

# Annual Financial Statement

2021

Partnerships for Health



**SOLIDAR  
MED**

**Thanks to SolidarMed, a total  
of over 2.5 million people in  
some of the world's poorest regions  
received better healthcare.**



# Effective programme work and growing support



**Elisabeth Meier-Birchmeier**  
Head of HR & Finance

SolidarMed achieved a pleasing set of annual results amid the challenges of the second year of the Covid-19 pandemic. Expenditure in partner countries passed the CHF 10 million mark for the first time in 2021. At 10.2 million (up by CHF 730,300 year-on-year), our activities were once again expanded for people in urgent need of medical assistance in our project regions.

Thanks to our many partners, donors and supporters, we managed to increase our purpose-specific income (including contributions from the public sector and organisations) in 2021 by CHF 444,160 year-on-year, while non-designated donations increased by CHF 58,000, taking total income to CHF 12.7 million.

In 2021, some CHF 342,000 of purpose-specific donations were made for subsequent years and were set aside in the purpose-specific fund capital for future use.

The encouraging stock market performance in 2021 allowed a gain of CHF

316,000, of which CHF 300,000 was set aside in the currency fluctuation fund. This fund enables SolidarMed to cover any losses from securities in a bad year for the stock market.

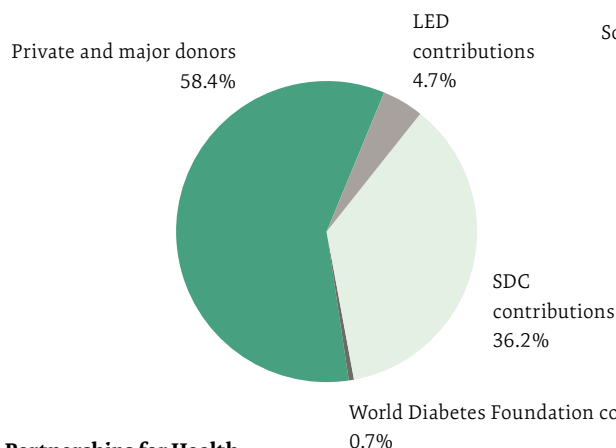
Organisation capital funds 1-3 decreased by a total of CHF 228,900. These funds were withdrawn to finance projects and activities. At CHF 9.3 million at the end of 2021, the organisation capital is an appropriate financial reserve to protect against the most important risks. This would allow the programmes in the South to be effectively and sustainably continued in the event of unforeseeable events, such as fluctuating donations or additional, unexpected costs.

In 2021, the ZEWO Foundation renewed its quality seal for a further five years and confirmed that the cost of fundraising (13.9%) and of administration (2.9%) is low compared to other organisations. Of every CHF 100 donated, CHF 83.20 flowed into our programmes in 2021. ■

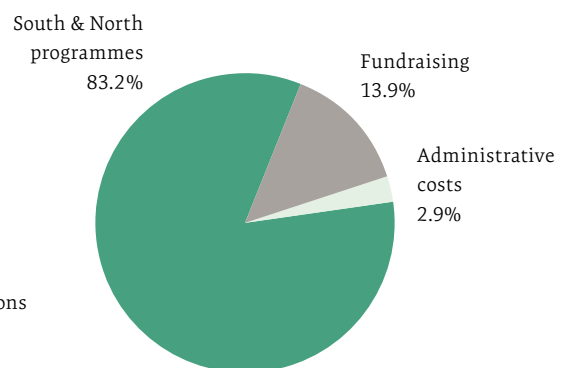
Please note: The annual financial statement including the auditor's report and annexes can be found at [solidarmed.ch](http://solidarmed.ch)



## Origin of funds 2021



## Use of funds 2021



## Auditors' report

Report of the statutory auditors to the general meeting of SolidarMed, Swiss Organisation for Health in Africa, 6005 Lucerne.

As per our contract as auditors, we examined the annual financial statement of SolidarMed, Swiss Organisation for Health in Africa, consisting of the balance sheet, income statement, cash flow statement, analysis of changes in capital and annexes on the fiscal year ending on 31 December 2021. In accordance with Swiss GAAP FER 21, the auditors are not required to examine the information presented in the performance report.

