

**INTERNATIONAL FEDERATION FOR
HUMAN RIGHTS**

**17, PASSAGE DE LA MAIN D'OR
75011 PARIS**

**AUDITOR'S REPORT ON THE ANNUAL
FINANCIAL STATEMENTS**

FINANCIAL YEAR ENDING 31 DECEMBER 2022

To the members of the organisation,

I. Opinion on the financial statements

In compliance with the mission entrusted to us by the International Board, we have audited the accompanying financial statements of the **International Federation for Human Rights** for the period ending 31 December 2022, as annexed to this report.

We certify that the financial statements are, in accordance with French accounting rules and principles, true and fair, and accurately reflect the results of the operations for the period as well as the financial situation and assets of the organisation at the end of the period.

II. Basis of the opinion

Audit standards

We conducted our audit in accordance with French auditing standards. We consider that the material evidence collected is substantiated and fair for the purpose of forming our opinion.

Our responsibility under the applicable standards is stated in the section "Auditor's responsibility for the audit of the annual financial statements" of this audit report.

Independence

We conducted the audit mission within the framework of applicable professional standards of independence, for the period from 1 January 2022 to the date of our report, and we did not carry out any services forbidden by the code of professional conduct for external auditors.

III. Justification of assessments

With regard to articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following assessments which, in our professional opinion, were the most important for the audit of the annual financial statements.

Allocation of grants to the relevant period:

Note 4.1 of the appendix sets out the principle of allocation of grants to the income for the relevant period.

We have examined the validity of the methods used and we are assured of the soundness of the information provided in the appendix.

These assessments were thus made in the context of the audit of the financial statements taken as a whole, completed in the conditions noted previously and the formation of our opinion above. We do not form an opinion on isolated elements of the financial statements.

IV. Audit of the financial control report and other documents addressed to members

We have also performed the specific checks required by the law, in conformity with the applicable of the French code of professional conduct.

As of the date of signature of this report, we have not had access to financial management reports and other financial documents supplied to members of the Assembly.

V. Responsibilities of the organisation's management and governance in relation to the annual financial statements

The Management is responsible for the preparation of the annual financial statements, ensuring an accurate representation in accordance with accounting rules and principles applicable in France. It is also responsible for the implementation of internal controls necessary for the preparation of the annual financial statements free from significant anomalies, whether due to fraud or errors.

In preparing the annual financial statements, Management is required to evaluate the capacity of the organisation to continue its operations, and to present in these accounts, if applicable, necessary information relating to this information as a going concern, and to apply the accounting convention of business continuity, unless Management intends to liquidate the entity or to cease its activities.

The annual financial statements have been approved by the Executive Board.

VI. Auditor's responsibility in relation to the annual financial statements

Our responsibility is to produce a report on the annual financial statements. Our mission is to obtain reasonable assurance that the financial statements are free of material misstatement.

Reasonable assurance corresponds to a high level of assurance. Nevertheless, it does not guarantee that such an audit carried out in compliance with the code of professional conduct allows for systematic assessment of all significant anomalies.

Such anomalies may arise from fraud or from errors and are considered as significant when, considered individually or globally, they may reasonably be expected to influence financial decisions that users of the financial statements may take based on these statements.

In accordance with the requirements of article L.823-10-1 of the French Commercial Code, our mission to certify the financial statements does not guarantee financial visibility or the quality of financial management of the organisation.

In the context of audit conducted in compliance with the French code of professional conduct, the auditor makes his/her own professional assessment throughout this audit.

