

# MISSION REPORT TO 2023 FINANCIAL STATEMENTS



**INTERSOS**

---





<b>FOREWORD</b> .....	<b>10</b>
<b>1 GENERAL INFORMATION ON THE INSTITUTION</b> .....	<b>15</b>
<b>1.1 About Us: Mission and Vision</b> .....	<b>15</b>
<b>1.2 Legal form</b> .....	<b>16</b>
<b>1.3 Our Values</b> .....	<b>17</b>
<b>1.4 Ways of pursuing statutory objectives: Intervention Rationale</b> .....	<b>19</b>
<b>1.5 Ways of pursuing statutory objectives: The Strategy</b> .....	<b>22</b>
<b>1.6 Governance</b> .....	<b>23</b>
<b>2 ILLUSTRATION OF ITEMS IN THE FINANCIAL STATEMENTS</b> .....	<b>29</b>
<b>2.1 Regulatory framework</b> .....	<b>29</b>
<b>2.2 Criteria applied to the valuation of items in the financial statements</b> .....	<b>30</b>
BALANCE SHEET ASSETS .....	<b>33</b>
<b>2.3 Non-current assets</b> .....	<b>33</b>
<b>2.4 Current assets</b> .....	<b>35</b>
<b>2.5 Prepaid expenses and accrued income</b> .....	<b>41</b>
BALANCE SHEET LIABILITIES.....	<b>42</b>
<b>2.6 Net assets</b> .....	<b>42</b>
<b>2.7 Provisions for risk and charges</b> .....	<b>45</b>
<b>2.8 Severance pay</b> .....	<b>46</b>
<b>2.9 Payables</b> .....	<b>47</b>
STATEMENT OF ACTIVITIES .....	<b>59</b>
<b>ATTACHMENTS</b> .....	<b>87</b>
<b>ANNEX 1</b> .....	<b>88</b>
<b>ANNEX 2</b> .....	<b>91</b>
<b>ANNEX 3</b> .....	<b>94</b>

## FOREWORD

This document relates to the financial year ended 31 December 2023 of INTERSOS – International Humanitarian Organisation, headquartered in Rome, via Aniene 26A (hereinafter referred to as ‘INTERSOS’ or ‘Organisation’).

The financial statements as at 31 December 2023 were prepared in compliance with national accounting standards and the Ministerial Decree of 5 March 2020.

The financial statements consist of the Balance Sheet, the Statement of Activities and the Mission Report. These financial statements are subject to statutory audit in accordance with Article 31 of Legislative Decree 117/2021. The legal audit is entrusted to Crowe Bompani SpA.

The **Decree of the Ministry of Labour and Social Policies of 5 March 2020**, adopted in implementation of Article 13 of the Third Sector Code, describes the mission report as the document intended to illustrate *'on the one hand, the items in the financial statements and on the other hand, the economic and financial performance of the entity and the way in which it pursues its statutory objectives, combining information that the Civil Code places for corporations, separately, in the notes to the financial statements and in the Statement of Activities'* and details in **model C**, the report structure.

These functions and structure are taken up and developed in TSE Accounting Standard

**No. 35 of the Italian Accounting Standards Board (OIC-35)** in Appendix C.

As required by the Ministerial Decree, this document is divided into two sections reporting:

- ✓ A General Part;
- ✓ The illustration of items in the financial statements.

### Main events during the year

**2023 was characterised by the lack of political solutions to the multiple ongoing wars and violence, which are among the main drivers of the rise in humanitarian needs.** The Sahel region, with increasing insecurity, drought conditions and economic stagnation, remains a dangerous 'hub' of interconnected crises that is likely to worsen. Conflicts in Ukraine, Syria and many countries in sub-Saharan Africa continue to cause misery, suffering and loss of dignity for hundreds of thousands of people, generating large-scale humanitarian assistance needs.

Unfortunately, **new conflicts** of enormous proportions also occurred in 2023. Globally, conflicts are extensive and pervasive: 12% more conflicts occurred in 2023 than in 2022, and ACLED (Armed Conflict Location and Event Data Project) records an increase of more than 40% compared to 2020. One in six people live in active conflict zones. Of the 234 countries and territories analysed by ACLED,



the majority – 168 – experienced at least one conflict episode in 2023, recording more than 147,000 conflict events and at least 167,800 casualties.

On **7 October 2023**, armed groups led by Hamas carried out an attack in southern Israel, firing on crowds and people in their homes, killing 1,139 Israelis and foreigners, and taking 248 hostages into Gaza. Shortly afterwards, the Israeli authorities cut off essential services to the people of Gaza, including water and electricity, and launched air strikes, relentlessly pounding Gaza and reducing most neighbourhoods to rubble. The unprecedented level of shelling and attacks by the Israeli military on the Gaza Strip has killed more than 36,000 people and injured nearly 80,000. An estimated 1.7 million displaced people are living in appalling conditions, with no or inadequate shelter and no access to health care, clean water or sanitation. Although famine has been declared imminent for some 1.1 million people, humanitarian access remains largely blocked at Gaza's borders.

**Sudan** plunged into a violent civil war in April 2023, which has so far killed more than 15,000 people, displaced 6.6 million people internally (IDPs) and forced 1.8 million people to seek refuge in neighbouring countries. Today, about half of Sudan's population, totalling about 25 million people, is in dire need of humanitarian assistance and protection, and more than 18 million people live in conditions of severe food insecurity, of which nearly 5 million are at risk of famine.

The year 2023 has undoubtedly shown that **climate emergencies** are not a theoretical risk, but a reality that is affecting countries around the world, regardless of their political or economic status. The frequent impacts of climate change, such as extreme and sudden weather events, sea-level rise, forest fires, flash floods and other disasters, have further exposed pre-existing vulnerabilities, particularly in low- and middle-income countries.

By September 2023, more than **114 million people were forcibly displaced** from their homes due to persecution, conflict, violence and human rights violations, marking a 5% increase in just 9 months. **Risks related to lack of protection** have long since become a reality for millions of people, especially children, women, the elderly and people with special needs. Sexual and gender-based violence is now a widespread weapon of war, primarily affecting women and girls. In countries such as the Democratic Republic of Congo and Sudan, the levels of sexual and gender-based violence are alarming, while the call for funding to prevent, mitigate and respond remains largely ignored.

Between droughts, conflicts and economic crises, 2023 was the fifth consecutive year in which **acute food insecurity continued to increase, reaching almost 282 million people**, many of them in the 14 countries experiencing worsening food insecurity, including Afghanistan, the Democratic Republic of Congo, the Occupied Palestinian Territory, Nigeria, South Sudan, Sudan and

Yemen. Acute malnutrition has given no respite to women and children, especially in conflict-affected areas, where more than 36 million children under the age of 5 years are severely malnourished, including nearly 10 million suffering from severe acute malnutrition. INTERSOS witnessed these worrying trends in the Afghan provinces of Zabul and Kandahar, where, despite lower screening rates due to reduced funding and programming, the number of cases of Moderate Acute Malnutrition (MAM) treated in 2023 increased by 49.5%, probably due to inadequate nutrition and micronutrient deficiencies. In addition, we see a massive increase in Infant and Young Child Feeding (IYCF) consultations at the community level, from 1,299 in 2022 to 34,360 in 2023, indicating an increase in malnutrition among children aged 0-24 months. Similarly, in Yemen, 5,165 children were screened from October 2023 to February 2024, with a Severe Acute Malnutrition (SAM) rate of 12.65% and a Moderate Acute Malnutrition (MAM) rate of 28.96%. At the same time, the Global Acute Malnutrition (GAM) rate reached 41.61%, significantly above the WHO critical threshold, indicating an alarming level of acute malnutrition.

In most humanitarian emergencies and protracted crises, the **impact on human health** is high and health crises are on the rise due to a range of interconnected risks, including climate emergencies, conflict, poor water and sanitation, poor health infrastructure and other pre-existing vulnerabilities. For example, cholera epidemics have been reported in 30 countries,

causing thousands of deaths and severe illness, further weakening affected communities. Access to health services – including basic sanitation, sexual and reproductive health, nutrition and routine immunisation – is inadequate for many communities, and humanitarian organisations often fill the gaps by providing basic health care for extended periods in the absence of long-term sustainable solutions.

In the absence of political solutions to ongoing conflicts, and in the absence of a meaningful presence of development actors, local and international humanitarian organisations are often left alone to scale up their response as best as they can to meet new challenges, with diminishing resources. Moreover, working to meet humanitarian needs in a context of ever-increasing needs, with shrinking resources to respond, where politicisation is becoming the new normal, and where numerous obstacles are imposed both by governments and local authorities in the countries of operation, and by donor governments imposing complex compliance rules necessary to avoid incurring legal risks related to counter-terrorism measures, is a challenge in itself.

But our challenges are even greater. As we know, International Humanitarian Law and the principles of humanity, impartiality, neutrality and independence are at the heart of the Geneva Conventions, ratified by 196 states. However, we continue to see double standards and unequal application and respect of IHL and other laws by states in different crises, where geopolitical interests



take precedence over human life and dignity. Violations of IHL pose a huge risk to the international humanitarian system, increasing suffering in many places around the world and further undermining our ability to successfully negotiate humanitarian access and deliver humanitarian assistance in response to identified needs.

Before it is too late, the international community must recognise this serious issue. It must realise that the principle of **humanity must be placed at the heart of all international policy**. It must realise that the defence of IHL and humanitarian principles are not just words on paper, but a concrete commitment to protect civilians. Furthermore, we urgently need collective action by all key stakeholders, both development and humanitarian, as each can provide their assistance to help the most affected communities stabilise their lives and livelihoods, and only through this will we see a gradual reduction in humanitarian needs. More importantly, states must commit to promoting peace and ending wars and conflicts by addressing their root causes.

By the end of 2023, **INTERSOS was operational in 23 countries**: 10 in Africa, 5 in the Middle East, 4 in Europe, 2 in Latin America and 2 in Asia. The total reported project expenditure amounted to **111,476,910 euros**. In its operations, **INTERSOS** has faced many of the challenges described above, including negotiating humanitarian access, meeting complex compliance regulations and increasingly demanding risk management.

Despite this, **INTERSOS** has continued to provide humanitarian assistance in some of the most difficult contexts, using pragmatic approaches and balancing ethical issues with fundamental humanitarian principles. In addition to our ongoing protection, health, nutrition and other humanitarian initiatives, which are detailed in our country sections, we have been able to **respond to multiple new emergencies**, assisting Syrians following the February earthquake, people affected by massive flooding and the catastrophic ecological impact caused by the collapse of the Nova Kakhovka dam in Ukraine, and in Libya after floods devastated the city of Derna. In Chad, Central African Republic and South Sudan we responded to the needs of people fleeing the war in Sudan, laying the groundwork for an intervention inside the country planned for early 2024. **The new Mission in Mali became fully operational** at the end of the year, while the registration process in Ethiopia is still ongoing.

Recognising the need to provide further guidance to enable coherent and high quality approaches to our interventions, the new **INTERSOS Programme Framework** was developed and disseminated in 2023, providing a comprehensive overview of the Organisation's activities, its core areas, approaches and directions to be followed in the implementation of our activities.

The **INTERSOS Localisation Document**, which describes how the Organisation views and implements localisation in all the contexts in which we are present, has been published



and shared with donors, partners and other stakeholders.

The **Safeguarding Framework** has been completed. The Safeguarding Framework and associated policies set out INTERSOS' approach to safeguarding, i.e. an ethical approach and set of practical measures to promote the safety and well-being of all those involved in providing and receiving humanitarian assistance, and to protect them from all forms of harm, including sexual exploitation, abuse, harassment and other safeguarding risks (including child abuse, bullying, discrimination and abuse of vulnerable adults at risk).

**Immunisation** remained a key priority in our 2022-2024 Global Medical Strategy, with vaccination campaigns conducted in Nigeria and Yemen. From June to December 2023, an internal working group developed a roadmap to enable the expansion of mass immunisation campaigns in newly selected operational settings.

### Main events after the end of the financial year

As far as 2024 is concerned, the forecast for the Annual Activity Plan is broadly in line with 2023. No significant increases are expected, but on the contrary, for some donors, such as UNHCR, are expected to see 20% decrease in funding. Overall, the plan will be around 130 million, about 5% less than in 2023.

In the first months of the year, feasibility assessment missions were organised to

strengthen INTERSOS presence in Sudan. After intervening in the neighbouring countries of South Sudan and Chad in 2023 to assist people fleeing the country, registration and the opening of an office in Port Sudan began in 2024. Also, feasibility missions for humanitarian actions in the Darfur region on the border with Chad are being launched.



# 1 GENERAL INFORMATION ON THE INSTITUTION

## 1.1 About Us: Mission and Vision

INTERSOS is an international humanitarian organisation based in Italy, active since 1992. Its mission is to intervene promptly and professionally in emergency and crisis situations, bringing immediate relief to people whose lives are threatened by war, violence, extreme poverty, natural or man-made disasters.

On the frontline in the most affected areas, INTERSOS staff stand by vulnerable populations, providing them with essential medical care, distributing basic necessities and providing emergency shelter.

By providing specific resources and expertise, INTERSOS helps to meet basic needs such as the right to water, food, health, protection and education, acting as a beacon of hope in contexts often marked by despair and suffering.

INTERSOS aims to increase its presence in the affected areas, improving the quality of interventions to reach an increasing number of people in vulnerable and dangerous situations. At the same time, it intends to lay the foundations for initiating development processes and mobilising society on humanitarian values, fundamental rights and the dignity of every human being.

INTERSOS works to build a world based on equality, justice, equal access to rights and resources, peace and solidarity. The staff is guided by our Charter of Values and the humanitarian principles of neutrality, impartiality and independence.

INTERSOS is an independent organisation, partnering with numerous local associations and organisations as well as the main European and international institutions and agencies. It is a member of ICVA, VOICE, LINK 2007, has consultative status at the United Nations Economic and Social Council and observer status at the International Organisation for Migration.

## 1.2 Legal form

The legal form of INTERSOS is that of a Recognised Association. INTERSOS has amended its statutes in accordance with the regulations on Third Sector Entities (Legislative Decree No. 117 of 3 July 2017 - Third Sector Code), but has not yet been registered with RUNTS, the Single Third Sector Register. It has therefore maintained its Non-Profit Organisation status.

As a Non-Profit Organisation, the tax regime applied is still that of the former Legislative Decree 460/1997 until the date of entry into force of the new rules dictated by Legislative Decree 117/2017 of the 'Third Sector Code', Title X 'Tax regime of Third Sector Entities', Articles 79-89. Article 82 of Legislative Decree 117/2017 on indirect taxes and local taxes is already in force as of 1 January 2018.

The headquarters of the Organisation is located at Via Aniense 26A – 00198 Rome, in addition to all the operating offices located in the missions where it is present.

INTEROSOS pursues, on a non-profit basis, its civic, solidary and socially useful objectives by carrying out and exercising exclusively or principally one or more activities of general interest, as referred to in Article 5 of the Third

Sector Code (Legislative Decree 117/2017) listed below, with specific reference to:

- ✓ Development cooperation;
- ✓ Health interventions and services;
- ✓ Education and vocational training,
- ✓ Cultural activities of social interest with an educational purpose;
- ✓ Humanitarian reception and social integration of migrants;
- ✓ Promotion of the culture of legality, peace among peoples, and non-violence;
- ✓ Promotion and protection of human, civil and social rights.

To this end, the Organisation promotes and implements, either directly or in cooperation with other entities, all types of humanitarian and solidarity intervention deemed necessary for the pursuit of its objectives, including those related to prevention, training of local and international actors, education on global citizenship and international solidarity, witnessing to public opinion and the dissemination of humanitarian principles.



### 1.3 Our Values

*'HOMO SUM, NIHIL HUMANI A ME ALIENUM PUTO'*

I AM A HUMAN: I REGARD NOTHING HUMAN AS FOREIGN TO ME

(Terence, 190-159 BC)

This is the synthesis of the first principle of INTERSOS, from which its values are derived and which characterises all its actions. It is the affirmation of the centrality of the human being, of the principles of equality, justice, peace, solidarity and therefore of the duty of each individual to help all people living in need and in suffering, in a way that is not conditioned by considerations or convictions of a different nature.

#### **INTERSOS is:**

**WITHOUT BARRIERS:** INTERSOS operates in full coherence with the principles of the Universal Declaration of Human Rights and the European Convention on Human Rights. It rejects any kind of distinction or discrimination based on race, gender, religion, nationality, ethnicity or class of people in need.

**HUMAN:** Humanity is at the heart of INTERSOS' work. Our commitment is based on the centrality of the human being and the desire to prevent and alleviate suffering. Our staff are committed every day to protecting the most vulnerable people by listening, understanding and guaranteeing proximity to the populations in need.

**NEUTRAL:** INTERSOS activities guarantee a neutral approach. In conflict contexts we do not take sides, nor do we get involved in political or religious disputes. Our activities aim to provide services to communities and to build a relationship of trust with people, without supporting or favouring anyone.

**IMPARTIAL:** INTERSOS considers people in need of assistance regardless of any political, religious, social or difference and affiliation. Its humanitarian activities are impartial and include any population and any person at risk or in significant need of assistance. At the same time INTERSOS will not refrain from identifying and adopting a political stance towards possible individual or institutional responsibilities in the light of specific catastrophic events, whether natural or man-made.

**INDEPENDENT:** INTERSOS is not subject to any political or ideological demands, whether national or international. Independence of thought and judgement entitles INTERSOS to denounce all violations of human rights and all forms of injustice and iniquity without being influenced. The same principle of independence determines the criteria for the selection of both public and private donors.

**ATTENTIVE TO LOCAL CULTURES:** INTERSOS carries out its interventions by implementing methodologies and behaviours that respect local cultural and religious contexts.

**ATTENTIVE TO LOCAL POTENTIAL:**

INTERSOS always places the value and dignity of the human being at the centre of its activities. This is why it involves the local population in its activities from the outset, valuing and developing the capabilities and skills of individuals and communities, thereby gradually eliminating dependence on external aid. Its relationship with local populations is based on listening, dialogue, exchange and participation.

**PROFESSIONAL IN SOLIDARITY:**

INTERSOS considers solidarity and professionalism to be two indispensable and inseparable components of its humanitarian action and therefore essential elements in responding to the needs of populations with humanity, effectiveness and quality.