### Responsibilities of the Board

The Board is responsible for preparation of the annual financial statement in compliance with Swiss GAAP FER 21, the statutory requirements and articles of association. This responsibility includes the establishment, implementation and maintenance of an internal control system relevant to the preparation of an annual financial statement which is free of material misstatement, whether due to fraud or error. In addition, the Board is responsible for the selection and application of appropriate accounting policies and making reasonable accounting estimates.

### Responsibilities of the auditors

It is our responsibility to express an opinion on the annual financial statement on the basis of our audit. We conducted our audit in accordance with the Swiss audit standards. According to these standards, we are obliged to comply with the relevant ethical requirements and design and execute the audit in such a way as to provide reasonable assurance whether the annual financial statement is free of material misstatements.

An audit involves the performance of audit procedures to obtain audit evidence for the asset valuations and other disclosures contained in the annual financial statement. The selection of the audit procedures is subject to the dutiful discretion of the auditors. This includes an assessment of the risks of material misstatements in the annual financial statement as a result of fraud or error. In the risk assessment, the auditor reviews the internal control system where relevant to the preparation of the annual statement in order to design appropriate audit procedures. However, this is not for the purpose of expressing an opinion on the existence or effectiveness of the internal control system. We are of the opinion that the audit evidence we requested is sufficient and appropriate as a basis for our audit opinion.

This audit also includes an evaluation of the appropriateness of the accounting policies in use and the plausibility of the

accounting estimates made and an assessment of the overall presentation of the annual financial statement. We are of the opinion that the audit evidence we have obtained is sufficient and appropriate as a basis for our audit opinion.

### Audit opinion

In our opinion, the annual financial statement for the year which ended on 31 December 2021 provides a true and accurate picture of the assets and liabilities, financial position and income and expenses in accordance with Swiss GAAP FER 21 and complies with Swiss law and the SolidarMed articles of association.

We recommend that the annual financial statement presented here be approved.

Meggen, 31 March 2022

**ACORUS-TREUHAND AG**



**André Knüsel**

Registered audit expert  
Lead auditor

# Balance sheet as of 31.12.21

	2021		2020	
	CHF	%	CHF	%
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	7,542,924		7,730,676	
Assets held for trading at quoted market price	4,479,497		3,669,440	
Other short-term receivables	118,424		380,371	
Accounts receivable from projects (project advances)	67,680		36,045	
Prepaid expenses	49,415		29,301	
	<b>12,257,940</b>	<b>100</b>	<b>11,845,833</b>	<b>99.9</b>
<b>Fixed assets</b>				
Plant and equipment	2,801		13,102	
Other investments	1		1	
	<b>2,802</b>	<b>0.0</b>	<b>13,103</b>	<b>0.1</b>
<b>Total assets</b>	<b>12,260,742</b>	<b>100</b>	<b>11,858,936</b>	<b>100</b>
<b>Liabilities</b>				
<b>Short-term liabilities</b>				
Liabilities from sales and services	159,264		98,740	
Accrued expenses	205,611		274,438	
	<b>364,875</b>	<b>3.0</b>	<b>373,178</b>	<b>3.1</b>
<b>Long-term liabilities</b>				
Provisions	159,642		162,842	
	<b>159,642</b>	<b>1.3</b>	<b>162,842</b>	<b>1.4</b>
<b>Funds reserved for projects</b>				
SDC mandates/project contributions	638,587		2,649	
LED projects	131,481		641,015	
World Diabetes Foundation projects	76,108		0	
SolidarMed projects	1,533,713		1,394,092	
	<b>2,379,889</b>	<b>19.4</b>	<b>2,037,756</b>	<b>17.2</b>

	2021		2020	
	CHF	%	CHF	%
<b>Organisation capital</b>				
Share capital				
Paid-in capital and reserves	881,633		881,633	
Fixed capital				
Currency fluctuation fund	754,645		454,645	
Funds 3 (restricted funds): Aids&Kind	3,533,388		3,676,477	
Free capital				
Fund 1 - unrestricted funds	3,100,498		2,968,704	
Fund 2 - unrestricted funds	1,086,172		1,303,701	
	<b>9,356,336</b>	<b>76.3</b>	<b>9,285,160</b>	<b>78.3</b>
<b>Total liabilities</b>	<b>12,260,742</b>	<b>100</b>	<b>11,858,936</b>	<b>100</b>

