



Independent Auditor's Report

TO THE MEMBERS OF SERVAS INTERNATIONAL, ZURICH, SWITZERLAND

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statement of SERVAS INTERNATIONAL (SI), Zurich, Switzerland which comprise balance Sheet as at 31st March 2021, the Statement of Income & Expenditure for the year then ended and a summary of significant Accounting Policies and other Explanatory Information.

EXECUTIVE COMMITTEE'S (EXCO) RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The EXCO is responsible for the preparation of these financial statements that given a true and fair view of the financial position and the financial performance of the SI in accordance with the generally accepted accounting principles. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statement that gives a true & fair and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statement based on our Audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute Of Chartered Accountants Of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the organization, preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal Control. An audit also includes evaluation the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the EXCO, as well as evaluation the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Audit opinion.





Opinion

In our opinion and to the best of our information and explanations give to us, subject to our comments in Para (e) below and it's consequential effect, if any, on the balance Sheet as on 31st march 2021 and the statement of Income and Expenditure for the year 2020-21 which cannot be quantified, the said accounts read together with the Notes to Accounts give a true and fair view in conformity with the generally accepted accounting principles:

- i) In the case of Balance Sheet, of the affairs of Servas International, Zurich, Switzerland as at 31st March 2021.

And

- ii) In the case of the statement of Income & Expenditure, the excess of Income over Expenditure for the year ended on that date.

Report on the other Legal and Regulatory Requirements

We report that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our Audit.
- b) In our Opinion, traditional books of accounts Viz., Cash/ Bank book, Journal Register and Ledger Accounts only, have been kept by Servas International, Zurich, Switzerland so far as it appears from our examination of those books.
- c) The Balance Sheet and Statement of Income and Expenditure dealt with by this report are in agreement with the books of accounts.
- d) Although Servas International is a Non-profit Organization, it generates revenue by issuing stamps which are used by Servas members on tour.
- e) Attention invited to the following:
- i) Pending registration of Servas international in Switzerland.
- ii) Pending Tax Compliances, if any, till date in Switzerland.

For SEN & RAY
Chartered Accountants

Soumik Ray
(Soumik Ray)
Partner
M. No.-122465
FRN : 303047E



SERVAS INTERNATIONAL
BECKHAMMER 32, 8057 ZURICH, SWITZERLAND

BALANCE SHEET AS AT 31st MARCH, 2021

PARTICULARS	SCH	AS AT 31.03.2021 (Amount in CHF)	AS AT 31.03.2020 (Amount in CHF)
<u>ASSETS</u>			
a) CURRENT ASSETS, LOANS AND ADVANCES			
CURRENT ASSETS	4		
i) Business Bank Accounts		162,608.61	117,358.93
ii) Savings Account		251,342.33	251,317.33
iii) Receivables from Servas Member Organizations (net of allowances of CHF 320 and CHF 11.41 respectively)		829.30	24.34
		414,780.24	368,700.60
LOANS AND ADVANCES	5		
i) Prepaid Expenses Web Hosting / Printing		1,530.81	1,339.13
ii) Tax Deducted at Source		2,055.08	2,055.08
iii) Advance to Turkey Peace School		188.83	-
		3,774.72	3,394.21
b) FIXED ASSETS	3		
i) Dolphin Software		152.00	152.00
ii) ServasOnline Software		641.00	641.00
iii) Capital Work-in-progress		17,865.60	1,017.60
		18,658.60	1,810.60
<u>TOTAL ASSETS</u>		437,213.56	373,905.41
<u>LIABILITIES AND MEMBERSHIP FUNDS</u>			
CURRENT LIABILITIES	2		
i) EXCO Members Expense Claims		-	159.94
ii) Advance Receipts - Member Fees		12,838.93	6,552.05
iii) Accounts Payable Other		12,503.84	1,604.54
iv) External Audit Fees		1,103.13	1,148.50
v) Book Keeping Fees		1,103.13	1,148.50
			-
<u>TOTAL LIABILITIES</u>		27,549.03	10,613.53
<u>MEMBERSHIP FUNDS AND RESERVES</u>			
a) CORPUS (MEMBERSHIP) FUND			
i) Opening Balance of Corpus		330,343.92	343,308.02
ii) Excess of Income over Expenditure after appropriations		6,509.47	(12,964.10)
		336,853.39	330,343.92
b) DEVELOPMENT FUND RESERVE	1	32,811.14	32,947.96
c) GENERAL ASSEMBLY RESERVE		40,000.00	-
<u>MEMBERSHIP FUNDS AND RESERVES</u>		409,664.53	363,291.88
<u>TOTAL LIABILITIES AND MEMBERSHIP FUNDS</u>		437,213.56	373,905.41

The notes are an integral part of the financial statements.

