

SERVAS INTERNATIONAL BECKHAMMER 32, 8057 ZURICH, SWITZERLAND PROVISIONAL BALANCE SHEET AS AT 31st MARCH, 2018			
PARTICULARS	SCH	AS AT 31.03.2018 (Amount in CHF)	AS AT 31.03.2017 (Amount in CHF)
<b><u>ASSETS</u></b>			
a) <b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
CURRENT ASSETS	5		
i) Business Bank Accounts		185,482.47	161,125.02
ii) Savings Account		251,267.33	251,242.33
iii) Receivables -Stamps		410.00	1,355.00
		437,159.80	413,722.35
LOANS AND ADVANCES	6		
i) Advance SICOGA 2018		7,338.21	-
ii) Prepaid Expenses Web Hosting / Printing		397.00	2,755.00
iii) Tax Deducted at Source		2,055.08	2,055.08
		9,790.29	4,810.08
b) <b>FIXED ASSETS</b>	4		
Dolphin Software		152.00	152.00
ServasOnline Software		42,943.00	64,094.00
		43,095.00	64,246.00
<b><u>TOTAL ASSETS</u></b>		<b>490,045.09</b>	<b>482,778.43</b>
<b><u>LIABILITIES</u></b>			
CURRENT LIABILITIES	3		
i) EXCO members Expense Claims		2,384.00	2,683.00
ii) Advance Receipts - Participation Fees GA 2018		10,825.00	-
iii) Advance Receipts - Stamps 2018		532.02	833.02
iv) Accounts Payable Other		9,582.00	1,679.00
v) External Audit Fees		954.00	2,097.00
vi) Book Keeping Fees		715.00	1,558.00
		-	-
<b><u>TOTAL LIABILITIES</u></b>		<b>24,992.02</b>	<b>8,850.02</b>
<b><u>NET ASSETS (MEMBERSHIP FUNDS AND RESERVES)</u></b>			
a) <b>CORPUS (MEMBERSHIP) FUND</b>			
i) ACCUMULATED SURPLUSES		387,763.03	366,844.97
NET TRANSFER FOR YEAR		3,443.66	20,918.06
		391,206.69	387,763.03
b) <b>DEVELOPMENT FUND RESERVE</b>	1	18,846.38	18,846.38
c) <b>SERVAS ON LINE (SOL) PROJECT FUND RESERVE</b>	2	-	39,819.00
d) <b>GENERAL ASSEMBLY EXPENSES RESERVE</b>	10.D.3	55,000.00	27,500.00
<b><u>NET ASSETS (MEMBERSHIP FUNDS AND RESERVES)</u></b>		<b>465,053.07</b>	<b>473,928.41</b>
<b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>		<b>490,045.09</b>	<b>482,778.43</b>

For and on behalf of Executive Committee

As per our report of even date

President

Treasurer

For VASUDEV PAI & CO.,  
Chartered Accountants  
Firm Registration No. 004560S

Sd/-  
T. VASUDEV PAI  
M.No. 20906

Date :

Place : Bangalore, India  
Date :

