

**JRR Association,  
Geneva**

**Report of the independent auditor on  
the financial statements for the year ended  
December 31, 2022**

Report of the independent auditor  
to the Executive Board of  
JRR Association, Geneva

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### *Opinion*

We have audited the financial statements of JRR Association, Geneva, which comprise the balance sheet as at December 31, 2022, the statement of receipts and expenses and notes for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements comply with Swiss law and the JRR Association's by-laws.

### *Basis for Opinion*

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and 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 Association in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, 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.

### *Executive Director's Responsibility*

The Executive Director's is responsible for the preparation of the financial statements in accordance with the provision of Swiss law and the JRR Association's by-laws, and for such internal control as the Executive Director determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Director is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Executive Director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### *Auditor's Responsibility 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 Swiss law and SA-CH 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 these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

RSM Audit Switzerland SA

JR Howarth  
Audit expert

M Kulak

Geneva, May 17, 2023

Enclosures: Financial statements (balance sheet, statement of receipts and expenses and notes)

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**JRR Association,**  
**Balance sheet as at 31 December,**  
**(in CHF)**

	Notes	2022	2021
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3.1	2'037'453.93	1'643'289.32
Prepaid expenses and accrued income	3.2	143'561.68	15'641.94
<b>Total current assets</b>		<b>2'181'015.61</b>	<b>1'658'931.26</b>
Financial assets	3.3	36'219.45	47'973.40
<b>Non-current assets</b>		<b>36'219.45</b>	<b>47'973.40</b>
<b>Total assets</b>		<b>2'217'235.06</b>	<b>1'706'904.66</b>
<b>Liabilities and funds</b>			
<b>Current liabilities</b>			
Other short-term liabilities		284'285.25	110'365.51
<b>Total current liabilities</b>		<b>284'285.25</b>	<b>110'365.51</b>
<b>Total liabilities</b>		<b>284'285.25</b>	<b>110'365.51</b>
<b>Funds</b>			
Donor funds	3.4	1'238'362.51	672'707.98
JRR funds	3.5	694'587.30	923'831.17
<i>JRR fund</i>		690'724.57	941'375.61
<i>Roster management &amp; deployment coordination fee fund</i>		157'384.36	103'741.57
<i>Foreign exchange differences</i>		(153'521.63)	(121'286.01)
<b>Total funds</b>		<b>1'932'949.81</b>	<b>1'596'539.15</b>
<b>Total liabilities and funds</b>		<b>2'217'235.06</b>	<b>1'706'904.66</b>

The accompanying notes are an integral part of these financial statements.

**JRR Association,****Statement of receipts and expenses for the year ended 31 December,  
(in CHF)**

	Notes	2022	2021
<b>Receipts</b>			
Revenue from donors	3.6 & 3.8	4'535'411.62	5'163'070.31
<b>Total operating income</b>		<b>4'535'411.62</b>	<b>5'163'070.31</b>
<b>Operating expenses</b>			
Personnel expenses	2	1'642'489.21	1'559'908.00
Rent and utilities		117'061.85	135'620.46
General and Administration expenses		171'894.02	206'567.06
Consultant fees		176'248.80	173'695.10
Outreach expenses		21'049.30	6'276.22
Professional fees		39'230.65	59'660.67
Executive Board and Assembly / Committee expenses		21'010.50	-
Other operating expenses		1'870'225.55	2'680'390.25
<i>Deployments</i>	3.9	1'526'944.19	2'334'520.72
<i>Recruitment expenses, including sponsorships</i>	3.10	35'986.15	52'796.31
<i>JRR USA</i>	3.11	307'295.21	293'073.22
<b>Total operating expenses</b>		<b>4'059'209.88</b>	<b>4'822'117.76</b>
<b>Operating result</b>		<b>476'201.74</b>	<b>340'952.55</b>
Financial expenses		(107'555.74)	(74'331.55)
<i>Interest expense</i>		161.07	(418.47)
<i>Other financial expenses</i>		(5'975.08)	(18'747.66)
<i>Foreign exchange gain / loss - net</i>		(101'741.73)	(55'165.42)
<b>Total non-operating income / (expenses)</b>		<b>(107'555.74)</b>	<b>(74'331.55)</b>
<b>Excess / (shortage) of receipts over expenses</b>		<b>368'646.00</b>	<b>266'621.00</b>
<b>Total release of funds</b>	3.6-3.7	1'294'978.00	878'612.00
<b>Total allocation to funds</b>	3.7	(1'663'624.00)	(1'145'233.00)
<b>Net surplus or (deficit) for the period</b>		<b>-</b>	<b>-</b>

The accompanying notes are an integral part of these financial statements.