**TRANSPARENT:** INTERSOS operates thanks to funding from private and public donors. The budgets for every single project are audited by the public donors and certified by auditing companies. The annual general financial statements are certified and published.



#### 1.4 Ways of pursuing statutory objectives: Intervention Rationale

In compliance with the requirements of point 20) of 'Appendix C' of the OIC 35, in this and the following paragraph, we describe in detail the rationale and modus operandi of the actions carried out by INTERSOS, as well as the main points of the strategy adopted, in order to achieve the statutory objectives, with specific reference to the activity of general interest, the latter consisting mainly of the project activity carried out during the financial year.

INTER SOS' intervention rationale revolves around three main pillars: emergency response, proximity to the people we assist and our community approach.

##### Emergency Response

Emergencies are never far away. In addition to internal and international conflicts that mainly affect civilians, natural disasters occur with increasing frequency and intensity. As a result, entire populations are exposed to enormous suffering, deprived of their rights, unable to meet their basic needs and often in danger of losing their lives.

The growing number of conflicts caused by competition for scarce resources – especially water – together with climate change and desertification, are increasingly causing population displacements with devastating consequences for the affected populations, and significant impacts on the host regions and countries, which are often poor and facing the same challenges. INTERSOS was created precisely to respond to these situations in an efficient and immediate manner.

##### Proximity

We want our projects to have an immediate and positive impact on the affected populations. This requires preparation and a rapid response to humanitarian emergencies in order to be on the front line. To this end, INTERSOS intends to approach crisis management in the following way:

- ✓ Being prepared to respond quickly and effectively to emergencies;
- ✓ Providing a response to the basic needs of affected populations, including water, shelter, protection and medical care;
- ✓ Reducing the risk of populations being affected by disasters and, when a disaster, mitigating their impact.

We do this by:

- ✓ Working with communities and local authorities to reduce the level of vulnerability, raise awareness and support training and response capacity.
- ✓ Working with them to reduce the potential impact of disasters in particularly vulnerable areas, in accordance with our policies and principles.

##### Community-based approach

Communities are involved in all stages of analysis and planning, including the planning

and annual review of each country's programme. At national, regional and global level, INTERSOS ensures that communities are physically (or virtually) consulted and involved in all phases, including the needs assessment. The Organisation retains ownership of the process but shares ownership of the activities, thus accepting that activities may vary according to the needs and priorities expressed by the communities.

To this end, the Organisation expands both its outreach to communities, focusing on quality and accuracy, and the level of exchange with interagency actors and other stakeholders, ensuring that the realities on the ground are correctly represented and that appropriate actions are identified, feasible and implemented where possible.

In this way, INTERSOS aims to reduce the gap between identified needs and the adequacy of its response.

In addition to providing immediate assistance to people in need, INTERSOS is actively involved in promoting environmental sustainability in the areas where it operates.

The Organisation integrates environmental protection principles into its activities, reducing the environmental impact of its interventions and promoting sustainable practices among local communities.

### **Our commitment to environmental sustainability in humanitarian action**

INTERSOS' total carbon emissions in 2023 were 22,000 tonnes of CO<sub>2</sub>. This is the result of the Carbon Footprint Report, which INTERSOS uses as a compass to guide its environmental choices and to develop tailored solutions to reduce carbon emissions while addressing the global issue of climate change. The publication of this report is an act of transparency and reinforces our commitment to addressing climate change and the direct and indirect environmental impact of our activities.

Of the 23 countries where we operate, 14 are among the 60 most vulnerable to the effects of climate change. In the Sahel, Afghanistan and the Middle East, climate change is another cause of forced displacement, exacerbating conflicts over natural resources and weakening the resilience of communities. At the same time, these are the communities most in need of support to adapt to the current dynamics. Aware of the seriousness of the environmental factors of climate change, INTERSOS will assume its responsibilities in two complementary directions: strengthening the resilience of the affected populations and reducing the negative impacts of its activities.

From the latter perspective, and guided by our Environmental Policy established in 2019, we are actively integrating sustainability into our supply chain, logistics and facilities management. We believe that sustainable logistics are essential to an effective humanitarian response and are committed to continuous innovation, collaboration and staff training to further reduce our emissions and



**INTEREOS**

MISSION REPORT TO 2023 FINANCIAL STATEMENTS

INTEREOS

support the wellbeing of the communities we serve.

The Organisation is taking significant steps to minimise the environmental impact of INTERSOS' operations and build a more resilient future. These include: applying Carbon Footprint Accounting methodologies across our global operations, setting ambitious emission reduction targets for our vehicles, optimising routes and warehouse operations to minimise transport emissions, prioritising local sourcing of goods and services to reduce distances and associated carbon emissions, and investing in renewable energy solutions.

The adoption of operational tools to reduce the environmental impact of each project, such as NEAT+, is part of this approach. Furthermore, to better respond to the impact of environmental change on humanitarian crises, the Organisation will ensure that specific and measurable targets are included into the 2025-2027 programming.

This project was developed in cooperation with HELP Logistics, an organisation established by the Kühne Foundation to address specific humanitarian logistics and supply chain management issues through project and programme partnerships.

[READ THE REPORT](#)





### **1.5 Ways of pursuing statutory objectives: The Strategy**

2022 was the first year of implementation of our 2022-24 Strategic Plan, later extended to 2025, which is an indispensable tool to guide the work of INTERSOS, both at mission and headquarters level, and to outline the common objectives to be achieved.

The Strategic Plan consists of four Strategic Objectives (SO) that guide the actions of all staff, headquarters and missions in order to be an increasingly strong and relevant organisation:

- ✓ **SO1:** Strengthening our community-based approach;
- ✓ **SO2:** Strengthening our organisational and operational capacities to be ready to respond to evolving humanitarian challenges;
- ✓ **Goal 3:** Strengthening our relevance as a humanitarian actor;
- ✓ **SO4:** Consolidating our efforts to be an accountable and transparent organisation.

## 1.6 Governance

The collegial bodies provided for in the Statutes are:

- ✓ General Assembly;
- ✓ Board of Directors;
- ✓ Board of Statutory Auditors;
- ✓ Board of Arbitrators.

### General Assembly

The General Assembly is the statutory body that deliberates on the general course of activities to achieve the Organisation's goals, approves the financial statements and the annual report, and elects and revokes the members of the Board of Directors, of the Board of Arbitrators and of the Board of Statutory Auditors, and the Supervisory Body. The Assembly is convened, in ordinary session, at least once a year to approve the financial statements of the previous year, the possible renewal of officers, and the presentation of the budget for the current year.

As at 31 December 2023, INTERSOS General Assembly consists of 35 members. INTERSOS members are classified as **Founding Members**, who participated in the establishment of INTERSOS by signing the relevant deed, **Honorary Members**, who have contributed through relevant acts to the development of INTERSOS and its activities and to the dissemination and defence of its humanitarian principles, and **Ordinary Members**. In compliance with what is required in OIC 35, 'Appendix C' point 2), it is stressed that the Organisation's members do not include the beneficiaries and populations that are the object of the aid and services that

INTERSOS guarantees, in compliance with its mission and intervention strategy. For this reason, the above paragraph is not applicable, i.e. no activities are carried out in favour of members. In 2023, the General Assembly met in June to approve the financial statements.

### The Board of Directors

The Board of Directors takes the necessary and appropriate measures to achieve the Association's goals, according to the directives of the Assembly. It is composed of a minimum of seven and a maximum of nine members, including the Director General, and gathers at least 3 times a year.

The Founding Members participate by right in the meetings of the Board of Directors with advisory and proactive powers. The Board of Directors may avail itself of the support of other individuals, also non-members, distinguished for their professionalism, experience, and affirmation of humanitarian principles, to be involved on a permanent basis for the entire duration of the Board itself, or from time to time with the role of experts and the function of providing opinions and suggestions, without the right to vote. There shall be no more than 2 permanent experts.

INTERSOS Board of Directors consists of 7 voting members and met 5 times during 2023. The Board of Directors also intervenes and operates within the Organisation through 2 commissions:

- ✓ Risk and Audit committee
- ✓ Remuneration committee

**The Risk and Audit committee** is the point of reference for all activities related to compliance, audit and risk management, including the identification of risks that may affect all areas of the Organisation. In particular, this committee deals with:

- ✓ Supporting and assisting the Board of Directors in identifying potential risks and areas for improvement (operational, financial, legal, contractual, IT or other risks) and providing general guidance on how to avoid or address similar risks in the future;
- ✓ Evaluating the audit plan for the assigned geographical areas, handling unplanned requests, coordinating and managing Internal Audit;
- ✓ Preparing and presenting reports that reflect the results of audit activities and provide potential solutions;
- ✓ Reviewing and presenting the results of audit activities and recommendations for improvement to the Board of Directors and the Directors' Group within the established timeframe in order to meet the expectations of stakeholders and to ensure maximum efficiency in the audit work, as well as the validity of the opinions expressed;
- ✓ Interacting with the management team at all levels within the assigned areas;
- ✓ Carrying out special projects at the request of the Heads of department (ad hoc audits, project reviews, fraud investigations and so on).

The **Remuneration Committee** reviews the staff salary structure, salaries and benefits package for approval by the Board. The Committee is tasked with assisting the Board of Directors in fulfilling its responsibilities with regard to the determination, implementation and operation of the Organisation's overall remuneration policy, including the remuneration of the Director General and Department Directors, as well as overseeing the remuneration arrangements for other staff within its remit. In particular, this committee is responsible for:

- ✓ Making recommendations to the Board of Directors on the general framework and remuneration policy (including benefits, per diem, reimbursement of expenses) for the Director General, Department Directors and all INTERSOS staff.
- ✓ Approving, on behalf of the Board of Directors, any fees to be paid for services rendered to the Organisation, such payments to be included in the INTERSOS financial statements.
- ✓ Approving, on behalf of the Board of Directors, any offers of non-executive management or other external appointments.

### Composition of the INTERSOS Board of Directors as at June 2024

1. **Mamadou Ndiaye**, *President*
2. **Konstantinos Moschochoritis**, *Director General*
3. **Antonio Donini**
4. **Roberta Canulla**



5. **Lilla Florà**
6. **Alberto Angelici**
7. **Davide Gallotti**
8. **Nino Sergi** - *President emeritus, Founding Member with advisory power*
9. **Amedeo Piva** - *Founding member with advisory power*
10. **Tineke Ceelen** - *Permanent Expert*
11. **Apostolos Veizis** - *Permanent Expert*

### Board of Statutory Auditors

The Board of Statutory Auditors has the task of monitoring compliance with the law and the Articles of Association as well as the adequacy of the organisational, administrative, and accounting structure and its concrete functioning. It also monitors compliance with civic, solidarity, and social utility purposes; certifies that the annual report is prepared in accordance with the guidelines; draws the attention of the Board of Directors to any situations of conflict of interest in which the Director General may find himself and submits to the Board of Directors any recommendations and advice it deems appropriate with regard to the correctness and transparency of the Association's work and for the consistency of its activities with the statutory objectives.

INTERSOS Board of Statutory Auditors was appointed at the General Assembly on 28 June 2023 and consists of three standing members and two alternate members, with requirements of honour, professionalism and independence, appointed by the Assembly.

### Composition of INTERSOS Board of Statutory Auditors as at June 2024

1. **De Simone Giampaolo** – *Standing Member*
2. **Del Vecchio Raffaele** - *Standing Member*
3. **Chiocchi Angelo** - *Standing Member*
4. **De Angelis Maria** - *Alternate Member*
5. **Vezzosi Patrizia** - *Alternate Member*

### The Board of Arbitrators

The Board of Arbitrators is entrusted with the task of endeavouring to settle and resolve any disputes that arise between the association's bodies and within the framework of relations between the association and the operational structure. The Board of Arbitrators consists of 3 members appointed by the Assembly, who designate the Chairman of the Board from among themselves.

The Board of Arbitrators was appointed at the General Assembly on 28 June 2023 and consists of 3 members:

1. **Davide Berruti**
2. **Alda Cappelletti**
3. **Luciano Costantini**

Other functions of which the Organisation is composed are:

### Supervisory Board

The Supervisory Board is a body provided for by Legislative Decree 231/2001 on the 'administrative liability of companies and bodies'. This body is appointed 'autonomously' by the Board of Directors. The Supervisory Board has the task, with regard to the

Organisational Model issued by the Entity, of constantly monitoring:

- ✓ On its observance by all addressees;
- ✓ On its actual effectiveness in preventing the commission of offences;
- ✓ On the implementation of the requirements contained therein;
- ✓ On its updating, in the event of the need to adapt the Model due to changes in the corporate structure and organisation or in the regulatory framework.

The Supervisory Board was elected by the Board of Directors on 13 June 2022 and is composed of:

- ✓ Giampaolo de Simone
- ✓ Gabriele Zito
- ✓ Paolo Tartaglia

### Advisory Board

INTERSOS Advisory Board is composed of people who share our values and humanitarian commitment, and voluntarily put their skills and professionalism at the service of INTERSOS. As at June 2024, the INTERSOS Advisory Board is composed by:

1. **Enrica Costantini**
2. **Raffaele Costantino**
3. **Nerina di Nunzio**
4. **Nancy Earle**
5. **Andrea Lanzone**
6. **Laura Maywald**
7. **Marco Momigliano**

**8. Paolo Petrocelli**

**9. Giulia Pigliucci**

**10. Andrea Schiavoni**

### Internal Audit

INTERSOS has an internal control system aimed at ensuring INTERSOS transparency and accountability towards all beneficiaries of intervention programmes, donors, all expatriate and national staff and all other stakeholders.

This Internal Audit is ensured by three independent bodies:

- ✓ The Board of Statutory Auditors, consisting of three professionals from outside the Organisation, enrolled in the registers of Auditors, Chartered Accountants and Lawyers;
- ✓ The Supervisory Board, also consisting of three members and chaired by a professional registered auditor and expert in Law 231;
- ✓ The Internal Auditor, whose independence is reinforced by the fact that he reports directly to the Board of Directors and is not included in the Organisation chart.

Humanitarian activities in the countries of intervention are subject to external audits carried out by external auditors contracted directly by donors. In 2023 alone, INTERSOS received 78 project audits in 19 countries.



Furthermore, in 2023 INTERSOS adopted a Safeguarding Framework that defines INTERSOS's approach to possible misconduct, violence or harm not only by the Organisation's staff but also by all those involved in its activities (suppliers, collaborators, beneficiaries, local communities, etc.), to promote their welfare and protection.

The Safeguarding Framework is a set of 12 documents, reflecting INTERSOS' commitment to applying the principle of zero tolerance in cases of abuse and non-compliance. The aim is to prevent any kind of misconduct or abuse from occurring, but also – if it does occur – to ensure that everyone knows how to report and handle such cases in a timely manner. This framework ensures that people who report cases of abuse are protected and that perpetrators are sanctioned.

The documents included in the framework are: INTERSOS' Code of Conduct; Policy on the Protection from Sexual Exploitation, Abuse and Harassment; Child Safeguarding Policy; Dignity at Work Policy; Equal Opportunities Policy; Anti-Modern Slavery Policy; Ethical Images Policy; Whistleblowing and Investigation Policy; Conflict of Interest Policy; Data Protection Policy; Environmental Policy; Policy on the Consequences of Misconduct.

The new Code of Conduct is binding on all staff. It is signed on entry into service and implies the acceptance of some obligations. These include the humanitarian principles of impartiality, neutrality, independence and humanity.

The INTERSOS procedure for internal whistleblowing and investigation aims to:

- ✓ Enable all collaborators and staff to file a complaint;
- ✓ Provide solutions to reported problems and receive feedback on the action taken;
- ✓ Reassure all staff of the response they can expect when they raise a concern;
- ✓ Reassure all staff that they will be protected from possible reprisals if they report a problem.

The types of behaviour to be reported include, among others:

- ✓ Failure to comply with individual safeguarding standards. This includes prostitution; all instances of sexual exploitation, abuse and harassment; child abuse, exploitation and harassment; modern forms of slavery or human trafficking;
- ✓ Financial irregularities, including fraud, corruption, theft, financial mismanagement, misappropriation of funds, cybercrimes, financing of terrorist activities or organisations;
- ✓ Forgery of documents;
- ✓ Serious mismanagement resulting from wilful misconduct or unethical behaviour (e.g. consumption of alcohol during working hours);
- ✓ Failure to comply with safety regulations;

- ✓ Engaging in dangerous acts or omissions that create a risk to health, safety or the environment;
- ✓ Bribery, blackmail or extortion;
- ✓ Undeclared conflicts of interest;

All complaints will be treated professionally and confidentially, and INTERSOS will respond quickly and effectively to all issues raised. The whistleblower or anyone else involved in the internal investigation will not be subject to any form of retaliation. INTERSOS will maintain the confidentiality of all reports and protect the identity of whistleblowers.

Complaints can be sent:

- ✓ By e-mail to [complaint@intersos.org](mailto:complaint@intersos.org);
- ✓ To WhatsApp number +39 3808970033;
- ✓ By mail to the attention of the Internal Auditor, Intersos, Via Aniene 26A, 00198 Rome, Italy;
- ✓ Through the INTERSOS website <https://www.intersos.org/trasparenza/riporta-a-intersos/>

## 2 ILLUSTRATION OF ITEMS IN THE FINANCIAL STATEMENTS

### 2.1 Regulatory framework

The Reform of the Third Sector, introduced by the Enabling Act no. 106 of 6 June 2016, consolidated by the implementing decrees of summer 2017, including Legislative Decree no. 117 of 3 July 2017, which contains the 'Third Sector Code' (TSC), and substantiated, albeit not yet definitively, by the many ministerial decrees and guidelines that have followed one another over time, represents for non-profit organisations a moment of absolute importance and impact on the activities carried out and to be carried out.

Through the adoption of Legislative Decrees Nos. 112 and 117 of 2017, the reform gave birth to a genuine law of the Third Sector, as a peculiar legal system: one of the characteristics of this system is its multidisciplinary nature, encompassing profiles of constitutional law, civil law, administrative law, tax law, commercial law, and bankruptcy law. The legal-accounting discipline could not remain extraneous to the construction of this legal framework, which is specifically dealt with in Article 13 of the Third Sector Code, dedicated to the accounting records and financial statements of TSE, to which can be added Article 14, paragraph 1, on the subject of the annual report, as well as, with regard to social enterprises, in Article 9 of the aforementioned Legislative Decree no. 112 of 2017.