SERVAS INTERNATIONAL BECKHAMMER 32, 8057 ZURICH, SWITZERLAND			
PROVISIONAL STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31st MARCH 2018			
PARTICULARS	SCH	AS AT 31.03.2018 (Amount in CHF)	AS AT 31.03.2017 (Amount in CHF)
<b>INCOME</b>			
a) Stamp Fees received (Net)		56,539.00	57,699.00
b) Interest received on Bank Deposit (Tax Deducted at Source: Nil, PY: Nil)		25.00	25.00
c) <b>Forex Gain (loss)</b>		1,837.65	1,178.58
		<u>58,401.65</u>	<u>58,902.58</u>
<b>EXPENDITURE</b>			
a) Operational Expenses			
i) <b>Meetings</b>	7		
Executive Committee Meetings		13,754.99	7,656.61
AC & Regional Meetings		3,095.00	4,023.00
Audit Meetings		282.00	0.00
UN Meetings		1,120.00	471.00
Youth Meetings		3,224.00	0.00
		21,475.99	12,150.61
ii) Printing - SI Stamps & Newsletters		300.00	409.00
iii) Postage & Courier		489.00	255.00
iv) Web Server Hosting		2,714.00	2,196.00
v) ServasOnline Maintenance		9,434.00	0.00
vi) Amortisation	10-D.6	21,151.00	0.00
vii) Book Keeping Fees		1,097.00	808.00
viii) Audit Fees		954.00	1,097.00
ix) Bank Fees		403.00	383.80
x) Stamp Fee dues/ sundry balances written off/written back	8	0.00	1,649.91
xi) Miscellaneous		0.00	139.00
Total Operating Expenses		<u>58,017.99</u>	<u>19,088.32</u>
b) Other non-operating activities			
i) Legal Expenses (Servas Registration Project)		5,397.00	0.00
ii) Excess Provision for Doubtful Dues written back - Stamp Fees		(1,221.00)	(3,669.00)
iii) Excess Provision for Doubtful Dues written back - ServasOnline		0.00	(5,000.00)
iv) Prior Period Expenses (Net)	9	1,182.00	65.20
Total Non-Operating Expenses		<u>5,358.00</u>	<u>(8,603.80)</u>
<b>TOTAL EXPENDITURE</b>		<u>63,375.99</u>	<u>10,484.52</u>
<b>CHANGE IN NET ASSETS BEFORE APPROPRIATIONS</b>		(4,974.34)	48,418.06
<b>APPROPRIATIONS</b>			
TRANSFER TO GA EXPENSE RESERVE	10-D.3	(27,500.00)	(27,500.00)
TRANSFER FROM SERVAS ONLINE (SOL) PROJECT FUND RESERVE	10-D.2	39,819.00	0.00
TRANSFER TO DEVELOPMENT FUND RESERVE	10-D.1	(3,901.00)	0.00
<b>CHANGE IN NET ASSETS (TRANSFER TO CORPUS [MEMBERSHIP] FUND)</b>		<u>3,443.66</u>	<u>20,918.06</u>

Significant Accounting Policies & Notes on Accounts

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For and on behalf of Executive Committee

As per our report of even date

For VASUDEV PAI & CO.,  
Chartered Accountants  
Firm Registration No. 004560S

President

Treasurer

Sd/-  
T. VASUDEV PAI  
M.No. 20906

Date :

Place : Bangalore, India

Date :

**SCHEDULE TO PROVISIONAL BALANCE SHEET AS AT 31st MARCH, 2018**

<b>PARTICULARS</b>	<b>AS AT 31.03.2018</b> (Amount in CHF)	<b>AS AT 31.03.2017</b> (Amount in CHF)
<b>SCHEDULE - 1</b>		
<b>DEVELOPMENT FUND RESERVE</b>		
Opening Balance	18,846.38	19,635.38
Add : Amount transferred from Corpus Fund	3,901.00	-
	<u>22,747.38</u>	<u>19,635.38</u>
Less: Expenses charged to Fund		
a) Contribution to SI-Philippines Meeting held during 3-5 Mar, 2017	-	(789.00)
b) Contribution to SI-Africa Regional Meeting held during 26-31 August, 2017	(2,710.00)	-
c) Contribution to SI-Hungary Youth Meeting held during 27-31 Dec, 2017	(1,191.00)	-
	<u>18,846.38</u>	<u>18,846.38</u>
<b>SCHEDULE - 2</b>		
<b>SERVAS ON LINE (SOL) PROJECT FUND</b>		
Opening Balance	39,819.00	42,675.00
Less: SOL receivables written off as per EXCO approvals	-	(2,856.00)
Less: Transfer to Corpus Fund	(39,819.00)	-
	<u>-</u>	<u>39,819.00</u>
<b>SCHEDULE - 3</b>		
<b>CURRENT LIABILITIES</b>		
<b>a) EXCO members expense claims</b>		
i) Exco Members - Ann Greenhough, Vice President	251.00	-
ii) Exco Members - Penny M Pattison, General Secretary	1,656.00	1,791.00
iii) Exco Members - Danielle Serres, Peace Secretary	302.00	856.00
iv) Exco Members - L V Subramanian, Treasurer	-	36.00
v) Exco Members - William D'Souza, Treasurer	159.00	-
vi) Exco Members - Richard Cabassut, Member	16.00	-
	<u>2,384.00</u>	<u>2,683.00</u>
<b>b) Advance Receipts - Participation Fees GA 2018</b>		
i) Participation Fees	10,825.00	-
	<u>10,825.00</u>	<u>-</u>
<b>c) Advance Receipts - Stamps 2018</b>		
i) From Austria	126.00	126.00
ii) From Belgium	-	441.00
iii) From Finland	210.02	210.02
iv) From Ireland	56.00	56.00
v) From Spain	130.00	-
vi) From Georgia	10.00	-
	<u>532.02</u>	<u>833.02</u>
<b>d) Accounts Payable Other</b>		
i) Alan Stone	382.00	-
ii) Gulsen Elyak	280.00	-
iii) Poncet Turrettini, Avocats	5,397.00	-
iv) Talorig Portage Salarial	3,523.00	-
v) Kevin Gautreau	-	1,679.00
	<u>9,582.00</u>	<u>1,679.00</u>
<b>e) External Audit Fees</b>		
i) Vasudev Pai & Co., Chartered Accountants, Bangalore, India.	954.00	2,097.00
<b>f) Book Keeping Expenses</b>		
i) KP Associates, Proprietor: K Pramod, Bangalore, India.	715.00	1,558.00
	<u>24,992.02</u>	<u>8,850.02</u>