For and on behalf of Executive Committee

Jonny Länggässer
President

Hadu
Treasurer

For SEN & RAY
Chartered Accountants

Soumik Ray
(Soumik Ray)
Partner

M. No.-122465
FRN : 303047E

2021-08-17
Date

SERVAS INTERNATIONAL
BECKHAMMER 32, 8057 ZURICH, SWITZERLAND

STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31st MARCH 2021

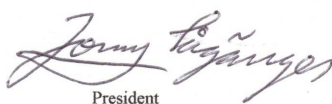
PARTICULARS	SCH	YEAR ENDED 31.03.2021 (Amount in CHF)	Y.E. 31.03.2020 (Amount in CHF)
INCOME			
a) Stamp Fees received (Net)		56,280.00	56,294.00
b) Interest received on Bank Deposit (Tax Deducted at Source: Nil, PY: Nil)		25.00	25.00
c) Donation (General)		8,790.54	87.37
d) Donation (Restricted)		-	2,536.42
		<u>65,095.54</u>	<u>58,942.79</u>
EXPENDITURE			
a) Operational Expenses			
i) Exco Meetings		-	-
Exco Internet/IT		-	69.47
AC & Regional Meetings	6	136.82	3,353.58
Youth Meetings		-	2,120.12
		<u>136.82</u>	<u>5,543.17</u>
i) Printing - SI Stamps & Newsletters		-	64.00
ii) Postage & Courier		87.13	278.08
iii) Web Server Hosting		1,387.93	1,793.26
iv) ServasOnline Maintenance		9,135.27	32,639.55
v) Depreciation/ Amortisation	3	-	21,151.00
vi) Book Keeping Expenses		1,103.13	1,148.50
vii) Audit Fees Expenses		1,103.13	1,148.50
viii) Bank Fees		255.76	407.81
ix) Miscellaneous Expenses		226.87	69.37
xii) Bad debt Provisions/(write back)		326.58	8.59
xiii) Legal Expenses- SI Registration		4,960.27	1,498.70
		<u>18,586.07</u>	<u>60,190.18</u>
Total Operating Expenses		<u>18,722.89</u>	<u>65,733.35</u>
b) Other non-operating activities			
i) Forex Gain (Loss)		-	3,637.12
Total Non-Operating Expenses		<u>0.00</u>	<u>3,637.12</u>
TOTAL EXPENDITURE		<u>18,722.89</u>	<u>69,370.47</u>
EXCESS OF INCOME OVER EXPENDITURE BEFORE APPROPRIATIONS		<u>46,372.65</u>	<u>(10,427.68)</u>
APPROPRIATIONS			
TRANSFER FROM (TO) DEVELOPMENT FUND RESERVE	7-D.1	136.82	(2,536.42)
TRANSFER TO GENERAL ASSEMBLY RESERVE		(40,000.00)	
NET SURPLUS (DEFICIT) - TRANSFER TO CORPUS (MEMBERSHIP) FUND		<u>6,509.47</u>	<u>(12,964.10)</u>

Significant Accounting Policies & Notes on Accounts


7

The notes are an integral part of the financial statements.