In addition, the auditor:

- identifies and assesses the risk that the annual financial statements may contain significant anomalies, whether as a result of fraud or errors, and defines and implements audit procedures to mitigate these risks and gathers sufficient and appropriate elements to substantiate her/his opinion. The risk of non-detection of a significant anomaly resulting from fraud is higher than that of a significant anomaly resulting from error, as fraud may involve collusion, forgery, wilful omission, false statements or the circumvention of internal control;
- takes notes of internal control mechanisms relevant to the audit in order to define audit procedures appropriate to the circumstances, and not with a view to expressing an opinion on the effectiveness of internal control;
- assesses the appropriateness of selected accounting methods and the reasonable nature of accounting estimates by Management, as well as information provided in the annual financial statements;
- assesses the appropriateness of Management's application of the accounting convention on business continuity and, according to information collected, the existence or absence of a significant anomaly related to events or circumstances that might affect the organisation's capacity to continue its activity. This assessment is based on information collected up to the date of this report, with the understanding that circumstances or events arising later may put continued operation at risk.

If the auditor identifies a material uncertainty, he/she draws the attention of readers of the audit report to the information provided in the annual financial statements concerning this uncertainty or, if information is not provided or is not relevant, may issue a qualified opinion, or may refuse to certify;

- the auditor assesses the overall presentation of the annual financial statements and whether they provide a fair representation of the underlying operations and events.

Signed in Paris,
20 June 2023



Fabrice ATTOUMO
Independent Auditor

FINANCIAL STATEMENTS

INTERNATIONAL FEDERATION FOR HUMAN RIGHTS

The logo for the International Federation for Human Rights (fidh) is displayed. It consists of the lowercase letters "fidh" in a white, sans-serif font, centered within a dark blue rectangular background.

Association governed by the provisions of the law of 1 July 1901

**17, passage de la main d'or
75011 PARIS**

**Financial year ended
31 December 2022**

**CORPORATION
ACCOUNTS**

ASSETS

Amounts in euros

	31/12/2022 Gross amount	Depr., Amort., Provisions	31/12/2022 Net amount	31/12/2021 Net amount
Fixed assets				
Intangible fixed assets	198 300	180 297	18 003	12 536
Software	198 300	180 297	18 003	12 536
Tangible fixed assets	1 267 391	1 238 389	29 001	21 259
Land	94 518	94 518	-	-
Constructions	414 779	413 806	974	-
Technical installations, equipment and fixtures	758 093	730 065	28 028	21 259
Financial fixed assets	48 283	-	48 283	47 381
Participating interests and related receivables	3 000	-	3 000	3 000
Other	45 283	-	45 283	44 381
TOTAL I	1 513 974	1 418 686	95 287	81 176
Current assets				
Receivables	12 011 172	-	12 011 172	9 546 100
Receivables and related accounts	-	-	-	73 575
Other receivables	12 011 172	-	12 011 172	9 472 525
Short-term investment securities	127 394	-	127 394	125 668
Cash and cash equivalents	2 375 165	-	2 375 165	2 760 090
Prepayments	59 279	-	59 279	61 926
TOTAL II	14 573 009	-	14 573 009	12 493 784
Realisable exchange losses (III)	7 900		7 900	23 626
TOTAL ASSETS (I + II + III)	16 094 882	1 418 686	14 676 196	12 598 586

LIABILITIES AND EQUITY

Amounts in euros

	31/12/2022	31/12/2021
<u>Capital and reserves</u>		
Retained earnings	1 069 651	1 054 479
Net income or loss for the financial year	88 003	15 171
TOTAL I	1 157 654	1 069 649
<u>Funds carried forward and designated funds</u>		
TOTAL II	-	-
<u>Provisions</u>		
Provisions for liabilities	36 091	29 949
Provisions for charges	7 900	23 621
TOTAL III	43 991	53 570
<u>Liabilities</u>		
Loans and debts payable to credit institutions	9 758	97
Trade creditors and related accounts	325 428	146 458
Tax and social security payable	665 854	532 680
Other liabilities	956 250	1 435 965
Deferred income	11 517 261	9 360 167
TOTAL IV	13 474 551	11 475 366
Realisable exchange gains (V)		
TOTAL LIABILITIES AND EQUITY (I + II + III + IV + V)	14 676 196	12 598 586