## **JRR Association,**

### **Notes to the financial statements as at 31 December, 2022**

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(in CHF)

#### **Note 1 - General Information**

JRR Association, Geneva ("JRR" or the "Association") is a non-profit international association established under Swiss law on 11 December 2012. In accordance with its authority under Part VI of the by-laws of JRR, the JRR General Assembly has, through the Executive Board, appointed RSM Audit Switzerland SA as its external auditor.

Under its mandate pursuant to the 'Organizational Structure and Guidelines for Participation – Justice Rapid Response' the Executive Board exercises oversight and provides strategic direction to the JRR Secretariat through the JRR Executive Director. The accompanying audit report is therefore provided to the Executive Board acting on behalf of the JRR General Assembly pursuant to Part VI Article 19 of the JRR by-laws.

#### **Note 2 - Key accounting and valuation principles**

##### *Principles of financial reporting*

The present annual financial statements have been established in compliance with the principles of Swiss law, particularly with the articles on the commercial accounting and the financial statements presentation (Art. 957 to 962 CO).

##### *Foreign currency translation*

Assets and liabilities recorded in foreign currencies are converted into Swiss francs at the exchange rate prevailing at the date of the financial statements. Income and expenses recorded in foreign currencies are converted in Swiss francs at the exchange rate prevailing at the date of the transaction.

Any realized foreign exchange ("FX") gains and losses are included in the statement of receipts and expenses for the year. Unrealized foreign exchange gains and losses, that are created by JRR receiving donor funds not denominated in CHF, are booked for in the JRR Fund.

##### *Donor revenues and expenses recognition*

Donor revenues concerning the year under review are recorded as income only upon their receipt.

Receipts from donors can concern different accounting periods. Unused donor revenues that concern subsequent accounting periods are credited to the relevant donor fund and used in the applicable subsequent years.

The JRR Reserve Fund has been established in 2013, the purpose is to provide a mechanism to manage cash flow. It is funded through the JRR 12% administrative fee, the roster management and deployment coordination fee or by donors who have given unrestricted funding, after all other JRR core costs are expensed.

The deployment coordination fee has been established in 2016, the purpose is to be able to reflect partial recuperation of the costs born by JRR for the deployment services provided internally by JRR.

Expenses are recognized when they are incurred and are included in the accounts of the period to which they relate.

**JRR Association,****Notes to the financial statements as at 31 December, 2022  
(in CHF)****Note 2 - Key accounting and valuation principles (cont'd)***Personnel and consultant costs*

The Association has an annual average of over 16 full-time positions (2021 - 16 full-time positions).

In 2022, JRR personnel fell into following categories:

First is personnel seconded by its government (i.e. The JRR Executive Director by Finland for the first semester 2022 and the JRR Executive Director by Switzerland for the second semester 2022).

Second are salaried employees in Geneva, Switzerland: Director of Operations, Finance Director, Head of International Justice Program / Senior Gender & Child Rights Advisor, Recruitment & Certification Manager, Roster Manager, Public Partnerships and M&E Officer, Accounting & Finance Manager, Finance & Deployment Officer, Communication Manager, six Program Officers and an Operations Officer.

Third are salaried employees in JRR USA: Head of Civil Society Program/MC, two Program Officers, and a part-time administrative/finance assistant.

Finally, JRR used two consultants, one based in Dublin, Ireland who provided management as the Head of the National Justice Program and Public Partnership Unit Support and a second one based in Nairobi, Kenya as Program Officer.

The costs of the salaried employees and consultants are included in the present financial statements. Seconded personnel costs are covered by the respective governments and are not expensed to JRR.

**Note 3 - Information on balance sheet and income statement items****3.1 Cash and cash equivalents and current assets with a stock exchange**

	<u>2022</u>	<u>2021</u>
of which in CHF	446'968	399'975
of which in USD	172'737	449'456
of which in EUR	487'200	644'017
of which in GBP	134'116	120'970
of which in CAD	796'432	28'872
<b>Total</b>	<b><u>2'037'454</u></b>	<b><u>1'643'289</u></b>

**3.2 Prepaid expenses and accrued income**

	<u>2022</u>	<u>2021</u>
Prepaid expenses	36'475	15'642
Accrued income - UN Women	94'373	-
Accrued income - Save the Children (STC)	12'714	-
<b>Total</b>	<b><u>143'562</u></b>	<b><u>15'642</u></b>

