwide and the contribution made by the affiliates to those programmes. While some of programmes may be in countries where there is a legally registered Medair office, operational control (including the power to govern the operating and financial policies of the programmes) is maintained through the international headquarters in Switzerland.

Since 2020, Medair e.V. Deutschland is independent from Medair International (i.e.: neither controlled by nor subordinated to Medair International).

Thus Medair e.V. Deutschland is no longer in the scope of consolidation as of 2020.

For the remaining affiliates, Medair concluded that they do not meet the minimum threshold for full consolidation.

### 2.3. Comparative figures

The closed country programmes as well as Middle East Programmes have been grouped to ease the presentation.



# MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2021

## 2.4. Foreign currency conversion

The financial statements are presented in USD, Medair's functional currency.

Foreign currency transactions are recorded in USD by applying to the foreign currency amount the current monthly exchange rate at the date of the transaction. The monthly exchange rate is calculated at the average daily exchange rates from the prior month. Exchange rate differences arising on the settlement of items held in foreign currencies, at rates different from those at which they were initially recorded, are recognised as realised gains/losses in the Consolidated Income Statement in the period in which they arise. Items on the Consolidated Statement of Financial Position that are held in foreign currency are revalued at year end using the closing foreign currency rate. Exchange rate differences arising from this revaluation are recognised as unrealised gains/losses in the Consolidated Income Statement.

The following exchange rates against the US dollar (USD) have been used:

CHF/USD	2021	2020
Closing exchange rate	1.09553	1.13329
Average exchange rate	1.09733	1.05644

## 2.5. Cash and cash equivalents

Cash and cash equivalents include the balances of all current accounts held for the headquarters and field locations, both in Switzerland and abroad. Cash and bank balances denominated in foreign currencies are valued at the exchange rates prevailing at year end.

## 2.6. Account receivables

Donor receivables and other receivables are revalued to closing exchange rates and, if required, are net of adjustments to reflect any risk of non-collection. The risk of non-collection is performed on a case by case analysis.

## 2.7. Inventory

Inventory consists of materials and supplies located in Switzerland and used in field programmes. Stock is recorded to inventory when purchased and items are expensed to the projects at the time they are shipped to the project countries. The value of the stocks is calculated based on actual costs according to the first-in-first-out principle. Inventory items are used exclusively for field programmes and are not for commercial resale.

Inventories held in the field are, for operational reasons, directly expensed/charged to the projects. The costs are comparable with the market and, if required, net of adjustments to reflect any risk of obsolete or damaged items.

## 2.8. Prepayments

Prepaid expenses consist of advance rent payments in the field, advance flight payments in the field, advance payments to our implementing partners, and cash advances to our internationally recruited staff.

## 2.9. Financial assets

Financial assets comprise blocked bank deposit accounts, investments in Medair Foundations (Medair Invest in Aid) and a long-term loan to Medair Invest in Aid. They are stated at cost less any provisions for permanent impairment, if necessary.

# MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2021

## 2.10. Fixed assets

Fixed assets are Medair capital assets in use at the headquarters in Switzerland or in the performance of its humanitarian activities. All capital assets at field locations are considered restricted. These assets are carried at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on a straight-line basis over the expected useful lives of the related assets using the following periods:

IT & communication equipment	3 years
Other equipment (including Power equipment and Facility and fixtures)	3 years
HQ leasehold improvements	5 years
Vehicles	3 years

## 2.11. Accounts payable

Accounts payable consist of vendor payables, staff payables, social insurance expenses, and other payables. Accounts payable are recognised and carried at the original invoiced amount, revalued at closing exchange rates.

## 2.12. Accrued liabilities

This item consists of liabilities that are due but not yet billed at the closing date and that arise due to goods and services already received. This amount also includes vacation accruals for Swiss and internationally recruited staff. Accrued liabilities are recognised and carried at the anticipated amount to be invoiced.

## 2.13. Provisions

A provision is recognised when Medair has a present obligation as a result of a past event in which an unfavourable outcome is probable and the amount of loss can be reasonably estimated, at the best of the knowledge of Medair at the moment of booking.

