



Report on Financial Performance 2022

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 the CEO in this responsibility. International Board of Trustees and Executive Leadership Team members as of 31 December 2022 are presented below. ■

INTERNATIONAL BOARD OF TRUSTEES

(as of 31 December 2022)

- **James Featherby**, Chair
- **Fraser Bell**, Vice Chair
- **Jean-Claude Gottraux**, Treasurer
- **Rachel Forster**, Member
- **Anne Headon**, Member
- **Samson Kambarami**, Member
- **Benoit Mandosse**, Member
- **Thabani Maphosa**, Member
- **David Masua**, Member
- **Chidi Okpala**, Member
- **Elizabeth Uriyo**, Member
- **Peter Wilson**, Member

EXECUTIVE LEADERSHIP TEAM

(as of 31 December 2022)

- **David Verboom**
CEO
- **Anne Reitsema**
International Programmes Director
(now Medair CEO)
- **Adeola Akintoye**
Finance Director
- **Patrick Beringer**
Executive Office & Legal Director
- **Heidi Cockram**
Information Technology Services Director
- **Cynthia Labi**
Human Resource Director
- **Jean-Bernard Palthey**
Engagement Director



Anne Reitsema
Chief Executive Officer (2023)

To the Board of Trustees of
Medair, Ecublens

Lausanne, 30 May 2023

Report of the statutory auditor

Report on the audit of the consolidated financial statements



Opinion

We have audited the consolidated financial statements of Medair and its affiliates (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated income statement, the consolidated cash flow statement and the consolidated statement of changes in capital and funds for the year ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. According to the Swiss GAAP FER 21, the Performance report is not subject to 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 Group as at 31 December 2022 and of its consolidated financial performance and its consolidated cash flows for the year ended in accordance with Swiss GAAP FER and comply with Swiss law.



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 consolidated financial statements” section of our report. We are independent of the Group 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.



Other information

The Board of Trustees is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor’s reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Trustees' responsibilities for the consolidated financial statements

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

In preparing the consolidated financial statements, the Board of Trustees is responsible for assessing the Group'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 Board of Trustees either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

Report on other legal and regulatory requirements



In accordance with Art. 69b CC in relation 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 the consolidated 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)



Denada Cenko

Audited Consolidated Financial Statements as at 31st December 2022

(All figures shown are in USD)

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2022

(All figures shown are in USD)

	Note	<u>December 31, 2022</u>	<u>December 31, 2021</u>
		USD	USD
ASSETS			
CURRENT ASSETS			
Cash and bank accounts	6	10,386,500	10,143,332
Donor receivables	7	15,141,717	11,450,560
Other receivables	7	373,401	430,649
Inventory		72,409	62,896
Prepayments		<u>1,617,079</u>	<u>1,508,137</u>
		27,591,106	23,595,574
LONG-TERM ASSETS			
Financial assets	9	2,794,502	2,668,813
Capital assets	10	<u>731,609</u>	<u>418,347</u>
		3,526,111	3,087,160
TOTAL ASSETS		<u>31,117,217</u>	<u>26,682,734</u>
LIABILITIES, FUNDS, AND CAPITAL			
CURRENT LIABILITIES			
Accounts payable	12	2,000,141	1,582,609
Donor payables		36,304	6,952
Short-term debt		617,609	1,151,278
Accrued liabilities		1,675,257	2,236,661
Deferred revenue	11	7,181,985	6,590,252
Provisions	13	3,686,051	3,726,767
End-of-contract benefits	14	<u>384,471</u>	<u>285,346</u>
		15,581,818	15,579,865
LONG-TERM LIABILITIES			
Long-term debt		-	-
End-of-contract benefits	14	<u>539,737</u>	<u>318,290</u>
		539,737	318,290
TOTAL LIABILITIES		<u>16,121,555</u>	<u>15,898,155</u>
RESTRICTED FUNDS			
Restricted income funds	2.15	888,122	968,937
Restricted programme funds		<u>1,448,075</u>	<u>563,353</u>
		2,336,197	1,532,290
CAPITAL/UNRESTRICTED FUNDS			
Unrestricted capital	2.16		
Allocated capital		<u>12,659,465</u>	<u>9,252,289</u>
Administrative fund		2,011,797	1,320,000
Capital equipment fund		500,000	418,347
Foreign exchange fund		500,000	500,000
Liquidity reserves fund		2,375,087	2,375,087
Continuity reserves fund		7,227,458	4,593,732
Training fund		45,123	45,123
		12,659,465	9,252,289
TOTAL FUNDS AND CAPITAL		<u>14,995,662</u>	<u>10,784,579</u>
TOTAL LIABILITIES FUNDS, AND CAPITAL		<u>31,117,217</u>	<u>26,682,734</u>