**JRR Association,****Notes to the financial statements as at 31 December, 2022**

(in CHF)

**Note 3 - Information on balance sheet and income statement items (cont'd)****3.3 Financial assets**

	<u>2022</u>	<u>2021</u>
Rental deposits	36'219	47'973
<b>Total</b>	<b><u>36'219</u></b>	<b><u>47'973</u></b>

**3.4 Donor funds**

JRR released the following in 2022 and in 2021 from the funds carried over from prior year:

	<u>2022</u>	<u>2021</u>
Belgium	-	58'033
Canada Fund	-	3'184
Germany (GIZ)	12'285	-
Ireland (DFAT) Fund	48'343	53'266
Liechtenstein Fund	70'000	70'000
Netherlands Fund	361'719	-
OAK Fund	37'408	-
Switzerland Fund	-	300'000
Switzerland Canton of Geneva Fund	17'254	-
Switzerland City of Geneva Fund	25'116	-
UN Women Fund	-	41'935
United Kingdom Fund	100'582	-
<b>Total</b>	<b><u>672'708</u></b>	<b><u>526'418</u></b>

The following revenues received in 2022 and in 2021 were deferred to the relevant funds for use as in 2023 and in 2022 respectively:

	<u>2022</u>	<u>2021</u>
Canada Fund	591'351	-
Germany (GIZ)	-	12'285
Ireland (DFAT) Fund	44'224	48'343
Liechtenstein Fund	148'009	70'000
Netherlands Fund	291'436	361'719
Oak Fund	-	37'408
Switzerland Canton of Geneva Fund	60'000	17'254
Switzerland City of Geneva Fund	-	25'116
United Kingdom Fund	103'342	100'582
<b>Total</b>	<b><u>1'238'363</u></b>	<b><u>672'708</u></b>

**JRR Association,****Notes to the financial statements as at 31 December, 2022**

(in CHF)

**Note 3 - Information on balance sheet and income statement items (cont'd)****3.5 JRR fund**

	<b>2022</b>	<b>2021</b>
<b>JRR Fund accumulated as of Jan 1,</b>	<b>923'831</b>	<b>839'000</b>
Allocated from donor funds	425'262	472'525
Funds used	(622'270)	(352'194)
Realized foreign exchange (gains)/ losses during the year - net	101'742	53'189
Unrealized foreign exchange (loss) / gain end of the year - net	(133'977)	(88'689)
<b>JRR fund accumulated as of Dec 31,</b>	<b>694'587</b>	<b>923'831</b>

The realized foreign exchange difference is due to foreign currency donor funding received at the rate of the actual bank transfer versus the project expenditures which are incurred at the actual rates as of date of the expense.

The unrealized foreign exchange difference is due to the mandatory end-of-year revaluation of all balance sheet accounts held in foreign currencies at the 31 December 2022 FX rate set by European Commission.

**3.6 Fund movements**

A summary of Donor funds and JRR fund movements during the year 2022 is shown below:

	<b>Funds carried from 2021</b>	<b>Additional funds received during 2022</b>	<b>Allocated to JRR Fund</b>	<b>Funds used</b>	<b>Funds carried to 2023</b>
	<i>Note 3.4 - 3.5</i>	<i>Note 3.8</i>	<i>Note 3.7</i>		<i>Note 3.4</i>
Canada	-	1'598'062	(101'413)	(905'297)	591'351
Civil Rights Defenders (CRD)	-	4'322	(4'322)	-	-
Denmark	-	137'087	(8'968)	(128'119)	-
Finland	-	455'925	(31'688)	(424'237)	-
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	12'285	30'114	(4'658)	(37'741)	-
Ireland (DFAT)	48'343	50'025	(4'841)	(49'303)	44'224
Liechtenstein	70'000	275'000	(18'963)	(178'028)	148'009
Luxembourg	-	25'818	-	(25'818)	-
Netherlands	361'719	524'401	(17'402)	(577'281)	291'436
Oak Foundation	37'408	-	(4'136)	(33'272)	-
Switzerland	-	600'000	-	(600'000)	-
Switzerland Canton of Geneva	17'254	60'000	(1'849)	(15'405)	60'000
Switzerland City of Geneva	25'116	-	(2'691)	(22'425)	-
Save The Children (STC)	-	12'714	(1'369)	(11'344)	-
The International Accountability Platform for Belarus (IAPB)	-	8'235	(8'235)	-	-
United Kingdom (FCO)	100'582	546'787	(47'537)	(496'491)	103'342
UN Women	-	206'923	(167'189)	(39'735)	-
JRR Fund used	622'270	-	-	(622'270)	-
<b>Total</b>	<b>1'294'977</b>	<b>4'535'412</b>	<b>(425'262)</b>	<b>(4'166'765)</b>	<b>1'238'363</b>