Among the most relevant issues is financial and non-financial reporting. With regard to the former in particular, it is worth mentioning that the Ministry of Labour, the *deus ex machina* of the Reform, published on 5 March 2020 the decree on 'Adoption of the financial reporting forms for Third Sector Entities'. This decree, implementing the request of Art. 13, para. 3 of the TSC, has in fact formalised for the first time a codified system of rules on financial statement formats for non-profit organisations.

In February 2022, the Organismo Italiano di Contabilità (OIC), the national standard setter for accounting standards, completed the 'accounting framework' by publishing OIC 35 Accounting Standard TSE.

This document plus the Balance sheet and Statement of Activities slavishly follow the requirements of OIC 35.



## **2.2 Criteria applied to the valuation of items in the financial statements**

The financial statements and this Mission Report are expressed in euro units.

The accounting principles applied are those set up in Annex 1 of Labour Decree of 5 March 2020, which provides that *'the preparation of the financial statements of the entities referred to in Article 13, paragraph 1, of Legislative Decree no. 117/2017 shall comply with the general clauses, the general principles of financial statements and the valuation criteria set forth in Articles 2423 and 2423-bis and 2426 of the Italian Civil Code, respectively, and the national accounting standards, insofar as they are compatible with the absence of the purpose of profit motive and with the civil, solidarity and socially useful purposes of Third Sector Entities'*.

The financial statements have been prepared on an **accrual basis**, which means that the effect of transactions and other events are recognised in the accounts and attributed to the financial year to which they relate and not to the year in which the associated cash flows (receipts and payments) occur. This principle is only departed from when not all the elements necessary to make the entries are certain and precise. The accrual postulate requires costs to be correlated to revenues for the financial year. An example of correlation between expenses and revenues in the OIC concerns the recognition of prepayments. According to OIC 18 'Accruals and Deferrals', the recognition of prepayments involves the adjustment of costs recognised in the income

statement to relate them to revenues that will be received in future years.

The valuation of items in the financial statements has been made based on the principle of **prudence**, taking into account the economic function of the assets and liabilities considered and with a view to the continuation of the business.

The application of the principle of prudence has entailed the valuation of the individual components of the various items or categories of assets or liabilities, to avoid any offsetting between losses to be recognised and gains not to be recognised because they have not been realised.

This report has been prepared on a **going concern basis**.

### **Intangible non-current assets**

They are stated at acquisition cost, including ancillary costs, and adjusted directly for the value of any depreciation fund. Non-current assets, whose value at the end of the financial year is permanently lower than their book value, are stated at this lower value and the difference is charged to the profit and loss account as depreciation.

### **Property, plant and equipment**

They are stated at acquisition cost and adjusted for the value of the corresponding depreciation reserves.



Depreciation allowances, charged to the Statement of Activities, were calculated considering the use, destination and economic-technical life of the assets, based on the criterion of residual usefulness.

The rates applied are as follows:

- ✓ Vehicles: 25%;
- ✓ Office equipment and telephone systems: 20%;
- ✓ Miscellaneous machinery and equipment: 15%;
- ✓ Furniture: 15%.

### Financial non-current assets

They are stated at cost, adjusted for impairment losses.

Financial non-current assets consisting of loans are valued at acquisition cost. Other securities are stated at cost, including directly attributable transaction costs and excluding interest accrued at the date of transfer.

### Inventories

Inventories are valued at the lower of purchase cost (including ancillary expenses) or production cost and realisable value based on market trends in accordance with accounting standard OIC 13.

Market value means the repurchase cost for raw materials and the net realisable value for semi-finished and finished goods.

### Receivables and payables

Receivables are stated at their estimated realisable value, irrespectively of the

application of depreciated cost. The nominal value of receivables is adjusted to the estimated realisable value by means of a specific provision for credit impairment, taking into consideration the age of the receivables and the general economic conditions of the sector. Accounts payable are stated at their nominal value modified in the event of returns or billing adjustments, as the application of amortised cost is irrelevant.

### Cash in hand

They are entered in the financial statements at their nominal value.

### Prepaid expenses and accrued income

They measure income and expenses whose accrual or deferral is based on the occurrence of a monetary event; they are independent of the date of payment or collection of the related income and expenses, which are common to two or more financial years.

### Net assets

Net assets include the various reserves and profits generated during the year, as well as reserves set aside following the receipt of restricted donations from third parties. The items are expressed in currency that is the legal tender of the country.

### Provisions for risk and charges

These are provisions set aside to cover losses or liabilities of a definite nature and of certain or probable existence, but whose amount

and/or date of occurrence could not be determined at the time of the financial statements.

The general criteria of prudence and accrual have been observed in the valuation of these provisions, and no general provisions for risk have been made without economic justification.

Contingent liabilities are recognised in the financial statements and included in provisions when they are considered probable and the amount of the related charge can be reasonably estimated.

### Provision for Severance

It represents the actual liability to employees at the financial statements date in accordance with the law and current employment contracts, considering all forms of remuneration of a current nature.

The provision is equal to the sum of the individual indemnities accrued in favour of employees at the financial statements date, net of the agreements paid, and is equal to the amount that would have been payable to employees if they had terminated their employment at that date.

### Revenues and Costs

They are recognised in accordance on a prudent and accrual basis, including the establishment of appropriate provisions. Revenues and costs are recognised net of returns, discounts, rebates and premiums.

### Taxes

Taxes for the year are provided on an accrual basis, in accordance with enacted tax laws.

### Currency Assets and Liabilities

Throughout the financial year, INTERSOS uses the official monthly Inforeuro rate, published on the European Commission's website, for all its accounts. As at 31 December, in accordance with the Civil Code, all balances relating to foreign currency assets and liabilities are revalued at the Bank of Italy's exchange rates of 29 December 2023, published in the Gazzetta Ufficiale Serie Generale no. 11 of 15 January 2024, with the exception of the foreign currency assets and liabilities related to the missions in Lebanon and Yemen. In the latter case, the real exchange rate applied by the main local banking and public institutions that differed significantly from the rate published in the Gazzetta Ufficiale. For instance, the exchange rate applied in Yemen is 564.5200 YER for the north of the country and 1,690.5395 for the south of the country, both published by the Central Bank of Yemen; and in Lebanon it is LBP 89,500.0000.

The related exchange rate gains and losses are recognised in the Statement of Activities.



## BALANCE SHEET ASSETS

### 2.3 Non-current assets

#### II *Property, plant and equipment*

Property, plant and equipment amount to 26,227 euros. The amount at the beginning of the year was 34,142 euros. The composition and movements of the individual items are shown below:

Description	Land and buildings	Plant and machinery	Vehicles	Property, plant and equipment under construction and advances	Other property, plant and equipment	Total property, plant and equipment
<b>Historical cost</b>	-	<b>84,355</b>	<b>4,800</b>	-	-	<b>89,155</b>
Increases	-	2,056	-	-	-	<b>2,056</b>
Decreases	-	7,493	-	-	-	<b>7,493</b>
<b>Balance as at 31/12</b>	-	<b>78,918</b>	<b>4,800</b>	-	-	<b>83,718</b>
<b>Depreciation fund</b>	-	<b>50,213</b>	<b>4,800</b>	-	-	<b>55,013</b>
Depreciation for the year 2023	-	9,035	-	-	-	9,035
Divestments	-	6,557	-	-	-	6,557
<b>Balance as at 31/12</b>	-	<b>52,691</b>	<b>4,800</b>	-	-	<b>57,491</b>
<b>Net book value</b>	-	<b>26,227</b>	-	-	-	<b>26,227</b>

These non-current assets include three categories:

- ✓ Plant and machinery, consisting of equipment such as solar pumps for water extraction, computers and laptops, air conditioners, fire extinguishing systems and server machines;
- ✓ Motor vehicles, relating to a passenger car;

- ✓ The increases in 2023 relate to the purchase of a boiler for 2,056 euros.

The decreases relate to the disposal of two laptops, a server UPS, a firewall and a boiler with a capital loss of 936 euros.

There are no further write-downs or revaluations, contributions received relating to recorded increases and changes in the description of non-current assets.

The depreciation allowances relate to computers, servers and various equipment.

### III Financial non-current assets

Financial non-current assets amount to 48,724 euros (they amounted to euro 43,422 at the beginning of year).

Investments, securities and active financial instruments are represented as follows:

Description	Investments in subsidiaries	Investments in associated companies	Security Deposits	Other securities	Total investments and other securities
Value at the beginning of year			19,998	23,424	43,422
Increases			1,158	5,000	6,158
Decreases			856		856
Year-end value			20,300	28,424	48,724

Security deposits refer to payments made following the rental of the Geneva offices for 1,552 euros, the deposit for the use of satellite lines for 3,000 euros, the gas supply to the A28 centre for 40 euros, the rent and ancillary costs of the Crotone office for 1,697 euro, the rent of a building and warehouse in Palermo for 2,010 euros, the rent of the office in Foggia for 870 euros, for security deposits to the Region of Sicily for 9,840 euros and the rental of three cars in Iraq for 1,640 euros. A new deposit was paid for a GH in Palermo for euro 950, together with exchange rate differences of 208 euros, we have an increase in deposits for a total of 1,158 euros.

On the other hand, deposits for refreshment services of 200 euros and the lease of a warehouse in Libya were extinguished during the year. The item Other Securities includes shares in Banca Popolare Etica Soc. Coop. AR.L. – piazzetta Beato Giordano Forzatè,

Padua. To date, INTERSOS holds 384 securities with a value of 61 euros each, for a total of 23,424 euros.

At the beginning of 2023, we joined the Humanitarian Logistics Cooperative – HLC, headquartered in Clichy, France, by subscribing 500 shares with a nominal value of 10 euros, for a total of 5,000 euros.



## 2.4 Current assets

### *II Receivables*

Receivables included in current assets amount to 56,704,707 euros (63,287,863 euros at the beginning of year). There are no receivables due in more than 5 years. The breakdown is as follows:

Description	Value at beginning of year	Provision for credit impairment	Change during the financial year	Year-end value	(of which) due beyond the financial year	(of which) due after the 5 <sup>th</sup> financial year
Towards users and customers	1,664	-	- 1,664	-	-	-
Towards members and founders	12,000	-	- 2,100	9,900	9,900	-
Towards public institutions	50,756,490	-	689,744	51,446,234	51,446,234	-
Towards private entities for contributions	9,762,318	-	- 5,762,770	3,999,548	3,999,548	-
Towards entities of the same network	-	-	-	-	-	-
Towards other TSE	365,479	-	- 45,631	319,848	319,848	-
Towards subsidiaries	-	-	-	-	-	-
Towards associated companies	-	-	-	-	-	-
Tax receivables	21,022	-	- 10,803	10,219	10,219	-
Tax donations (5 x mille)	-	-	-	-	-	-
Prepaid tax	-	-	-	-	-	-
Others	2,368,890	-	- 1,449,933	918,957	918,957	-
<b>Total</b>	<b>63,287,863</b>		<b>6,583,157</b>	<b>56,704,707</b>	<b>56,704,707</b>	

This item is composed of 55,445,782 euros in receivables from Financing Institutions, 319,848 euros from partnerships with other TSE whose origin is always the financing of an international institution, and 939,077 euros in other receivables.

This item is therefore largely made up of receivables from the Funding Bodies for contracts entered into with them for the

purpose of project management. This item shows the receivable that the Organisation has from them for the disbursement of grants; the actual realisation of the receivable occurs with the reporting of the relevant projects.

The new OIC 35 classification proposes a division between public and private lenders. The former relate to contracts entered into with Italian and international institutions and

represent the bulk of the value, i.e. 51,446,234 euros. The top three institutions by credit volume are:

1. BHA 14,120,121 euros;
2. ECHO 13,954,391 euros;
3. UNICEF 5,461,249 euros.

The second are loans granted by private, bank and church foundations, as well as loans granted by individual supporters, totalling

3,999,548 euros. The top three by loan volume are:

1. Stichting Vluchteling 1,474,206 euros
2. Bill and Melinda Gates Foundation 600,643 euros
3. Individual supporters 530,000 euros

BREAKDOWN BY MISSION	PRIVATE	PUBLIC	TOTAL CREDIT
AFGHANISTAN	674,686	6,749,594	7,424,280
BURKINA FASO	20,000	3,066,277	3,086,277
CAMEROON	18,921	769,240	788,161
CAR	24,971	1,063,097	1,088,068
COLOMBIA	17,500	-	17,500
DRC	45,000	2,103,308	2,148,308
GREECE	-	11,000	11,000
HQ	105,400	-	105,400
IRAN	227,500	1,293,878	1,521,378
IRAQ	48,626	2,604,180	2,652,806
ITALY	1,093,472	954,892	2,048,364
JORDAN	-	1,359,750	1,359,750
KENYA	-	158,010	158,010
LEBANON	-	4,941,438	4,941,438
LIBYA	97,500	2,730,219	2,827,719
MALI	47,773	488,413	536,186
MOLDOVA	-	1,030,000	1,030,000
NIGER	14,600	249,838	264,438
NIGERIA	175,860	6,713,757	6,889,617
SOUTH SUDAN	134,984	1,138,493	1,273,477
SYRIA	645,445	2,038,045	2,683,490
TCHAD	38,282	2,291,797	2,330,079
UKRAINE	56,995	1,085,402	1,142,397
VENEZUELA	128,248	1,491,699	1,619,947
YEMEN	383,785	7,113,907	7,497,692
<b>TOTAL</b>	<b>3,999,548</b>	<b>51,446,234</b>	<b>55,445,782</b>

Receivables 'from others' refer to projects in partnership with other international and local humanitarian organisations.

In 2023 INTERSOS maintained and strengthened strategic partnerships mainly in Ukraine, Jordan and Italy with consortium projects. The amount entered in the financial statements represents the value of the funds

that were actually transferred to the partners, net of those spent and accounted for. In 2023, the balance is mainly concentrated in Ukraine for 98,275 euros and in Jordan for 71,830 euros. With regard to organisations, the main international ones are 'Handicap International' and 'IMC', while among the local ones two Ukrainian NGOs stand out: 'Myrne nebo of Kharkiv' and 'Light of hope'.

A distinction is made between local and international partners:

Partners	2023	2022
Local NGOs	112,863	100,442
International NGOs/Istitutions	206,985	265,037
<b>Total</b>	<b>319,848</b>	<b>365,479</b>

Within the item 'Receivables from Others', which totalled 918,957 euros, the main component is receivables from 'Credit Institutions' for 476,446 euros.

This amount refers to a shipment made to Yemen within the framework of project 35-159, funded by the Bill & Melinda Gates Foundation, in the amount of 526,473 US dollars. As at 31 December 2023, the aforementioned amount has not yet been credited to our local bank account.

This item includes 'Receivables from onsite Suppliers', for invoices paid in 2023 for services rendered in 2024, amounting to 154,863 euros, and 'Other onsite Receivables', for receivables from small local suppliers amounting to 56,380 euros.

Advances on account of expenses are mostly concentrated in missions where, given the numerous bases and long distances, many activities in remote locations are guaranteed precisely by this form of cash management, i.e., the opening of cash suspensions given to staff members who are travelling for long periods, and which are then closed and accounted for when they return. The main balances are recorded in Chad for 36,517 euros, in the Democratic Republic of Congo for 24,290 euros, in Yemen for 16,120 euros and in Afghanistan for 13,163 euros.

The 'Receivables from onsite Suppliers' are mainly concentrated in Ukraine for 41,261 euros and in Moldova for 26,988 euros. Among the 'Other onsite Receivables', the



bulk of the balance relates to receivables from UNHAS to guarantee air travel.

A breakdown of other receivables is given below:

Description	2023	2022
Loans and advances to banks	476,446	1,385,341
Receivables for use of premises	-	1,093
Receivables for invoices to be issued	-	571
Receivables from members for annual dues	9,900	12,000
Receivables from Local Partners	319,848	365,479
Tax Credits Italy - IRPEF 1701	10,219	21,022
Advances to HQ Employees and Collaborators	2,008	2,550
Advances to expatriate staff	8,367	1,996
Sundry debtors	48,025	33,102
Local Staff Credits	24	52,982
Advance payments	172,845	291,944
Receivables from onsite Suppliers	154,863	537,315
Other credits Italy		2,547
Other Receivables Afghanistan	28	- 722
Other credits DRC	1,312	
Other receivables Nigeria		5,464
Other credits Yemen		4,039
Other credits Jordan	5,045	-
Other credits CAR	3,857	12,261
Other credits Mali	6,311	-
Other credits South Sudan	6,787	7,032
Other credits Chad	2,408	5,656
Other credits Burkina Faso	9,985	10,846
Other credits Cameroon	10,873	12,250
Other receivables Senegal	9,774	4,287
<b>Total</b>	<b>1,258,925</b>	<b>2,769,055</b>

### ***IV Cash in hand***

The balance represents cash and cash equivalents at the end of the financial year.

The amounts denominated in foreign currencies, recorded at the exchange rates in effect on the date they occurred, were revalued at the Bank of Italy's exchange rate as at 29 December 2023 published in the Gazzetta Ufficiale Serie Generale No. 11 of 15 January 2024, with the exception of the foreign currency balances related to the missions in Lebanon and Yemen, as indicated in Section 2.2 on accounting policies applied. Gains and losses as a result of this conversion have been credited or debited to the Statement of Activities under foreign exchange gains or losses.

The composition and movements of the individual items are shown below:

Description	Value at beginning of year	Year-end value	Change during the financial year
Bank and postal deposits	20,128,094	25,779,068	5,650,974
Cheques	-	-	-
Cash and other valuables on hand	270,105	259,527	-10,578
<b>Total cash and cash equivalents</b>	<b>20,398,199</b>	<b>26,038,595</b>	<b>5,640,396</b>

During 2023, new availabilities of various credit institutions were sounded out in order to diversify the sources of liquidity, necessary to ensure the proper implementation of the land activities, so as not to reduce their impact on the beneficiaries of the interventions. As at 31 December 2023, the relationships opened with credit institutions in Italy were as follows:

- ✓ Banca Popolare Etica, 4 current accounts;
- ✓ Intesa Sanpaolo, 44 current accounts and 1 advance account;

- ✓ Monte dei Paschi di Siena, 1 current account;
- ✓ Banca Popolare di Sondrio, 3 current accounts;
- ✓ Unicredit, 3 current accounts;
- ✓ Banca Sella, 1 current account;
- ✓ Poste Italiane, 1 current account;

A total of 58 current accounts.