For and on behalf of Executive Committee


President


Treasurer

For SEN & RAY
Chartered Accountants

(Soumik Ray)
Partner
M. No.-122465
FRN : 303047E

2021-08-17
Date

SERVAS INTERNATIONAL
Beckhammer 31, 8057 Zurich, Switzerland

STATEMENT OF CASH FLOW FOR YEAR ENDED 31st March 2021

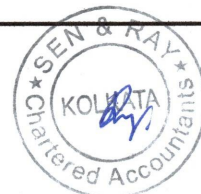
PARTICULARS	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
Cash Flow From Operating Activities		
Receipts		
Member receipts	61,565.38	56,415.09
SICOGA Fees	-	-
Donations	8,660.50	2,454.39
Interest	25.00	25.00
Payments		
Youth/Regional Meetings	-	(5,473.70)
Information Technology Maintenance Expenses	(10,051.88)	(40,345.33)
Bank Charges/FX (gain) Loss	(236.05)	(3,637.12)
Legal Fees	(6,458.97)	-
Development reserve disbursements	(325.65)	(2,954.12)
Other operating expenses	(2,790.65)	(7,175.49)
NET CASH FROM OPERATING ACTIVITIES	50,387.68	(691.28)
Cash Flow From Investing Activities		
Capital Work in Progress - Servas.Org	(5,113.00)	(1,017.60)
NET CASH USED BY INVESTING ACTIVITIES	(5,113.00)	(1,017.60)
Excess of receipts over payments	45,274.68	(1,708.88)
Beginning bank balance (1 Apr 2020)	368,676.26	370,385.14
Ending bank balance (31 Mar 2021)	413,950.94	368,676.26



SERVAS INTERNATIONAL
BECKHAMMER 32, 8057 ZURICH, SWITZERLAND

SCHEDULE TO BALANCE SHEET AS AT 31st MARCH, 2021

PARTICULARS	AS AT 31.03.2021 (Amount in CHF)	AS AT 31.03.2020 (Amount in CHF)
SCHEDULE - 1		
RESERVES		
a) DEVELOPMENT FUND RESERVE		
Opening Balance	32,947.96	33,365.66
Add : Donation from Members Nation		2,536.42
	32,947.96	35,902.08
Less: Expenses charged to Fund		
a) Turkey Peace School	(136.82)	-
b) Asia Meeting disbursements		(587.10)
c) Africa Meeting disbursements		(2,367.02)
	32,811.14	32,947.96
b) GENERAL ASSEMBLY RESERVE		
Opening Balance	-	-
Add : Transfer from Surplus for year	40,000.00	-
	40,000.00	-
SCHEDULE - 2		
CURRENT LIABILITIES		
a) EXCO Members Expense Claims		
i) Exco Members - Jonny Seganger, Member		159.94
	-	159.94
b) Advance Receipts - Member Fees		
i) From Austria		30.00
ii) From Australia	18.00	-
iii) From Brazil	0.30	0.30
iv) From Spain		130.00
v) From Germany	12,524.84	6,094.84
vi) From France	0.77	-
vii) From New Zealand		1.91
viii) From Korea	285.00	285.00
ix) From Georgia	10.00	10.00
x) From Nederland	0.01	
xi) From Turkey	0.01	
	12,838.93	6,552.05
c) Accounts Payable Other		
i) Andreas Becker	105.84	105.84
ii) Argo		549.30
iii) RenèSteimer		949.40
iv) Talorig Portage Salarial	7,072.00	-
v) PixNGraph	5,326.00	-
	12,503.84	1,604.54
d) External Audit Fees		
i) Sen & Ray., Chartered Accountants, Kolkata, India.	1,103.13	1,148.50
	1,103.13	1,148.50
e) Book Keeping Expenses		
i) S.R. Consultancy, Kolkata, India.	1,103.13	1,148.50
	1,103.13	1,148.50
	27,549.03	10,613.53



SCHEDULE - 3

FIXED ASSETS AS AT 31st MARCH, 2020

Sl.No.	Description	Gross Block as on 01.04.2020	Additions during the year	Disposals during the year	Gross Block as at 31.03.2021	Opening accumulated depreciation/amortisation as on 01.04.2020	Depreciation/Amortisation for the year	Accumulated depreciation/amortisation on Disposals during the year	Closing accumulated depreciation/amortisation as on 31.03.2021	Net Block as at 31.03.2021	Net Block as at 31.03.2020
1	Dolphin Software	CHF 152.00	CHF -	CHF -	CHF 152.00	CHF -	CHF -	CHF -	CHF -	CHF 152.00	CHF 152.00
2	Servas Online Software	CHF 641.00	CHF -	CHF -	CHF 641.00	CHF -	CHF -	CHF -	CHF -	CHF 641.00	CHF 641.00
3	Capital Work-in-progress	CHF 1,017.60	CHF 16,848.00	CHF -	CHF 17,865.60	CHF -	CHF -	CHF -	CHF -	CHF 17,865.60	CHF 1,017.60
		1,810.60	16,848.00	-	18,658.60	-	-	-	-	18,658.60	1,810.60