**JRR Association,****Notes to the financial statements as at 31 December, 2022**

(in CHF)

**Note 3 - Information on balance sheet and income statement items (cont'd)****3.7 Fund allocations**

	<u>2022</u>	<u>2021</u>
Release of JRR fund	622'270	352'194
Release of donor funds	672'708	526'418
<b>Total releases - Note 3.6</b>	<b><u>1'294'978</u></b>	<b><u>878'612</u></b>
Allocation to JRR fund - Note 3.6	425'262	472'525
<i>to JRR fund</i>	267'877	368'783
<i>to roster management and deployment coordination fee fund</i>	157'384	103'742
Allocation to donor fund - Note 3.4	1'238'363	672'708
<b>Total allocations</b>	<b><u>1'663'625</u></b>	<b><u>1'145'233</u></b>

**3.8 Revenue from donors**

JRR received the following donor funding in 2022 and 2021 (in CHF):

<i>State &amp; International Institutions</i>	<u>2022</u>	<u>2021</u>
Australia	-	68'745
Belgium	-	215'533
Canada	1'598'062	143'187
Civil Rights Defenders (CRD)	4'322	-
Denmark	137'087	146'150
Finland	455'925	493'425
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	30'114	15'660
Interpeace (IPG)	-	2'087
Ireland (DFAT)	50'025	53'940
International Accountability Platform for Belarus (IAPB)	8'235	-
Liechtenstein	275'000	70'000
Luxembourg	25'818	26'640
Netherlands	524'401	834'614
Oak Foundation	-	89'175
OHCHR	-	66'666
Republic of Korea (KOICA)	-	87'764
Switzerland	600'000	650'000
Switzerland Canton of Geneva	60'000	30'000
Switzerland City of Geneva	-	59'808
Save The Children (STC)	12'714	-
United Kingdom (FCDO)	546'787	505'869
UN Women	206'923	34'088
World Health Organization (WHO)	-	1'567'092
<i>FX revaluation impact on donor funding</i>	-	2'627
<b>Total</b>	<b><u>4'535'412</u></b>	<b><u>5'163'070</u></b>

## **JRR Association,**

**Notes to the financial statements as at 31 December, 2022**

**(in CHF)**

### **Note 3 - Information on balance sheet and income statement items (cont'd)**

#### **3.8 Revenue from donors (cont'd)**

FX revaluation impact is caused by the revaluation of non-CHF denominated donor funding. This can occur either when foreign currency funding carries over financial years, or when the foreign currency accounts are re-valued at year-end rate. This year-end rate varies from the FX rate used on the date of actual receipt of the funds, causing the gains and losses.

#### **3.9 Deployments**

JRR Association receives ear-marked contributions to finance the expenses incurred by JRR Association for deployments that are facilitated either through JRR or via second or third parties. This represents the expenses for all such deployments incurred in the respective year.

#### **3.10 Recruitment expenses, including sponsorships**

The costs of the recruitment staff are recorded in personnel expenses, and are therefore not reflected here. Sponsorships to Global South participants to attend the training course are included in this caption, as they are integral to the total cost of a training course.

#### **3.11 JRR USA**

JRR USA was incorporated in December 2014 and received retroactive IRS 501c3 status in July 2015. This has allowed JRR USA to hire staff directly in the USA, thus reducing the need for JRR Association to offer consulting contracts to our North American based team. JRR Association, via unrestricted donor funding, continues to finance these positions and other New York office costs such as rent, insurance and outreach. These costs were previously paid directly by JRR Association.

### **Note 4 - Other information**

#### **4.1 Residual amount of leasing liabilities**

Leasing liabilities, which will not expire and may not be terminated within twelve months, are subject to the following repayment structure

	<u>2022</u>	<u>2021</u>
Up to 1 year	90'541	112'418
1-5 years	126'757	126'757
<b>Total</b>	<u><u>217'297</u></u>	<u><u>239'175</u></u>

These amounts include payments related to rental or leasing contracts up to the end of their (a) contract period or (b) notice period, as applicable.

#### **4.2 Tax exempt status**

JRR Association has received a tax-exempt status from the Swiss Department of Finance on September 2, 2013 and as such is exempt from federal, cantonal and communal taxes for an indefinite period. These exemptions do not release JRR from the obligation to file annual tax returns.