## Income statement 1.1. – 31.12.21

### Income

#### Non-designated income

Donations, membership fees	1,615,876		1,491,784	
Legacies	22,000		87,547	
	<b>1,637,876</b>	<b>12.9</b>	<b>1,579,331</b>	<b>12.9</b>

#### Purpose specific income

SolidarMed projects	5,788,826		6,294,995	
	<b>5,788,826</b>	<b>45.5</b>	<b>6,294,995</b>	<b>51.6</b>

#### Public sector contributions/ organisations

SDC programme contribution	3,310,500		2,730,000	
SDC mandates/project contributions	1,293,602		840,617	
LED Zambia	593,069		764,150	
World Diabetes Foundation	87,925		0	
	<b>5,285,096</b>	<b>41.6</b>	<b>4,334,767</b>	<b>35.5</b>
Other income	<b>2,030</b>	<b>0.0</b>	<b>1,301</b>	<b>0.0</b>
<b>Total income</b>	<b>12,713,828</b>	<b>100</b>	<b>12,210,394</b>	<b>100</b>

	2021		2020	
	CHF	%	CHF	%
<b>Expenses</b>				
<b>South programme</b>				
Personnel expenses – project management	-788,538		-938,313	
Project visits	-11,231		-9,328	
Share of office costs (including IT), depreciation	-94,749		-57,839	
SolidarMed projects	-7,530,964		-7,033,882	
SDC mandates/project contributions	-886,269		-723,304	
LED projects Zambia	-967,197		-796,979	
World Diabetes Foundation projects	-11,044		0	
	<b>-10,289,991</b>	<b>81.6</b>	<b>-9,559,645</b>	<b>80.4</b>
<b>North programme</b>				
Personnel expenses	-182,400		-238,525	
Public relations	-5,495		-67,541	
Share of office costs (including IT), depreciation	-14,223		-29,893	
	<b>-202,117</b>	<b>1.6</b>	<b>-335,959</b>	<b>2.8</b>
<b>Fundraising</b>				
Personnel expenses	-667,989		-564,678	
Fundraising	-692,962		-679,081	
General material costs (including office costs/IT/depreciation)	-402,910		-321,745	
	<b>-1,763,860</b>	<b>13.9</b>	<b>-1,565,504</b>	<b>13.2</b>
<b>Administrative expenses</b>				
Personnel expenses	-253,757		-317,285	
Association work	-21,969		-9,332	
Office and administration expenses	-51,571		-47,269	
Travel and representation expenses	-5,794		-4,033	
Memberships	-6,680		-9,837	
Share of office costs (including IT), depreciation	-21,485		-35,615	
	<b>-361,256</b>	<b>2.9</b>	<b>-423,371</b>	<b>3.6</b>
<b>Total operating expenses</b>	<b>-12,617,224</b>	<b>100</b>	<b>-11,884,479</b>	<b>100</b>

	<b>2021</b>	<b>2020</b>
	CHF	CHF
<b>Operating result</b>	<b>96,604</b>	<b>325,915</b>
<b>Financial income</b>		
Income from interest and securities	370,346	185,325
Expenses for interest and securities	-53,641	-101,305
	<b>316,704</b>	<b>84,020</b>
<b>Extraordinary income</b>		
Extraordinary income	<b>0</b>	<b>32,310</b>
<b>Result before changes to project funds</b>	<b>413,308</b>	<b>442,244</b>
<b>Changes to restricted project funds</b>	<b>-342,133</b>	<b>-383,768</b>
<b>Annual result (before changes to organisational capital)</b>	<b>71,176</b>	<b>58,476</b>
Withdrawal from organisational capital	412,298	335,818
Allocation to paid-up and acquired capital	0	0
Allocation to Fund 1 - unrestricted funds	-183,474	-339,648
Allocation to currency fluctuation fund	-300,000	-54,645
<b>Total allocations/appropriations</b>	<b>-71,176</b>	<b>-58,476</b>
<b>Result after allocation to organisational capital</b>	<b>0</b>	<b>0</b>