INCOME STATEMENT

31ST DECEMBER 2022

(All figures shown are in USD)

	Note	December 31, 2022	December 31, 2021
		Total	Total
OPERATING INCOME			
Grants (Restricted)		78,796,513	63,008,936
<i>Institutional Grants</i>		<i>59,080,686</i>	<i>54,389,766</i>
<i>Other Grants</i>		<i>19,715,827</i>	<i>8,619,170</i>
Private Donations		20,171,253	13,026,393
<i>Unrestricted</i>		<i>10,031,482</i>	<i>5,458,164</i>
<i>Restricted</i>		<i>10,139,771</i>	<i>7,568,229</i>
Gifts-in-kind	17	6,057,164	6,983,370
Other income	18	261,734	404,925
<i>Unrestricted</i>		<i>190,874</i>	<i>222,141</i>
<i>Restricted</i>		<i>70,860</i>	<i>182,784</i>
	16	105,286,664	83,423,624
OPERATING EXPENSE			
Humanitarian expense	19	-91,242,937	-76,940,618
Administrative expense	20	-7,825,831	-6,804,570
	21	-99,068,768	-83,745,188
OPERATING RESULT		6,217,896	-321,564
FINANCIAL RESULT			
Financial income		88,163	47,353
Financial expense		-46,417	-41,000
Realised gain/(loss) on exchange		-2,013,684	552,038
Unrealised gain/(loss) on exchange		-34,875	-223,832
		-2,006,813	334,559
RESULT BEFORE EXTRAORDINARY INCOME		4,211,083	12,995
Extraordinary income		-	-
RESULT BEFORE CHANGE IN FUNDS		4,211,083	12,995
FUND ALLOCATIONS			
Withdrawal from/(allocated to) restricted funds		-803,907	241,267
ANNUAL RESULT BEFORE ALLOCATION TO CAPITAL		3,407,176	254,262
Allocated to/(withdrawal from) unrestricted funds		-3,407,176	-254,262
RESULT AFTER ALLOCATION		-	-

CASH FLOW STATEMENT

31ST DECEMBER 2022

(All figures shown are in USD)

		<u>2022</u>	<u>2021</u>
CASH FLOW FROM OPERATIONS			
Result before change in funds		4,211,083	12,995
Depreciation	2.10	181,362	385,153
(Increase)/decrease in donor receivables	2.6	-3,691,157	234,202
(Increase)/decrease in other receivables	2.6	57,248	-220,650
(Increase)/decrease in inventory	2.7	-9,513	-14,715
(Increase)/decrease in prepayments	2.8	-108,942	-254,776
Increase/(decrease) in deferred revenue		591,733	474,271
Increase/(decrease) in donor payables		29,352	-280,520
Increase/(decrease) in accounts payable	2.11	417,532	-107,355
Increase/(decrease) in accrued liabilities	2.12	-561,404	-1,433,427
Increase/(decrease) in end-of-contract benefits	2.14	320,572	1,775
Increase/(decrease) in provisions	2.13	-40,716	627,058
		<u>1,397,150</u>	<u>-575,989</u>
CASH FLOW FROM INVESTING ACTIVITIES			
(Investments)/disposals in financial assets		-125,689	-1,472,419
(Investments) in capital assets		-503,701	-705,330
Disposals in capital assets		9,077	542,574
		<u>-620,313</u>	<u>-1,635,175</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Increase/(decrease) in short-term debt		-533,669	1,151,278
Increase/(decrease) in long-term debt		-	-2,229,204
		<u>-533,669</u>	<u>-1,077,926</u>
CHANGES IN CASH		243,168	-3,289,090
CHANGE IN CASH BALANCES			
Opening balance		10,143,332	13,432,422
Closing balance		<u>10,386,500</u>	<u>10,143,332</u>
CHANGES IN CASH		243,168	-3,289,090

STATEMENT OF CHANGES IN CAPITAL AND FUNDS 2022

(All figures shown are in USD)