INCOME STATEMENT

Amounts in euros

	2022	2021
<u>Operating income</u>		
Contributions from members and affiliates	-	61 056
Revenues from third-party funders	8 478 143	7 049 409
Contributions from public and operating grants	2 514 300	1 775 513
Funds from generosity of the public	126 672	128 296
Of which: donations	126 672	128 296
Designated grants	5 837 171	5 145 599
Writebacks of depreciation, provisions and transferred charges	452 199	365 197
Other income	30 374	61
TOTAL I	8 960 716	7 475 723
<u>Operating costs</u>	8 828 472	7 394 556
Purchase of goods	98 365	98 008
Other external services	5 068 759	3 969 199
Taxes, levies and similar payments	273 505	274 203
Personnel costs	2 313 309	2 072 146
Social security contributions	960 055	855 131
Depreciation	29 608	58 594
Provisions	- 37 592	10 099
Other costs	122 463	57 176
TOTAL II	8 828 472	7 394 556
OPERATING RESULT (I - II)	132 244	81 167
<u>Financial income</u>		
From other short-term investment securities	1 740	635
Writebacks of provisions	23 621	165
Exchange gains	42	22
TOTAL III	25 403	822
<u>Financial charges</u>		
Depreciation, amortisation and provisions	7 900	23 621
Interest and similar charges	19 653	18 551
Exchange losses	15 300	11 711
TOTAL IV	42 853	53 883
FINANCIAL RESULT (III - IV)	- 17 450	- 53 061
OPERATING RESULT (I - II + III - IV)	114 794	28 106
<u>Extraordinary income</u>		
On operating transactions	4 496	30 583
Writebacks of provisions	29 949	
TOTAL V	34 445	30 583
<u>Extraordinary charges</u>		
On operating transactions	25 145	13 570
Writebacks of provisions	36 091	29 949
TOTAL VI	61 236	43 519
EXTRAORDINARY RESULT (V - VI)	- 26 791	- 12 936
Total income (I + III + V)	9 020 564	7 507 128
Total charges (II + IV + VI)	8 932 561	7 491 958
PROFIT OR LOSS	88 003	15 170
<u>VOLUNTEER CONTRIBUTIONS IN KIND</u>		
Contributions in kind	259 431	46 800
Volunteering		
TOTAL	259 431	46 800
<u>CHARGES ON VOLUNTEER CONTRIBUTIONS IN KIND</u>		
Contributions in kind	259 431	46 800
Volunteering		
TOTAL	259 431	46 800

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

The notes and tables below form an integral part of the financial statements for the year ended 31 December 2022.

Total assets came to 1742.322 euros. The income statement for the year shows positive income of 88,003 euros.

The financial year covered the 12 months from 1 January to 31 December 2022.

The previous financial year had the same duration, from 1 January to 31 December 2021.

1. Presentation of FIDH and significant events during the year

1.1. Presentation

The FIDH (Fédération Internationale pour les Droits humains) is an international NGO that defends human rights. Since 1922, it has worked to defend all civil political, economic, social and cultural rights, as defined in the Universal Declaration of Human Rights. It is composed of 192 national human rights organisations working in 117 countries. The FIDH carries out activities of documentation, lobbying, capacity-building, and assisting civil society as well as judicial cases.

1.2. Significant events during the year

2022 marked the centenary-year celebrations of the FIDH, with the 41st Congress of the organisation being a key event. The forum for this Congress was held in October 2022 in France by FIDH along with its French member organisation, the Ligue des Droits de l'Homme (LDH). It provided a special occasion for FIDH member organisations to come together for a common cause.

The Congress is an occasion for strategic exchange but also represents an important event in the internal working of the organisation. Alice Mogwe's mandate as FIDH president was renewed and a new International Board was elected at this time.

The FIDH also officially approved changing the name of the organisation to "la Fédération internationale pour les droits humains".

2. Accounting principles, rules and methods

2.1. General principles

The annual accounts are prepared in accordance with the accounting principles, standards and methods laid down by the French Generally Accepted Accounting Principles (Plan général comptable – PCG) under Regulations ANC 2014-03 of 5 June 2014 and ANC 2018-06 of 5 December 2018 as amended by the French Accounting Standards Authority (Autorité des Normes Comptables – ANC).