There are 308 current accounts opened at the foreign offices.

A breakdown between cash in hand in Italy and onsite is given:

Cash in hand - Italy		
DESCRIPTION	Value as at 31/12/2023	Value as at 31/12/2022
Cash and cash equivalents in Italy	15,392	16,037
Bank and postal deposits in Italy	14,844,760	9,022,362
<b>Total</b>	<b>14,860,152</b>	<b>9,038,399</b>

Cash in hand - Onsite		
DESCRIPTION	Value as at 31/12/2023	Value as at 31/12/2022
Cash and cash equivalents onsite	244,135	254,068
Bank and postal deposits onsite	10,934,308	11,105,732
<b>Total</b>	<b>11,178,443</b>	<b>11,359,800</b>

## 2.5 Prepaid expenses and accrued income

### *Prepaid expenses and accrued income*

They measure income, accruals, and expenses, deferrals, the accrual of which is anticipated or deferred with respect to the numerical and/or documentary manifestation; they are independent of the date of payment or collection of the related income and expenses, common to two or more financial years and divisible by time.

For these items, too, the criteria adopted in the valuation and conversion of values expressed in foreign currencies are given in the first part of this mission statement.

As at 31 December 2023, there were no accruals with a duration of more than five years.

The 2023 figure is composed as follows:

- ✓ Upfront costs                      110,466 euros;
- ✓ Accrued income                    30,388 euros;
- ✓ Prepaid expenses                 15,692 euros.

**Upfront costs** are expenses incurred in 2023 in order to relate them to revenues accruing in 2024. These are expenses that will be reported to donors in the next financial year. The largest amounts are in Nigeria, amounting to 29,793 euros, in Jordan, amounting to 18,451 euros, and in Ukraine, amounting to 16,281 euros. The difference is distributed over the remaining missions for smaller amounts.

**Accrued income** includes donations collected by 'The King Baudouin Foundation' on behalf of INTERSOS in the USA. INTERSOS has a fiscal agreement with the foundation under which it can operate in the USA through the foundation. The dollar value

of the funds raised for INTERSOS as at 31 December 2023 has been entered in the financial statements. The sum of 33,579 US dollars (equivalent to 30,388 euros) will be transferred to the Italian accounts in 2024.

**Prepaid expenses** include:

- ✓ A consultancy for the SMS campaign for 2024 of 10,553 euros;
- ✓ Generali Assicurazioni relating to the multi-risk policy of the Rome office for the months of 2024 of 1,272 euros;
- ✓ SISCOS policies for supplementary health care 2024 of staff in Italy, in the amount of 1,550 euros;
- ✓ Zoom's 2024 subscription for staff training 2,317 euros.

## BALANCE SHEET LIABILITIES

### 2.6 Net assets

In addition to the Institution's Endowment Fund, INTERSOS net assets are divided into the following main sub-items:

- ✓ **II Restricted assets**, i.e. assets derived from restricted statutory reserves as well as from reserves restricted by choices made by the statutory bodies or by third-party donors;
- ✓ **III Unrestricted assets**, i.e. assets consisting of the operating result of previous years as well as other reserves;
- ✓ **IV Surplus/deficit of the year**, i.e. surplus of income and revenues over expenses and costs for the year accounted for as such on an accrual basis.

Net assets at the close of the year amount to 5,763,033 euros, and amounted to 12,222,401 euros at the beginning of the year.

The following tables show the changes in individual items during the year:

Description	Beginning of year values	Increases	Decreases	Reclassifications	Result for the year	Year-end values
Endowment Fund of the Institution	15,000	-	-	-	-	15,000
Statutory reserves	-	-	-	-	-	-
Restricted reserves by decision of institutional bodies	769,876	56,130	395,847	-	-	430,159
Reserves restricted by donors	10,146,484	3,918,385	10,146,484	-	-	3,918,385
Other restricted reserves	-	-	-	-	-	-
Reserves of operating profits or surpluses	855,408	105,812	-	+329,821	-	1,291,041
Other reserves	329,821	-	-	-329,821	-	-
Surplus/deficit for the year	105,812	-	105,812	-	108,448	108,448
<b>Total Net Assets</b>	<b>12,222,401</b>	<b>4,080,327</b>	<b>10,648,143</b>	<b>-</b>	<b>108,448</b>	<b>5,763,033</b>

	Amount	Origin/nature	Possible uses	Available Share
--	--------	---------------	---------------	-----------------



Endowment Fund of the Institution	15,000	Equity	B	15,000
<b>Restricted assets</b>				
Restricted reserves by decision of institutional bodies	430,159	Gains	B	430,159
Reserves restricted by donors	3,918,385	Gains	B	3,918,385
<b>Unrestricted Assets</b>				
Operating profit or surplus	1,291,041	Gains	B;	1,291,041
Other reserves	-	Gains	B	-
Surplus / Deficit	108,448		B;	108,448
<b>Total</b>	<b>5,763,033</b>			<b>5,763,033</b>

Legend: A: for capital increase B: to cover losses C: for distribution to members D: for other statutory restrictions E: other

In 2023, the funds restricted by the decision of the institutional bodies, which had been accrued and moved in previous years, were used in item II 2) of the Balance Sheet. Unspent funds at the end of 2022 relating to the Ukraine emergency campaign were used for 282,095 euros, broken down as follows: (i) Poland 48,085 euros; (ii) Moldova 25,143 euros; (iii) Ukraine 208,867 euros. Funds collected during 2023 and still unspent at the end of the year were also set aside for the same emergency, an additional 10,202 euros for the Ukraine mission. As at 31 December, the total funds earmarked and set aside for this emergency, which will be spent during 2024, amounted to 12,859 euros for Moldova and 41,488 euros for the Ukraine mission. The same budget item includes the balance of funds collected and still unspent at the end of the year for the earthquake in Syria, amounting to 27,168 euros, and for Libya, amounting to 18,760 euros. At the end of the year, total funds set aside amounted to 100,275 euros. With regard to other restricted funds, part of the funds set aside last year, in

the INTERSOS staff fund, was reimbursed for health insurance in Yemen. Of the 66,951 US dollars set aside in 2022, 62,468 US dollars were spent, leaving the remaining 4,483 US dollars to be used in 2024. The funds set aside by the decision of the governing bodies on 6 December 2023 were also spent as follows:

- ✓ Restricted funds for new programmes/countries opening, used for the opening of the Mali mission, amounting to 20,110 euros;
- ✓ Restricted funds for humanitarian emergencies, used for the response for Somali refugees in Chad in the amount of 12,245 euros;
- ✓ Restricted INTERSOS staff funds, used for the coordinators' week in the amount of 22,684 euros.

It is specified that these funds have an allocation constraint, defined in the same fund description, and do not have a duration constraint. The humanitarian emergency fund was established in 2017 from a reclassification

of unrestricted assets, whereas the other two were established in 2015. The use of these funds is constrained by the nature of the expenditure and is subject to the approval of the Board of Directors.

The item **'Reserves restricted by donors'**, amounting to 3,918,385 euros, includes donations subject, by the will of the donor, to a series of restrictions or constraints that limit their use either temporarily or permanently.

Details by mission are given:

Mission	Restricted Reserves
BURKINA FASO	87,067
CAMEROON	51,420
DRC	6
HQ	164,323
IRAN	350,000
ITALY	1,549,279
LIBYA	60,182
MALI	145,228
NIGER	263,210
NIGERIA	384,270
SOUTH SUDAN	346,698
SYRIA	399,602
UKRAINE	105,362
YEMEN	11,737
<b>Total</b>	<b>3,918,385</b>

They are released as a balancing entry under item A6 'Contributions from private entities' in the Statement of Activities. These are portions of contracts with foundations or private entities that were not spent in 2023 but will be spent in 2024. The pledge is earmarked and is often stated in the contract itself, but it does not give the pledgee the right to repossess the transferred resources and does not release

him from his obligations under the pledge. These funds are released annually and carried forward as income.

In item A) III, 'other reserves' consisting of unrealised exchange rate gains from 2022, are reclassified under item 1, 'Reserves for Surplus/Deficit brought forward', i.e., carried forward into prior years' earnings.

Item A) IV records the result for the financial year 2023 in the amount of 108,448, which, together with item AIII 1) of operating surpluses from previous years, brings free assets to 1,399,489 euros.

The net assets thus constituted are adequate for the realisation of the Organisation's purpose.

With regard to what is indicated in point 9) of 'Appendix C' of OIC 35, it is specified that all expenditure commitments made by the Organisation, are related to contracts with institutional and private donors, linked to the management and implementation of projects. Therefore, there are no expenditure commitments, reinvestments or contributions received for purposes other than institutional ones.

## 2.7 Provisions for risk and charges

Provisions for risk and charges include provisions to cover losses or debts whose nature is known, existence is certain or probable, and amount or date of occurrence was undetermined at the end of the financial year.

The general criteria of prudence and accrual have been observed in the valuation of these provisions, and no generic risk provisions have been set up that lack economic justification.

During 2023, funds set aside in previous years were used to recalculate the taxation of local staff working in Iraq for 184,521 euros, relating to the Social Insurance component. There is still an amount of 194,499 euros set aside for the same recalculation, but relating to the local staff tax component, which will be used in 2024.

Additional provisions were set aside for a tax bill received in Nigeria relating to penalties for late payment of local taxes, in the amount of 47,605 euros, and for the regularisation of certain types of contracts relating to local staff in Yemen, in the amount of 95,249 euros.

The amount of the fund as at 31 December 2023, equal to 480,052 euros, is composed of 194,499 euros related to the recalculation of taxes for local staff operating in Iraq for the years 2016 and 2017, 94,767 euros for penalties and interest costs related to the payment of taxes for expatriate staff operating in Kenya, 47,932 euros for possible costs related to the closure of the Somalia mission in 2020, 47,605 euros and 95,249 euros for the two new risks described. Other changes in the provision are due to exchange rate gains or losses on provisions for risks in currencies other than the euro.

The table below shows all the changes that have occurred in the stock of funds, their formation and use:

Description	Provision for redundancy	Provision for taxes, including deferred taxes	Other funds	Total provisions for risk and charges
Value at beginning of year	-	-	525,739	525,739
Provisions in the financial year	-	-	142,854	142,854
Use in the financial year	-	-	184,521	184,521
Other variations	-	-	-4,020	-4,020
<b>Year-end value</b>	-	-	<b>480,052</b>	<b>480,052</b>



## 2.8 Severance pay

The provision for severance indemnities as at 31 December 2023 was 611,571 euros, of which 153,503 euros are related to onsite staff and 458,068 euros to staff in Italy.

Below is the breakdown for staff in Italy:

Description	Amount
<b>Severance pay value as at 01.01.2022</b>	<b>449,447</b>
Severance	(105,650)
Provision + Revaluation	113,018
Changes in deferred remuneration	759
Changes in pension funds severance pay	494
<b>Value as at 31.12.2023</b>	<b>458,068</b>

Below is the breakdown for local staff:

Mission	2023	2022
BURKINA FASO	14,011	19,163
CHAD	18,357	29,294
COLOMBIA	5,635	7,940
NIGERIA	115,498	261,452
VENEZUELA	2	187
<b>Total</b>	<b>153,503</b>	<b>318,036</b>

The provision represents the Organisation's actual liability at 31 December 2023 to employees in force at that date, net of advances paid. In 2023, part of the fund was paid for 14 employees in the Organisation's employ, of which 2 advances were paid, amounting to 105,650 euros.

## 2.9 Payables

Payables are entered under liabilities for a total of 76,104,264 euros. There are no payables due in more than five years.

Before proceeding to an analysis of the individual items, the table below details the breakdown of item D as a whole:

Description	2023	2022	Differences
Payables to Banks	2,723,816	2,542,773	181,043
Payables to Other donors	1,521,544	905,365	616,178
Payables to members and founders for financing	-	-	-
Payables to entities of the same network	-	-	-
Payables for designated donations	63,300,425	54,395	8,905,199
Advances	-	-	-
Payables to suppliers	2,848,244	4,679,451	- 1,831,207
Payables to subsidiaries and associates	-	-	-
Taxes	2,236,340	2,417,707	- 181,367
Payables to social security institutions	1,318,232	3,166,013	- 1,847,781
Payables to staff and collaborators	2,051,650	1,962,011	89,638
Other debts	104,013	371,132	- 267,119
<b>Total</b>	<b>76,104,264</b>	<b>70,439,682</b>	<b>5,664,582</b>

### 1) *Payables to banks*

Amounts due to banks include all those debts where the counterparty is a credit institution, by way of advances on contracts, current account overdrafts, credit facilities secured by means of payment (cheques, etc.).

DESCRIPTION	Within the financial year	Beyond the exercise	Lasting more than five years
Bank or Post Office Italy: ISP 16252 c/o advances	-465,213	-	-
Bank Yemen: YKB_IBISG 415056000USDCUR122 USD	- 41,193	-	-
Bank Yemen: YKB_2 OCHA 415056000USDCUR064 USD	- 33,749	-	-
Bank Yemen:IB 0005-440494-006 USD	- 21,734	-	-
DRC TMB Bank: 00017-24100-39069550401-25	- 14,427	-	-
Bank Yemen:IB OFDA 0005-39683-002 USD	- 12,416	-	-
Bank Yemen: YKB DUTCH 415056000USDCUR031 USD	- 10,097	-	-

DESCRIPTION	Within the financial year	Beyond the exercise	Lasting more than five years
Bank Tchad: UBA 70-100-30-0444 XAF	- 8,582	-	-
Bank Yemen: YKB_3 OCHA 415056000USDCUR075 USD	- 4,395	-	-
Bank Yemen: YKB IOM 415056000USDCUR155 USD	- 1,313	-	-
Bank Yemen: YKB_2BHA_SOUTH 414056000YERCUC080 YER	- 767	-	-
Bank Yemen: YKB SV 415056000USDCUR133 USD	- 276	-	-
Bank Lebanon:BLF INTERSOS OFFSHORE 23840 \$	- 256	-	-
Bank Yemen:IB UNICEF 6 0005-392626-006 USD	- 245	-	-
BANK NGO 151884425002	- 27	-	-
Lebanon Bank:BLF ECHO 33978 EURO	- 26	-	-
BANK Yemen:IB UNHCR 0005-440170-046 YER	- 11	-	-
Bank Kabul: AZIZI OFDA - 000101210394691 USD	- 9	-	-
Kabul Bank: AZIZI OFDA - 000101110394539 AFN	- 6	-	-
Bank Kabul:AZIZI OCHA 10121177 4119 USD	- 5	-	-
Bank Amman:CAB 090022916547 JOD	- 4	-	-
Bank Lebanon:BLF UNHCR ZAHLE 8840 \$	- 4	-	-
Bank Iraq: Byblos Bank 200-0216401-027 EUR	- 2	-	-
Foreign Advances Financing Intesa	- 1,200,000	-	-
Intesa Advances Portfolio No. 1519130	- 909,060	-	-
<b>Total</b>	<b>- 2,723,816</b>	<b>-</b>	<b>-</b>

### **The credit lines available to the Organisation are:**

✓ Banca Popolare Etica	overdraft facility	300,000 euros
✓ Intesa San Paolo	overdraft (expiry 31.07.2024)	400,000 euros
✓ Intesa San Paolo	advances (to be revoked)	2,200,000 euros
✓ Intesa San Paolo	c/ foreign advances (revocable)	1,200,000 euros

The main sum of amounts due to banks consists of credit lines and loans. In Italy, the credit lines that were utilised as at 31 December 2023 concerned the Intesa Sanpaolo advances account for 1,374,273 euros and the Intesa Sanpaolo foreign advances account for 1,200,000 euros.

Banca Popolare Etica's loan of 500,000 euros, taken out in 2019 to finance a fundraising project related to *face-to-face* and *member get member* activities, and Intesa Sanpaolo's loan of 500,000 euros, taken out in October 2020 to increase the Organisation's liquidity during the COVID-19 period, were repaid in 2023.



### Commitments, guarantees and contingent liabilities not shown in the balance sheet

Guarantees are provided directly to the Organisation (bank guarantees and surety policies), for the performance of projects, when provided for in the contract with the lender. As at 31.12.2023, these guarantees were provided by Intesa Sanpaolo for 18,000 euros and by the insurance companies Tokio Marine Europe S.A., Tua Assicurazioni SpA, Assicuratrice Milanese SpA, Elba Assicurazioni SpA and Bene Assicurazioni SpA, for a total of 1,712,765 euros.

Details of current guarantees and reference projects are shown in the table:

Bank	Issue date	Project title	Beneficiary	Amount	Deadline
INTESA SANPAOLO	23/01/2017	office leasing	Ord. Carmelites	18,000	30/09/2028
TOKIO MARINE EUROPE S.A.	12/02/2019	Social Network	Lazio Region	89,488	a revocation
TOKIO MARINE EUROPE S.A.	01/12/2020	Social Network	Lazio Region	89,488	a revocation
TUA ASSICURAZIONI	05/05/2021	5309 AID 12151.01.6	AICS	149,656	05/05/2024 renewable
BENE ASSICURAZIONI	04/11/2022	29121 AID 12458	AICS	267,000	04/08/2024 renewable
TUA ASSICURAZIONI	30/09/2022	01139	Municipality of Rome	16,019	30/09/2024
TUA ASSICURAZIONI	22/03/2023	01139	Municipality of Rome	13,090	22/03/2024
ASSICURATRICE MILANESE	15/11/2023	01125	Municipality of Rome	3,300	15/11/2024
ELBA INSURANCE	11/07/2022	3179 AID 12398	AICS	41,250	07/03/2024 renewable
ELBA INSURANCE	05/08/2022	29120 AID 12194	AICS	90,000	05/02/2024 renewable
ELBA INSURANCE	05/08/2022	4249 AID 11731.03	AICS	74,625	05/02/2024 renewable
TUA ASSICURAZIONI	13/10/2022	34110 AID 12228	AICS	126,750	13/04/2024 renewable
TUA ASSICURAZIONI	23/06/2023	3195 AID 12633	AICS	22,500	23/06/2024 renewable
TUA ASSICURAZIONI	14/03/2023	5320 AID 12469	AICS	70,500	14/05/2024 renewable
TUA ASSICURAZIONI	23/08/2023	4251 AID 12505	AICS	99,750	23/06/2025 renewable
TUA ASSICURAZIONI	25/08/2023	34118 AID 12511	AICS	167,400	25/02/2025 renewable
BENE ASSICURAZIONI	16/10/2023	5325 AID 12469	AICS	64,200	16/04/2025 renewable
BENE ASSICURAZIONI	16/10/2023	29124 AID 12704	AICS	147,750	16/07/2025 renewable
BENE ASSICURAZIONI	25/10/2023	29123 AID 12645	AICS	179,999	25/04/2025 renewable
			<b>Total</b>	<b>1,730,765</b>	

## 2) Payables to other donors

The item 'payables to donors' generally refers to grants received but not utilised during the financial year and therefore to be returned to the lenders. This item includes projects closed at the end of this financial year in the amount of 1,021,544 euros and an advance receipt of 500,000 euros related to a contract signed in 2024 for project 35-160 in Yemen.