	Note	Opening balance	Allocation to / Income	Financial gain/(loss)	Internal Fund transfers	Withdrawal from	Closing balance
RESTRICTED FUNDS	2.15						
Restricted income funds							
COVID19 response fund		-	5,000		-4,250	-	750
Disaster risk management fund		-	-			-	-
Emergency response fund		867,023	755,150		-1,101,612 b)	-5,240	515,321
East Africa famine		1,474	2,620		-4,094	-	-
Innovation in Aid Fund		-	-			-	-
Health & nutrition fund		77,148	717,310		-422,343	-64	372,051
Refugee Aid Fund		195	-		-195	-	-
Rohingya crisis fund		-	161		-161	-	-
Shelter & infrastructure fund		-	-			-	-
WASH fund		12,553	6,501		-19,054	-	-
Women & Children Fund		10,544	7,080		-17,624	-	-
		968,937	1,493,822		-1,569,333	-5,304	888,122
Restricted programme funds							
Afghanistan		386,108	8,631,351		62,307	-9,078,133	1,633
Bangladesh		-	542,916	7,990	8,068	-558,974	-
D.R. Congo		-	11,677,999		361,678	-12,039,677	-
Ethiopia		-	161,682		33,309	-194,991	-
Kenya		-	19,854		221,021	-36,781	204,094
Madagascar		-	4,647,677		43,865	-4,691,542	-
Middle East Regional Programme		177,245	28,569,320	1,397	21,874	-28,768,587	1,249
Somalia		-	6,780,498		71,693	-6,852,136	55
South Sudan		-	16,907,303		497,367	-17,403,170	1,500
Sudan		-	3,056,582		244,853	-3,301,435	-
Shared Support Center		-	5			-5	-
Ukraine		-	12,575,299	618		-11,336,373	1,239,544
Closed country programmes		-	-	22,566	3,298 b)	-25,864	-
		563,353	93,570,486	32,571	1,569,333	-94,287,668	1,448,075
TOTAL RESTRICTED FUNDS		1,532,290	95,064,308	32,571	-	-94,292,972	2,336,197
CAPITAL/UNRESTRICTED FUNDS	2.16						
Unrestricted capital							
Undesignated funds		-	10,031,482		-5,898,048	-4,133,434	-
Allocated capital							
Administrative fund		1,320,000	190,874	40,818	1,032,700 a)	-572,595	2,011,797
Capital equipment fund		418,347	-	-31,643	183,063	-69,767	500,000
Foreign exchange fund		500,000	-	-2,048,559	2,048,559	-	500,000
Liquidity reserves fund		2,375,087	-		-	-	2,375,087
Continuity reserves fund		4,593,732	-		2,633,726	-	7,227,458
Training fund		45,123	-		-	-	45,123
Total allocated capital		9,252,289	190,874	-2,039,384	5,898,048	-642,362	12,659,465
TOTAL UNRESTRICTED FUNDS		9,252,289	10,222,356	-2,039,384	-	-4,775,796	12,659,465
TOTAL CHANGES IN CAPITAL AND FUNDS		10,784,579	105,286,664	-2,006,813	-	-99,068,768	14,995,662

Note

- a) This is a net number after the country programmes's contribution to overheads administrative costs.
b) Some final adjustments on closed country programmes booked in 2022 have been covered by our Emergency Response Fund.

STATEMENT OF CHANGES IN CAPITAL AND FUNDS 2021

(All figures shown are in USD)

	Note	Opening balance	Allocation to / Income	Financial gain/(loss)	Internal Fund transfers	Withdrawal from	Closing balance
RESTRICTED FUNDS	2.15						
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
		507,981	828,924		-220,403	-147,565	968,937
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	-
		1,265,576	76,913,482	-69	220,403	-77,836,039	563,353
TOTAL RESTRICTED FUNDS		1,773,557	77,742,406	-69	-	-77,983,604	1,532,290
CAPITAL/UNRESTRICTED FUNDS	2.16						
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
Total allocated capital		8,998,027	223,054	334,628	1,711,552	-2,014,972	9,252,289
TOTAL UNRESTRICTED FUNDS		8,998,027	5,681,218	334,628	-	-5,761,584	9,252,289
TOTAL CHANGES IN CAPITAL AND FUNDS		10,771,584	83,423,624	334,559	-	-83,745,188	10,784,579

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.

MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2022

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 31st December 2022 were authorised for public release in accordance with a resolution of the Board of Trustees on May 30th, 2023.

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)

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

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 2022

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 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 2021, 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 2021.

In 2022, Medair has concluded that Medair US affiliate is the unique entity of the Medair group of organisations that meets the minimum threshold for full consolidation. For the remaining affiliates, Medair concluded that they do not meet the minimum threshold and are not consolidated.