PARTICULARS	AS AT 31.03.2021 (Amount in CHF)	AS AT 31.03.2020 (Amount in CHF)
SCHEDULE - 4		
CURRENT ASSETS		
a) Business Bank Accounts		
i) CHF Current Account No. 239330-21-1 with Credit Suisse, Zurich	65,654.22	50,585.60
ii) USD Current Account No. 239330-22-1 with Credit Suisse, Zurich	56,319.39	42,936.67
iii) Euro Current Account No. 239330-22-3 with Credit Suisse, Zurich	40,635.00	23,836.66
	162,608.61	117,358.93
b) Savings Account		
i) Swiss Francs Savings Account No. 239330-20-1 with Credit Suisse, Zurich	251,342.33	251,317.33
c) Receivables from Servas Member Organizations		
i) Stamp Fees	1,149.30	35.75
Less: Provision for Doubtful Receivables	(320.00)	(11.41)
	829.30	24.34
	414,780.24	368,700.60
SCHEDULE - 5		
LOANS & ADVANCES		
a) Prepaid Expenses Web Hosting/Printing	1530.81	1,339.13
b) Tax Deducted at Source	2055.08	2,055.08
c) Advance to Turkey Peace School	188.83	
	3,774.72	3,394.21
SCHEDULE - 6		
MEETING EXPENSES		
a) Meetings		
a) AC & Regional Meetings		
i) Meeting Expenses (Grants Sanctioned by EXCO)	136.82	3,353.58
	136.82	3,353.58
b) Youth Meetings		
i) Grant paid to SI-Spain		633.00
ii) Grant paid to SI-Italy		1,487.12
iii) Grant to Servas Portugal/Others		
	-	2,120.12
	-	2,120.12



SCHEDULE - 7

SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2021:

A. Corporate Information – Build World Peace:

Servas International (Servas or “the Organization”) is a worldwide, not-for-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 encourages 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 the financial records 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 less accumulated depreciation/ amortization.

3) Depreciation/ Amortization:

The depreciation/amortization has been provided on fixed assets using Straight Line Method considering the life of the assets. Depreciation/ amortization on additions/ deletions are accounted on a pro-rata basis. Fixed assets are depreciated over their useful life to their residual value (1% of original cost). The residual value is written off when the asset is no longer in use.

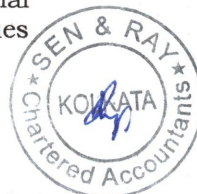
4) Foreign Currency Transactions and Translation:

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 31.03.2021 are as follows:

<u>Currency</u>	<u>CHF</u>	<u>Currency</u>	<u>CHF</u>
USD	0.93398	EUR	1.05682

5) Use of Estimates:

The preparation of financial statements in conformity with Accounting Standards requires the Servas Intentional Executive Committee (hereafter “SI 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 Reserve:**

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

Period	Nature of Event	Amount of Grant (CHF)	Amount of Reimbursement (CHF)
March-21	DC charge Turkey Peace School	136.82	136.82

2. Contingent Liabilities and Law Suits:**A. 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.

B. Law-Suits:

There was no law-suit pending in favor or against the Organization as at March 31'st 2021.

3. Fixed Assets:

During the year, no assets were capitalized. All existing fixed assets have been fully depreciated. Fully depreciated assets are reported at 1% of original value till they are sold or scrapped. Capital Work-In-Progress, spent on the build of Servas.Org Software Version 2, was CHF 17,865.60 at the end of the year.

4. Receivables – Member Fees (Net of Provisions – Ref: Schedule 4(c)):

i. Receivables include Member Fees (Net of Provisions).

ii. The member fees have been accounted for based on the confirmation from the Treasurer.

iii. Member Fees of earlier years are fully recovered and accounted for. Member fees for the current year (2020-21) still pending as of 31.03.2021 are CHF 1,149.00, and a provision amounting to CHF 320.00 has been made for the same at the end of FY 2020-21.

5. Advances to SI EXCO Members, SI Officers & Others:

In the opinion of the SI EXCO, the advances were given in the ordinary course of Servas activities. These amounts will be expensed during FY 2021-22.