Accounts payable at year-end, which amounted to 1,521,544 euros, concern loans payable locally for 630,991 euros and payable in Italy for 890,553 euros.

A breakdown of the item by funder and by project mission is given below:

Donor	2023	2022
OCHA	10,682	18,038
STICHTING VLUCHTELING	627,790	926
OTHER INTERNAL	160,040	2,163
UNDP	10,056	-
UNHCR	698,507	703,116
UNICEF	1,183	85,387
ECHO	-	15,397
USAID	13,286	80,338
<b>Total</b>	<b>1,521,544</b>	<b>905,365</b>

Mission	2023	2022
BURKINA FASO	1,000	1,000
CAMEROON	92,984	15,397
CAR	62,706	3,404
DRC	1,651	42,895
IRAN	1,756	-
IRAQ	441,440	162,763
ITALY	9,429	94,293
LEBANON	27,927	34,395
MOLDOVA	25,409	165,754
NIGER	7,796	-
POLAND	-	926
SOUTH SUDAN	10,106	1,682
SYRIA	10,328	6,165
TCHAD	-	5
UKRAINE	258,728	83,955
YEMEN	570,284	292,731
<b>Total</b>	<b>1,521,544</b>	<b>905,365</b>

As can be seen, UNHCR is the most recurring donor, as these are annual contracts that follow the end of the financial year and are therefore repaid in the first months of the following year. The significant value of the donor Stichting Vluchteling is mainly due to the early collection of the project described above.

## 5) *Payables for designated donations*

Item D5 'Payables for designated donations' is used as a contra-entry to the asset item, following the recording of donations with a condition imposed by the donor, in which a future and uncertain event is indicated, upon the occurrence of which the pledgor has the right to repossess the transferred resources. Item D5 'Payables for designated donations' is therefore reduced as a balancing entry to item A4 'Donations' and A9 'Proceeds from contracts with public entities' in the Statement of Activities in proportion to the failure of the condition.

Until the financial statements for the year ended 31 December 2020, this item, which was merged with the '*Reserves restricted by donors*', was entered in the financial statements as '*deferred income*'. In compliance with the requirements of the new accounting standards of OIC 35, all contracts with institutional lenders for the realisation of projects, which are deferred to subsequent years for accrual purposes, are recorded under this item. These are contracts in which the lenders reserve the right to unilaterally terminate the project, requesting back any unspent sums. The presence of this clause distinguishes the entries made in this debt account from those in the '*Reserves restricted by donors*' in the equity. These are projects common to two or more financial years, and the size of the debt varies depending on the time and spending capacity of the Organisation.

Details by funder and by mission are given:

Lender	2023	2022
AICS	6,355,150	5,404,234
CBPF	7,279,688	4,718,210
ECHO-EC	19,925,335	17,365,621
OTHER ORG. INTERN.	4,053,928	1,860,653
OTHER UN	616,154	359,381
PUBLIC BODIES	5,160	1,445
UNHCR	1,144,539	7,106,496
UNICEF	5,226,117	3,315,227
USAID	17,766,088	13,476,992
WFP	928,266	786,968
<b>Total</b>	<b>63,300,425</b>	<b>54,395,226</b>

Mission	2023	2022
AFGHANISTAN	9,173,720	5,837,728
BURKINA FASO	3,479,199	463,280
CAMEROON	276,547	1,720,814
CAR	538,522	564,852
COLOMBIA	123,371	-
DRC	1,228,790	424,615
GREECE	9,488	
IRAN	2,691,299	2,556,389
IRAQ	4,317,990	4,383,974
ITALY	57,808	1,421,141
JORDAN	1,483,455	1,185,809
LEBANON	6,838,103	9,744,339
LIBYA	2,661,959	2,701,515
MALI	976,825	
MOLDOVA	1,327,717	2,005,139
NIGER	359,115	135,711
NIGERIA	6,881,874	3,664,446
SOUTH SUDAN	1,144,997	604,823
SYRIA	3,625,304	1,827,287
TCHAD	2,192,632	2,327,497
UKRAINE	1,954,591	3,005,532
VENEZUELA	1,898,276	374,698
YEMEN	10,058,843	9,445,637
<b>Total</b>	<b>63,300,425</b>	<b>54,395,226</b>

## 7) Payables to suppliers

This item comprises payables to suppliers arising both from purchases on the domestic market and from purchases on the international market. A breakdown by mission is given below:

Mission	2023	2022
AFGHANISTAN	267,300	164,557
BURKINA FASO	127,020	62,230
CAMEROON	150,749	254,874
CAR	180,848	162,593
CHAD	238,457	305,102
COLOMBIA	5,108	11,485
DRC	178,734	279,686
GREECE	-	9,264
IRAN	454	
IRAQ	2,738	-
ITALY	467,619	1,066,902
JORDAN	6,281	21,598
KENYA	593	-
LEBANON	534,045	1,330,567
LIBYA	27,068	94,185
MOLDOVA	7,781	83,341
NIGER	2,435	92
NIGERIA	169,627	475,442
SENEGAL	7,781	11,080
SOUTH SUDAN	149,037	93,920
SYRIA	164,936	11,953
UKRAINE	129,299	194,599
VENEZUELA	24000	7,352
YEMEN	6,335	38,628
<b>Total</b>	<b>2,848,245</b>	<b>4,679,451</b>

These are debts that arose in connection with costs of operations from core business, i.e. mainly from project management, regardless of their maturity.

Payables arising from the acquisition of assets are recognised in the balance sheet when risks, charges and benefits associated with ownership have been transferred.



Payables for services, on the other hand, are recognised in the financial statements when

the services are made available, i.e. when the service is rendered.

## 9) Tax debts

Liabilities for individual taxes are recorded net of payments on account, withholding taxes and tax credits, which are legally compensable, unless a refund has been claimed.

For the valuation of tax liabilities, it should be noted that they are stated at nominal value, including any surcharges, fines and interest accrued and due at the financial statements date.

This item consists of tax payables related to national taxes of the various missions in which the Organisation operates and taxes of the Rome office, details of which are given below:

Mission	2023	2022
AFGHANISTAN	37,398	39,948
BURKINA FASO	3,082	3,370
CAMEROON	5,530	2,390
CAR	8,133	20,050
CHAD	27,076	6,575
COLOMBIA	992	1,408
DRC	17,490	- 4,321
GREECE	-	574
IRAQ	1,272,975	1,061,874
KENYA	7,952	56,006
LEBANON	28,912	57,813
LIBYA	24,089	69,899
MOLDOVA	19,755	11,358
NIGER	4,783	10,759
NIGERIA	343,509	629,638
POLAND		716
SOUTH SUDAN	62,495	12,907
SYRIA	20,924	28,988
UKRAINE	- 729	-
VENEZUELA	30	58
YEMEN	189,059	191,756
<b>Total</b>	<b>2,073,455</b>	<b>2,201,768</b>

Taxes of the Rome office	2023	2022
Treasury VAT acc.	1,057	7,093
Payables to tax authorities - IRAP	20,532	73,075
Payables to tax authorities - IRES	1,512	-
Tax payables Italy - IRPEF 1001	126,124	118,091
Tax payables Italy - IRPEF 1012	0	762
Tax payables Italy - IRPEF 1040	3,704	6,485
Tax payables Italy - IRPEF 1712	166	262
Tax debts Italy - ADD. REG	7,468	7,642
Tax debts Italy - ADD. COM	2,129	2,337
Tax and social security debts to EU countries	193	193
<b>Total</b>	<b>162,885</b>	<b>215,940</b>

The types of taxes are not cumulative due to the tax differences in each country of intervention.

About local tax debts, it should be noted that the Iraq mission has paid off the most significant component of the debt, relating to 'social insurance', and will pay off the component relating to local taxes during 2024. The timing is related to the official registration process at the tax offices in Baghdad. The value, therefore, continues to grow over the years and is financially allocated to a dedicated account at 'Byblos Bank 216401-014', but will decrease in the next financial year.

The payable of the Rome office to the Tax authorities refers to IRPEF, IRAP, IRES, and regional and municipal surtaxes related to employees and collaborators for the period November and December 2023. Tax and social security payables due to EU countries refer to charges due in December 2023 for an employee registered in France.

## 10) Payables to social security institutions

All debts, the amount of which is certain and determined, relating to contribution, insurance and social security obligations governed by law, collective labour agreements and local supplementary agreements are recognised.

This type of debt is also shown in the financial statements at its nominal value.

The value of 1,318,232 euros can be broken down into local debts, i.e., debts per individual intervention mission, and debts of the Rome office.

The two detailed tables are given below:

Mission	2023	2022
BURKINA	4,421	-
CAMEROON	- 957	1,034
CAR		25,541
CHAD	27,470	18,710
COLOMBIA	3,128	3,356
DRC	27,431	34,584
GREECE	4,510	17,197
IRAN	2,983	1,471
IRAQ	23,041	1,874,206
KENYA	827	27
LEBANON	47,806	32,871
LIBYA	59,891	343,008
MOLDOVA	69,774	34,061
NIGER	1,341	3,363
NIGERIA	- 28,591	1,838
POLAND		3,388
SOUTH SUDAN	142,451	210,552
SYRIA	4,842	3,725
UKRAINE	- 1,690	
VENEZUELA	63	61
YEMEN	609,837	247,456
<b>Total</b>	<b>998,578</b>	<b>2,856,448</b>

Rome HQ	2023	2022
Payables to Inst. of Social Security and Insurance Italy - INPS 7005 DM10	99,368	76,188
Payables to Inst. of Social Security and Insurance Italy - INPS 7005 CXX	148,010	168,399
Other payables to Soc. Sec. Inst.	68,950	63,299
Social security debts to the European Union	1,634	1,680
<b>Total</b>	<b>319,654</b>	<b>309,566</b>

For the year 2023, these are mainly payables to INPS, INAIL and similar bodies in the countries subject to humanitarian intervention by the Organisation. In IRAQ, social security contributions for local staff were still being paid during the year. This explains the substantial difference between the two financial years for this item.

## 11) Payables to staff and collaborators

These are the salaries for the month of December for employees in Italy, expatriate staff and local staff. For employees, it includes only the December balance for Italian staff.

Description	2023	2022
Payables to staff for compensation	133,135	110,598
Provision for Holidays	153,970	135,624
Provision for 14 <sup>th</sup> month salary	69,834	59,583
Payables to Italy collaborators for remuneration	990,747	1,074,985
Payables to Italy collaborators for reimbursements	2,651	894
Payables to Trade Unions	293	686
Payables to local staff	701,020	579,642
<b>Total</b>	<b>2,051,650</b>	<b>1,962,012</b>

## 12) Other payables

The debts entered under this heading are all those debts that do not fall under one of the headings described in the previous chapters.

The residual character does not invalidate the valuation criterion, which provides for the presentation of debts at their nominal value.

The balance of 104,013 euros is made up of two sub-items. The first, amounting to 65,203 euros, is related to payables to other partners and has the same nature, although of the opposite sign, as 'receivables from other TSE' and therefore always refer to projects in partnership with other humanitarian organisations, both international and local, but which, this time, must receive a balance from INTERSOS with respect to the expenses they have incurred.

Partners	2023	2022
CISP	-	17,479
Local NGOs	47,046	239,104
International Language School	18,508	18,508
Makassed General Hospital	-	- 59
TGH	- 352	15,359
<b>Total</b>	<b>65,203</b>	<b>290,391</b>

The second, for 38,810 euros, is the opposite of other local receivables, and refers to residual payables to local suppliers. The most significant debt of 24,099 euros refers to a debt to the supplier Condor in Iran.

## STATEMENT OF ACTIVITIES

### 2.10A - Activities of general interest

The costs and revenues that are recorded in this section are costs and charges/revenues, income and revenues from activities of general interest defined by the Ministerial Decree as 'negative/positive income components arising from the performance of activities of general interest referred to in Article 5 of Legislative Decree No. 117 of 2 August 2017, as amended and supplemented, regardless of whether they were carried out in a non-commercial or commercial manner'.

EXPENDITURES	31.12.2023	31.12.2022
<b>A) Expenditures for Activities of General Interest</b>		
1) Raw materials, goods	10,138,905	11,888,130
2) Services	34,220,200	28,045,946
3) Use of third-party assets	8,850,950	9,723,667
4) Staff	57,765,817	56,632,353
5) Depreciation	9,035	9,579
6) Provisions for risks and charges	142,854	-
7) Other management costs	679,428	509,052
8) Inventories	-	-
9) Earmarked provision designated by Statutory Bodies	56,130	388,439
10) Use of earmarked provision designated by Statutory Bodies	-	-
Subtotal	111,863,318	107,197,165

INCOME	31.12.2023	31.12.2022
<b>A) Income from Activities of General interest</b>		
1) Membership fees and Contribution from the founders	3,500	3,300
2) Income from Members for mutualistic services	-	-
3) Income from services and concessions to associates and founders	-	-
4) Donations	-	-
5) Tax donations (5 x mille)	28,493	27,672
6) Donations from Private entities	12,998,683	11,318,093
7) Income from services to third-parties	-	-
8) Donations from Public institutions	-	-
9) Income from Contracts with Public institutions	93,314,409	95,279,602
10) Other income, revenues	908,191	806,560
11) Inventories	-	-
Subtotal	112,253,276	107,435,228
Surplus/Deficit for Activities of General Interest (+/-)	389,957.81	238,062

The general interest activity for INTERSOS takes the form of the presentation, management and implementation, reporting and monitoring of project activities implemented in the 23 countries where it maintains a stable operational presence.

During 2023, 285 projects were implemented, of which 195 were financed by national and international institutions and 90 by private individuals and foundations.

In 2023, INTERSOS operated in the following countries:

- ✓ **Africa:** South Sudan, Niger, Democratic Republic of Congo, Cameroon, Central African Republic, Nigeria, Chad, Burkina Faso, Libya; Mali;
- ✓ **Europe/Balkans:** Italy, Greece, Moldova, Ukraine;
- ✓ **Asia:** Afghanistan, Iran, Iraq;
- ✓ **Middle East:** Yemen, Lebanon, Jordan, Syria;
- ✓ **Latin America:** Colombia, Venezuela.

For the classification of positive and negative components included in this section, the general principle of consistency was followed. In essence, the components classified as income in this section have been merged with the relevant expenses and costs in this section.

The two main income items in Section A) are therefore those relating to public and private donors, classified under sub-items 9) '*Income from Contracts with Public Institutions*' and 6) '*Donations from private entities*'.

Below are tables detailing the two items in the financial statements, broken down by funder:

Contributions from private entities	Amount
ACRI	50,000
BMGF	647,481
CEI	63,128
F. MONTI UNITI DI FOGGIA	5,232
FONDAZIONE CON IL SUD	110,448
FONDAZIONE LAVAZZA	60,116
FONDAZIONE NAZIONALE DELLE COMUNICAZIONI	30,000
INTESA SAN PAOLO CHARITY FUND	58,559
ISTITUTO BUDDISTA ITALIANO	198,191
KAHANE FUNDATION	70,374
LDS CHARITIES	68,195
MEDIAFRIENDS	15,305
NANDO PERETTI FUND	31,929
OPEN SOCIETY FOUNDATION	132,699
OTHER NON-PROFIT	463,784
OTHER PRIVATE DONORS	592,426
STICHTING VLUCHTELING	10,269,558
TAVOLA VALDESE	111,869
UCEBI	12,347
UEFA FOUNDATION	7,042
<b>Total</b>	<b>12,998,683</b>

Income from contracts with Public Institutions	Amount
CHF	235,113
ECHO - EC	13,916,097
EUROPEAN COMMISSION	2,434,171
IOM	89,724
ITALIAN COOPERATION	5,746,706
NATIONAL INSTITUTIONS	358,578
OCHA	7,658,368
OTHER GOVERNMENT INST.	4,303,284
UNDP	18,484
UNFPA	953,657
UNHCR	36,844,497
UNICEF	3,477,765
USAID	16,463,725
WFP	5,266,884
WHO	547,356
<b>Total</b>	<b>98,314,409</b>

Sub-item 5) '*Tax donations (5 x mille)*' shows the proceeds of December 2023, relating to the 529 choices, the reporting of which will be submitted during 2024.

Sub-item 10) '*Other income and revenues*' includes reimbursements for personnel seconded to managed projects in the amount of 551,221 euros, reimbursements for services provided to third

parties in the amount of 25,937 euros, revenues of an exceptional nature in the amount of 302,709 euros and other minor reimbursements in the amount of 28,322 euros.

