ASSOCIATION CHS ALLIANCE

GENEVA

REPORT OF THE STATUTORY AUDITOR TO THE GENERAL ASSEMBLY

OF THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2025

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Report of the statutory auditor on the limited statutory examination to the General Assembly of Association CHS Alliance, Geneva

As statutory auditor, we have examined the annual financial statements (balance sheet, income statement and notes) of Association CHS Alliance for the financial year ended 31 December 2025.

These financial statements are the responsibility of the Governing Board. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the Association's statutes.

KAURUM GMBH

Nicolas Fabrice Véron
16 avril 2026
Qualified Electronic Signature by SwissSign

Nicolas Véron
Licensed audit expert
(*Auditor in charge*)

Geneva, 16 April 2026

Enclosures
- Financial statements (balance sheet, income statement and notes)
- Proposed appropriation of available earnings

Balance sheet as at 31st December 2025

(in Swiss francs)

ASSETS	NOTES	2025	2024
Current assets			
Cash & cash equivalents	4	7'516'644	792'438
Grants receivable	6a	169'341	325'587
Membership fees receivable	6b	103'775	13'125
Provision for loss on membership fees	6b	(103'675)	(13'125)
Services receivable	6c	35'536	27'677
Provision for loss on services	6c	(15'216)	(15'554)
Other current assets	5	67'787	95'285
Total current assets		**7'774'192**	**1'225'433**
Non-current assets			
Tangible & intangible assets	7	12'618	30'432
Total non-current assets		**12'618**	**30'432**
Total assets		**7'786'810**	**1'255'865**

LIABILITIES AND FUNDS			
Current liabilities			
Account Payable	9	52'239	72'310
Contributions received in advance	10	6'818'496	176'724
Accrued expenses	8	82'300	339'778
Short-term provision	8a	160'000	
Restricted funds to be returned	11	-	
Total current liabilities		**7'113'035**	**588'811**
Restricted funds			
Funds restricted to projects		-	5'729
Total restricted funds		**-**	**5'729**
Funds of the Association			
General reserve	12	661'325	489'280
(Loss) / Income for the year		12'451	172'045
Total funds of the Association		**673'776**	**661'325**
Total liabilities & funds		**7'786'810**	**1'255'865**

Statement of financial performance for the year ended December 31st, 2025

(in Swiss francs)

INCOME	NOTES	2025	2024
Contributions restricted	12	784'881	1'335'078
Contributions unrestricted	13	461'380	938'263
Membership fees		971'488	965'538
Cost recovery - Training services	14	18'828	21'829
Cost recovery - Consultancy		10'549	14'205
Cost reimbursed by third parties	15	65'846	59'203
Other income		23'079	23'832
Loss on debtors	6b, 6c	(103'840)	(13'125)
Restricted funds to be returned to donor	11	-	-
Total income		**2'232'211**	**3'344'823**
OPERATING EXPENDITURE			
Staff costs	16	(1'318'092)	(2'046'122)
Meeting & travel costs	17	(47'991)	(80'878)
Consultancy fees		(446'149)	(647'881)
Publication & marketing costs		(73'294)	(122'760)
Communication, admin & IT costs	18	(77'546)	(122'399)
Office premises		(135'689)	(136'378)
Depreciation	7	(17'814)	(22'441)
Projects implemented by partners	19	(10'266)	(380'416)
Total operating expenditure		**(2'126'841)**	**(3'559'276)**
Operating result		**105'370**	**(214'453)**
Non-operating result, net	20	-	(6'359)
Financial (expenses) / income, net	21	(61'935)	46'417
Extraordinary, non-recurring or prior period revenue	23	125'294	
Extraordinary, non-recurring or prior period cost	8a & 23	(160'000)	
Income tax	22	(2'008)	(9'102)
Intermediate result before change in funds		**6'722**	**(183'497)**
Attribution to restricted funds		(784'881)	(1'335'078)
Use of restricted funds		790'610	1'690'620
Change in restricted funds		**5'729**	**355'542**
Result for the financial year		**12'451**	**172'045**

1. Presentation

The Association CHS Alliance (hereinafter, The Alliance) is an international non-governmental and non-profit organisation dedicated to improving the effectiveness and impact of assistance to crisis-affected and vulnerable people, by working with humanitarian and development actors on quality, accountability, and people management initiatives. Formed in 2015 by the merger of HAP International and People In Aid, the Alliance brings more than two decades of experience supporting the sector in applying standards and good practices. Creating a truly global enterprise, it has a membership of 287 organisations and 521 affiliates worldwide. The Alliance was established as an association within the meaning of Articles 60 *et seq* of the Swiss Civil Code.