PARTICULARS	AS AT 31.03.2018 (Amount in CHF)	AS AT 31.03.2017 (Amount in CHF)
<b>SCHEDULE - 5</b>		
<b>CURRENT ASSETS</b>		
<b>a) Business Bank Accounts</b>		
i) CHF Current Account No. 239330-21-1 with Credit Suisse, Zurich	71,939.47	46,504.02
ii) USD Current Account No. 239330-22-1 with Credit Suisse, Zurich	49,940.00	59,260.00
iii) Euro Current Account No. 239330-22-3 with Credit Suisse, Zurich	63,603.00	55,361.00
	185,482.47	161,125.02
<b>b) Savings Account</b>		
i) Swiss Francs Savings Account No. 239330-20-1 with Credit Suisse, Zurich	251,267.33	251,242.33
<b>c) Receivables - Stamps</b>		
i) Stamp Fees	520.00	2,686.00
Less: Provision for Doubtful Receivables	(110.00)	(1,331.00)
	410.00	1,355.00
	<b>437,159.80</b>	<b>413,722.35</b>
<b>SCHEDULE - 6</b>		
<b>LOANS &amp; ADVANCES</b>		
<b>a) Advance SICOGA 2018</b>		
i) Advance against General Assembly 2018	7,338.21	-
<b>b) Prepaid Expenses Web Hosting/Printing</b>	397.00	2,755.00
<b>c) Tax Deducted at Source</b>	2,055.08	2,055.08
	<b>9,790.29</b>	<b>4,810.08</b>

PARTICULARS	AS AT 31.03.2018 (Amount in CHF)	AS AT 31.03.2017 (Amount in CHF)
<b>SCHEDULE - 7</b>		
<b>MEETING EXPENSES</b>		
<b>a) Meetings</b>		
<b>Executive Committee Meetings</b>		
i) Internet & Telephone	1,768.87	937.00
ii) Travel Expense Reimbursements	8,807.12	5,028.95
iii) Food Expenses	-	238.04
iv) Halting Expenses	1,640.00	1,108.00
v) Miscellaneous Expenses	1,539.00	344.62
	<u>13,754.99</u>	<u>7,656.61</u>
<b>b) AC &amp; Regional Meetings</b>		
i) Food Expenses	-	-
ii) Travel Expense Reimbursements	-	-
iii) Miscellaneous Expenses	-	-
i) Meeting Expenses (Grants Sanctioned by EXCO)	3,095.00	4,812.00
Less: Reimbursement from DC Fund	-	(789.00)
	<u>3,095.00</u>	<u>4,023.00</u>
	<u>3,095.00</u>	<u>4,023.00</u>
<b>c) UN Meetings</b>		
i) Travel Expense Reimbursements	1,048.00	471.00
ii) Miscellaneous Expenses	72.00	-
	<u>1,120.00</u>	<u>471.00</u>
<b>d) Audit Meetings</b>		
i) Travel Expense Reimbursements	282.00	-
	<u>282.00</u>	<u>-</u>
<b>d) Youth Meetings</b>		
i) Grant paid to SI-Hungary	1,191.00	-
ii) Grant paid to SI-Africa	3,890.00	-
ii) Grant paid to SI-Italy	2,044.00	-
	<u>7,125.00</u>	<u>-</u>
Less: Funds received from DFC during the year	(3,901.00)	-
	<u>3,224.00</u>	<u>-</u>