The presentation of the figures and other information is based on accounting principles that emphasises the importance of prudence and accuracy of the accounts and govern how the items on the balance sheet are valued and how the result of each financial year is determined:

- the going-concern principle
- separate reporting of each financial year
- consistency of accounting methods from one year to the next
- the principle of allocating charges and revenues by financial year.

The main accounting rules and methods used are explained in the various notes to the annual accounts, each of which refers to a specific item on the balance sheet and the income statement. The historical cost method was used for valuation of the elements set out in the accounts.

The financial statements are drawn up in euros.

2.2. Post-closure events

Management of member contributions

In 2023, FIDH put in place a new tool for managing and processing member contributions. As a result, it will no longer make annual calls for contributions from its members.

In accordance with the requirements of Article 142-1 under Regulations ANC 2018-06, the FIDH will now book its contributions on the basis of receipt.

Information on the war in Ukraine

This event is likely to have an impact on FIDH's funding insofar as certain donors may temporarily shift their funding towards assistance in resolving the conflict.

However, to date, FIDH is not aware of any such event that would be likely to jeopardise the continuity of the organisation's operations.

3. Notes on the balance sheet

3.1. Fixed assets

Intangible and tangible fixed assets are valued at their cost of acquisition, which includes the purchase price and the direct costs of putting them into use. Fixed assets acquired with equity are depreciated using the straight-line method over the estimated useful life of the assets.

As exceptions to this rule:

- fixed assets at FIDH headquarters the purchase of which is financed by donors are written off in full in the year they are acquired;

- fixed assets located in the mission areas, and the purchase of which is financed by donors, are booked as expenses in the accounts of the mission concerned.

Security investments are valued at their nominal value. If their current value is less than their face value they are written down by means of a provision.

Fixed assets, gross amount

	Opening value	Increase	Decrease	Closing value
Intangible fixed assets	188.700	9.600	-	198.300
Tangible fixed assets	1.296.370	32.244	61.224	1.267.391
Other financial assets	47.381	902	-	48.283
TOTAL	1.532.451	42.746	61.224	1.513.974

Depreciation and amortisation

	Opening value	Increase	Decrease	Closing value
Intangible fixed assets	176.164	4.133	-	180.279
Tangible fixed assets	1.275.112	24.501	61.224	1.238.389
Other financial assets	-	-	-	-
TOTAL	1.451.275	58.594	-	1.418.686

3.2. Receivables and payables

Receivables and payables are recorded at their nominal value.

If necessary, a provision for loss-in-value of receivables is established to take account of the difficulty of collecting them.

Receivables and payables denominated in a foreign currency, with the exception of grants¹, are converted into euros using the monthly average rate published by the EU. Any differences at the end of the financial year are recorded as conversion adjustments and provisions are made for unrealised losses.

Statement of receivables

	Gross amount	Due in 1 year	> 1 year
Contributions from members & affiliates	-	-	-
Grants receivable	11.539.888	6.778.569	4.761.319
Other current assets and deferred charges	412.005	412.005	-
TOTAL	11.951.893	7.190.574	4.761.319

In its meeting held between 6 and 8 April 2023, the International Board of the FIDH decided not to issue a call for contributions from its members and affiliates for the year 2022.

¹ cf. 3.7 Foreign-currency hedging

Statement of payables

	Total	Due in 0 to 1 year	From 1 to 5 years	> 5 years
Due to credit institutions	9.758	9.758		
Suppliers	325.428	325.428		
Tax & social security	665.854	665.854		
Other liabilities	956.250	956.250		
Deferred income	11.517.261	6.427.566	5.089.698	-
TOTAL	13.474.551	8.384.853	5.089.698	

3.3. Equity

	Opening value	Appropriation of Net income	Increase	Decrease	Closing value
Retained earnings	1.054.479	15.171			1.069.649
Net income	15.171		88.003	15.711	88.003
TOTAL	1.069.649		88.003	15.711	1.157.654

3.4. Provisions

Provisions are set up if, at the end of the year, the association has a liability to a third party that is likely or certain to involve a disbursement to the third party without expectation of equivalent consideration from the third party.