## 2.14. Pension plan obligations

Medair's employees in Switzerland are insured against the economic consequences of old age, invalidity, and death, according to the provision of the Federal Law on Occupational Benefit Plans (LPP), by Patrimonia Foundation. According to the defined contribution plan covered by the collective foundation, the employees and the employer pay defined contributions. With this plan, while contributions are defined, final distributions or net returns are not defined and are not guaranteed. Risks are supported by the collective foundation.

## End-of-contract benefits

These liabilities consist of end-of-contract benefits for nationally recruited staff in several of our field programmes. These benefits are mandated by local labour regulations in these countries. They are recognised when Medair has a present obligation and are classified as long-term and short-term liabilities.

## MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2021

### 2.15. Restricted funds

Restricted funds consist of restricted income funds and restricted programme funds. They are used according to the designation of the donor. In the unlikely event that the International Board of Trustees needs to redirect the funds or change the purpose of a restricted fund, the prior approval of affected donors is sought.

#### Restricted income funds

Restricted income funds are solicited from private donors for a specific cause. They augment programme funds in certain humanitarian operations. They may also be used for organisational capacity-building, such as training courses and materials, staff workshops, etc. Allocation of these funds to specific programmes is decided by the Executive Leadership Team where the activities of the programme are within the scope of funders' restrictions.

COVID19 response fund	Restricted to COVID-19 programmes.
Disaster risk management fund	Restricted to programmes with disaster risk management activities.
East Africa famine fund	Restricted to programmes affected by the East Africa famine.
Emergency response fund	Facilitates immediate intervention in the event of a new or developing humanitarian emergency.
Innovation in aid fund	Restricted to innovation in humanitarian activities to enhance efficiency of our operations on the field.
Health & nutrition fund	Restricted to programmes with medical, nutrition, or health promotion activities.
Refugee aid fund	Restricted to programmes destined to supporting refugees.
Rohingya crisis fund	Restricted to Rohingya crisis programmes.
Shelter & infrastructure fund	Restricted to programmes with housing and other infrastructure construction activities.
WASH fund	Restricted to programmes related directly to water, sanitation, and hygiene (WASH) activities.
Women & children fund	Restricted to programmes for women and children.

#### Restricted programme funds

Programme funds are the current liabilities for unfinished humanitarian programmes at year end. They consist of unspent local grants and private donations given in support of a specific humanitarian operation. A restricted programme fund is maintained for each country in which Medair operates.

### 2.16. Capital/Unrestricted funds

These funds are the general reserves of Medair. They consist of unrestricted capital and allocated capital that facilitate operational management. Use of these funds is at the discretion of the Executive Leadership Team.

# MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATMENTS FOR THE YEAR ENDED 2021

## Unrestricted capital

Undesignated funds	Private donations that are not designated to a specific programme or cause by the donor.
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## Allocated capital

Administrative fund	Used for the general administrative costs of the organisation.
Capital equipment fund	Used for the purchase of Medair-owned assets.
Foreign exchange fund	Used to support the foreign exchange risk of the organisation.
Liquidity reserves fund	Used to support the cash-flow requirements of field programmes.
Continuity reserves fund	Used to support Medair capability in responding rapidly to unplanned emergencies
Training fund	Used for the professional development of Medair personnel.

## 2.17. Revenue recognition and financing contracts

Revenue is recognised when it is probable that the economic benefits associated with the transaction will inure to Medair and can be reliably estimated.

**Grants:** Contract revenue is presented as constructively earned according to the percent of completion method (POCM). The portion of a contract constructively earned is determined by calculating actual contract expense to the total contract budget for each donor contract. It is recognised as revenue in respect of the year when the financial expenses are incurred, in order to comply with the principle of correspondence between expenditure and income.

**Donor receivables:** Project grants awarded to Medair are shown on the Consolidated Statement of Financial Position in the same year as the related project costs can be declared to the donor.

**Contingent assets/Donor receivables:** Financing contracts between donors and Medair are disclosed in the notes under contingent assets/donor receivables at the moment of a written confirmation. Financing contracts are considered as contingent assets owing to uncertainties associated with their receipts. These uncertainties concern the stipulations mentioned in the contracts and the instability of the contexts in which Medair operates, which may result in the asset being returned to the donor.

The related budgetary obligations are considered as contingent liabilities.

