

**International Federation of the Red  
Cross and Red Crescent Societies  
(IFRC)**

**Geneva**

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**Report of the independent Auditor**

On the Financial Statements for the Emergency  
Appeal “Nigeria – Nigeria Floods”  
For the period from October 21, 2022 to  
December 31, 2023

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## **Report of the Independent Auditor on the IFRC's Financial Statements of the project focused on the Emergency Appeal Nigeria – Nigeria Floods, MDRNG034. The period covered in the scope of audit is October 21, 2022 to December 31, 2023**

### **Opinion**

We have audited the accompanying financial statements of the project focused for the Emergency Appeal Nigeria – Nigeria Floods, MDRNG034. The period covered in the scope of audit is October 21, 2022 to December 31, 2023, which comprise the statement of income and expenditure and notes to the financial statements including a summary of significant accounting policies for the year ended December 31, 2023.

In our opinion, the accompanying financial statements for the Emergency Appeal Nigeria – Nigeria Floods, MDRNG034 are prepared, in all material aspects, in accordance with IFRC accounting policies set out in the notes to the financial statements.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the IFRC in accordance with the ethical Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use**

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the IFRC to comply with the financial reporting provisions of the IFRC. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Responsibilities of the Management for the Financial Statements**

The Management of the IFRC is responsible for the preparation of this financial statement in accordance with the accounting policies set out in the notes and for such internal control as the Management of the IFRC determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the IFRC's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

We communicate with the Management and those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Forvis Mazars SA

Signed by:  
  
4143815EEFF54D9...  
Fanny Chapuis  
Licensed audit expert

Signed by:  
  
A187D82FBA23432...  
Patrick Peixoto Rodrigues  
Licensed audit expert

Geneva, November 26, 2025

## Attachments:

- Financial statements (statement of income and expenditure and notes) for the period from October 21, 2022 to December 31, 2023.

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES  
EMERGENCY APPEAL (MDRNG034) – NIGERIA – FLOODS**

**INCOME AND EXPENDITURE STATEMENT  
FOR THE PERIOD 21 OCTOBER 2022 TO 31 DECEMBER 2023**

		<b>Period from 21-Oct-2022 to 31-Dec-2023</b>
	<b>Notes</b>	<b>CHF</b>
<b>OPERATING INCOME</b>		
Voluntary contributions	4	714,585
Donations	5	2,122,969
<b>Total INCOME</b>		<u>2,837,554</u>
<b>OPERATING EXPENDITURE</b>		
<b>Other resources: Humanitarian Response</b>		
Employee benefits		336,447
Relief supplies, transportation and storage		111,826
Contributions to national societies		1,374,898
Supplementary services cost recoveries		193,853
Other costs & allocations	7	415,522
<b>Total direct costs</b>		<u>2,432,546</u>
Indirect cost recovery		156,992
<b>Total OPERATING EXPENDITURE</b>		<u>2,589,538</u>
<b>NET SURPLUS FROM OPERATING ACTIVITIES</b>		248,016
Finance expense, net		( 5,825)
<b>NET SURPLUS FOR THE PERIOD</b>		<u>242,191</u>
<b>FUNDS HELD FOR OPERATIONS</b>		
Net surplus for the period		242,191
<b>FUNDS HELD FOR OPERATIONS</b>		<u>242,191</u>

The notes on pages 4 to 12 are an integral part of these Appeal Financial Statements.

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES  
EMERGENCY APPEAL (MDRNG034) – NIGERIA – FLOODS**

**NOTES TO THE APPEAL FINANCIAL STATEMENTS  
FOR THE PERIOD 21 OCTOBER 2022 TO 31 DECEMBER 2023**

**1. Activities**

Founded in 1919, the International Federation of Red Cross and Red Crescent Societies (IFRC) is a membership organisation comprising 191 member Red Cross and Red Crescent societies governed by a Governing Board and with management support provided by a Secretariat with more than 60 delegations to support activities around the world. The Secretariat headquarters' address is 17, Chemin des Crêts, Petit-Saconnex, 1209 Geneva, Switzerland.

The IFRC's mission is to improve the lives of vulnerable people by mobilizing the power of humanity. Working through its 191 member National Societies, the IFRC acts before, during and after disasters and health emergencies to meet the needs and improve the lives of vulnerable people. It does so with impartiality as to nationality, race, gender, religious beliefs, class and political opinions.

The IFRC coordinates international support for large-scale disasters and health crises, strengthens the capacities and leadership of its member National Societies, and acts at the international level to raise resources and persuade decision makers to act at all times in the interests of vulnerable people.

Guided by *Strategy 2030* – a collective plan of action for the IFRC and its member National Societies to tackle the major humanitarian and development challenges of this decade – the IFRC is committed to 'saving lives and changing minds'.