6. Prepaid Expenses:

Represent an amount of CHF 1530.81 being the payment for Domain Name Registration Charge (CHF 20.77) and Web hosting Charges (CHF 1510.04) pertaining to the financial year 2020-21.



7. 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.

8. Expenses Recognition:

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

9. Member Fees from Servas Member Groups and Countries:

During the General Assembly held in October 2018, it was decided that members would be charged a fixed membership fee for each of the next three years 2019-2021. The fixed fee chargeable is the average stamp fee payment in the previous three years (2016-2018). Membership fees was calculated on this basis for 2020. As per the resolution at the General Assembly in 2018, membership fees from 2022 will be based on a new funding model to be voted on and approved before the next general assembly.

For the accounting year, SI has recognized membership fee dues from Servas Member Groups and Countries, on accrual basis.

10. Statement of Budget:


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


11. 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 31.03.2021.

For and on behalf of

Executive Committee

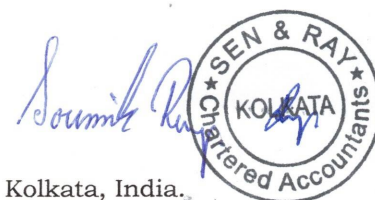

President


Treasurer

Place: *Stockholm*
Dated: *2021-08-17*

As per our report of even date

For SEN & RAY.
Chartered Accountants
Firm Registration No. 303047E



Place: Kolkata, India.
Dated:

SERVAS INTERNATIONAL
Beckhammer 31, 8057 Zurich, Switzerland

SI Budget Vs Actual [1 Apr 2020 - 31 Mar 2021]		
	(Currency : Swiss Francs - CHF)	
(Budget approved at SICOGA 2018)	Budget	Actual
INCOME		
Stamp Fees	55,000	56,280.00
Bank Interest Income	25	25.00
Donation-Restricted	-	-
Donation- General	-	8,790.54
SICOGA Fees	-	-
TOTAL INCOME	55,025	65,095.54
EXPENDITURE		
OPERATING EXPENSES		
EXCO		
Face to Face Meetings	6,500	-
Internet	1,000	-
Miscellaneous	-	-
Total EXCO	7,500	-
DEVELOPMENTAL PROJECT		
Area / Youth Meetings	7,000	136.82
Development Committee Projects	-	-
Total Developmental Project	7,000	136.82
SI Committees		
Audit	150	-
UN Peace related activities	2,000	-
Conflict Resolution	-	-
Host List Validation	-	-
Total SI Committee	2,150	-
ICT		
Website Hosting	3,000	1,387.93
Servas.Org Maintenance	72,450	9,135.27
Total ICT	75,450	10,523.20

	<i>Budget</i>	<i>Actual</i>
OTHER OPERATING EXPENSES		
Printing/ Newsletter/ Postage/ Courier	800	87.13
Bank Charges	1,000	255.76
Forex (gain)/Loss	-	-
Auditor fees	1,200	1,103.13
Accounting fees	1,200	1,103.13
Miscellaneous Expenses (recoveries)	1,000	553.45
ONE-OFF GRANT APPROVALS		
Commission for organizational change	1,000	-
Procedures for recruiting new members	200	-
Improve SICOGA ecological footprint	200	-
Outreach to like-minded organizations	1,000	-
Feasibility of paid administrator	500	-
Youth and Family opportunities	667	-
<i>TOTAL OPERATING EXPENSES</i>	100,867	13,762.62
<i>SPECIAL PROJECTS</i>		
Servas Registration	10,000	4,960.27
Servas.Org Capital Projects		16,848.00
<i>TOTAL SPECIAL PROJECTS</i>	10,000	21,808.27
<i>TOTAL EXPENSES (INCL SPECIAL PROJECTS)</i>	110,867	35,570.89
<i>Excess of Income over Expenses</i>	(55,842)	29,524.65
<i>RECONCILIATION TO REPORTED INCOME (DEFICIT)</i>		
Subtract: Depreciation/Amortisation for the year		-
Subtract: Transfer to General Assembly Reserve		(40,000.00)
Add back: Transfer from Development Reserve		136.82
Add back: Capital work in progress		16,848.00
Reported Surplus/ (Deficit) - Income Statement		6,509.47