## Cash flow statement as of 1.1. – 31.12.21

	2021	2020
	CHF	CHF
<b>1. Cash flow from operating activities</b>		
Annual result (before changes to organisation capital)	71,176	58,476
Change to project funds	342,133	383,768
Depreciation	10,300	13,777
Increase / decrease (-) in provisions	-3,200	-12,800
Increase (-) / decrease in securities	-810,057	-574,287
Increase (-) / decrease in receivables	230,313	-106,257
Increase (-) / decrease in prepaid expenses	-20,114	-10,800
Increase / decrease (-) in short-term liabilities	60,525	-140,858
Increase / decrease (-) in accrued expenses	-68,827	66,024
<b>Cash flow from operating activities</b>	<b>-187,751</b>	<b>-322,957</b>
<b>2. Cash flow from investment activities</b>		
Investment (-) / disposal of financial assets	0	0
Investment (-) / disposal of fixed assets	0	-4,299
Investment (-) / disposal of real estate	0	0
<b>Cash flow from investment activities</b>	<b>0</b>	<b>-4,299</b>
<b>3. Cash flow from financing activities</b>		
Asset transfer from Aids & Kind foundation/ increase	0	3,913,188
Increase / decrease (-) in liabilities	0	0
<b>Cash flow from financing activities</b>	<b>0</b>	<b>3,913,188</b>
<b>Cash flow balances</b>	<b>-187,751</b>	<b>3,585,932</b>
<b>Control</b>		
Balance of cash and cash equivalents on 01.01.2021 / 01.01.2020	7,730,676	4,144,744
Balance of cash and cash equivalents on 31.12.2021 / 31.12.2020	7,542,925	7,730,676
<b>Change in cash and cash equivalents</b>	<b>-187,751</b>	<b>3,585,932</b>
Difference	0	0

## Analysis of changes in capital

	Opening balance on 01.01.	Allocations	Internal fund transfers	Withdrawals	Total changes	Closing balance on 31.12.
<b>Organisation capital</b>						
Paid-in capital and reserves	881,633	0	0	0	0	881,633
Currency fluctuation fund	454,645	300,000	0	0	300,000	754,645
Fund 3 – restricted funds for Aids & Kind	3,676,477	0	0	-143,089	-143,089	3,533,388
Fund 1 – unrestricted funds	2,968,704	183,474	0	-51,680	131,794	3,100,498
Fund 2 – unrestricted funds	1,303,701	0	0	-217,529	-217,529	1,086,172
<b>Organisation capital 2021</b>	<b>9,285,160</b>	<b>483,474</b>	<b>0</b>	<b>-412,298</b>	<b>71,176</b>	<b>9,356,336</b>
Paid-in capital and reserves	881,633	0	0	0	0	881,633
Currency fluctuation fund	400,000	54,645	0	0	54,645	454,645
Fund 3 – restricted funds for Aids & Kind	3,913,188	0	0	-236,711	-236,711	3,676,477
Fund 1 – unrestricted funds	2,695,241	339,648	0	-66,185	273,463	2,968,704
Fund 2 – unrestricted funds	1,336,622	0	0	-32,921	-32,921	1,303,701
<b>Organisation capital 2020</b>	<b>9,226,684</b>	<b>394,293</b>	<b>0</b>	<b>-335,817</b>	<b>58,476</b>	<b>9,285,160</b>
Fonds 3: The intended purpose of this fund is particularly to provide direct and indirect support to children affected by HIV and AIDS.						
<b>Funds reserved for projects</b>						
<b>Mandates, project contributions SDC / LED</b>						
SDC programme contributions	0	3,310,500	-2'364'568	-645,150	300,782	300,782
SDC, RPSA COVID-19 Response	8,509	-8,509	0	0	-8,509	0
SDC, Rehabilitation Min Hydro-power plant Mbingu	-5,859	10,768	0	-4,909	5,859	0
SDC, Prevention & control of infection	0	11,913	0	-11,913	0	0
SDC, ComBaCaL	0	1,279,430	0	-941,625	337,805	337,805
LED	641,015	593,069	0	-1'102'603	-509,534	131,481
World Diabetes Foundation	0	87,925	0	-11,817	76,108	76,108
	<b>643,665</b>	<b>5,285,096</b>	<b>-2,364,568</b>	<b>-2,718,017</b>	<b>202,511</b>	<b>846,176</b>
<b>SolidarMed projects</b>						
Lesotho	568,434	1,279,682	352,330	-1,523,952	108,060	676,494
Mozambique	62,286	1,477,382	549,771	-1,990,138	37,015	99,300
Tanzania	166,447	1,178,301	212,467	-1,534,109	-143,341	23,105
Zambia	185,305	1,198,709	87,926	-1,076,941	209,694	394,999
Zimbabwe	323,340	244,266	1,002,535	-1,346,185	-99,384	223,956
Other countries	52,999	26,989	121,134	-147,419	704	53,703
India	0	183,215	0	-163,131	20,084	20,084
Kenya	1,000	91,532	1,104	-51,566	41,070	42,070
South Africa	34,280	108,750	37,301	-180,331	-34,280	0
	<b>1,394,091</b>	<b>5,788,826</b>	<b>2,364,568</b>	<b>-8,013,772</b>	<b>139,622</b>	<b>1,533,713</b>
<b>Total funds reserved for projects 2021</b>	<b>2,037,756</b>	<b>11'073'922</b>	<b>0</b>	<b>-10,731,789</b>	<b>342,133</b>	<b>2,379,889</b>