**Deferred income:** Revenue relating to future years is recorded on the Consolidated Statement of Financial Position as deferred income. Deferred income is calculated for each individual grant. It is the excess of cash receipts compared to expenses incurred.

**Private donations** are recorded as revenue when received and designated to restricted or unrestricted funds, according to donor preference.

When the donor designates the gift toward a specific cause, the donation is considered restricted. Restricted funds that have not been used at the end of the year are presented in a separate section of the Consolidated Statement of Financial Position as restricted funds.



# MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2021

## 2.18. Gifts-in-kind

Gifts-in-kind are an integral part of Medair's humanitarian programme. No distinction is made between gifts-in-kind that are provided through donor contracts or non-contractual donations for distribution to beneficiaries of our projects. Medair is fully responsible for the receipt, storage, transportation, accounting, and distribution of these materials.

Gifts-in-kind received are recorded as income and expense in Medair accounts. The contributions are valued on the basis of the donation certificate or the contract with the donor.

## 2.19. Programme expenditures

Expenditures on goods, materials, and services related to programmes are recorded when the costs are incurred. As a result, the inventories stated on the Consolidated Statement of Financial Position do not include goods and materials acquired for the projects but still not used by year end.

## 3. Tax exemption

Medair is exempt from Swiss income tax and capital tax according to a decision from the Department of Finance, Canton of Vaud, dated 27 January 2010.

## 4. Performance report

In accordance with the Swiss GAAP RPC/FER 21, Medair produces a performance report, which has been integrated with the financial statements to create the Medair Annual Report.

## 5. Management of financial risks

Risks are periodically analysed on an organisation-wide basis by the Executive Leadership Team, which results in a report that is submitted to and reviewed by the International Board of Trustees. In terms of financial risks, we draw your attention to the following items:

### 5.1. Foreign exchange risk

Medair is exposed to exchange-rate fluctuations, insofar as a significant portion of its income and expenses are in foreign currency or non-US dollars. Medair has no active foreign exchange risk hedging policy and tends to convert currencies as and when they are required. Furthermore, Medair established a Foreign Exchange Fund in order to absorb the fluctuations.

### 5.2. Banking risk

The Policy on Investment and Cash Placement dictates that Medair avoid concentrating this risk by working in Switzerland with two Swiss banks. In the field, Medair works with some 24 international and local banks; the policy in the field is to limit the volume of bank deposits to the level strictly required for immediate operational needs.

### 5.3. Counterparty risk

The counterparty risk is limited, insofar as governments or governmental agencies issue most of the receivables for amounts owed by third parties. Other asset positions concern the related parties of the Medair group of organisations and are not significant.

# MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2021

## 5.4. Liquidity risk

Medair's policy is to ensure a sufficient level of liquidity for its operations at all times; consequently, funds are kept in liquid form.

In order to further mitigate this risk in the short term, Medair has renegotiated a cash flow loan facility in 2019 with UBS. The available loan facility is currently CHF 3,000,000 (USD 3,286,590). The interest rate on this loan is 1.15% per annum. If utilized, this credit facility has a maximum duration of 6 months and must be completely reimbursed; no utilization is authorized within the next following 2 months. Medair did not utilize this credit facility in 2021, nor in prior years.

Medair also has a second cash flow loan facility with a second private creditor. The amount available on this second facility is CHF 3,000,000 (USD 3,286,590). The interest rate is 2.0%. There is no maturity date on the loan. This cash flow loan facility was put in place in 2007. It was renegotiated in 2021 and a new contract signed.

## Detail on the Consolidated Statement of Financial Position

The following sections provide a breakdown of the main items on the Consolidated Statement of Financial Position, the Consolidated Income Statement, the Consolidated Cash Flow Statement, and the Consolidated Statement of Changes in Capital and Funds.