The estimated amount of the provisions corresponds to the disbursement that the association is likely to incur.

3.5. Investment securities

At the end of the year, investment securities consisted almost exclusively of a deposit account.

3.6. Equalisation accounts:Deferred liabilities

Deferred liabilities at the end of the financial year amounted to 59,279 euros compared with 61,926 euros on 31 December 2021.

Deferred income

Deferred income amounted to 11,517,261 euros at the end of the financial year, corresponding to grants received or receivable before 31 December 2022 and not yet used.

3.7. Foreign-currency hedging:

The FIDH hedges foreign-currency risk for the main grants paid in foreign currency (USD, NOK and SEK).

These hedge contracts are arranged for each grant and are considered perfect hedges (matching date and amount) for accounting purposes. Consequently, receivables denominated in foreign currency are recorded while the currency concerned is hedged and FIDH is thus able to avoid any exchange-rate differences on these contracts.

4. Notes to the income statement

4.1 Grants:

Grants include all resources resulting from fund-raising from public and private institutions.

This revenue is recorded on the income statement is based on the progress of the projects financed and in accordance with the provisions of the agreements with funders or donors (date of eligibility of expenditure, budget allocated, and type of expenditure financed).

Cost accounting is used to track the progress of projects as this provides accurate information on expenditure and commitments for each project compared with the contractual budget.

The method used by FIDH for its financial statements is described below:

- Income statement: amounts recorded as expenses incurred for missions match those recorded as revenue, which means there is no impact on the income statement since they are expenses incurred for missions that are entirely financed by funders or donors. Income for the corresponding operating expenses is recorded on the basis of FIDH needs for the period and in accordance with contractual financing conditions.
- Balance sheet: grants that have been awarded but not paid are recorded as receivables. Deferred income recorded as a liability corresponds to the share of income for missions that have yet to be implemented and future revenue, in accordance with the duration of the underlying contracts.

Donations

These correspond to payments from donors to FIDH, of 38,582 euros in proceeds from the 'Liberté et solidarité' investment fund (SICAV) and of 27,500 euros in donations for the centenary of FIDH.

Member contributions:

FIDH books contributions from its members when those contributions are called up.

Transfers of operating charges:

These correspond to the portion of operating expenses covered by financial contributions.

4.2 Financial net income:

This item primarily reflects the foreign-exchange impacts relating to the year's expenses, given that foreign-currency denominated income is hedged.

4.3 Donations in kind:

In 2022, FIDH benefitted from in-kind donations in legal services, interpreting, administrative and on-site work free of charge. It has also benefitted from IT and communication services provided as part of corporate philanthropy initiatives.

5. Other information

5.1. Number of employees

The number of the organisation's paid staff came to 47 (full-time equivalent) in 2022, including 6 on fixed-term contracts.

5.2. Remuneration

In 2022, remuneration and benefits in kind received by the 3 most senior managers, voluntary and salaried, came to 211,980 euros.

5.3. External auditor's fees

The external auditor's fees during the year including tax amounted to 19,000 euros, including 5000 euros for advisory and other due diligence related services directly linked to the legal examination of the accounts.

5.4. Net operating result and exceptional result

Items covering normal activities, including those that were exceptional amounts, or which occurred with exceptional frequency, are included in net operating income. Only items that do not correspond to ordinary operations have been recognized under exceptional income.

5.5. Valuation of the FIDH registered office building

The FIDH is the owner of its office space located at 17 passage de la main d'or in the 11th arrondissement of Paris. These premises were donated to the FIDH in 1995.

The FIDH contracted BNP Real Estate to carry out a commercial appraisal of the property, which was completed in March 2023 and resulted in a valuation of €2.5M.

6. Off-balance sheet liabilities and transactions

6.1. Liabilities relating to retirement benefits

The organisation has no provision in its accounts for its employees' retirement benefits or for supplementary pensions. The corresponding charge is recorded in the same financial year in which the benefit is actually paid.