In compliance with the provisions of Law 124/2017, art. 125-129, the list of financial disbursements received from Italian Public Entities in the year 2023 by INTERSOS is given below:

Collection date	Reference	Fund Provider	Amount (euro)
02/03/2023	05_10_2022	MUNICIPALITY OF ROME	113,602
21/04/2023	05_10_2022	MUNICIPALITY OF ROME	571
21/04/2023	05_10_2022	MUNICIPALITY OF ROME	82,313
13/07/2023	05_10_2022	MUNICIPALITY OF ROME	414
14/07/2023	05_10_2022	MUNICIPALITY OF ROME	30,885
14/07/2023	05_10_2022	MUNICIPALITY OF ROME	29,163
04/08/2023	05_10_2022	MUNICIPALITY OF ROME	31,372
08/08/2023	05_10_2022	MUNICIPALITY OF ROME	30,298
27/10/2023	05_10_2022	MUNICIPALITY OF ROME	612
14/12/2023	LETT_INC_200623	FAMI	20,000
25/05/2023	AID 12243	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	48,278
17/08/2023	AID 12194	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	240,000
18/01/2023	AID 12458	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	890,000
01/12/2023	AID 012645.01.0	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	600,000
07/12/2023	AID 12704	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	492,500
17/07/2023	AID 12398/01/0	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	110,000
21/08/2023	AID 02/12398	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	110,000
08/11/2023	AID 02/12398	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	159,443
17/07/2023	AID 12633/01/1	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	75,000
19/12/2023	AID 12633/01/1	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	60,000
12/01/2023	AID 12228	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	422,500
24/10/2023	AID 12511.01.1/03	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	558,000
07/08/2023	AID 12279	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	17,275
09/10/2023	AID 12279	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	173,834
29/05/2023	AID 02/12629	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	180,243
04/08/2023	AID 02/12629	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	180,243
22/06/2023	AID 04/12459	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	122,912
10/02/2023	AID 11731.01	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	48,236
09/02/2023	AID 11731.03	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	248,750
25/10/2023	AID 11731.03	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	199,000



Collection date	Reference	Fund Provider	Amount (euro)
24/03/2023	AID 11731.02	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	28,000
17/08/2023	AID 11731.02	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	6,207
27/07/2023	AID 12049	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	210,946
28/06/2023	AID 12022	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	119,595
12/10/2023	AID 12022	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	27,078
07/12/2023	AID 11573	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	234,536
18/05/2023	AID 12469	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	300,000
11/04/2023	AID 12469.01.1	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	235,000
06/12/2023	AID 12469.01.1	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	188,000
01/12/2023	AID 12469.01.1.11	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	214,000
01/08/2023	AID 12013/CISP/03	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	98,126
30/03/2023	AID 12071	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	57,386
29/05/2023	AID 12600	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	400,000
22/09/2023	AID 12600	AICS ITALIAN AGENCY FOR DEVELOPMENT COOPERATION	50,222
<b>Total</b>			<b>7,444,536</b>

## CONTRACTS, CONCESSIONS, LEASES, ONEROUS GRATUITOUS USE

Year	Reference	Lincensee	Amount (euro)
2023	PROPERTY Via di Torre Spaccata 157, ROME	LAZIO REGION - DIREZIONE REGIONALE PROGRAMMAZIONE ECONOMICA, BILANCIO, DEMANIO E PATRIMONIO - Policies for the Enhancement of State and Patrimonial Assets Division	63,038
<b>Total</b>			<b>63,038</b>

The costs section classifies all those costs that are directly or indirectly related to the implementation of the projects managed in 2023, in compliance with the above-mentioned consistency principle.

An initial classification of these costs classifies them as follows:

- ✓ **the direct costs of project activities**, i.e. those related to staff, services and purchases to implement activities related to the area of intervention, for the benefit of the supported populations;
- ✓ **support costs directly related to direct costs**, i.e. the costs of staff, goods and services needed to ensure the effective implementation of project activities;

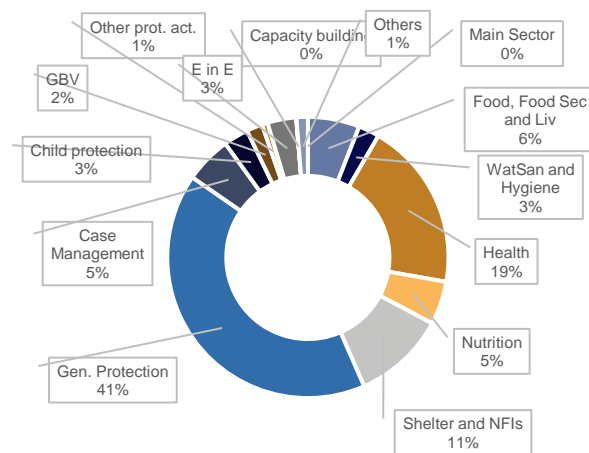
- ✓ **support costs indirectly linked to direct costs**, i.e. the costs of staff, goods and services, necessary to carry out all the coordination, monitoring, supervision and optimisation activities required to ensure operational continuity and the achievement of the Organisation's mission'

Description	Amount	Percentage
Direct costs for project activities (staff, goods and services)	85,392,984	76.34%
Support costs directly related to project activities	18,157,622	16.23%
Support and liaison costs indirectly related to project activities	8,312,712	7.43%
<b>Total</b>	<b>111,863,318</b>	

A further subdivision of costs, which is useful for a better understanding of the Organisation's typical activities, is to break them down by the areas of intervention, the subject of the project activities themselves.

The areas of intervention used are those requested and classified by the main international funders whose taxonomy is maintained in English:

Fields of Intervention 2023	
Main sectors	%
Food, Food Sec and Liv	6%
WatSan and Hygiene	2%
Health	19%
Nutrition	5%
Shelters and NFIs	11%
Gen. Protection	41%
Case Management	5%
Child Protection	3%
GBV	2%
Legal Protection	0%
Other Prot. Act.	1%
E in E	3%
Others	1%
<b>Total</b>	<b>100%</b>



'Case Management', 'General Protection', 'Child Protection', 'GBV' and 'Other Prot. Act.' activities are sub-categories of the general 'Protection' activity, which accounts for 52% of the total project

expenditure in 2023. Protection is a highly technically demanding activity, as is the second largest activity, 'Health' with 19%.

This explains why, in section A) of the costs, some 57.7 out of 110 million euros are classified under subheading 4) 'Staff'.

## 2.11 C - Fundraising activities

The costs and revenues that are recorded in this section are costs and charges/revenues, revenues and income from fundraising activities, defined by the Ministerial Decree as '*negative/positive income components arising from the performance of recurrent and non-recurrent fundraising activities referred to in Article 7 of Legislative Decree No. 117 of 2 August 2017, as amended and supplemented*'.

### C) Expenditures for Fund Raising Activities

1) Expenditures for Recurrent fund raising	212,812	318,956
2) Expenditures for Non-recurrent fund raising	130,297	157,923
3) Other charges / staff	-	-
Subtotal	343,110	476,879

### C) Income from Fund Raising Activities

1) Income from Recurrent fund raising	131,064	144,657
2) Income from Non-recurrent fund raising	480,773	1,209,887
3) Other income	-	-
Subtotal	611,837	1,354,544
Surplus/Deficit for Fund Raising Activities (+/-)	268,727	877,665

In compliance with the requirements of OIC 35, costs and revenues were broken down according to whether the activity was carried out on a continuous basis or on the basis of occasional activities and single events that occurred during the year, regardless of the channel.

In particular, all activities aimed at acquiring **regular donors** are included in Recurrent Fundraising.

The costs and revenues for the main regular channels are listed below:

- ✓ 'Face to face', with costs of 75,440 euros and revenues of 97,333 euros;
- ✓ 'Digital regulars', with costs of 62,855 euros and income of 16,336 euros;
- ✓ 'Benefactor Service', with costs of 10,968 euros incurred to continue to retain the donor base of the various Face to Face, Digital, Mailing and Telemarketing regular channels;
- ✓ 'Mailing', with zero costs and income of 200 euros;
- ✓ 'Regular telemarketing' with costs of 5,673 euros and income of 15,995 euros;
- ✓ 'Corporate' with zero costs and income of 1,200 euros;
- ✓ 'Cross costs' with costs amounting to 57,877 euros.

At the same time, the channels included in **Non-Recurrent Fundraising** are aimed at promoting and consolidating INTERSOS' work through awareness-raising campaigns on the Organisation's main interventions. The result is, therefore, a one-off donation. The main occasional channels to refer to are:

- ✓ 'Member get member', with costs of 9,699 euros and income of 12,997 euros;

- ✓ 'Digital one off', with costs of 40,927 euros and income of 35,243 euros;
- ✓ 'Mailing', with one-off campaign costs of 31,853 euros and income of 29,734 euros;
- ✓ 'Telemarketing one off' with costs of 4,917 euros and income of 11,577 euros;
- ✓ 'Solidarity SMS', with costs of 25,897 euros and income of 40,261 euros;
- ✓ 'Major Donor' with costs of 7,209 euros and income of 51,319 euros;
- ✓ 'Corporate' with costs of 9,279 euros and corporate income of 10,029 euros;
- ✓ 'Testamentary legacies' with costs of 40 euros and income of 28,045 euros;
- ✓ 'Merchandise' with costs of 138 euros and income of 1,358 euros;
- ✓ 'Donations in memory' with costs of 227 euros and income of 24,725 euros;
- ✓ 'Partnership' with costs of 111 euros and income of 14,488 euros;
- ✓ 'Foundations' with costs of 0 and income of 1,110 euros;
- ✓ 'Ukraine Emergency Campaign' with costs of 0 and income of 105,267 euros;
- ✓ 'Syria Emergency Campaign' with costs of 0 and income of 87,682 euros;
- ✓ 'Libya Emergency Campaign' with costs of 0 and income of 26,800 euros.

## 2.12D - Financial activities

The costs and revenues that are recognised in this section are costs and expenses/revenues, returns and income from financial and patrimonial activities defined by the Ministerial Decree as ‘negative/positive income components deriving from operations of a financial/generating nature and of a patrimonial matrix, primarily related to the management of real estate assets where such activity is not an activity of general interest within the meaning of Article 5 of Legislative Decree No. 117 of 2 August 2017 and subsequent amendments and additions. Where, on the other hand, it is an activity in the general interest, the income components are attributable to area A of the Statement of Activities.’

D) Expenditures for Financial Activities		
1) Bank accounts	236,717	977,716
2) Loans	67,878	60,476
3) Buildings	-	-
4) Other assets	-	-
5) Provisions for risks and charges	-	-
6) Other charges	-	-
Subtotal	304,595	1,038,192

D) Income from Financial Activities		
1) Bank accounts	417,653	672,619
2) Financial investments	-	-
3) Buildings	-	-
4) Other assets	-	-
5) Other income	-	-
Subtotal	417,653	672,619
Surplus/Deficit for Financial Activities (+/-)	113,058	-365,573

All interest income and expenses, foreign exchange gains and losses, bank charges and commissions of all relationships held by the Organisation both in Italy and abroad have been classified in this section.

In detail, the positive and negative elements are composed as follows:

### Positive

- ✓ Interest income amounting to 31,056 euros;
- ✓ Realised foreign exchange gains of 386,597 euros,

### Negative

- ✓ Interest expenses of 181,098 euros;
- ✓ Bank charges and commissions of 123,497 euros.

## 2.13E - Expenditure for Structure

Costs, expenses and income from general support activities are to be considered the positive and negative items of income that do not fall under the other areas.

E) Expenditure for Structure		
1) Raw materials, goods		-
2) Services	81,214	97,835
3) Use of third-party assets	121,924	112,182
4) Staff	226,831	226,576
5) Depreciation	-	-
6) Provisions for risks and charges	-	-
7) Other management costs	-	-
Subtotal	429,969	436,773

E) Income from Structure		
1) Income from Staff Secondment	-	-
2) Other income from Structure	-	-
Subtotal	-	-

This section includes the management and running costs of the Organisation's structures for organisational, legal, IT and administrative management, the book value of which is defined after making the pro-rata allocations to the areas of destination set out in the preceding paragraphs.

The costs of rent, maintenance and all services related to the Rome HQ, all costs related to the remuneration of the institutional and statutory bodies, including:

- ✓ The auditors, in the amount of 12,810 euros VAT included;
- ✓ The Board of Statutory Auditors, in the amount of 8,308 euros;
- ✓ Internal Audit and the Director General, for 212,641 euros.

The year 2023 is subject to a total amount of 233,326 euros in taxes. This amount is broken down as follows:

- ✓ IRAP: 228,101 euros

- ✓ VAT on commercial activity: 3,713 euros
- ✓ IRES on commercial activity: 1,512 euros

The business activity relates to two projects for the reception of Ukrainian refugees in vulnerable health conditions, implemented in Italy with the contribution of the Municipality of Rome.

Although aimed at institutional purposes, they entail the issuing of invoices to the municipality. For tax purposes, this takes the form of the provision of services for consideration, thus bringing the project activity within the tax framework of a commercial activity.



## 2.14 Proposal for Appropriation of Operating Profit

The 2023 financial statements of INTERSOS closed with an Operating Profit for the year amounting to 108,448 euros. The 'Other reserves', consisting of unrealised exchange rate gains, were closed out under 'Reserves for Surplus/Deficit brought forward'. No other exchange rate gains were set aside. With this result, the Organisation's net assets, between restricted and unrestricted funds, amount to EUR 5,763,033. Of this, the unrestricted assets amount to euro 1,291,041.

Net assets as at 31 December 2023 are detailed below:

<b>LIABILITIES</b>		<b>As at 31/12/2023</b>	<b>As at 31/12/2022</b>
<b>A) NET ASSETS:</b>			
I)	ENDOWMENT FUND	15,000	15,000
II)	RESTRICTED NET ASSETS	4,348,544	10,916,360
	1) Statutory Reserves	-	-
	2) Reserves Designated by Statutory Bodies	430,159	769,876
	3) Reserves Restricted by Donors	3,918,385	10,146,484
III)	UNRESTRICTED NET ASSETS	1,291,041	1,185,229
	1) Reserves for Surplus/Deficit brought forward	1,291,041	855,408
	2) Other Reserves	-	329,821
IV)	SURPLUS/DEFICIT OF THE YEAR	108,448	105,812
	<b>TOTAL NET ASSETS</b>	<b>5,763,033</b>	<b>12,222,401</b>

It is proposed to allocate the surplus for the year 2023 to 'Reserves for Surplus/Deficit brought forward' of the unrestricted assets.

This allocation brings the Organisation's unrestricted assets to 1,399,489 euros.



## ***2.15 Illustration of the Organisation's economic and financial performance and key ratios***

Point 18) of 'Appendix C' of OIC 35 requires an illustration of the situation of the entity and the result of its management.

INTERSOS is an organisation exclusively oriented towards bringing aid and support to populations whose lives are threatened by war, violence, extreme poverty, natural or man-made disasters. This is not only the mission, but also the management and leadership style of its structure. As is easily denoted by the structure of the Statement of Activities, there are no components that can be classified as different activities.

The 2023 fundraising was mainly for the ongoing Ukrainian crisis, the earthquake emergency in Syria and the flooding in Libya. The part of the funds not spent in 2023 were set aside in Net Assets as restricted funds and will be released in 2024 for the same crises.

All activity is focused on the presentation, management, monitoring and reporting of project activities in the 23 countries of intervention.

This orientation also brings with it the awareness that only through a flexible structure, close to the intervention sites and the affected populations, can sustainability also be guaranteed on the economic and financial front. To do this, INTERSOS implements an organisational strategy increasingly aimed at increasing the resources needed at the intervention sites. The relocation of the operational structure and resources is a process that began years ago and has never been abandoned.

A further sustainability strategy is based on the diversification of donors. Increasingly, the INTERSOS donor basket is made up of new supporters. Less and less are the various UN agencies and more and more are coming from the European Union, the US government and, recently, the German and, in the future, Japanese governments.

This is the only way to ensure an economic balance with only 7% guaranteed by most institutional funders to cover organisational costs.

The purpose of this document is to place the activity carried out by INTERSOS in its economic environment of reference, outlining the essential features of its management performance and thus providing some useful hints to portray its presumable future activity. To do this, it is necessary to provide information on how it pursues its mission, showing not only its organisational and structural efficiency, but also its economic and financial solidity, through financial and non-financial indicators.

Below are the main indicators selected for this purpose.



## Liquidity Ratios

### Liquidity Ratio

The liquidity ratio provides a measure of the Organisation's ability to meet its short-term commitments as they fall due. It therefore helps to give a representation of the financial stability of the Organisation and the level of financial provisioning sufficient to ensure the activities contracted with donors.<sup>1</sup>

The liquidity ratio is calculated as the ratio of current assets (including donor receivables) to the sum of current liabilities and restricted funds.

For calculation purposes, current assets are considered to be current assets and accrued income and prepaid expenses, while restricted funds are considered to be restricted assets (the portion restricted by donors) and accrued expenses and deferred income.<sup>2</sup>

According to the European Commission's parameters, the liquidity ratio is insufficient if below 0.5, acceptable if between 0.5 and 1 (for ECHO if above 0.85 for the last two fiscal years) and good if above 1.<sup>34</sup>

The ratio is:

Assets < 12 months + Accrued income and prepaid expenses	82,743,301 + 156,545	
Liabilities < 12 months + Reserves restricted by donors + accrued expenses and deferred income	76,104,264 + 3,918,385 + 15,877	<b>1,036</b>

<sup>1</sup> Ref. Articles 130(6) and 198(2) of the European Commission's Financial Regulation

<sup>2</sup> Ref. Terms of Reference for the Ex-Ante Assessment of an NGO applying to become a Humanitarian FPA Partner of the EC, p. 47

<sup>3</sup> Ref. Guidance on H2020 Financial Viability Ratios, p. 4

<sup>4</sup> Ref. Terms of Reference for the Ex-Ante Assessment of an NGO applying to become a Humanitarian FPA Partner of the EC, p. 47

## Unrestricted Net Equity Ratio

The Unrestricted Net Equity Ratio provides a measurement of own resources that the Organisation can dispose of without restriction. It may refer here to legal, voluntary or other reserves with the same characteristics (therefore, it does not include project-related funds and provisions). This capital element contributes to preserving business continuity.<sup>56</sup>

The Unrestricted Net Equity Ratio is calculated as the ratio of free assets to total debts. It is expressed in %.<sup>7</sup>

According to the parameters of the European Commission, the Unrestricted Net Equity Ratio is acceptable if this value in the last two fiscal years is positive. Last fiscal year it was 1.54%.

Unrestricted Assets	1,291,041 + 108,448	<b>1.69%</b>
Total Liabilities	82,974,798	

## Performance Indicators

### Resource commitment indicators

Not-for-profit organisations have primarily an operational function; they are all the more efficient the more they manage to deploy their resources in institutional/typical activities (section A of the Statement of Activities) in adherence to the socially useful purposes identified in their statutes and set out in the mission statement.

The use of resources for the implementation of institutional activities must therefore also be assessed in relation to the use of resources in the other two macro-areas managed by the Organisation: fundraising and general support.

The analysis of the use of resources takes into account the three macro-areas in which the Organisation's management takes place:

<sup>5</sup> Ref. Articles 130(6) and 198(2) of the European Commission's Financial Regulation

<sup>6</sup> Ref: Terms of Reference for the Ex-Ante Assessment of an NGO applying to become a Humanitarian FPA Partner of the EC, p. 47

<sup>7</sup> Ref: Terms of Reference for the Ex-Ante Assessment of an NGO applying to become a Humanitarian FPA Partner of the EC, p. 47



- ✓ Institutional activity
- ✓ Fundraising activities
- ✓ General or structural support activities.