## 6. Cash and cash equivalents

USD	31/12/2021	31/12/2020
Field	2,215,875	3,568,288
HQ	7,927,457	9,864,134
<b>TOTAL</b>	<b>10,143,332</b>	<b>13,432,422</b>

## 7. Donor receivables and Other receivables

<b>Donor receivables (USD)</b>	31/12/2021	31/12/2020
Government partners	9,392,025	10,818,782
Humanitarian partners	2,058,535	865,956
Private, public, and corporate organisations	-	24
<b>TOTAL</b>	<b>11,450,560</b>	<b>11,684,762</b>
<b>Other receivables (USD)</b>	31/12/2021	31/12/2020
General debtors	344,302	3,045
Foundations and affiliates	86,347	206,954
<b>TOTAL</b>	<b>430,649</b>	<b>209,999</b>

Foundations and affiliates: in 2020, Medair had invoiced in December 2020 the full year services provided for accounting and administrative work to Medair Staff Assistance Foundation, whereas those services have been invoiced on a quarterly basis in 2021.

General debtors: in 2021, the debit balances at 31.12.2021 relating to Swiss social security benefits (AVS, AC, LAA, IJM etc.) are presented in Other Receivables.

# MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATMENTS FOR THE YEAR ENDED 2021

## 8. Contingent asset/donor receivables

Financing contracts are considered as contingent assets owing to uncertainties associated with their receipt. These uncertainties are based on stipulations mentioned in the contracts, the instability of the context in which Medair operates, and the fact that these assets could be returned to donors.

These contingent assets consist of donor grants in the following currencies:

Currency	31/12/2021	31/12/2020
AFA	-	1,183,994
BDT	37,562,498	19,623,410
CAD	1,050,193	2,138,819
CHF	3,138,274	5,700,173
EUR	8,459,643	10,959,960
GBP	1,240,810	1,330,309
JOD	0	388
MGA	1,705,332,550	593,496,051
LBP	-	65,599,954
NZD	100,354	173,218
SEK	934,029	572,023
USD	23,693,044	33,296,532
<b>Total equivalent in USD</b>	<b>40,283,951</b>	<b>55,708,536</b>

The expected cash receipt in equivalent USD is as follows, detailed by country programme:

	Contingent assets balance at 31.12.21	Anticipated revenue stream: 2022	Anticipated revenue stream: 2023
AFG	4,070,785	4,070,785	0
BGD	482,035	482,035	0
COD	8,692,494	8,692,494	0
JOR	7,102,517	4,497,750	2,604,767
LBN	2,176,494	1,998,081	178,413
MDG	2,624,447	2,409,896	214,551
MER	110,618	110,618	0
SDN	5,665	5,665	0
SDS	8,579,220	7,892,064	687,156
SOM	2,237,666	2,237,666	0
SYR	2,370,055	1,800,848	569,207
YEM	1,831,955	1,579,339	252,616
<b>Total in USD</b>	<b>40,283,951</b>	<b>35,777,240</b>	<b>4,506,711</b>

The related budgetary obligations are considered as contingent liabilities.

# MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATMENTS FOR THE YEAR ENDED 2021

## 9. Financial assets

Two new loans have been signed in 2021 with Medair Invest in Aid for a total of 1,500,000 USD. The interest rate on those two new loans is 1.5% per annum. In 2020, Medair had signed a first loan agreement of 1,000,000 USD with Medair Invest in Aid, bearing interest rate of 3.00% per annum.

Medair Invest in Aid will make repayment to Medair in one lump sum or in instalment by the end of October 30<sup>th</sup>, 2023 for the 1<sup>st</sup> loan, and by the end of March 31<sup>st</sup>, 2024 for the two loans signed in 2021.

USD	2021	2020
Medair Invest in Aid loan	2,500,000	1,004,110
Guarantee deposits	114,033	135,619
Foundation deposits	54,780	56,665
<b>Total</b>	<b>2,668,813</b>	<b>1,196,394</b>