In 2022 Nigeria experienced the worst floods in at least a decade, with a widespread impact in 29 of the country's 36 states. The floods damaged homes, infrastructure, destroying farmland and displacing people from their communities. At least 2.8 million people were affected, at least 603 lives having been lost, and more than 2,500 injured. Two million people fled or were evacuated from high-risk areas, carrying only the belongings they could take with them, but finding themselves in extremely poor conditions and without sufficient safeguards, exposing them to heightened protection risks.

Data from NRCS rapid assessments conducted by volunteers in 22 branches across the country revealed that 2.2m people were displaced with 245,453 living in collective shelters or internally displaced person (IDP) camps. A total of 2,867 communities are impacted in 29 states. The over 6,490,307 square meters (649.0307 hectares) of farmland destroyed by floods foreshadows grave humanitarian consequences.

With the support of the IFRC's Disaster Relief Emergency Fund (DREF), Nigerian Red Cross Society (NRCS) received CHF 245,622 for immediate support to the people most affected by the floods and on 21 October 2022, IFRC launched an Emergency Appeal of CHF 11 million that aimed to reach 500,000 affected people over a 12 month period to 31 October 2023. The appeal was later revised to CHF 13M, and the appeal period extended to 31 December 2023.

The financial statements presented comprise the Income and Expenditure Statement and supporting notes of the Nigeria Floods Emergency Appeal (MDRNG034) and are hereto referred to as the Appeal Financial Statements.

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES  
EMERGENCY APPEAL (MDRNG034) – NIGERIA – FLOODS**

**NOTES TO THE APPEAL FINANCIAL STATEMENTS  
FOR THE PERIOD 21 OCTOBER 2022 TO 31 DECEMBER 2023**

**2. Basis of accounting**

The Appeal Financial Statements are presented in Swiss Francs and have been prepared using the accruals basis of accounting, under which, the effects of transactions and other events are recognised when they occur (and not as cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

The Consolidated Financial Statements of the IFRC are prepared in accordance with International Financial Reporting Standards (IFRS). The information contained in these appeal financial statements has been extracted from the Consolidated Financial Statements of the IFRC, except for the following:

- a) payments made under leases, as covered in the consolidated financial statements by IFRS 16 Leases, are included in operating expenditure in the appeal financial statements and are recognised on a straight-line basis over the periods of the leases;
- b) obligations for contributions to post-employment benefit plans (the IFRC's pension arrangements), as covered by IAS 19 Employee benefits in the consolidated financial statements, are included within operating expenditure in the appeal financial statements and are recognised as contributions fall due for payment.

The IFRC has concluded that with respect to these appeal financial statements, the adopted bases of accounting for leases and post-employment benefit plan contributions provide more relevant and useful information to users of these appeal financial statements, notably contributors and donors to the the Nigeria Floods Appeal (MDRNG034).

The Appeal Financial Statements present operating expenditure by function (see note 3.3(a)). All operating expenditure included within the appeal financial statements is classified under the Humanitarian Response functional category. For information purposes, the Income and Expenditure Statement provides further analysis of operating expenditure.

**3. Significant accounting policies**

**3.1 Foreign currency transactions**

The presentation and functional currency of the IFRC is the Swiss Franc, as operating cash flows are primarily denominated in, and influenced by, the Swiss Franc. The IFRC's operations are not concentrated in any one economic environment, but appeals, including the Nigeria Floods Appeal, are always launched in Swiss Francs and expenditure is budgeted and managed in Swiss Francs.

Monetary assets and liabilities denominated in foreign currencies are translated into Swiss Francs using the exchange rate at the reporting date. Foreign currency transactions are translated into Swiss Francs using actual rates that were applied to transactions or rates which approximate to the prevailing rate at the date of the transactions. Exchange gains and losses resulting from the settlement of foreign currency transactions and from translation are included under Finance expense, net in the Income and Expenditure Statement, except for realised and unrealised exchange gains and losses on voluntary contributions and donations, which are included under Voluntary contributions and Donations, net in the Income and Expenditure Statement.

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES  
EMERGENCY APPEAL (MDRNG034) – NIGERIA – FLOODS**

**NOTES TO THE APPEAL FINANCIAL STATEMENTS  
FOR THE PERIOD 21 OCTOBER 2022 TO 31 DECEMBER 2023**

**3.2 Income**

Income comprises voluntary contributions and donations. Voluntary contributions are contributions to the IFRC voluntarily made by National Societies. Donations are donations or other financial assistance to the IFRC, voluntarily made by private individuals, States, or any other public or private institutions. Voluntary contributions and Donations are recognised when a signed agreement (pledge) has been received from the National Society or other donor. In the absence of a signed agreement, the contribution is recognised upon receipt of cash.