Project withdrawals include structural costs in addition to expenses.

	Opening balance on 01.01.	Allocations	Internal fund transfers	Withdrawals	Total changes	Closing balance on 31.12.
<b>Mandates, project contributions SDC / LED</b>						
SDC programme contributions	0	2,730,000	-1'889'108	-840,892	0	0
SDC, Namuno operating Theatre	-30,000	30,000	0	0	30,000	0
SDC, RPSA COVID-19 Response	0	720,000	0	-711,491	8,509	8,509
SDC, Rehabilitation Min Hydro- power plant Mbingu	0	90,617	0	-96,476	-5,859	-5,859
LED	785,422	764,150	0	-908,557	-144,407	641,015
	<b>755,422</b>	<b>4,334,767</b>	<b>-1,889,108</b>	<b>-2,557,416</b>	<b>-111,757</b>	<b>643,665</b>
<b>SolidarMed projects</b>						
Lesotho	65,550	1,502,515	387,627	-1,387,257	502,885	568,434
Mozambique	41,735	1,544,617	183,285	-1,707,350	20,552	62,286
Tanzania	212,857	999,350	187,487	-1,233,247	-46,410	166,447
Zambia	83,206	1,372,944	8,409	-1,279,254	102,099	185,305
Zimbabwe	435,101	656,195	877,582	-1,645,538	-111,761	323,340
Other countries	52,638	9,443	110,530	-119,612	361	52,999
India	0	13,650	55,570	-69,220	0	0
Kenya	7,478	33,948	1,513	-41,939	-6,478	1,000
South Africa	0	152,860	64,010	-182,590	34,280	34,280
Other Aids & Kind countries	0	9,473	13,095	-22,568	0	0
	<b>898,566</b>	<b>6,294,995</b>	<b>1,889,108</b>	<b>-7,688,575</b>	<b>495,528</b>	<b>1,394,091</b>
<b>Total funds reserved for projects 2021</b>	<b>1,653,988</b>	<b>10'629'762</b>	<b>0</b>	<b>-10'245'992</b>	<b>383,771</b>	<b>2,037,756</b>

Project withdrawals include structural costs in addition to project expenses.

The India, Kenya, South Africa and other Aids & Kind countries funds come from the transfer of assets of the Aids & Kind Foundation.

**Changes in provisions****Provisions**

Personnel deployed	119,874	0	0	0	0	119,874
Contingency fund	37,800	6,400	0	-9,600	-3,200	34,600
Real estate	3,168	0	0	0	0	3,168
Provision Zambia projects	2,000	0	0	0	0	2,000
<b>Provisions 2021</b>	<b>162,842</b>	<b>6,400</b>	<b>0</b>	<b>-9,600</b>	<b>-3,200</b>	<b>159,642</b>

The organisational development provision comes from the transfer of the assets of the Aids & Kind Foundation.