The rights acquired by the staff as a whole to retirement benefits have not been valued and are not covered by provisions, as the organisation's employees are young and recently recruited.

6.2. Other commitments made or received

With the exception of the funds committed by FIDH and received from its donors to carry out and finance some programmes or missions that are subject to specific targeted funding, FIDH neither

made nor received any commitments: all sums received for its operations are always awarded unconditionally.

7. Grant monitoring statements

7.1. Revenues

Funder	Grants to be used	Amount of grants used in 2022	Grants remaining to be used at 31/12/22
Agence Française de Développement	6 175 525	2 039 983	4 135 542
Alliance	8 259	8 259	-
Embassy of Switzerland	3 393	3 393	-
Embassy of Taiwan	20 000	20 000	-
ASF Foundation	10 000	10 000	-
Bread for the World	396 765	165 393	231 372
Carrefour	30 000	30 000	-
CFDT (French Democratic Confederation of Labour)	8 000	8 000	-
European Commission	6 011 774	2 270 207	3 741 567
FIDH	18 000	18 000	-
Fondation de France	247 500	141 986	105 514
Nicolas Puech Foundation	40 000	40 000	-
Freedom House	86 008	61 848	24 160
FRIO (Institutional and Organizational Strengthening Fund)	32 274	32 274	-
Front Line Foundation	9 925	9 925	-
International Agency for the Prevention of Blindness	13 957	13 957	-
Irish Aid	650 367	235 574	414 793
Laudes Foundation	300 000	19 624	280 376
Ministry of Foreign Affairs - France	100 660	100 660	-
Ministry of Foreign Affairs - Netherlands	280 557	280 557	-
City of Paris	45 000	45 000	-
Anonymous Foundation	340 590	146 446	194 144
New Venture Fund - Sage	35 027	35 027	-
Oak Foundation	368 881	186 569	182 312
OECD Brazil	26 064	15 159	10 905
OIF OBS	29 138	1 710	27 428
Open Society Foundations	1 031 006	830 414	200 592
Anonymous Foundation - 2	117 639	63 826	53 813
Pan American Development Fund - Nicaragua	84 108	82 688	1 420
Swedish International Development Agency	3 348 320	1 434 994	1 913 326
Total	19 868 737	8 351 473	11 517 264

⁽¹⁾ Remaining grants to be used at the end of 2021 plus contracts signed in 2022

⁽²⁾ Deduction made from unused funds to be repaid

7.2. Receivables

Funder	Revenue to receive at 31/12/2021	Increase	Decrease	Revenue to receive at 31/12/2022
Agence Française de Développement	1 004 176	4 917 794	1 864 815	4 057 155
Embassy of Germany	1 291		-	1 291
Embassy of Switzerland	80			80
Bread for the World	359 872	-	181 032	178 840
European Commission	3 377 346	3 691 688	2 711 911	4 357 123
Coordination Sud	6 600			6 600
FIDH	29 735		29 735	-
Fondation de France	40 000	80 000	60 000	60 000
Delmares Hamoud Foundation	15 000	50 000	50 000	15 000
Nicolas Puech Foundation	80 000	40 000	80 000	40 000
Freedom House	-	82 809	19 714	63 095
International Agency for the Prevention of Blindness	-	13 957	-	13 957
Irish Aid	500 000		250 000	250 000
Laudes Foundation	-	300 000	200 000	100 000
Ministry of Foreign Affairs - Canada	441			441
Ministry of Foreign Affairs - Netherlands	59 900			59 900
Oak Foundation	8	240 000		240 008
OECD Brazil	-	20 000	-	20 000
Open Society Foundations	2 400	1 626 507	1 461 929	166 978
Pan American Development Fund - Nicaragua	61 117	29 454	80 516	10 055
Swedish International Development Agency	3 348 320		1 448 956	1 899 364
Total	8 886 285	11 092 209	8 438 608	11 539 887