Total Expenditures for Activities of General Interest	111,863,243		
Total Expenditures (-extraordinary, financial and tax charges)	112,940,917 – 304,595	=	<b>99.31%</b>

This indicator is the most important as it identifies, in percentage terms, the share of resources that were deployed, during the financial year, in activities directly related to the institutional purpose stated in the mission statement. It amounted to 99.15% in 2022.

From the point of view of merit, this indicator is all the better the higher the percentage value it expresses.

The second performance indicator is as follows:

Tot. Expenditure for Structure (- extraordinary charges)	429,969		
Total Expenditures (- extraordinary, financial and tax charges)	112,940,917 -304,595	=	<b>0.38%</b>

The indicator expresses, in percentage terms, the amount of resources that were deployed in Structure Activities during the year.

Expenditure for Structure must also be in line with the size and total uses.

Thus, the indicator is all the better the lower the percentage value it expresses. It was 0.40% in 2022.

## 2.16 An analysis of the main management risks

In recent years INTERSOS has had to adapt its risk management system to standards that are more in line with the evolution of regulatory and management references. Furthermore, the complexity and volatility of the contexts in which the Organisation operates has required an additional effort in terms of capacity and training of staff dedicated to or involved in processes with high risk exposure. Finally, it should be mentioned that some important Donors have recently stressed the importance of careful risk identification, measurement and management for a humanitarian organisation of INTERSOS' relevance.

Therefore, between 2019 and 2020, the Organisation set up a working team, consisting of internal staff and external consultants specialised in Risk Management, to define the consequential steps to develop a work plan, detailed as follows:

- ✓ Identification of Processes and Activities
- ✓ Mapping of Risky Activities
- ✓ Risk Assessment (Impact x Probability)
- ✓ Mapping of Control Activities
- ✓ Residual Risk Assessment (Residual Impact x Residual Probability)
- ✓ Defining the Residual Risk Strategy

The Departments and Units involved then developed risk mapping by areas of competence, identifying the risk category (Legal, Reputational, Economic, Operational, etc.) and measuring the levels of Probability and Impact through the benchmarks provided by the work team.

After this phase, the Organisation had thus carried out a complete mapping of the main risks.

The risk management strategies also passed through the scrutiny of the working team, which together with the departmental contact persons, highlighted risks and opportunities in each of the four categories, specifically:

- ✓ Risk reduction (risk mitigation measures aimed at lowering levels of probability or impact)
- ✓ Risk sharing (transfer of responsibility to an external entity (e.g. implementing partner, etc.))
- ✓ Risk prevention (avoidance of risk through displacement, suspension or closure)
- ✓ Risk acceptance (after a cost-benefit analysis, the result shows that acceptance is still the most favourable solution).

The INTERSOS Risk Management system was developed on the IMP platform (INTEROS internal data management platform) and provides for the cyclical review of departmental risks, with a consequent re-evaluation of the measurements of the various risk elements in the light of the changing operational characteristics of the Organisation and the contexts in which it operates.

The most recent organisational evolution of INTERSOS in risk management refers to the three-year Strategic Plan 2022-2024: in fact, the Organisation has identified among its strategic priorities the development of a new Enterprise Risk Management (ERM) tool, more integrated with INTERSOS operations and grafted into the processes and tools already in use.

This mandate was given to a working team consisting of an external consultant (Senior Enterprise Risk Management Advisor) and several key roles in the Organisation (Security Advisor, Head of Grant Control and Compliance Unit, Internal Auditor, ICT Coordinator), which produced new guidelines on the subject (*Creating a Risk Conscious culture in INTERSOS and Risk Appetite Statement*) in 2023.

Finally, thanks to the work of the ICT Coordinator, a new platform was developed to integrate context analysis, risk activities, risk mapping, mitigation measures and incident logging. Finally, during 2023, the Finance Department further supplemented the tool with a section devoted to risks characterised by potential economic loss, so that risk exposure can be measured in monetary terms on a regular basis.

## **2. 17 Predictable evolutions of operations and forecasts for the maintenance of economic and financial balances;**

2024 presents itself as a year of stability and consolidation in terms of the volume of contracts signed and project activities to be implemented in the countries of intervention. The big leap forward of 2023 has only slowed down slightly, still standing at around 130 million euros, compared to 135 million euros in 2023.

The same cannot be said for investments aimed at consolidating management and strengthening both the operational skills of missions and the tools for accountability and internal control of processes. In this respect, 2024 will be a year full of activities aimed at digitising processes, reducing low-value-added work and developing analysis, planning, scenario forecasting and internal control tools that are increasingly integrated with the systems currently in place. INTERSOS's use of business intelligence and artificial intelligence tools will bring significant added value in terms of increased efficiency and productivity and improved decision-making processes. In addition to these examples, the new tools will provide INTERSOS with some other benefits, such as risk reduction, increased innovation and the creation of new sustainability models.

This investment plan is expected to consolidate the project implementation capacity, which reached an all-time low of 82.31% in 2023.

The launch of the new mission in Sudan, the broadening of the institutional and private donor landscape, the increased focus on and adoption of more sustainable processes in humanitarian operations, the strengthening of internal control, and the search for new non-traditional funding channels, aimed at covering investments in the operational structure, will outline a new sustainability framework and new performance indicators.

Fundraising activities will increasingly focus on strengthening initiatives with the highest return on investment (ROI), i.e. campaigns to attract major donors, companies and foundations. The funds raised will be earmarked or restricted to institutional activities and increasingly linked to initiatives financed by international donors.



## 2.18 Staff data

INTERSOS staff in 2023, totalling 3,837 (as at 31 December 2023), can be classified into Italian and foreign staff, according to the different types of contract.

The gender breakdown is as follows:

Total INTERSOS Staff 2023			
	Total	Men	Women
HQ	61	25	36
HQ/Regional Offices	28	15	13
Italy Mission	90	25	65
Fundraising	4	3	1
Consultants/Support Staff	4	1	3
<b>Total HQ and Italy Staff</b>	<b>187</b>	<b>69</b>	<b>118</b>
Missions	195	123	72
Local staff	3,455	1,942	1,513
<b>Total FOREIGN STAFF</b>	<b>3,650</b>	<b>2,065</b>	<b>1,585</b>
<b>Total</b>	<b>3,837</b>	<b>2,134</b>	<b>1,703</b>

Total INTERSOS Staff 2022			
	Total	Men	Women
HQ	53	23	30
HQ/Regional Offices	29	19	10
Italy Mission	98	32	66
Fundraising	14	10	4
Consultants/Support Staff	7	3	4
<b>Total HQ and Italy Staff</b>	<b>201</b>	<b>87</b>	<b>114</b>
Missions	188	110	78
Local staff	3,367	1,971	1,396
<b>Total FOREIGN STAFF</b>	<b>3,555</b>	<b>2,081</b>	<b>1,474</b>
<b>Total</b>	<b>3,756</b>	<b>2,168</b>	<b>1,588</b>

HQ and Italy staff, totalling 187 units, as at 31 December 2023, includes both HQ staff reporting to the Rome office and Regional offices staff in addition to staff employed in project activities implemented in Italy (Italy mission), and staff supporting fundraising activities. This category also includes consultants and support staff.

The distinction by types of contracts of the three components is as follows:

Type of contract	2023					2022				
	Rome HQ/Regional Offices	Italy Mission	Fundraising	Consultants/support staff	Total	Rome HQ/Regional Offices	Italy Mission	Fundraising	Consultants/support staff	Total
Employees	51	1	0	0	52	44	2	0	0	46
Co.co.co.	30	47	3	2	82	30	59	12	6	107
Occasional	0	25	0	0	25	0	22	1	0	23
National	5	0	0	1	6	4	0	0	1	5
Freelancers (VAT)	0	17	1	1	19	0	15	1	0	16
Self-employed	3	0	0	0	3	4	0	0	0	4
<b>Total</b>	<b>89</b>	<b>90</b>	<b>4</b>	<b>4</b>	<b>187</b>	<b>82</b>	<b>98</b>	<b>14</b>	<b>7</b>	<b>201</b>



As far as 'HQ' Staff are concerned, these are mainly employees, followed by coordinated and continuous collaborations, and a local contract (Headquarters staff, with a contract concluded directly according to the regulations of the country of residence).

The total number of staff dedicated to the management of the regions is 28, distributed between programme staff, administration, logistics and human resources

On the basis of the countries of intervention in which INTERSOS operates, four main regions can be identified, corresponding to geographical and/or crisis areas and two national ones: Middle East, West Africa and East and Central Africa; the fourth region includes missions managed in full or in part by the Regional Emergency Office. Both collaborators (co.co.co and self-employed workers) and employed staff work in the Regional Offices.

A breakdown of the two components by region is given below:

Geographical areas	2023		2022	
	Regions	Missions	Regions	Missions
Middle East ( <i>Lebanon, Jordan, Iraq, Syria, Yemen</i> )	9	49	7	45
West Africa ( <i>Chad, Niger, Nigeria, Burkina Faso, Cameroon</i> )	7	52	7	44
Central and East Africa ( <i>Central African Republic, Democratic Republic of Congo, Kenya, South Sudan, Libya</i> )	7	38	5	32
Regional Emergency Office ( <i>Afghanistan/Iran/Venezuela/Colombia/Poland/Moldavia/Ukraine</i> )	6	56	9	66
Greece ( <i>mission</i> )	0	0	0	1
Migration Programme	0	0	1	0
<b>Total</b>	<b>28</b>	<b>195</b>	<b>29</b>	<b>188</b>

As required by OIC 35 in Appendix C, paragraph 13), details of the average number of employees, broken down by category, are given:

2023	
Average number of employees per category	
Directors	1
Managers	6
Employees	45
<b>Total</b>	<b>52</b>

2022	
Average number of employees per category	
Directors	1
Managers	5
Employees	41
<b>Total</b>	<b>47</b>



The National Collective Labour Agreement (CCNL Conf-Commercio) of commerce for the tertiary, distribution and services sector applies to employees. The Framework Agreement entered into with the trade unions renewed on 9 April 2018 applies to employees, which provided greater guarantees for sickness and maternity protection for this type of worker. In addition, there is the Level II agreement signed with the Trade Union Organisation UIL Temp in 2021 to regulate certain economic, regulatory and welfare elements for employees and collaborators.

As required by OIC 35 in Appendix C, paragraphs 14) and 23), details of the remuneration of the Executive Body, the Board of Statutory Auditors and the Auditors appointed for the statutory audit, as well as the difference in remuneration of employees, are given:

#### Executive Body:

- ✓ Councillors receive no remuneration or reimbursement of expenses;

#### Board of Statutory Auditors:

- ✓ *Board of Statutory Auditors Members* 8,308 euros

#### Supervisory Body:

- ✓ *Members of the Supervisory Board* 5,710 euros

#### Auditors:

- ✓ *Crowe Bompani* 12,810 euros

#### Employee pay gap:

Maximum gross salary	72,234 euros
Minimum gross salary	22,331 euros

The number of employees employed abroad (missions) during the year 2023 (data as at 31 December 2023) is 195.

A breakdown of expatriate mission personnel by individual mission is as follows

2023			
Country of intervention	Mission Collaborators		
Afghanistan	19	Burkina Faso	8
		Cameroon	6
		Central African Republic	11
		Chad	21

Colombia/ Venezuela	6
DR Congo	11
Greece	0
Iran	3
Iraq	13
Jordan	4
Lebanon	9
Libya/Tunisia	11
Moldova	12
Niger	6
Nigeria	10
Poland	0
South Sudan	5
Syria	9
Ukraine	16
Yemen	14
<b>Total</b>	<b>195</b>

2022	
Country of intervention	Mission Collaborators
Afghanistan	13
Burkina Faso	8
Cameroon	6
Central African Republic	13
Chad	11
Colombia/ Venezuela	3
DR Congo	8
Greece	1
Iran	3
Iraq	17
Jordan	3
Lebanon	5
Libya	7
Moldova	22
Niger	5
Nigeria	14
Poland	2
South Sudan	4
Syria	5
Ukraine	23
Yemen	15
<b>Total</b>	<b>188</b>

For personnel employed in foreign missions, the type of employment relationship used is the coordinated and continuous collaboration contract, which, since it entails tasks mainly performed outside the national territory, enjoys special tax benefits, as indicated in Article 3 of the Interministerial decree of 17/09/2002 (G.U. no. 239 of 11 October 2002). The conventional values for 2023 were established by INPS circular 12/2023.

Also, for foreign staff, there is the possibility that the staff pays taxes in the place of tax residence. In this case there will always be a coordinated and continuous collaboration contract if the state of tax residence has a bilateral agreement with Italy. Otherwise, the independent contract applies.



## 2.19 Fundraising Activities

In 2023, the Organisation carried out fundraising activities targeting private donors and aimed at acquiring unrestricted funds, funds intended for use in a specific crisis area, and funds restricted to a specific project. Through fundraising INTERSOS aims to continue to increase the sustainability of the mission, planning in detail and optimising all opportunities for brand awareness and promotion of our key messages, always at the forefront of serious emergency situations.

In fact, the activities carried out in 2023 were directed at both the annual activities in support of the Organisation as a whole and the ongoing humanitarian crisis in Ukraine, the earthquake emergency in Syria and the floods in Libya.

The earthquake emergencies in Syria and Turkey in February, as well as the floods in Libya in September, required a rapid response on the ground and an equally quick activation of fundraising initiatives.

In particular, the funds raised for the emergency in Libya amounted to 26,800 euros, to which were added 100,000 euros in restricted funds, for a total of 126,800 euros, whereas for the emergency in Syria, 87,682 euros were raised from private individuals, to which were added 60,000 euros, totalling 147,682 euros. In addition, for the emergency in Ukraine, the total funds collected amounted to 105,267 euros, of which 86,947 through the Solidarity SMS 'For Ukrainian Children' campaign, supported by Mediafriends in collaboration with Soleterre.

With regard to individual fundraising activities, the four main strategic drivers used to implement the campaigns are listed below:

- ✓ Progressive growth in the acquisition of regular donors, with a view to optimising income results.
- ✓ Personalising our communications with active donors, in order to increase their loyalty and involvement in our emergency response.
- ✓ Maximising the results of high ROI activities, i.e. Foundations, Corporate and Events.
- ✓ Consolidation of the data-driven approach for campaign monitoring and performance optimisation of individual channels.

In particular, fundraising contributed to the acquisition of new donors through face-to-face, digital fundraising and telemarketing channels. The digital fundraising, direct mailing and telemarketing

channels were used to retain existing donors and maintain relationships with contacts in the database. During the year, strategic planning on fundraising channels was accompanied by some digital fundraising tests aimed at expanding our donor base.

Through communication via DEM (direct e-mail marketing), we reached out to donors with stories from the field and testimonials from the operators. The loyalty activity gave donors a closer insight into our work on the front line of humanitarian emergencies.

These activities were flanked by the Solidarity SMS campaign 'Safe childbirth even in war', which sought to draw attention to the drama of childbirth deaths. The campaign highlighted how this issue is more prominent in countries that have been the scene of wars and conflicts for years, and where access to maternal and child care is very complex.

During the year, we have also received bequests in our wills and donations in memory that combine the gesture of remembrance of a loved one with a donation to the projects carried out by the Organisation.

Fundraising messages focused on the major humanitarian emergencies in Syria, Ukraine, Yemen and Afghanistan and, through the work of the mobile clinics, on our ability to reach the most remote places to provide essential care. In addition, some unrestricted funds were raised from individual donors and US companies through collaboration with a tax partner in compliance with local regulations

Finally, activities were carried out to sell solidarity products for a suggested minimum donation. In particular, the 'Panettone Solidale' campaign was conducted again this year, with the participation of companies and partners.

About funds restricted to a specific project, a programme of relations with philanthropic organisations, foundations, companies and major donors was developed.