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 2022

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	2022	2021
Closing exchange rate	1.08178	1.09553
Average exchange rate	1.04888	1.09733

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 2022

2.10. Capital 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 employees on national contracts in several of our country 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 2022

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 in country programmes.
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.

Unrestricted capital

Undesignated funds	Private donations that are not designated to a specific programme or cause by the donor.
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MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2022

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 country 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.

2.18. Gifts-in-kind

Medair receives donations in kind in country programmes, primarily in the form of free use of goods (drugs, medical supplies, hygiene kits etc.). They 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.

MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2022

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 33 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.

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 3,245,000). 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 2022, nor in prior years.

MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2022

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 3,245,000). 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 2022 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	31/12/2022	31/12/2021
Country programmes	3,686,735	2,215,875
Headquarters & Med US	6,699,765	7,927,457
TOTAL	10,386,500	10,143,332

7. Donor receivables and Other receivables

Donor receivables (USD)	31/12/2022	31/12/2021
Government partners	13,788,667	9,392,025
Humanitarian partners	1,353,050	2,058,535
TOTAL	15,141,717	11,450,560
Other receivables (USD)	31/12/2022	31/12/2021
General debtors	329,337	344,302
Foundations and affiliates	44,064	86,347
TOTAL	373,401	430,649

Donor receivables: the increase of the balance at 31.12.2022 vs previous year is due to the significant programming expenses incurred over the last 2 months of the 2022 year, mainly due to the Ukraine response.

General debtors: the debit balances at 31.12.2022 relating to Swiss social security benefits (AVS, AC, LAA, IJM etc.) are presented in Other Receivables (same as 31.12.2021).

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.

MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2022

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

Currency	31/12/2022	31/12/2021
BDT	-	37,562,498
CAD	140,334	1,050,193
CHF	7,684,883	3,138,274
EUR	7,630,644	8,459,643
GBP	460,711	1,240,810
MGA	1,698,671,298	1,705,332,550
NZD	82,231	100,354
SDG	36,638,963	-
SEK	915,944	934,029
USD	33,661,000	23,693,044
Total equivalent in USD	51,393,462	40,283,951

The expected revenue (income) in equivalent USD is as follows, detailed by country programme:

	Contingent assets balance at 31.12.22	Anticipated revenue stream: 2023	Anticipated revenue stream: 2024	Anticipated revenue stream: 2025
AFG	5,197,432	5,197,432	0	0
COD	14,860,191	10,216,222	4,643,969	0
JOR	2,801,737	2,801,737	0	0
KEN	628,679	441,785	186,894	0
LBN	2,463,523	2,463,523	0	0
MDG	980,247	980,247	0	0
SDN	647,934	647,934	0	0
SDS	9,872,163	8,402,913	1,264,664	204,586
SOM	4,038,166	4,038,166	0	0
SYR	2,728,085	2,728,085	0	0
UKR	2,514,196	2,514,196	0	0
YEM	4,661,109	4,523,899	118,118	19,093
Total in USD	51,393,462	44,956,139	6,213,644	223,679

The related budgetary obligations are considered as contingent liabilities.

9. Financial assets

Medair has signed 3 loan agreements with Medair Invest in Aid: one loan of 1,000,000 USD bearing interest rate of 3.00% per annum, and two loans for a total of 1,500,000 USD bearing interest rate of 1.50% per annum. The balance at 31.12.2022 includes the 2022 interests for a total of 53,229 USD, which will be paid by Medair Invest in Aid beginning of 2023.

USD	2022	2021
Medair Invest in Aid loan	2,553,229	2,500,000
Guarantee deposits	188,930	114,033
Foundation deposits	52,343	54,780
Total	2,794,502	2,668,813

MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2022

10. Capital assets

2022							
USD	Asset group	IT	Other	HQ leasehold	Vehicles	Assets under construction	Total
Total	Opening book value	179,152	40,214	134,396	64,585	-	418,347
Assets	Closing balance 31.12.21	1,725,927	476,402	550,172	3,310,651	-	6,063,152
	Opening balance 1.1.22	1,725,927	476,402	550,172	3,310,651	-	6,063,152
	2022 reclass	-37,300		17,300		20,000	-
	2022 additions	10,815	9,720			483,166	503,701
	2022 disposals	-929,009	-32,266	-412,647			-1,373,922
	Closing balance 31.12.22	770,433	453,856	154,825	3,310,651	503,166	5,192,931
Accumulated depreciation	Closing balance 31.12.21	-1,546,775	-436,188	-415,776	-3,246,066		-5,644,805
	Opening balance 1.1.22	-1,546,775	-436,188	-415,776	-3,246,066		-5,644,805
	2022 reclass	-6,864	6,864				-
	2022 disposals	920,791	31,407	412,647			1,364,845
	2022 depreciation	-36,902	-54,973	-34,346	-55,141		-181,362
	Closing balance 31.12.22	-669,750	-452,890	-37,475	-3,301,207		-4,461,322
Total	Closing book value	100,683	966	117,350	9,444	503,166	731,609

Total assets net book value at 31.12.2022 is 731,609 USD.

The assets under construction correspond to the new accounting system Unit 4 ERPX implementation for 463,166 USD and to the data migration project (Box to Sharepoint) for 40,000 USD.

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

MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2022

11. Deferred revenue

USD	2022	2021
Afghanistan	1,616,758	662,214
Bangladesh	-	254,439
DR Congo	922,632	583,278
Kenya	228,955	-
Madagascar	252,495	593,720
Middle East Regional Programme	1,542,772	3,246,891
Somalia	450,008	258,593
South Sudan	314,901	667,925
Sudan	63,502	323,193
Ukraine	1,789,962	-
TOTAL	7,181,985	6,590,252

12. Accounts payable

Accounts payable consist of vendor payables, staff payable, and Medair foundation and affiliate payable. Within Staff payable, there is an amount of 528,037 USD towards the employees on international contract, related to end of contract benefit.

Payables (USD)	31/12/2022	31/12/2021
Vendors payable	1,009,988	797,399
Foundation and affiliate creditors	373,050	144,364
Staff payable	617,103	640,846
TOTAL	2,000,141	1,582,609

13. Provisions

USD	31/12/2022	31/12/2021
Opening balance	3,726,767	3,099,709
Additions	175,155	1,616,435
Utilisations	-215,871	-950,846
Dissolutions	-	-38,531
Closing balance	3,686,051	3,726,767

These provisions relate mainly to the Negotiated Indirect Cost Rate Agreement (NICRA) with USAID and BPRM, and to a blocked bank account in the DR Congo programme.

The total provision relating to the Negotiated Indirect Cost Rate Agreement (NICRA) with USAID amounts to 3,373,738 USD, out of which 2,283,263 USD will be paid back to USAID by end of February 2023.

14. End-of-contract benefits

These liabilities consist of end-of-contract benefits for Nationally Recruited Staff in several Medair country 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 42% of the balance. This amounts to 924'208 USD as at 31st December 2022 (603'636 USD as at 31st December 2021).

MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2022

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	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021			2022	2021
Pension institutions without surplus/deficit	-	-	-	-	-	900,317	900,317	857,037

The insurance is provided by Patrimonia Foundation for all employees at the Swiss headquarters and Swiss expatriates serving in country programme locations. Other internationally recruited staff do not benefit from the pension plan. During 2022, there has been no Swiss expatriate covered by the plan (one in 2021).

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	2022	2021
Afghanistan	8,693,658	5,592,164
Bangladesh	550,984	5,395,056
DR Congo	12,739,641	11,550,159
Ethiopia	194,991	627,971
Honduras	-	404,113
Kenya	240,875	-
Madagascar	4,891,473	1,890,668
Middle East Regional Programme	31,251,552	31,425,288
Somalia	6,852,191	5,989,103
South Sudan	17,500,413	16,466,106
Sudan	3,776,318	1,810,174
Ukraine	12,575,299	-
Closed country programmes & Other	5,858	51,172
Switzerland	6,013,411	2,221,650
TOTAL	105,286,664	83,423,624

In 2022, Medair started an emergency response in Ukraine, operating from Poland and in Ukraine, and an emergency response in Kenya, following the prolonged drought in the north of the country. In May 2022, Medair closed its activities in Bangladesh and Ethiopia.

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

USD	2022	2021
Swiss Solidarity	4,541,553	2,942,356
Swiss Agency for Development and Cooperation	4,607,556	5,005,037
Medair France	750,102	675,055

MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2022

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. Amounts in category “Other” relate to accounting adjustments or in-kind donations not restricted to any specific country.