## 10. Capital assets

		2021					
USD	Asset group	IT	Other	HQ leasehold	Vehicles	Assets under construction	Total
<b>Total</b>	<b>Opening book value</b>	<b>187,815</b>	<b>-48,237</b>	<b>135,908</b>	<b>168,280</b>	<b>196,978</b>	<b>640,744</b>
Assets	Closing balance 31.12.20	1,633,861	423,185	400,184	3,279,618	196,978	5,933,826
	<b>Opening balance 1.1.21</b>	<b>1,633,861</b>	<b>423,185</b>	<b>400,184</b>	<b>3,279,618</b>	<b>196,978</b>	<b>5,933,826</b>
	2021 additions	92,066	53,217	149,988	80,468	329,591	705,330
	2021 disposals				-49,435	-526,569	-576,004
	<b>Closing balance 31.12.21</b>	<b>1,725,927</b>	<b>476,402</b>	<b>550,172</b>	<b>3,310,651</b>	<b>-</b>	<b>6,063,152</b>
Accumulated depreciation	Closing balance 31.12.20	-1,446,046	-471,422	-264,276	-3,111,338		-5,293,082
	<b>Opening balance 1.1.21</b>	<b>-1,446,046</b>	<b>-471,422</b>	<b>-264,276</b>	<b>-3,111,338</b>		<b>-5,293,082</b>
	2021 reclass		104,051	-104,051			-
	2021 disposals				33,430		33,430
	2021 depreciation	-100,729	-68,817	-47,449	-168,158		-385,153
	<b>Closing balance 31.12.21</b>	<b>-1,546,775</b>	<b>-436,188</b>	<b>-415,776</b>	<b>-3,246,066</b>		<b>-5,644,805</b>
<b>Total</b>	<b>Closing book value</b>	<b>179,152</b>	<b>40,214</b>	<b>134,396</b>	<b>64,585</b>	<b>-</b>	<b>418,347</b>

Total assets net book value at 31.12.2021 is 418,347 USD.

The disposal of -526,569 USD corresponds to the costs of the Microsoft Dynamics 365 ERP implementation project that has been abandoned.

		2020					
USD	Asset group	IT	Other	HQ leasehold	Vehicles	Assets under construction	Total
<b>Total</b>	<b>Opening book value</b>	<b>179,344</b>	<b>23,140</b>	<b>135,908</b>	<b>458,817</b>	<b>-</b>	<b>797,209</b>
Assets	Closing balance 31.12.19	1,610,896	444,525	408,319	3,812,905	-	6,276,645
	<b>Opening balance 1.1.20</b>	<b>1,610,896</b>	<b>444,525</b>	<b>408,319</b>	<b>3,812,905</b>	<b>-</b>	<b>6,276,645</b>
	2020 additions	44,000	26,325		-5,000	196,978	262,303
	2020 disposals	-21,034	-47,665	-8,135	-528,288		-605,123
	<b>Closing balance 31.12.20</b>	<b>1,633,861</b>	<b>423,185</b>	<b>400,184</b>	<b>3,279,618</b>	<b>196,978</b>	<b>5,933,826</b>
Accumulated depreciation	Closing balance 31.12.19	-1,431,552	-421,385	-272,411	-3,354,088		-5,479,436
	<b>Opening balance 1.1.20</b>	<b>-1,431,552</b>	<b>-421,385</b>	<b>-272,411</b>	<b>-3,354,088</b>		<b>-5,479,436</b>
	2020 disposals	21,034	47,665	8,135	528,288		605,123
	2020 depreciation	-35,529	-97,702		-285,537		-418,768
	<b>Closing balance 31.12.20</b>	<b>-1,446,046</b>	<b>-471,422</b>	<b>-264,276</b>	<b>-3,111,338</b>		<b>-5,293,082</b>
<b>Total</b>	<b>Closing book value</b>	<b>187,815</b>	<b>-48,237</b>	<b>135,908</b>	<b>168,280</b>	<b>196,978</b>	<b>640,744</b>



# MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATMENTS FOR THE YEAR ENDED 2021

## 11. Deferred revenue

USD	2021	2020
Afghanistan	662,214	331,166
Bangladesh	254,439	244,787
DR Congo	583,278	430,648
Madagascar	593,720	237,798
Middle East Regional Programme	3,246,891	4,149,164
Somalia	258,593	38,744
South Sudan	667,925	428,242
Sudan	323,193	255,432
<b>TOTAL</b>	<b>6,590,252</b>	<b>6,115,981</b>

## 12. Accounts payable

Accounts payable consist of vendor payables and Medair foundation and affiliate payables. Within Staff payable, there is an amount of 524k towards the Internationally recruited employees related to end of contract benefit.