Regarding the provisions of the Third Sector Code and the fundraising guidelines for TSE, we report the details of the channels and instruments used for fundraising, divided between sections A and C of the Statement of Activities, with an indication of the costs and income allocated to statutory activities of general interest:

#### **Section A) Income from 'Activities of General Interest': Income from tax donations, 5 x mille**



**INTERSOS**

MISSION REPORT TO 2023 FINANCIAL STATEMENTS

	Costs	2023	2022	Proceeds	2023	2022
Tax donations, 5xmille	1) Raw materials, consumables, goods		600	5 ) Income from the 5 x mille	28,493	27,672
	2) Services	1,989	488			
	<b>Total costs</b>	<b>1,989</b>	<b>1,088</b>	<b>Total income</b>	<b>28,493</b>	<b>27,672</b>

## Section C) Income from 'Fundraising activities'

### C 1) Recurrent Fundraising

RECURRENT FUNDRAISING						
CHANNELS	Costs	2023	2022	Proceeds	2023	2022
Face to face	2) Services	11,334	15,006	Donations from private individuals	97,333	108,738
	4) Staff	56,267	111,173			
	7) Sundry operating expenses	7,839	11,995			
Member get Member	1) Raw materials, consumables, goods			Donations from private individuals		
Regular Digital	2) Services	51,833	60,361	Donations from private individuals	16,336	34,431
	4) Staff					
	7) Sundry operating expenses	11,022				
Regular mailings	1) Raw materials, consumables, goods			Donations from private individuals	200	160
	2) Services					
Regular Tele-fundraising	2) Services	3,883		Donations from private individuals	15,995	128
	4) Staff					
	7) Sundry operating expenses	1,790				
Regular Corporate				Donations from private individuals	1,200	1,200
Supporter Service	2) Services	255	74,407			
	7) Sundry operating expenses	10,713	11,281			
Cross-cutting costs	2) Services	29,663		Donations from private individuals		
	4) Staff	6,677				
	7) Sundry operating expenses	21,537	46,728			-
<b>TOTALS</b>	<b>Total costs</b>	<b>212,812</b>	<b>330,952</b>	<b>Total income</b>	<b>131,064</b>	<b>144,657</b>

### C 2) Non-recurrent Fundraising

NON-RECURRENT FUNDRAISING						
CHANNELS	Costs	2023	2022	Proceeds	2023	2022
Member get Member	1) Raw materials, consumables, goods	8,492	23,769	Donations from private individuals	12,997	76,388

NON-RECURRENT FUNDRAISING						
CHANNELS	Costs	2023	2022	Proceeds	2023	2022
	2) Services		12,124			
	4) Staff					
	7) Sundry operating expenses	1,207				
<b>Face To Face</b>	2) Services			Donations from private individuals	140	
<b>Digital one off</b>	2) Services	28,557				
	7) Sundry operating expenses	12,370	21,773	Donations from private individuals	35,243	28,625
<b>Mailing one off</b>	1) Raw materials, consumables, goods	10,785	9,433	Donations from private individuals	29,734	36,720
	2) Services	14,386	18,843			
	4) Staff	6,676				
	7) Sundry operating expenses	5				
<b>Tele-fundraising one off</b>	2) Services	2,459		Donations from private individuals	11,577	7,662
	7) Sundry operating expenses	2,458				
<b>Solidarity SMS</b>	1) Raw materials, consumables, goods	66	185	Donations from private individuals	40,261	4,616
	2) Services	24,020				
	7) Sundry operating expenses	1,811				
<b>Major Donors</b>	2) Services	7,060	179	6) Contributions from private entities	51,319	18,700
	7) Sundry operating expenses	149				
<b>Testamentary Bequests</b>	1) Raw materials, consumables, goods	40		6) Contributions from private entities	28,045	
	2) Services		4,636			
	4) Staff					
	7) Sundry operating expenses					
<b>Merchandise</b>	1) Raw materials, consumables, goods	138		Donations from private individuals	1,358	
	2) Services					
<b>Donations in memory</b>	7) Sundry operating expenses	227		Donations from private individuals	24,725	
<b>Corporate</b>	2) Services	9,279	1,187	Donations from private individuals	10,029	7,600
<b>Partnership</b>	1) Raw materials, consumables, goods	111		Donations from private individuals	14,488	
<b>Committees</b>	1) Raw materials, consumables, goods			Donations from private individuals		
<b>Foundations</b>	1) Raw materials, consumables, goods			Donations from private individuals	1,110	1,000
	2) Services		14,185			
	7) Sundry operating expenses		5,450			
<b>TOTALS</b>	<b>Total costs</b>	<b>130,298</b>	<b>111,766</b>	<b>Total income</b>	<b>261,025</b>	<b>181,310</b>

Non-recurrent Fundraising campaigns for emergencies in 2023 received the following donations, details of which can be found in the statements attached to the report:



	Costs	2023	2022	Proceeds	2023	2022
UKRAINE CAMPAIGN	1) Raw materials, consumables, goods			Donations from Companies		155,264
	2) Services		49,155	Donations from Foundations		770,463
	4) Staff			Donations from SMS campaigns	86,947	
	7) Sundry operating expenses			Donations from individuals	18,320	102,850
	<b>Total costs</b>	-	<b>49,155</b>	<b>Total income</b>	<b>105,267</b>	<b>1,028,577</b>

	Costs	2023	2022	Proceeds	2023	2022
SYRIA CAMPAIGN	1) Raw materials, consumables, goods			Donations from Companies	23,501	
	2) Services			Donations from Foundations	10,000	
	4) Staff			Donations from Private Bodies	38,848	
	7) Sundry operating expenses			Donations from individuals	15,334	
	<b>Total costs</b>	-	-	<b>Total income</b>	<b>87,682</b>	-

	Costs	2023	2022	Proceeds	2023	2022
LIBYA CAMPAIGN	1) Raw materials, consumables, goods			Donations from Companies	25,250	
	2) Services			Donations from Foundations		
	7) Sundry operating expenses			Donations from individuals	1,550	
	<b>Total costs</b>	-	-	<b>Total income</b>	<b>26,800</b>	-



## 2.20 Non-applicable elements of OIC 35

Below are the points of 'Appendix C' of OIC 35 that are not applicable to INTERSOS in order to make this document more complete and adherent to the legislative dictate.

*15) A statement identifying the financial items and assets and the economic components inherent in the assets intended for a specific business as referred to in Article 10 of Legislative Decree No. 117/2017, as amended and supplemented.*

The entity has not established 'assets intended for a specific business' within the meaning of Article 10 of Legislative Decree No. 117/2017.

*16) Transactions entered into with related parties, specifying the amount, the nature of the relationship and any other information necessary for an understanding of the financial statements relating to such transactions, if they were not concluded at arm's length. Information about individual transactions may be aggregated according to their nature, except where separate disclosure is necessary for an understanding of the effects of those transactions on the entity's financial position and results of operations.*

During the financial year, the Organisation did not enter into any transactions at other than normal market conditions with related parties.

*21) Information and references as to the contribution that different activities make to the pursuit of the institution's mission and an indication of their secondary and instrumental character.*

During the financial year, INTERSOS did not engage in any other activities within the meaning of Article 6 of Legislative Decree No. 117/2017.

*22) An illustrative statement of costs and imputed income.*

Although INTERSOS considered the possibility of including notional costs and income at the bottom of the Statement of Activities, it decided not to value them.

# ATTACHMENTS



**ANNEX 1**

**STATEMENT OF THE INDIVIDUAL PUBLIC NON-RECURRENT FUNDRAISING  
DRAFTED PURSUANT TO ARTICLES 87(6) AND 79(4)(A) OF LEGISLATIVE DECREE  
NO. 117 OF 3 AUGUST 2017**

TSE name: INTERSOS International Humanitarian Organisation

Tax Code: 970914770589

Headquarters: Via Aniene 26/A, 00198 Rome (RM)

**STATEMENT OF THE NON-RECURRENT FUNDRAISING EVENT**

Description of the celebration, anniversary or awareness-raising campaign: HUMANITARIAN  
EMERGENCY

Event name, if any: LIBYA EMERGENCY CAMPAIGN

Fundraising period: SEPTEMBER to DECEMBER 2023

a) Income from Non-Recurrent Fundraising	
-Monetary liberalities	€ 26,800
-Market value non-monetary liberalities	
-Other income	
<b>Total a)</b>	<b>€ 26,800</b>
b) Expenditure for Non-Recurrent Fundraising	
- Expenditure for the purchase of goods	
- Expenditure for the purchase of services	
- Expenditure for hire, rent or use of equipment	
-Promotional expenditure for Fundraising	
- Expenditure for employment or self-employment	
- Expenditure for reimbursements to volunteers	
- Other Expenditure	
Total b)	<b>€ 00,00</b>
<b>Non-Recurrent Fundraising result (a-b)</b>	<b>€ 26,800</b>

## EXPLANATORY REPORT ON NON-RECURRENT FUNDRAISING

In September, the emergency linked to the floods in Libya prompted a rapid response on the ground from INTERSOS and an equally rapid activation of fundraising initiatives. In particular, the total amount of funds raised through the Libya Emergency Campaign was 26,800 euros.

Cash funds deposited in bank accounts through fundraising channels were collected in their entirety:

- Donations from Companies 25,250 euros
- Donations from individuals 1,550 euros

No costs were incurred by the Fundraising Department for the implementation of the campaign.

**The funds collected net of the total expenses incurred thus amounted to 26,800 euros** and were used for the following general interest activities: Article 5 of the TSC

*(B) Health interventions and services;*

*(R) Humanitarian reception and social integration of migrants,*

*(W) Promotion and protection of human, civil and social rights.*

### ***Purpose and destination of net collected funds:***

	NET FUNDS	Spent in 2023	Provision for 2024
<b>52-00 Libya Emergency Funds</b>	€ 26,800	€ 8,040	€ 18,760
TOTAL	<b>€ 26,800</b>	€ 8,040	€ 18,760

As shown in the table, the funds used in 2023 for the INTERSOS Emergency Action totalled 8,040 euros, while 18,760 euros were set aside for restricted assets within the item 'Restricted Reserves designated by Statutory Bodies', in order to ensure continuity with the original expenditure restriction determined by the intended use.

In 2023, INTERSOS provided a rapid and timely emergency response to Storm Daniel in eastern Libya. We set up an emergency response team – consisting of an activity coordinator, a doctor, two protection experts for the provision of social welfare services and psychosocial support, and a psychologist – to help people affected by the storm and subsequent flooding. Collaboration with local CSO enabled INTERSOS to maximise the scope of its intervention and speed up the humanitarian response.

### **Highlighted results**

- 607 children and their parents/caregivers received medical consultations/screenings at INTERSOS community centres in Ajdabiya and Sabha
- 8,122 people received psychosocial support services
- 1,175 children received non-formal education services

**ANNEX 2**

**STATEMENT OF THE INDIVIDUAL PUBLIC NON-RECURRENT FUNDRAISING  
DRAFTED PURSUANT TO ARTICLES 87(6) AND 79(4)(A) OF LEGISLATIVE DECREE  
NO. 117 OF 3 AUGUST 2017**

TSE name: INTERSOS International Humanitarian Organisation  
Tax Code: 970914770589

Headquarters: Via Aniene 26/A, 00198 Rome (RM)

**STATEMENT OF THE NON-RECURRENT FUNDRAISING EVENT**

Description of the celebration, anniversary or awareness-raising campaign: HUMANITARIAN EMERGENCY

Event name, if any: SYRIA EMERGENCY CAMPAIGN

Fundraising period: FEBRUARY to JULY 2023

a) Income from Non-Recurrent Fundraising	
-Monetary liberalities	€ 87,682
-Market value non-monetary liberalities	
-Other income	
<b>Total a)</b>	<b>€ 87,682</b>
b) Expenditure for Non-Recurrent Fundraising	
- Expenditure for the purchase of goods	
- Expenditure for the purchase of services	
- Expenditure for hire, rent or use of equipment	
- Promotional expenditure for Fundraising	
- Expenditure for employment or self-employment	
- Expenditure for reimbursements to volunteers	
- Other Expenditure	
Total b)	<b>€ 00,00</b>
<b>Non-Recurrent Fundraising result (a-b)</b>	<b>€ 87,682</b>

## EXPLANATORY REPORT ON NON-RECURRENT FUNDRAISING

The earthquake emergency in Syria and Turkey in February prompted a rapid response on the ground from INTERSOS and an equally rapid activation of fundraising initiatives. In particular, the total amount of restricted funds raised through the Syria emergency campaign was 87,682 euros. The money was deposited in bank accounts through the various fundraising channels, in particular:

- Donations from Companies 23,501 euros
- Donations from Foundations 10,000 euros
- Donations from Private Entities 38,848 euros
- Donations from Individuals 15,334 euros

No specific costs were incurred by the Fundraising Department for the implementation of the campaign.

**The funds collected net of the total expenses incurred thus amounted to 87,682 euros** and were used for the following general interest activities: Article 5 of the TSC

*(B) Health interventions and services;*

*(R) Humanitarian reception and social integration of migrants,*

*(W) Promotion and protection of human, civil and social rights.*

### **Purpose and destination of net collected funds:**

	<b>FUNDS EARMARKED</b>	<b>EXPENDITURE 2023</b>	<b>Provision 2024</b>
<b>59-00 Syria Emergency Funds</b>	€87,682	€60,514	€27,168
<b>TOTAL</b>	<b>€87,682</b>	<b>€60,514</b>	<b>€27,168</b>

As shown in the table, the funds used in 2023 for INTERSOS Emergency Action totalled 60,514 euros, while 27,168 euros were set aside for restricted assets within the item 'Restricted Reserves designated by Statutory Bodies', to ensure continuity with the original expenditure restriction determined by the intended use.

2023 Syrian crisis, in its 13th year, reached an all-time high in terms of the scale and complexity of humanitarian needs. The direct and indirect consequences of the earthquakes that struck Syria in February 2023 killed nearly 5,900 people, injured more than 12,800 and displaced at least 265,000. The earthquake extensively damaged essential infrastructure disrupted food production and livelihoods, especially in rural areas, and caused widespread psychological distress and trauma. The worsening economic crisis, with high inflation, a collapsing currency and severe fuel shortages, has increased the need for humanitarian assistance. INTERSOS offers psychosocial support, assistance to the most vulnerable and legal support. We also offer awareness-raising sessions for



local communities on Humanitarian Protection issues, including informing the population about the risks of unexploded mines, which are unfortunately widespread in the country. Following the earthquake that struck Syria on 6<sup>th</sup> February 2023, INTERSOS implemented an emergency response with a wide range of services for communities affected by the disaster, particularly in the governorates of Hama and Idlib.

The response included psychosocial support to cope with psychological distress and trauma due to the disaster, awareness-raising sessions on how to react in case of further earthquakes, primary health care services for injured people and affected communities, distribution of non-food items, including medical assistive devices for people with disabilities, and rehabilitation of damaged schools.

### Highlighted results

- 14,304 people affected by the earthquake received non-food items, including winter kits, dignity kits, hygiene kits, education kits or basic supplies.
- 16 schools were rehabilitated, providing a safer and more inclusive learning environment for 3,200 children.
- 22,732 people received primary health care consultations.



**ANNEX 3**

**STATEMENT OF THE INDIVIDUAL PUBLIC OCCASIONAL FUNDRAISER  
DRAFTED PURSUANT TO ARTICLES 87(6) AND 79(4)(A) OF LEGISLATIVE DECREE NO  
117 OF 3 AUGUST 2017**

<p>TSE name: INTERSOS International Humanitarian Organisation Tax Code: 970914770589</p> <p>Headquarters: Via Aniene 26/A, 00198 Rome (RM)</p> <p><b>REPORT OF THE INDIVIDUAL FUNDRAISING EVENT</b></p> <p>Description of the celebration, anniversary or awareness-raising campaign: HUMANITARIAN EMERGENCY</p> <p>Event name, if any: UKRAINE EMERGENCY CAMPAIGN</p> <p>Fundraising period: MARCH to NOVEMBER 2023</p>
--

a) Income from Non-Recurrent Fundraising	
-Monetary liberalities	€ 105,267
-Market value non-monetary liberalities	
-Other income	
<b>Total a)</b>	<b>€ 105,267</b>
b) Expenditure for Non-Recurrent Fundraising	
- Expenditure for the purchase of goods	
- Expenditure for the purchase of services	
- Expenditure for hire, rent or use of equipment	
- Promotional expenditure for Fundraising	
- Expenditure for employment or self-employment	
- Expenditure for reimbursements to volunteers	
- Other Expenditure	
Total b)	<b>€ 0,00</b>
<b>Non-Recurrent Fundraising result (a-b)</b>	<b>€ 105,267</b>

## EXPLANATORY REPORT ON NON-RECURRENT FUNDRAISING

Following the outbreak of the humanitarian crisis in Ukraine, which led millions of people to abandon their homes and take refuge in various European states, INTERSOS promptly activated the EMERGENCY UKRAINE Non-Recurrent Fundraising campaign from February to December 2022, to support the intervention of INTERSOS' first aid staff.

The response to donation appeals has been positive from both national and international donors, involving individuals but also and especially numerous companies and foundations.

In 2023, funds totalling 105,267 euros were further collected in cash and deposited into a bank account through multiple fundraising channels, in particular:

- Donations from individuals 18,320 euros
- SMS Campaigns 86,947 euros

In continuation of the previous year's activities, no costs were incurred by the Fundraising Department for the implementation of the Ukraine campaign.

**The funds collected in 2023 net of the total expenses incurred thus amounted to 105,267 euros** and were used for the following activities in the general interest: *Article 5 of the TSC:*

*(B) Health interventions and services;*

*(R) Humanitarian reception and social integration of migrants,*

*(W) Promotion and protection of human, civil and social rights.*

***Purpose and destination of the net collected funds divided into the three areas of intervention and related provisions:***

	2023 AVAILABLE FUNDS	2023 EXPENDITURE	2024 PROVISION
POLAND	48,085	48,085	-
MOLDOVA	38,002	25,143	12,859
UKRAINE	240,153	240,153	-
<b>UKRAINE 2023</b>	<b>105,267</b>	<b>63,779</b>	<b>41,488</b>
<b>TOTAL</b>	<b>431,507</b>	<b>377,160</b>	<b>54,347</b>

As shown in the table, the funds collected in 2023, 105,267 euros, were used in addition to the provisions for the INTERSOS Emergency Action in Ukraine. Of the 2023 funds, 63,779 euros were spent, while 41,488 euros were set aside for Ukraine, in addition to the previous years' allocation of 12,859 euros for Moldova, as restricted assets within the item 'Restricted Reserves designated by Statutory Bodies', in order to ensure continuity with the original expenditure restriction determined by the intended use.

In 2023, INTERSOS continued to operate in Ukraine through four bases in Vinnytsia, Kharkiv, Odesa and Dnipro, and a representative office in Kiev, covering all the oblasts of Vinnytska, Odeska, Kharkivska, Dnipropetrovska, Mykolaivska, Khersons'ka, Zaporizhzhska and Donetsk. All INTERSOS interventions are embedded in a multi-sectoral approach to respond to the needs of the population affected by war. INTERSOS provides protection services through mobile units consisting of psychologists and social workers. INTERSOS' comprehensive protection package consists of general protection case management, gender-based violence case management, individual assistance, psychosocial support and legal assistance.

INTERSOS also carried out medical activities. The mobile medical unit consists of a doctor and two nurses, who visit the different Hromadas (municipalities) according to a monthly schedule based on the capacity support needs of the local health authorities. The mobile medical unit provides primary health care consultations, distributes (free) medicines and refers people to specialised services when needed.

Through dedicated teams, we also bring emergency humanitarian assistance to the frontline and newly accessed areas as part of the Rapid Response Mechanism.

In line with its localisation strategy, INTERSOS works with seven local partners in all intervention oblasts, and 50% of all ongoing projects are implemented jointly with local partners.

### **Highlighted results:**

Since April 2023, INTERSOS' Rapid Response Unit has provided humanitarian aid to populations in hard-to-reach and high-risk areas in the Kharkiv, Donetsk, Zaporizhzhia, Dnipro and Kherson oblasts, responding to the most acute humanitarian needs. In particular, INTERSOS and its partners supported both IDPs and vulnerable populations in Kupiansk, Bilozerka, Kherson, Beryslav, Pokrovsk, Kramatorsk, Kostianstynivka and Orihiv. Following the activation of the rapid response, INTERSOS delivered medicines, food kits, hygiene kits, bottled water and basic necessities such as household kits, emergency shelter kits, clothes, bedding, solid fuel, stoves and generators.

- 57,861 people participated in psychosocial support sessions
- 2,127 vulnerable families received assistance for wintertime
- 7,938 people benefited from case management activities.