PARTICULARS	AS AT 31.03.2018 (Amount in CHF)	AS AT 31.03.2017 (Amount in CHF)
<b>SCHEDULE - 8</b>		
<b>SUNDRY BALANCES WRITTEN OFF (NET)</b>		
a) Sundry Advances written off		
i) EXCO email dated 05.01.2017		
Hilda Burer, UN Rep	-	150.95
Muhammad Naseem, Pakistan	-	89.34
E F Meamble, Cameroon	-	601.00
Sahadatu, Sierra Leone	-	601.00
	-	1,442.29
b) Sundry Advances written back		
i) EXCO email dated 05.01.2017		
Amount due to AC, Pacifica - Michael Johnson	-	107.38
Suspense Receipts	-	1,000.00
	-	(1,107.38)
c) Stamp Fee dues not recoverable written off (Ref: Note No.10.D.13)	-	1,315.00
	-	1,649.91
<b>SCHEDULE - 9</b>		
<b>PRIOR PERIOD EXPENSES (NET)</b>		
a) Stamp Returns of earlier years		
i) Stamp 2010 Returns	786.00	129.00
ii) Stamp 2014 Returns	-	120.00
iii) Stamp 2015 Returns	-	135.00
iv) Stamp 2016 Returns	60.00	-
	846.00	384.00
b) Expenses of earlier years		
i) Residual value of Bell Projector written off	-	14.00
ii) Amount due written off- W Rongrong Muang, Thailand	-	92.75
iii) Earlier year expenses reimbursed- Jonny S	145.00	-
iv) Earlier year expenses reimbursed- SI News Printing 2016	191.00	-
Total - A	1,182.00	490.75
c) Receipts of earlier years		
i) Recovery of lost stamps from SI-Canada	-	425.55
Total - B	-	425.55
<b>Net Balance (A - B)</b>	<b>1,182.00</b>	<b>65.20</b>

# SERVAS INTERNATIONAL

BECKHAMMER 32, 8057 ZURICH, SWITZERLAND.

## SCHEDULE - 4

### FIXED ASSETS AS AT 31st MARCH, 2018

Sl.No.	Description	Gross Block as on 01.04.2017	Additions for the year	Disposals during the year	Gross Block as at 31.03.2018	Opening Depreciation as on 01.04.2017	Depreciation Amount for the year	Disposals during the year	Closing Depreciation as on 31.03.2018	Net Block as at 31.03.2017	Net Block as at 31.03.2018
1	Dolphin Software	CHF 15,234.84	CHF -	CHF -	CHF 15,234.84	CHF 15,082.84	CHF -	CHF -	CHF 15,082.84	CHF 152.00	CHF 152.00
2	Servas Online Software	-	64,094.00	-	64,094.00	-	21,151.00	-	21,151.00	-	42,943.00
		<b>15,234.84</b>	<b>64,094.00</b>	<b>-</b>	<b>79,328.84</b>	<b>15,082.84</b>	<b>21,151.00</b>	<b>-</b>	<b>36,233.84</b>	<b>152.00</b>	<b>43,095.00</b>
3	Capital Work-in-Progress										
	- SOLSYS Software & Services	31,215.00	-	31,215.00	-	-	-	-	-	31,215.00	-
	- SOLSYS Web Development	32,879.00	-	32,879.00	-	-	-	-	-	32,879.00	-
		<b>64,094.00</b>	<b>-</b>	<b>64,094.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64,094.00</b>	<b>-</b>