Government grants for specific projects and donations that are subject to specific contractual obligations similar to government grants, are reported as deferred income and recognised as income when expenditure is incurred and contractual obligations are fulfilled. Government grants that are neither for specific projects nor identifiable assets, and are both earmarked and managed at appeal level, are recognised when a confirmed written pledge has been received from the donor and accepted by the IFRC.

Donations where receipt of funding is conditional and contingent upon uncertain future events not wholly within the IFRC’s control are not accounted for but are disclosed as contingent assets.

After initial recognition, subsequent changes to Voluntary contributions and Donations are recognised as additions to, or reductions of income, in the period in which the change is agreed. The IFRC is unable to evaluate the impact of such changes on the income reported in these appeal financial statements.

Voluntary contributions from National Societies and donations from non-National Societies are recognised based on the level of earmarking, as summarised in the below table:

	<p><i>Fully under the control of the IFRC</i></p> <p><u>Can be restricted in terms of nature, timeframe, or subject matter</u></p> <p>Amounts are recognised within restricted income.</p> <p>Unspent amounts included within restricted reserves at the end of the accounting period.</p>
Earmarked	<p><i>Not fully under the control of the IFRC</i></p> <p><u>Can be restricted in terms of nature, timeframe, or subject matter</u></p> <p>Earmarked for use in a future period.</p> <p>Amounts are recognised as deferred income in the current period.</p> <p>Amounts are recognised within restricted income in the future period for which they are earmarked.</p> <p>Subject to specific contractual obligations, similar to government grants.</p> <p>Amounts are recognised within restricted income as expenditure is incurred and contractual obligations are fulfilled.</p> <p>Amounts received but not recognised are included in deferred income.</p>

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES  
EMERGENCY APPEAL (MDRNG034) – NIGERIA – FLOODS**

**NOTES TO THE APPEAL FINANCIAL STATEMENTS  
FOR THE PERIOD 21 OCTOBER 2022 TO 31 DECEMBER 2023**

**3.2 Income (continued)**

Income recognition policy for voluntary contributions from National Societies and donations from non-National Societies is summarised in the below table:

<b>Donors</b>	<b>Category</b>	<b>Earmarking</b>	<b>Income recognition</b>
National Societies	Fully under the control of the IFRC	Unearmarked	Recognised upfront in the current period
	Not fully under the control of the IFRC	Earmarked for use in a future period	Deferred in the current period and recognised in the future period for which the funds are earmarked
Non-National Societies (Governments, multi-lateral agencies, corporations, and others)	Fully under the control of the IFRC (e.g., non-refundable donations, funding managed at appeal level including DREF, contribution towards multi-donor action)	Unearmarked or earmarked at an appeal level	Recognised upfront in the current period
		Earmarked for use in a future period	Deferred in the current period and recognised in the future period for which they are earmarked
	Subject to specific contractual obligations, similar to government grants	Recognised as expenditure is incurred and contractual obligations are fulfilled. Amounts received but not recognised in the current period are included in deferred income	

Voluntary contributions and Donations are mainly received in cash but may be received as in-kind goods (relief supplies) or services (staff). The fair value of in-kind goods is taken as the value indicated by the donor. This value is tested for reasonableness by comparing it to the cost that the IFRC would incur if it were to buy in the open market similar goods for the same intended use. If the market value is found to be significantly different to the value indicated by the donor, the value is revised to the market value. The fair value of in-kind staff is taken as the average cost that would be incurred by the IFRC, if it were to directly employ a person in a similar position.

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES  
EMERGENCY APPEAL (MDRNG034) – NIGERIA – FLOODS**

**NOTES TO THE APPEAL FINANCIAL STATEMENTS  
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**3.2 Income (continued)**

In-kind contributions are recognised at their estimated fair value in accordance with the following table:

<b>In-kind contribution category</b>	<b>Income recognition</b>	<b>Expenditure recognition</b>
Relief supplies	Recognised on date of receipt equally as both income and expenditure.	
Services	Recognised on date of receipt equally as both income and expenditure.	

**3.3 Expenditure**

**(a) Functional expenditure categories**

All IFRC expenditure is classified under functional expense categories that aggregate costs related to each category. Expenditure incurred as part of this emergency appeal activities is classified under the Other resources: Humanitarian response programmes functional expense category, which comprises coordination during the immediate response phase of disasters and crises which require international assistance, in order to ensure adequate resources are available to meet the needs of disaster affected people. Within this functional expense category, the classification of operational expenditures by nature has been aligned with the consolidated financial statements of the IFRC.