Payables (USD)	31/12/2021	31/12/2020
Vendors payable	797,399	659,398
Foundation and affiliate creditors	144,364	93,902
Staff payable	640,846	936,664
<b>TOTAL</b>	<b>1,582,609</b>	<b>1,689,964</b>

## 13. Provisions

USD	31/12/2021	31/12/2020
<b>Opening balance</b>	<b>3,099,709</b>	<b>1,008,890</b>
Additions	1,616,435	2,089,249
Utilisations	-950,846	1,570
Dissolutions	-38,531	-
<b>Closing balance</b>	<b>3,726,767</b>	<b>3,099,709</b>

These provisions relate to the Negotiated Indirect Cost Rate Agreement (NICRA) with USAID and BPRM, a blocked bank account in the DR Congo programme, and final invoices to come in 2022 relating to the Microsoft Dynamics 365 ERP implementation project that has been abandoned.

## 14. End-of-contract benefits

These liabilities consist of end-of-contract benefits for Nationally Recruited Staff in several of our field programmes. These benefits are mandated by local labour regulations in these countries. They are classified as long-term liabilities with an expected short-term liability of 47% of the balance. This amounts to USD 603'636 as at 31<sup>st</sup> December 2021 (USD 601'861 as at 31<sup>st</sup> December 2020).

## MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATMENTS FOR THE YEAR ENDED 2021

### 15. Pension plan obligations

The annual contributions to the pension plan are recorded to the Consolidated Income Statement during the period to which they relate.

Economic benefit/economic obligation and pension benefit expenses in USD	Surplus/deficit	Economic part of the organisation		Change to prior year period or recognised in the current result of the period respectively	Contributions concerning the business period	Pension benefit expenses within personal expenses	
	31/12/2021	31/12/2021	31/12/2020			2021	2020
Pension institutions without surplus/deficit	-	-	-	-	857,037	857,037	611,879

The insurance is provided by Patrimonia Foundation for all employees at the Swiss headquarters and Swiss expatriates serving in field locations. Other internationally recruited staff do not benefit from the pension plan. During 2021, one Swiss expatriate was covered by the plan (two in 2020).

### 16. Revenue

Medair segments its operations geographically by country. The following table presents comparative revenue figures by country, which can contain grants, private donations, gifts in kind and other income.

USD	2021	2020
Afghanistan	5,592,164	6,610,225
Bangladesh	5,395,056	5,342,037
DR Congo	11,550,159	18,712,579
Ethiopia	627,971	-
Honduras	404,113	180,317
Madagascar	1,890,668	1,358,865
Middle East Regional Programme	31,425,288	32,234,121
Philippines	-	1,440
Somalia	5,989,103	5,705,800
South Sudan	16,466,106	19,016,711
Sudan	1,810,174	336,253
Closed country programmes & Other	51,172	6,181
Switzerland	2,221,650	1,144,221
<b>TOTAL</b>	<b>83,423,624</b>	<b>90,648,750</b>

In 2021, Medair started an emergency response in Ethiopia through a partnership with Dorcas organization.

Swiss Solidarity, Swiss Agency for Development and Cooperation and Medair France income amounts, also included in the country table above, are as follow:

USD	2021	2020
Swiss Solidarity	2,942,356	1,781,039
Swiss Agency for Development and Cooperation	5,005,037	4,960,755
Medair France	675,055	343,636

## MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATMENTS FOR THE YEAR ENDED 2021

### 17. Gifts-in-kind

Gifts-in-kind are an integral part of Medair's humanitarian programme. The breakdown of gifts-in-kind activity by country is presented below.

USD	2021	2020
Afghanistan	178,606	161,745
Bangladesh	1,832,943	2,195,507
DR Congo	89,364	47,172
Middle East Regional Programme	3,781,328	1,894,889
Madagascar	73,738	33,787
Somalia	425,641	415,943
South Sudan	600,601	1,372,917
Other	1,149	
<b>TOTAL</b>	<b>6,983,370</b>	<b>6,121,960</b>

### Volunteer network

Medair is assisted in its administrative activities in Switzerland by a network of volunteers. These people help with professional work and administrative tasks in the office, at promotional events, and in the conduct of the Relief and Recovery Orientation Course (ROC).

Volunteers	2021	2020
Hours served	6,932	6,970
Equivalent days	867	871

### 18. Other income

Other income consists of: fees for service, training fees for our Relief and Recovery Orientation Course (ROC), sale of Medair equipment to Medair staff or other NGO (when closing a programme or handing over some activities), membership fees to the Medair association, and other miscellaneous income.