**SERVAS INTERNATIONAL**  
Beckhammer 32, 8057 Zurich, Switzerland.

**SCHEDULE - 10**

**PROVISIONAL SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF  
ACCOUNTS FOR THE YEAR ENDED 31.03.2018:**

**A. Corporate Information – Build World Peace:**

Servas International (Servas or “the Organization”) is a worldwide, non-profit and non-governmental Organization, promoting peace through a co-operative network of hosts and travelers. The Organization aims to provide and improve personal contacts between individuals of diverse cultures and UN peace representation. The purpose of the network is to help build world peace, goodwill and understanding.

**B. Basis of presentation of Financial Statements:**

**a) Basis of Preparation:**

The Organization is located and has its headquarters in Switzerland, maintains its books of account and prepares its statutory financial statements in accordance with the Generally Accepted Accounting Principles (GAAP). The financial statements have been prepared from statutory financial statements of the Organization and presented in Swiss Francs (CHF) with adjustments and reclassifications for the purpose of fair presentation.

**b) Measurement Currency and Reporting Currency:**

The reporting currency of the Organization operating in Switzerland is Swiss Francs (CHF).

**C. Significant Accounting Policies:**

**1) Recognition of Income and Expenditure:**

The income and expenditure which have material bearing on the financial statements are accounted on accrual basis.

**2) Fixed Assets:**

The Fixed assets are valued at cost of acquisition or fair value less accumulated depreciation/ amortisation.

**3) Depreciation/ Amortisation:**

The Depreciation has been provided at Straight Line Method on fixed assets considering the life of the assets. Depreciation/ Amortisation on additions/ deletions accounted on pro-rata basis.

**4) Foreign Currency Transactions and Translation:**

Transactions in foreign currencies during the year have been translated at the exchange rates prevailing at the dates of these transactions. Balance Sheet items denominated in foreign currencies have been translated at the exchange rates prevailing at the balance sheet date. Exchange gains or losses arising from settlement and translation of foreign currency items have been included in the income or expense accounts as appropriate. The foreign exchange rates used by the Organization as at 31.03.2018 are as follows:

<u>Currency</u>	<u>CHF</u>	<u>Currency</u>	<u>CHF</u>
USD	0.95360	CAD	0.73973
GBP	1.33812	INR	0.01466
EUR	1.17477	PLN	0.27866

**5) Use of Estimates:**

The preparation of financial statements in conformity with Accounting Standards requires EXCO to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of significant changes in expenses and revenues during the reporting periods. Actual results could differ from those estimates.



**D. Notes on Accounts****1. Development Fund:**

During the year, the Development Committee has approved the following reimbursement of expenses as a part of Development Fund Reserve deductions:

Period	Nature of Event	Amount of Grant (CHF)	Amount of Reimbursement (CHF)
Aug-2017	Contribution to SI-Africa Regional Meeting held at Rwanda during 26-31 August, 2017	2710.00	2710.00
Dec-2017	Contribution to SI-Hungary Youth Meeting held during 27-31 December, 2017	1191.00	1191.00

During the year, the Development Fund Reserve was replenished by a transfer of CHF3,901 from the Corpus Fund.

**2. ServasOnline (SOL) Project Fund:**

The ServasOnline Software Version1 was completed and capitalised during the year. On the completion of the project, the balance in the ServasOnline (SOL) Project Fund was transferred to the Corpus Fund.

**3. Reserve for General Assembly (GA) Expenses:**

Though the principles of GAAP (Generally Accepted Accounting Principles) do not permit provisioning of future expenses, and adhering to the clause no. 2.26 of Financial Operating Procedure (FOP), the provision for GA expenses has been made on pro-rata basis and shown accordingly. This year the Financial Statements show this amount as General Assembly Expenses Reserve under Net Assets (Membership Funds and Reserves).