**(b) Costing principles**

The IFRC applies a full cost recovery principle to its activities and operations. As such, each functional expense category includes all associated direct costs, indirect costs and pledge fees.

*Direct costs*

Direct costs are those costs that can be readily and specifically identified with a particular project or service. These include costs recovered from operations for the provision of specific supplementary services.

*Indirect costs*

The direct costs of programmes and services are subject to standard indirect cost recovery rate to fund the costs of providing indirect support services, essential to the success of operations. Such indirect support services include management and leadership, information and communication technology and professional and services functions in the areas of programme quality, reporting, resource mobilisation, finance, information technology and human resources.

*Pledge fees*

Costs are incurred to meet specific donor requirements. These requirements may include the tracking of expenses where a donation has been given for a specific activity or needs to be spent within a specific timeframe or requires customised financial and / or narrative reports. Pledge fees are charged to contributions and donations to cover the costs associated with meeting these specific donor requirements.

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES  
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**3.3 Expenditure (continued)**

***(c) Provisions for operations and Contributions to National Societies***

The IFRC advances funds to member Red Cross and Red Crescent National Societies. Depending on the IFRC's assessment of risk, one of two approaches to make cash contributions may be adopted, cash working advances or cash contributions.

*(i) Contributions to National Societies*

The IFRC makes cash contributions to fund the activities of member National Societies. Such contributions are recognised as Operating Expenditure as they are incurred. Cash transfers are made to National Societies that have been risk-assessed by the IFRC to have the organisational capacity and internal controls to effectively manage funds received from the IFRC to meet project objectives and satisfy stakeholders' accountability requirements. The recipient National Society manages the use of the funds based on its own internal regulations and reports its use of the funds back to the IFRC without the need to submit detailed supporting documentation for individual expenses incurred. National Societies operating under Cash Transfer are subject to periodic audits of their use of funds transferred.

*(ii) Cash working advances - Provisions for operations*

There are no cash working advance to National Societies provisions in these financial statements.

**3.4 Finance expense, net**

Exchange gains and losses resulting from the settlement of foreign currency transactions and from translations are included under Finance expense, net, in the Income and Expenditure Statement, with the exception of realised and unrealised exchange gains and losses on voluntary contributions and donations, which are included under Voluntary contributions and Donations, net in the Income and Expenditure Statement.

**3.5 Funds held for operations.**

The cumulative excess of income received over operating expenditure incurred is recorded as Funds held for operations. In the event that the funds cannot be spent, the IFRC obtains agreement from the donors to reallocate the unspent funds for a different use or reimburses them to the donors.

The unspent funds at the close of the Cuba Hurricane Ian appeal (CHF 180,233) will be reallocated to support the CRC community recovery and preparedness activities and the implementation CRC Country Plan.

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES  
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**4. Voluntary Contributions**

	<b>Period from 21-Oct-2022 to 31-Dec-2023 Cash and Total CHF</b>
American Red Cross	477'200
British Red Cross	163'907
Hong Kong Red Cross	23'453
Japanese Red Cross Society	35'091
Red Cross of Monaco	14'934
	<u>714'585</u>

The Cash column includes realised gains and losses from settlement of foreign currency pledges during the period and unrealised gains and losses from translation of outstanding foreign currency pledges as at reporting date (see note 3.4).

**5. Donations**

	<b>Period from 21-Oct-2022 to 31-Dec-2023 Cash and Total CHF</b>
European Commission - DG ECHO	75'042
Swiss Government	750'000
United States Government - USAID	1'297'720
Other donors (including online donations and those with donations less than CHF 10,000)	207
	<u>2'122'969</u>

The Cash column includes realised gains and losses from settlement of foreign currency pledges during the period and unrealised gains and losses from translation of outstanding foreign currency pledges as at reporting date (see note 3.4).

**INTERNATIONAL FEDERATION OF RED CROSS AND RED CRESCENT SOCIETIES  
EMERGENCY APPEAL (MDRNG034) – NIGERIA – FLOODS**

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**6. Voluntary contributions and Donations - Receivables and deferred income**

At the end of 2023, the IFRC had received voluntary contributions and donations of CHF 7,529 which are not recognised as income in the Income and Expenditure Statement but were deferred for recognition in future periods.

At the end of 2023, the IFRC had CHF 1,305,249 of outstanding receivables relating to voluntary contributions and donations for the Nigeria Floods appeal.

**7. Other costs & allocations**

	<b>Period from 21-Oct-2022 to 31-Dec-2023 CHF</b>
Administration, office and general	30,243
Information	12,361
Pledge fees	23,114
Travel	182,037
Vehicles and equipment	115,259
Workshops & training	33,632
Other costs and allocations	18,876
	<hr/> 415,522 <hr/>