

Report of the auditor

To the General Assembly of Members of International Service for Human Rights, Geneva

As statutory auditors, we have audited the accounting records and the financial statements (Balance sheet, Profit and Loss Statement, appendices and notes) of **International Service for Human Rights** for the year ended December 31, 2016.

Board of Association's responsibility

The Board of the Association is responsible for the preparation of these financial statements in accordance with the requirements of Swiss law (NAS and Swiss GAAP-RPC) and International Standard on Auditing (ISA), the accounting principles described in the Notes 2 to 4 of the financial statements and the Association's articles of incorporation. The responsibility includes designing implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Association is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements 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 entity's internal control system. An audit also include evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accounting records and financial statements for the year ended December 31, 2016 (with a total Balance Sheet of 940'250 CHF and a negative result of - 137'452 CHF) comply with Swiss law (NAS and Swiss GAAP-RPC), international Standards on Auditing (ISA), the statutes and the accounting principles of International Service for Human Rights as described in the Notes 2 to 4 of the financial statements and the Association's articles of incorporation.



JAKAR SA

Marcel Lauper
Licensed Audit Expert

Geneva, March 14th 2017

Enclosures : Financial statements (Balance sheet, Profit and Loss, Appendices and Notes)

INTERNATIONAL SERVICE FOR HUMAN RIGHTS

GENEVA

BALANCE SHEET ENDING DECEMBER 31, 2016

COMPARED TO DECEMBER 31, 2015

| | 12/31/2016 CHF | 12/31/2015 CHF |
|--|-------------------|-------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| PETTY CASH | 585 | 522 |
| BANK ACCOUNTS & SPECIAL BANK ACCOUNTS | 269,028 | 537,450 |
| Sub-Total | 269,612 | 537,972 |
| DEBTORS | | |
| WITHHOLDING TAX | 42,001 | 59,835 |
| | - | - |
| DEFERRED & ACCRUED ASSETS⁵ | | |
| DEFERRED EXPENSES | - | - |
| GRANT RECEIVABLE GVT | 184,524 | 51,062 |
| GRANT RECEIVABLE NON-GVT | 444,113 | 17,258 |
| Total DEFERRED & ACCRUED ASSETS | 628,637 | 68,320 |
| TOTAL ASSETS | 940,250 | 666,128 |
| LIABILITIES & RESERVES | | |
| CURRENT LIABILITIES | | |
| PROVISIONS | 51,008 | 17,722 |
| | 5,000 | 5,500 |
| Sub-Total | 56,008 | 23,222 |
| DEFERRED GRANTS³ | | |
| | 643,249 | 264,461 |
| Total LIABILITIES | 699,256 | 287,682 |
| RESERVES | | |
| RESERVE FUNDS | 378,446 | 341,666 |
| EXCESS INCOME (CHARGES) FOR THE YEAR | -137,452 | 36,780 |
| Total RESERVES | 240,994 | 378,446 |
| Total LIABILITIES AND RESERVES | 940,250 | 666,128 |

INTERNATIONAL SERVICE FOR HUMAN RIGHTS

GENEVA

PROFIT & LOSS STATEMENT AT DECEMBER 31, 2016

COMPARED TO DECEMBER 31, 2015

| | 2016 CHF | 2015 CHF |
|--|------------------|------------------|
| INCOME³ (APPENDIX I) | | |
| REVENUES - CORE | | |
| GOVERNMENTAL AGENCIES | 649,249 | 629,286 |
| NON-GOVERNMENTAL AGENCIES | 148,181 | 314,226 |
| INDIVIDUAL DONORS | 46,262 | 37,152 |
| OTHER REVENUE | 128,887 | 177,343 |
| Total CORE GRANTS | 972,579 | 1,158,006 |
| REVENUES - EARMARKED | | |
| GOVERNMENTAL AGENCIES | 899,546 | 870,788 |
| NON-GOVERNMENTAL AGENCIES | 373,383 | 345,336 |
| Total REVENUES EARMARKED | 1,272,929 | 1,216,124 |
| TOTAL INCOME | 2,245,508 | 2,374,130 |

INTERNATIONAL SERVICE FOR HUMAN RIGHTS

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PROFIT & LOSS STATEMENT AT DECEMBER 31, 2016