**4. Open Commitments and Contingent Liabilities :**

<b>(Amount in CHF)</b>	
<b>Description</b>	<b>As at 31.03.2018</b>
<b>A. Capital Commitments:</b>	
Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	
1. NetiApps, India – SOL Project	591.00
2. Talorig Sari ServasOnline Maintenance	7894.00

**B. Contingent Liabilities:**

(a) Probability of Personal Injury and Sexual Harassment claims by Servas Hosts/Travelers on Servas International.

(b) Possibility of Penalties by the Swiss Tax authorities for late filing of Tax returns claiming refund of the Tax Deducted at Source.

**C. Law-Suit:**

There was no law-suit pending in favor or against the Organization as at March 31'st 2018.

**5. Related Party Transactions:**

One EXCO member has used the services of a commercial travel agency owned by a past treasurer to get competitively priced airfares for his travel to meetings. EXCO has been advised there is no conflict of interest.

**6. Fixed Assets:**

During the year, Servas On Line (SOL) Project has been capitalized from Capital Work-in-Progress as per decision taken in Distant Voting held on 01.10.2017 and amortized over a period of 3 years with retrospective effect from 01.04.2017.

**7. Receivables – Stamp Fees (Net of Provisions – Ref: Schedule 5(c) ):**

- (a) Receivables include Stamp fees (Net of Provisions).
- (b) The stamp returns and unused stamps have been accounted for based on the confirmation from the Treasurer.
- (c) **Stamp Fees** of earlier years are still pending for recovery amounting to CHF 110/- and provision has been made for the same during FY 2017-18.

**8. Advances to EXCO Members, SI Officers & Others:**

In the opinion of the EXCO, the advances were given in the ordinary course of Servas activities.

**9. Prepaid Expenses:**

Represent an amount of CHF 397.00 being the printing cost of stamps (CHF 22/-) & Web hosting Charges (CHF 375/-) pertaining to the financial year 2018-19.

**10. Tax Deducted at Source Receivable:**

Represent the cumulative tax deduction by Credit Suisse Bank on interest receipts amounting to CHF 2055.08 which is pending to be claimed from Tax Authorities. This is the accumulated amount of tax deducted on interest receipts since 2004. Servas International needs to be registered/ incorporated in Switzerland before returns can be filed and refunds claimed. Some of these claims may be time barred and could invite penalties for late filing of Tax returns.

**11. Expenses Recognition:**

Expenses have been recognized on accrual basis based on the Claim Forms/ Supplier Invoices/ emails submitted by SI Officials/ EXCO Members.

**12. Stamp Fees from Servas Countries:*****Stamp fee collections from Servas Countries:***

Servas International issues stamps authorising the Letter of Introduction for Servas Travellers.

During the year, stamp fees have been collected on the following principles as confirmed by the EXCO.

Up to 10 Stamps	-	Free of Cost
11 - 50 Stamps	-	CHF 10/-
51 - 300 Stamps	-	CHF 15/-
301 – 550 Stamps	-	CHF 18/-
551 Stamps and above-	-	CHF 20/-

For the accounting year, SI has recognized its stamp fee collections net of returns from Servas Countries, on accrual basis.

**13. Sundry Balances written off (Net):**

Includes the net of written off and written back of sundry balances / advances as per EXCO approval CHF 0/- (PY: CHF 1649.91).

**14. Prior Year Expenses (Net):**

Includes cost of Stamp returns netted with recovery towards loss of stamps of earlier years.

**15. Statement of Budget:**

Represent the actual income & expenditure as compared to the budget for the relevant period.

**16. Internal Audit Committee Review:**

The Internal Audit Committee has reviewed the Financial Statements and, except as noted in its Internal Audit Committee report, the Financial statements reasonably represent the activities of the Organization as at 31.03.2018.

For and on behalf of  
Executive Committee

As per our report of even date  
for VASUDEV PAI & CO.  
Chartered Accountants  
Firm Registration No. 004560S

President

Vice-President

T VASUDEV PAI  
M.No.20906

Secretary

Treasurer

Place :  
Dated :

Place : Bangalore, India.  
Dated :