USD	2022	2021
Afghanistan	503,760	178,606
Bangladesh	2,526	1,832,943
DR Congo	-	89,364
Middle East Regional Programme	3,534,788	3,781,328
Madagascar	128,172	73,738
Somalia	214,064	425,641
South Sudan	1,007,239	600,601
Ukraine	680,151	-
Other	-13,536	1,149
TOTAL	6,057,164	6,983,370

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).

	2022	2021
Volunteers		
Hours served	1,117	6,932
Equivalent days	140	867

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 populations Medair is serving. 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.

MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2022

The following table presents only the humanitarian expense by country.

2022										
USD	Humanitarian expense									
	Sectors	Personnel	Travel	Admin	Maintenance	Depreciation	Other expenses	Total	Support expenses	Total
Afghanistan	4,201,784	2,709,173	107,449	189,567	47,918	11,923	685,823	7,953,637	419,587	8,373,224
Bangladesh	88,561	250,339	8,001	64,374	2,882	-	102,905	517,061	27,277	544,338
DR Congo	4,486,127	4,999,280	215,070	117,432	139,476	7,394	1,119,613	11,084,392	584,747	11,669,139
Ethiopia	90,491	49,864	5,105	25,727	154	-	-1,903	169,438	8,939	178,377
Kenya	-	18,793	307	4,291	106	-	8,531	32,028	1,690	33,718
Madagascar	1,946,024	1,302,530	151,248	77,367	41,857	-	796,112	4,315,138	227,641	4,542,779
Middle East Regional Programme	15,779,734	9,003,271	140,766	515,087	64,322	16,775	2,368,059	27,888,015	1,500,427	29,388,442
Somalia	3,612,214	1,550,585	46,672	110,379	19,519	-	648,909	5,988,278	315,906	6,304,184
Sudan	1,728,136	1,024,401	52,655	50,852	8,157	15,228	433,785	3,313,215	174,786	3,488,001
South Sudan	4,575,655	7,387,758	527,851	330,184	224,072	60,296	2,230,622	15,336,438	809,060	16,145,498
Ukraine	6,203,336	2,329,359	85,108	413,585	6,768	-	966,930	10,005,085	546,426	10,551,511
Closed country programmes	-	432	0	21,409	-	-	696	22,538	1,189	23,727
TOTAL	42,712,062	30,625,786	1,340,233	1,920,255	555,229	111,616	9,360,083	86,625,263	4,617,674	91,242,937

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	-	588,302	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
TOTAL	32,548,803	28,329,788	997,480	1,891,902	447,666	237,503	7,716,633	72,169,775	4,770,843	76,940,618

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.

2022					
USD	Humanitarian expense		Administrative expense		Total Operating expense
	Direct	Support	General management	Fundraising	
Sectors	42,712,062	-	-	-	42,712,062
Personnel	30,625,786	4,310,087	3,579,943	1,177,272	39,693,088
Travel & representation	1,340,233	163,309	135,644	44,607	1,683,792
Admin	1,920,255	144,278	1,773,908	39,409	3,877,850
Maintenance	555,229	-	7,060	-	562,289
Depreciation	111,616	-	69,747	-	181,363
Other	9,360,083	-	308,814	-	9,668,898
Fundraising direct	-	-	-	689,427	689,427
TOTAL	86,625,263	4,617,674	5,875,116	1,950,715	99,068,768

MEDAIR, ECUBLENS, SWITZERLAND— NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2022

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
TOTAL	72,169,775	4,770,843	4,934,099	1,870,471	83,745,188

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 ZEW0 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 31st December 2022, the Executive Leadership Team had not identified potential claims which could lead to a significant exposure.

Medair has committed to support the creation and the activities of a new affiliate in South Korea for a total funding of 500'000 USD in aggregate from 2023 to 2024.

23. Remuneration of the Executive Leadership Team

During 2022, Medair had seven members of the Executive Leadership Team; there were eight members in 2021. The total gross salary paid to this leadership team in 2022 was 916,315 USD compared to a 2021 total of 1,007,796 USD.

24. Remuneration of the International Board of Trustees

Members of the International Board of Trustees of Medair (Switzerland) volunteered their time in 2022, receiving no salary. Board members are allowed to submit effective out-of-pocket expenses for reimbursement. The totals costs of reimbursement during 2022 amounted to 8'040 USD (2021: 4'177 USD). The Board Chair received reimbursement of 4'080 USD during 2022 (2021: 1'304 USD).

25. Auditors' remuneration

The fees paid to the auditor of these financial statements during 2022 amounted to 182'692 USD (2021: 140,810 USD) 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.