



**JRR Association,
Geneva**

**Report of the independent auditor on
the financial statements for the year ended
December 31, 2023**

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, 2023, 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 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 30, 2024

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	2023	2022
Assets			
Current assets			
Cash and cash equivalents	3.1	1'663'440.20	2'037'453.93
Prepaid expenses and accrued income	3.2	243'547.90	143'561.68
Total current assets		1'906'988.10	2'181'015.61
Financial assets	3.3	36'361.05	36'219.45
Non-current assets		36'361.05	36'219.45
Total assets		1'943'349.15	2'217'235.06
Liabilities and funds			
Current liabilities			
Other short-term liabilities		183'285.02	284'285.25
Total current liabilities		183'285.02	284'285.25
Total liabilities		183'285.02	284'285.25
Funds			
Donor funds	3.4	1'125'384.19	1'238'362.51
JRR funds	3.5	634'679.94	694'587.30
<i>JRR fund</i>		712'046.61	690'724.57
<i>Roster management & deployment coordination fee fund</i>		107'675.78	157'384.36
<i>Foreign exchange differences</i>		(185'042.45)	(153'521.63)
Total funds		1'760'064.13	1'932'949.81
Total liabilities and funds		1'943'349.15	2'217'235.06

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	2023	2022
Receipts			
Revenue from donors	3.6 & 3.8	4'270'486.37	4'535'411.62
Total operating income		4'270'486.37	4'535'411.62
Operating expenses			
Personnel expenses	2	1'767'117.30	1'642'489.21
Rent and utilities		108'648.60	117'061.85
General and Administration expenses		204'310.84	171'894.02
Consultant fees		121'520.77	176'248.80
Outreach expenses		40'199.93	21'049.30
Professional fees		43'363.53	39'230.65
Executive Board and Assembly / Committee expenses		12'635.60	21'010.50
Other operating expenses		2'105'619.59	1'870'225.55
<i>Deployments</i>	3.9	1'822'216.66	1'526'944.19
<i>Recruitment expenses, including sponsorships</i>	3.10	11'770.11	35'986.15
<i>JRR USA</i>	3.11	271'632.82	307'295.21
Total operating expenses		4'403'416.16	4'059'209.88
Operating result		(132'929.79)	476'201.74
Financial expenses		(8'435.21)	(107'555.74)
<i>Interest expense</i>		950.48	161.07
<i>Other financial expenses</i>		(4'637.20)	(5'975.08)
<i>Foreign exchange gain / loss - net</i>		(4'748.49)	(101'741.73)
Total non-operating income / (expenses)		(8'435.21)	(107'555.74)
Excess / (shortage) of receipts over expenses		(141'365.00)	368'646.00
Total release of funds	3.6-3.7	1'703'479.00	1'294'978.00
Total allocation to funds	3.7	(1'562'114.00)	(1'663'624.00)
Net surplus or (deficit) for the period		-	-

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

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. In 2022, income and expenses recorded in foreign currencies were converted into Swiss francs (CHF) at the exchange rate prevailing on the date of the transaction. Starting in 2023, the accounting policy for revenue conversion has been revised as follows: revenue recorded in foreign currencies is converted into Swiss francs using the average project foreign exchange rate, calculated based on the rates used for expenses recorded under the given project. Expenses recorded in foreign currencies continue to be converted into Swiss francs at the exchange rate prevailing on 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. Additionally, all expenses are uniquely allocated to their respective donor revenue or fund.

JRR Association,**Notes to the financial statements as at 31 December, 2023
(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 (2022 - 16 full-time positions). In 2023, JRR personnel fell into following categories:

First is personnel seconded by its government (i.e. The JRR Executive Director by Switzerland).

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, Finance & Deployment Associate, Communication Officer, six Program Officers and an Operations Officer.

Third are salaried employees in JRR USA: Head of Civil Society Program/MC and two Program Officers.

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>2023</u>	<u>2022</u>
of which in CHF	621'687	446'968
of which in USD	15'295	172'737
of which in EUR	187'374	487'200
of which in GBP	159'496	134'116
of which in CAD	679'588	796'432
Total	<u>1'663'440</u>	<u>2'037'454</u>

3.2 Prepaid expenses and accrued income

	<u>2023</u>	<u>2022</u>
Prepaid expenses	9'065	36'475
Accrued income - UN Women	205'016	94'373
Accrued income - Save the Children (STC)	-	12'714
Accrued income - OHCHR	15'946	-
Accrued income - International Center for Transitional Justice (ICJ)	13'521	-
Total	<u>243'548</u>	<u>143'562</u>

3.3 Financial assets

	<u>2023</u>	<u>2022</u>
Rental deposits	36'361	36'219
Total	<u>36'361</u>	<u>36'219</u>

JRR Association,**Notes to the financial statements as at 31 December, 2023
(in CHF)****Note 3 - Information on balance sheet and income statement items (cont'd)****3.4 Donor funds**

JRR released the following in 2023 and in 2022 from the funds carried over from prior year:

	<u>2023</u>	<u>2022</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
Total	<u>1'238'363</u>	<u>672'708</u>

The following revenues received in 2023 and in 2022 were deferred to the relevant funds for use as in 2024 and in 2023 respectively:

	<u>2023</u>	<u>2022</u>
Canada Fund	348'286	591'351
Canada (CORE) Fund	35'016	-
Ireland (DFAT) Fund	41'959	44'224
Liechtenstein Fund	250'000	148'009
Netherlands Fund	-	291'436
Switzerland Canton of Geneva Fund	-	60'000
Switzerland City of Geneva Fund	59'861	-
Switzerland Deployment Fund	300'000	-
United Kingdom Fund	90'262	103'342
Total	<u>1'125'384</u>	<u>1'238'363</u>

3.5 JRR fund

	<u>2023</u>	<u>2022</u>
JRR Fund accumulated as of Jan 1,	694'587	923'831
Allocated from donor funds	436'730	425'262
Funds used	(465'116)	(622'270)
Realized foreign exchange (gains)/ losses during the year - net	3'741	101'742
Unrealized foreign exchange (loss) / gain end of the year - net	(35'262)	(133'977)
JRR fund accumulated as of Dec 31,	<u>634'680</u>	<u>694'587</u>

JRR Association,

Notes to the financial statements as at 31 December, 2023 (in CHF)

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

3.5 JRR fund (cont'd)

The realized foreign exchange difference in 2022 was due to actual foreign currency gain and loss and also 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.

Starting in 2023, the accounting policy for revenue conversion has been revised and revenue recorded in foreign currencies is converted into Swiss francs using the average project foreign exchange rate, calculated based on the rates used for expenses recorded under the given project. This change eliminates realized FX gain loss on the projects.

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 2023 FX rate set by European Commission.

3.6 Fund movements

A summary of Donor funds and JRR fund movements during the year 2023 is shown below:

	Funds carried from 2022 <i>Note 3.4 - 3.5</i>	Additional funds received during 2023 <i>Note 3.8</i>	Allocated to JRR Fund <i>Note 3.7</i>	Funds used	Funds carried to 2024 <i>Note 3.4</i>
Canada	591'351	1'562'795	(193'073)	(1'612'787)	348'286
Canadian Ombudsperson for Responsible Enterprise (CORE)	-	49'883	(1'593)	(13'274)	35'016
Denmark	-	126'950	(8'305)	(118'645)	-
Finland	-	433'495	(30'988)	(402'507)	-
Ireland (DFAT)	44'224	45'866	(4'427)	(43'704)	41'959
International Center for Transitional Justice (ICTJ)	-	13'521	(1'229)	(12'292)	-
Liechtenstein	148'009	250'000	(15'858)	(132'151)	250'000
Luxembourg	-	24'011	-	(24'011)	-
Netherlands	291'436	-	-	(291'436)	-
OHCHR	-	79'734	-	(79'734)	-
Switzerland	-	600'000	-	(600'000)	-
Switzerland Canton of Geneva	60'000	-	(6'429)	(53'571)	-
Switzerland City of Geneva	-	96'911	(3'970)	(33'081)	59'861
Switzerland Deployment Funds	-	300'000	-	-	300'000
Save The Children (STC)	-	36'429	-	(36'429)	-
United Kingdom (FCDO)	103'342	422'278	(40'026)	(395'332)	90'262
UN Women	-	228'613	(132'170)	(96'443)	-
JRR Fund used	465'116	-	1'338	(466'454)	-
Total	1'703'479	4'270'486	(436'730)	(4'411'851)	1'125'385

JRR Association,**Notes to the financial statements as at 31 December, 2023
(in CHF)****Note 3 - Information on balance sheet and income statement items (cont'd)****3.7 Fund allocations**

	<u>2023</u>	<u>2022</u>
Release of JRR fund	465'116	622'270
Release of donor funds	1'238'363	672'708
Total releases - Note 3.6	<u>1'703'479</u>	<u>1'294'978</u>
Allocation to JRR fund - Note 3.6	436'730	425'262
<i>to JRR fund</i>	329'054	267'877
<i>to roster management and deployment coordination fee fund</i>	107'676	157'384
Allocation to donor fund - Note 3.4	1'125'385	1'238'363
Total allocations	<u>1'562'115</u>	<u>1'663'625</u>

3.8 Revenue from donors

JRR received the following donor funding in 2023 and 2022 (in CHF):

<i>State & International Institutions</i>	<u>2023</u>	<u>2022</u>
Canada	1'562'795	1'598'062
Canadian Ombudsperson for Responsible Enterprise (CORE)	49'883	-
Civil Rights Defenders (CRD)	-	4'322
Denmark	126'950	137'087
Finland	433'495	455'925
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	-	30'114
Ireland (DFAT)	45'866	50'025
International Center for Transitional Justice (ICTJ)	13'521	-
International Accountability Platform for Belarus (IAPB)	-	8'235
Liechtenstein	250'000	275'000
Luxembourg	24'011	25'818
Netherlands	-	524'401
OHCHR	79'734	-
Switzerland	600'000	600'000
Switzerland Canton of Geneva	-	60'000
Switzerland City of Geneva	96'911	-
Switzerland Deployment Funds	300'000	-
Save The Children (STC)	36'429	12'714
United Kingdom (FCDO)	422'278	546'787
UN Women	228'613	206'923
Total	<u>4'270'486</u>	<u>4'535'413</u>

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 removing the need for JRR Association to offer consulting contracts to our North American based team. JRR Association, via both restricted and 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>2023</u>	<u>2022</u>
Up to 1 year	108'649	108'649
1-5 years	18'108	126'757
Total	<u><u>126'757</u></u>	<u><u>235'405</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.