### 19. Humanitarian expense

Humanitarian expense is the total cost of providing goods and services to Medair's beneficiaries. It includes the costs of implementing these humanitarian programmes, such as project staff, food and living costs, communication and energy equipment, vehicles, transportation and storage of materials, and logistical and financial expenses. It also includes the research, preparation, planning, selection, follow-up and control of these humanitarian programmes provided by the headquarters in Ecublens, Switzerland.

Programme expense is the total humanitarian cost plus a contribution toward indirect cost. The budget of each humanitarian programme includes a 15% contribution to support the administrative costs of Medair. This cost is not reported with humanitarian expense, but is included in the term programme expense in the Consolidated Statement of Changes in Capital and Funds.

The following table presents only the humanitarian expense by country.

# MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATMENTS FOR THE YEAR ENDED 2021

2021										
USD	Humanitarian expense									
	Sectors	Personnel	Travel	Admin	Maintenance	Depreciation	Other expenses	Total	Support expenses	Total
Afghanistan	1,958,045	2,005,823	70,091	89,333	20,196	20,439	400,474	4,564,402	301,734	4,866,136
Bangladesh	2,838,430	1,679,652	21,989	181,433	7,026	-	498,587	5,227,119	345,543	5,572,662
DR Congo	3,646,669	4,953,527	161,499	142,446	75,132	51,645	1,013,975	10,044,892	664,026	10,708,918
Ethiopia	105,447	236,917	26,192	83,336	35	-	102,508	554,435	36,651	591,086
Honduras	151,806	166,754	18,067	8,440	-	-	10,205	355,272	23,486	378,758
Madagascar	516,434	658,310	49,733	54,974	14,184	-	376,820	1,670,456	110,427	1,780,883
Middle East Regional Programme	16,622,272	8,810,749	105,599	658,684	46,235	18,192	2,192,112	28,453,845	1,880,965	30,334,810
Somalia	2,989,294	1,468,463	49,578	222,131	15,894	-	558,302	5,303,662	350,603	5,654,265
Sudan	451,664	790,028	45,556	84,963	6,565	13,857	218,343	1,610,975	106,495	1,717,470
South Sudan	3,274,145	7,551,093	449,089	345,457	262,398	133,371	2,342,162	14,357,714	949,129	15,306,843
Closed country programmes	-5,404	8,472	87	20,705	-	-	3,144	27,003	1,785	28,788
<b>TOTAL</b>	<b>32,548,803</b>	<b>28,329,788</b>	<b>997,480</b>	<b>1,891,902</b>	<b>447,666</b>	<b>237,503</b>	<b>7,716,633</b>	<b>72,169,775</b>	<b>4,770,843</b>	<b>76,940,618</b>

2020										
USD	Humanitarian expense									
	Sectors	Personnel	Travel	Admin	Maintenance	Depreciation	Other expenses	Total	Support expenses	Total
Afghanistan	2,735,441	2,311,723	111,657	135,721	42,271	28,984	469,482	5,835,280	270,995	6,106,275
Bangladesh	2,856,404	1,597,259	36,599	134,418	5,255	-	448,134	5,078,069	235,829	5,313,898
DR Congo	7,544,134	6,359,742	194,703	119,765	171,883	113,808	1,908,555	16,412,590	762,213	17,174,803
Honduras	47,785	65,244	9,359	11,224	-	-	8,645	142,257	6,607	148,864
Madagascar	514,482	461,196	44,520	15,541	15,457	-	168,676	1,219,872	56,652	1,276,524
Middle East Regional Programme	13,066,843	10,886,226	183,255	1,375,882	79,975	7,398	3,017,834	28,617,413	1,329,014	29,946,427
Philippines	-	-	-	-	-	-	-	-	-	-
Somalia	3,082,831	1,534,629	42,305	67,471	10,353	-	643,362	5,380,951	249,895	5,630,846
Sudan	11,496	194,274	22,218	12,951	54	-	43,596	284,588	13,217	297,805
South Sudan	5,106,702	8,768,507	428,703	215,227	276,244	200,391	1,923,081	16,918,854	785,724	17,704,578
Closed country programmes	11	2,554	1	4,039	-	-	113,837	120,441	5,593	126,034
<b>TOTAL</b>	<b>34,966,129</b>	<b>32,181,354</b>	<b>1,073,319</b>	<b>2,092,240</b>	<b>601,493</b>	<b>350,581</b>	<b>8,745,201</b>	<b>80,010,316</b>	<b>3,715,739</b>	<b>83,726,055</b>

## 20. Administrative expense

Administrative expenses include the cost of the Medair office in Switzerland. These costs consist of general management costs including human resources, operations and logistics, finance, as well as communications and fundraising costs. Please refer to note 21 for the details.