COMPARED TO DECEMBER 31, 2015

| | 2016 | 2015 |
|--|------------------|------------------|
| | CHF | CHF |
| CHARGES | | |
| PERSONNEL CHARGES | | |
| GENEVA OFFICE | | |
| GVA STAFF GROSS SALARIES | 1,032,197 | 862,013 |
| SOCIAL CHARGES & INSURANCES | 161,213 | 137,185 |
| STAFF PROFESSIONAL DEVELOPMENT & EVENTS | 7,478 | 7,572 |
| INTERNSHIP / FELLOWSHIP COSTS | 111,039 | 57,340 |
| CONSULTANTS / EXPERT'S HONORARIA | 6,700 | 18,979 |
| PROVISIONS SOCIAL INSURANCES | - | - |
| Total PERSONNEL COST GVA | 1,318,627 | 1,083,089 |
| GENERAL EXPENDITURES | | |
| MISSIONS/TRAVEL/ACCOMMODATION | | |
| STAFF TRAVEL COST/DSA | 51,698 | 51,638 |
| THIRD PARTY/PARTICIPANT TRAVEL | 78,710 | 125,441 |
| THIRD PARTY/PARTICIPANT DSA | 77,274 | 91,478 |
| PERMITS,VISAS, INSURANCE | 15,193 | 21,124 |
| TRAINING & MEETING COSTS | 30,831 | 38,964 |
| PARTNER SUPPORT & SUB-GRANTS | 19,777 | 11,113 |
| Total MISSIONS/TRAVEL/ACCOMMODATION | 273,484 | 339,757 |
| CONFERENCE/COMMUNICATIONS/DEVELOPMENT | | |
| CONFERENCE & EVENT COSTS | 18,160 | 12,466 |
| PUBLICATIONS & TRANSLATIONS | 66,603 | 114,564 |
| WEBSITE /ONLINE COMMUNICATIONS | 9,228 | 7,277 |
| REPRESENTATION & MEMBERSHIPS | 138 | 138 |
| FUNDRAISING & DONOR RELATIONS | 1,670 | 2,697 |
| Total CONFERENCE/COMMUNICATIONS/DEV. | 95,799 | 137,142 |
| OFFICE RENTALS/OPERATING COSTS | | |
| OFFICE RENTAL | 121,899 | 144,047 |
| PREMISES & MAINTENANCE | 14,429 | 15,578 |
| COMMUNICATIONS (PHONE, MAIL..) | 20,773 | 20,192 |
| OFFICE SUPPLIES & MATERIALS | 6,641 | 6,566 |
| IT/ INFRASTRUCTURE & SUPPORT | 63,371 | 111,306 |
| FURNITURE & EQUIPMENT | 3,605 | 982 |
| INSURANCE | 20,863 | 19,434 |
| MISCELLANEOUS COST | - | - |
| Total OFFICE RENTALS/OPERATING COST | 251,579 | 318,104 |

INTERNATIONAL SERVICE FOR HUMAN RIGHTS

GENEVA

PROFIT & LOSS STATEMENT AT DECEMBER 31, 2016

COMPARED TO DECEMBER 31, 2015

| | 2016 | 2015 |
|--|------------------|------------------|
| | CHF | CHF |
| FINANCIAL CHARGES/ AUDIT FEES⁴ | | |
| ADMIN. & BANK CHARGES | 860 | 3,085 |
| AUDIT FEES | 4,750 | 5,250 |
| FOREIGN EXCHANGE GAIN/LOSS | 3,724 | 14,376 |
| Total FINANCIAL CHARGES/AUDIT FEES | 9,334 | 22,711 |
| | | |
| GOVERNANCE & STRATEGY | | |
| BOARD MEMBER COSTS | 26,968 | 24,350 |
| OTHER GOVERNANCE/STRATEGY | 11,657 | - |
| Total GOVERNANCE & STRATEGY | 38,625 | 24,350 |
| | | |
| Total GENERAL EXPENDITURES | 668,822 | 842,064 |
| | | |
| US FRIENDS OF ISHR INC⁶ | | |
| NYO STAFF SALARIES & CHARGES | 189,696 | 152,652 |
| NEW YORK OPERATIONS & OFFICE | 39,707 | 26,649 |
| Total US FRIENDS OF ISHR INC | 229,403 | 179,301 |
| | | |
| SPECIAL RAPPORTEUR'S MANDATE | | |
| PERSONNEL & RELATED COST | 101,746 | 51,599 |
| HRDs' REGIONAL CONSULTATIONS | 41,081 | 74,199 |
| NON-PERSONNEL COST | 12,567 | 52,173 |
| MANAGEMENT, COMMUNICATIONS, ADMIN | 10,714 | 54,925 |
| Total SPECIAL RAPPORTEUR'S MANDATE | 166,108 | 232,896 |
| | | |
| TOTAL COSTS | 2,382,959 | 2,337,350 |
| | | |
| EXCESS INCOME (CHARGES) FOR YEAR | (137,452) | 36,780 |

**INTERNATIONAL SERVICE FOR HUMAN RIGHTS
GENEVA**

APPENDIX I.