The Alliance headquarters is based in Geneva, with the support of a branch office located in London.

The Alliance is financed by voluntary contributions received from governments, non-governmental organisations, corporate donors, training services and membership revenue.

2. Accounting principles

a. Basis for preparing the financial statements

The Alliance's financial statements have been prepared in accordance with the articles of association of the Alliance and the applicable provisions of the Swiss Code of Obligations, the Swiss Civil Code (art. 69a), the Swiss accounting principles Swiss GAAP FER/RPC fundamentals and the norm Swiss Gaap FER/RPC 21. The financial statements are presented in Swiss francs. The Board of Directors approved the 2025 CHS Alliance annual financial statements on 26 March 2026.

b. Scope of the financial statements

The financial statements of the Alliance include:

- The accounts of the Association CHS Alliance, an association governed by Swiss Law;
- The accounts of the CHS Alliance Branch office in London.

c. Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are converted into Swiss francs at the rate of exchange as at year-end. Transactions in foreign currencies are translated in Swiss francs using the rates prevailing at the date of the transaction.

d. Fixed assets

Fixed assets held by the Alliance and included in the balance sheet are recorded at the cost of acquisition. Items are considered fixed assets when:

- Unit cost is CHF 2'500 or above, and
- They are held for use in the supply of goods or services, or for administrative purposes, and
- They are expected to be used over a period exceeding one year.

Only acquired Intangible assets are capitalised.

e. Depreciation

Depreciation is calculated on a linear basis over the expected useful lives of capital assets as follows:

- Office furniture and equipment 5 years
- Website & visual identity 3 years
- Computer equipment and software 3 years

f. Revenue recognition

Core fund donations, which are not project specific, are considered as unrestricted funds contributed against a core funding proposal and annual work plan. Unrestricted funds are recognised on an accrual basis: the part of the grant related to the year is recognised as revenue; those committed to subsequent years are not presented in the balance sheet.

Restricted fund donations, which are project specific or include a specific restriction, are considered as restricted funds. Restricted funds are entirely recognised in the statement of financial performance once the contract starts. Restricted funds that have not been used at the end of the year are presented in a separate section of the balance sheet.

3. Taxation

The Alliance has requested an exemption from local and federal income tax and wealth tax. However, since the Alliance is a membership-based organisation providing services to its members, the exemption request has been rejected.

The Alliance is not VAT registered and therefore VAT incurred on expenses is charged to the statement of operations.

The Alliance is registered as an Overseas Company in the UK and therefore is subject to UK corporation tax. The UK branch is providing services to the Alliance. In a typical scenario these would

be funded by the parent charity, so there would be no source of income. HMRC would require tax to be paid on a mark-up ranging from 5 to 15% of the costs. A reasonable provision for the accounts would be on the basis of a mark-up of 10%. An estimated tax liability of CHF 7,948 (£7,000) for 2024 had previously been recognised, with a provision recorded in the financial statements for the fiscal year 2024. During the current period, the UK tax matter was resolved and the related provision has been released. For further details, see note 8.

4. Cash and cash equivalents

Cash & cash equivalents *(in Swiss francs)*	2025	2024
Petty Cash	817	890
Bank account in CHF	453'743	460'371
Bank account in EUR	201'407	221'539
Bank account in GBP	6'716'394	53'279
Bank account in USD	125'820	55'532
Bank account in DKK	12'591	112
Bank account in SEK	5'873	716
Total Cash & cash equivalents	**7'516'644**	**792'438**

5. Other current assets

Other current assets *(in Swiss francs)*	2025	2024
Suppliers paid in advance	38'438	88'252
Receivable from health insurance	-	6'837
Geneva income tax paid in Advance	(651)	197
Humentum - short term asset for sub-grant	-	-
Employee receivable	-	-
Lease guarantee provision	30'000	
Total Other current assets	**67'787**	**95'285**

6. Receivables

a. Grants receivable

The amount under Grants receivable reflects the total amount of funds still to be received for all grants covering the 2025 period (and, comparatively, the 2024 period).