## 21. Operating expense

These expense categories are presented for information only. They present a functional breakdown of operating expenses rather than the activity-based presentation of the financial statements.

2021					
USD	Humanitarian expense		Administrative expense		Total Operating expense
	Direct	Support	General management	Fundraising	
Sectors	32,548,803	-	-	-	32,548,803
Personnel	28,329,788	4,494,451	2,669,661	1,070,499	36,564,399
Travel & representation	997,480	49,619	29,473	11,818	1,088,390
Admin	1,891,902	226,773	1,360,462	54,013	3,533,150
Maintenance	447,666	-	4,065	-	451,731
Depreciation	237,503	-	147,650	-	385,153
Other	7,716,633	-	722,787	-	8,439,420
Fundraising direct	-	-	-	734,140	734,140
<b>TOTAL</b>	<b>72,169,775</b>	<b>4,770,843</b>	<b>4,934,099</b>	<b>1,870,471</b>	<b>83,745,188</b>



## MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATMENTS FOR THE YEAR ENDED 2021

2020					
USD	Humanitarian expense		Administrative expense		Total Operating expense
	Direct	Support	General management	Fundraising	
Sectors	34,966,129	-	-	-	34,966,129
Personnel	32,181,354	3,479,994	2,723,474	1,361,737	39,746,559
Travel & representation	1,073,319	56,468	44,192	22,096	1,196,075
Admin	2,092,240	179,277	1,570,320	70,152	3,911,988
Maintenance	601,493	-	-	484,609	1,086,102
Depreciation	350,581	-	215,909	-	566,491
Other	8,745,201	-	7,104	-	8,752,305
Fundraising direct	-	-	68,187	-	68,187
<b>TOTAL</b>	<b>80,010,316</b>	<b>3,715,739</b>	<b>4,629,186</b>	<b>1,938,594</b>	<b>90,293,835</b>

The above figures are showing the separation of the Humanitarian Expenses and Administrative Expenses, and then the separation between the General management expenses and the Fundraising expenses. All those figures have been calculated on the basis of the ZEWO latest methodology for evaluating and showing those different categories of costs

### 22. Contingent liabilities

During the normal course of its activities, Medair is exposed to potential claims. As at 31<sup>st</sup> December 2021, the Executive Leadership Team had not identified potential claims which could lead to a significant exposure.

### 23. Remuneration of the Executive Leadership Team

During 2021, Medair had height members of the Executive Leadership Team; there were seven members in 2020. The total gross salary paid to this leadership team in 2021 was USD 1,007,796 compared to a 2020 total of USD 987,800.

### 24. Remuneration of the International Board of Trustees

Members of the International Board of Trustees of Medair (Switzerland) volunteered their time in 2021, receiving no salary. Board members are allowed to submit effective out-of-pocket expenses for reimbursement. The totals costs of reimbursement during 2021 amounted to USD 4'177 (2020: USD 8'749). The Board Chair received reimbursement of USD 1'304 during 2021 (2020: USD 1'067).

### 25. Auditors' remuneration

The fees paid to the auditor of these financial statements during 2021 amounted to USD 140'810 (2020: USD 142,625) and relate to the statutory audit of Medair and its consolidated financial statements as well as related assurance reports for grant donors. Other project-specific or grant-specific assurance assignments have been undertaken by other audit firms at the request of other grant donors during the year.

### 26. Full-time staff of Medair

Full-time equivalents – The annual average number of full-time equivalents for the reporting year, as well as the previous year, exceeded 250.

### 27. Subsequent Events

There are no material events occurring after the reporting period that have an impact on the book value of assets and liabilities presented or to be published in the Financial Statements.