**Provisions**

Personnel deployed	119,874	0	0	0	0	119,874
Contingency fund	50,600	9,400	0	-22,200	-12,800	37,800
Real estate	3,168	0	0	0	0	3,168
Provision Zambia projects	2,000	0	0	0	0	2,000
Provision organisational develop- ment Aids & Kind	109,000	0	0	-109,000	-109,000	0
<b>Provisions 2020</b>	<b>284,642</b>	<b>9,400</b>	<b>0</b>	<b>-131,200</b>	<b>-121,800</b>	<b>162,842</b>

# Annex to the 2021 annual financial statement

## Details of the principles used in the preparation of the annual financial statement

The accounts are prepared in accordance with Swiss GAAP FER (Kern-FER and FER 21) accounting recommendations and provide a true and accurate picture of the assets and liabilities, financial position and profit and loss of the Organisation.

## Accounting and valuation principles

- Cash and cash equivalents are stated at nominal value.
- Securities are stated at the market value on the balance sheet reporting day. The investment and reserve policy regulations were revised in 2021. SolidarMed now invests in a fund with sustainable and ethical investments. Unrealised securities gains can be allocated to the currency fluctuation fund to compensate for future losses. In 2021, an allocation of CHF 300,000 was made.
- Accounts receivable are stated at nominal value.
- Accounts payable to projects are stated at nominal value minus necessary value adjustments.
- Accounts receivable from projects (project advances): foreign currencies are stated at exchange rate on balance sheet reporting date.
- Fixed assets are stated at purchase price minus necessary depreciation based on useful life (generally 3 years).
- Financial investments are stated at nominal value.

## Other short-term receivables

The other short-term receivables mainly consist of purpose-specific donations of CHF 105,433 (previous year: 359,985) for the current year which were received the following year.

## Investments

SolidarMed has a 100 percent shareholding in SolidarInvest Limited, Zambia. There is no fixed share capital.

## Remuneration of the Board and Executive Management

The Board of SolidarMed works on a voluntarily and unpaid basis and contributed a total of 970 working hours (previous year: 900).

The President and Vice-President each received a stipend of CHF 800, which they donated in its entirety.

The SolidarMed Executive Management team consists of four people. Their remuneration totalled CHF 565,944 for 3.8 full-time equivalents (previous year: CHF 549,881 for 3.8 full-time equivalents).

## Number of staff members with a Swiss employment contract at the headquarters and in the project countries

Annual average number of full-time positions in 2021: 24

Annual average number of full-time positions in 2020: 22

## Method used to calculate administrative expenses and cost of fundraising

For an organisation with long-term activities, fundraising and administration are indispensable tasks. The Zewo Foundation recognises that this requires a certain amount of financial expenditure. It assesses whether the share of this expenditure lies within the prescribed range.

To delimit the costs for fundraising and administration from the effective programme expenses, SolidarMed follows the recommendations of the Zewo Foundation. Costs are allocated with an appropriate allocation key.

## Significant events after the balance sheet date

There have been no significant events between the balance sheet date and the approval of the annual financial statement by the Board that could impair the informative value of the 2021 annual financial statement or which would have to be disclosed here. ■

**39** projects

**9** countries

**96** years old

**86,521** babies  
safely delivered

**3,092,886** people  
with access to  
improved healthcare

**195** healthcare  
facilities assisted

**1,665** healthcare  
professionals and community  
health workers trained

## Our vision

We are committed to a world where all people have equitable access to good and affordable healthcare.

## Values

### **Solidarity**

Our commitment is founded on solidarity and partnership. The name SolidarMed bears witness to this.

### **Solidarity**

We are committed to ensuring that all people can exercise their right to physical and mental health without discrimination, regardless of age, circumstance, gender, religion, place of residence or income.

### **Empowered development**

Health empowers people and allows them to reach their potential. We respect and promote the right to empowered individual and social development.

### **Integrity**

Expertise, experience, trust and credibility form the basis and the capital of our work. SolidarMed behaves fairly, transparently and respectfully towards its employees, supporters, partners and local populations.

### **Sustainability**

We stand for reliable, binding and value-preserving development which balances social, ecological and economic concerns.