| LIST OF DONORS³ | 2016 | 2015 |
|--|------------------|------------------|
| Anonymous Donor | - | 118,725 |
| Arcus Foundation | 88,789 | 57,845 |
| Australia - Permanent Mission to the UN in Geneva | 35,590 | 51,543 |
| Brot für die Welt | 71,025 | 46,195 |
| Denmark - Ministry of Foreign Affairs | 146,149 | 139,686 |
| Etat de Geneve | 2,770 | - |
| Ford Foundation | - | 12,260 |
| Fund for Global Human Rights | 4,368 | 17,000 |
| Germany - Federal Foreign Office | 21,300 | 74,800 |
| Hans Wilsdorf Foundation | - | 20,000 |
| Individual Donors | 46,262 | 37,152 |
| Ireland - Permanent Mission to the UN in Geneva | 10,000 | - |
| Irish Aid | 159,536 | 185,430 |
| Liechtenstein - Ministry of Foreign Affairs | 45,000 | 45,000 |
| Loterie Romande | 5,000 | 25,000 |
| Luxembourg - Ministry of Foreign and European Affairs | 26,217 | 6,990 |
| Misereor | 41,265 | - |
| Netherlands - Ministry of Foreign Affairs | 241,630 | 172,613 |
| Netherlands - Permanent Mission to the UN in Geneva | 13,000 | 18,000 |
| Norway - Ministry of Foreign Affairs | 529,464 | 543,155 |
| Open Society Foundations | 180,149 | 197,816 |
| Organisation internationale de la Francophonie | 16,119 | 10,600 |
| Overbrook Foundation | - | 4,735 |
| Sigrid Rausing Trust | 114,848 | 149,386 |
| Switzerland - Federal Department of Foreign Affairs | 160,000 | 170,000 |
| United Kingdom - Foreign and Commonwealth Office | 153,296 | 74,500 |
| United Kingdom - Permanent Mission to the UN in Geneva | - | 5,000 |
| Ville de Genève | 4,843 | 13,357 |
| TOTAL GRANTS | 2,116,620 | 2,196,787 |
| OTHER INCOME⁴ | | |
| Other Revenue | 128,887 | 160,313 |
| Financial Income | - | - |
| Fellowship Programme | - | 17,029 |
| Total OTHER INCOME | 128,887 | 177,343 |
| TOTAL INCOME | 2,245,508 | 2,374,130 |

**INTERNATIONAL SERVICE FOR HUMAN RIGHTS
GENEVA**

APPENDIX II.

| GRANT RECEIVABLE | 2016 | 2015 |
|--|----------------|---------------|
| Brot für die Welt | 109,870 | 15,366 |
| Organisation internationale de la Francophonie | 3,189 | 1,892 |
| Luxembourg - Ministry of Foreign and European Affairs | | 51,062 |
| Misereor | 31,054 | |
| Open Society Foundation | 300,000 | |
| The Netherlands - Ministry of Foreign Affairs | 117,491 | |
| The Netherlands - Ministry of Foreign Affairs - Geneva | 13,000 | |
| United Kingdom - Foreign and Commonwealth Office | 54,034 | |
| TOTAL GRANT RECEIVABLE⁵ | 628,637 | 68,320 |

| DEFERRED GRANT REVENUES | 2016 | 2015 |
|--|----------------|----------------|
| Arcus Foundation | - | 14,054 |
| Australian Government | - | 20,590 |
| Brot für die Welt | 50,100 | 17,805 |
| Irish Aid | - | 22,640 |
| Loterie Romande | 15,000 | - |
| Luxembourg | 17,855 | 44,072 |
| Misereor | 17,475 | - |
| Norway | 38,011 | 11,428 |
| Open Society Foundations | 279,951 | 9,900 |
| Sigrid Rausing Trust | 60,000 | 50,000 |
| The Netherlands - Ministry of Foreign Affairs | 127,757 | 53,332 |
| United Kingdom - Foreign and Commonwealth Office | 37,100 | 19,896 |
| Ville de Genève | - | 743 |
| TOTAL DEFERRED GRANT REVENUES³ | 643,248 | 264,460 |

INTERNATIONAL SERVICE FOR HUMAN RIGHTS

GENEVA

Notes to the financial statements for the year ending December 31, 2016

| | |
|---------------|---|
| Note 1 | The International Service for Human Rights (ISHR) is an Association established in accordance with articles 60 and seq. of the Swiss Civil Code. The objectives of the association are to support human rights defenders and strengthen international and regional human rights law and mechanisms through training, capacity building, information products and strategic advice and advocacy. |
| Note 2 | The accounts of the Association are maintained in accordance with Swiss legal requirements. Costs and expenses incurred for the period, which have not been paid at the Balance Sheet date, are recorded as expenses for the period and included as accrued expenses or provisions in the Balance Sheet. Income due to be received for the period and expenses paid in advance in respect of future periods are recorded as grants received in advance or prepaid expenses. |
| Note 3 | Grants, donations and contributions received are recorded as Income in the period specified in the contracts with the Association. Grants received in respect of future periods are recorded as liabilities in the Balance Sheet as deferred revenue. |
| Note 4 | Foreign exchange gains and losses are accounted separately in the P&L. In 2016, CHF 3'724 in foreign exchange losses have been recognized in re-evaluating the EUR and USD bank account balances against the Swiss Francs. |
| Note 5 | The financial statements include grants receivable for a total of CHF 628'637 for which the funds had not reached the ISHR bank account as of December 31, 2016 (CHF 68'320 in 2015). Such grants have been confirmed in full / and or in part as 2016 funding and are recorded as Revenue in the P&L and as grants receivable on the Balance Sheet. |
| Note 6 | ISHR's New York office is operated by US Friends of ISHR Inc (ISHR-US), which is incorporated under section 402 of the New York Not-for-Profit Corporation Law and a charitable corporation under section 501(c)(3) of the US Internal Revenue Code. ISHR exercises and maintains effective control over ISHR-US. |