Grants receivable *(in Swiss francs)*	2025	2024
Short Term		
FCDO - MDS - 400233-401 (13'129 GBP)	14'149	19'886
FCDO - Harmo - 400233-402 (97'180 GBP)	104'735	129'139
USAID - IQTS 720BHA23CA00020 (32'308 USD/102'999USD)	25'860	93'928
USAID - Localed 720BHA24CA00023 (-/92'690USD)	-	82'633
H2H Mayanmar	35'868	
British Red Cross Grant	(11'271)	
Total Grants receivable	**169'341**	**325'587**

There were no provisions on grants receivable, either in 2025 or in 2024.

b. Membership fees receivable **– CHF103'675 (2024: CHF 13'125)**

In 2025, more than 89% of Membership fees were paid to the Alliance (98% in 2024). Given the potential risk of not recovering the remaining receivable amounts, the Finance Risk & Audit Committee took the decision to cover the risk for all fees that were still unpaid at the date of issuing those financial statements. The provision for the unpaid fees for the period 2024 amounting to 13'050 was written off, both from the receivable side and provision for loss side, as it was very unlikely to recover those amounts at this stage.

Provision on membership fees receivable *(in Swiss francs)*	
	Total
As at 01.01.2025	(13'125)
Increase in provision	(103'675)
Release of provision	13'125
As at 31.12.2025	**(103'675)**

c. Services receivable

The services receivable can be divided in two main categories: training services receivable and costs reimbursed by third party receivable. For each category, doubtful debtors have been identified and that risk has been covered with a provision of the same amount.

Services receivable *(in Swiss francs)*	December 31st 2025	2024
Short Term		
Training services receivable	24'945	15'719
Consultancy services receivable	551	-
Cost reimbursed by third party receivable	10'040	11'958
Total Services Receivable	**35'536**	**27'677**
Provision on training services receivable	(15'216)	(15'554)
Provision on consultancy services receivable	-	-
Provision on cost reimbursed by third party	-	-
Total provision for loss on services	**(15'216)**	**(15'554)**

The provision variation between 2025 and 2024 is explained in the table below.

Provision on services receivable *(in Swiss francs)*

	Training services	Consultancy services	Cost reimbursed by third party	Total
As at 01.01.2025	(15'554)	-	-	(15'554)
Increase in provision	(165)	-	-	(165)
Release of provision	-	-	-	-
FX variation	504	-	-	504
As at 31.12.2025	**(15'216)**	**-**	**-**	**(15'216)**

7. Tangible & intangible assets

Tangible & intangible assets *(in Swiss francs)*

Fixed Assets	Intangible assets	IT Equipment	Total
Gross value as at 01.01.2025	**215'178**	**19'078**	**234'256**
Acquisitions 2025	-	-	-
Disposals 2025	-	-	-
Gross value, as at 31.12.2025	215'178	19'078	234'256
Accumulated depreciation as at 01.01.2025	(163'712)	(17'671)	(181'383)
Depreciation 2025	(17'814)	-	(22'441)
Accumulated depreciation as at 31.12.25	(202'560)	(19'078)	(221'638)
Net value, as at 31.12.2024	51'466	1'407	52'873
Net value, as at 31.12.2025	**12'618**	**0**	**12'618**

Tangible & intangible assets *(in Swiss francs)*

Fixed Assets	Intangible assets	IT Equipment	Total
Gross value as at 01.01.2024	**215'178**	**19'078**	**234'256**
Acquisitions 2024	-	-	-
Disposals 2024	-	-	-
Gross value, as at 31.12.2024	215'178	19'078	234'256
Accumulated depreciation as at 01.01.2024	(163'712)	(17'671)	(181'383)
Depreciation 2024	(21'034)	(1'406)	(22'441)
Accumulated depreciation as at 31.12.24	(184'746)	(19'078)	(203'824)
Net value, as at 31.12.2023	51'466	1'407	52'873
Net value, as at 31.12.2024	**30'432**	**0**	**30'432**

The fire insurance value of the fixed assets is CHF 80’000 (unchanged since prior year).

8. Accrued expenses

Accrued expenses (in Swiss francs)	December 31st 2025	2024
Humentum - payable for sub-grant	-	100'472
GTS - payable for sub-grant	-	42'140
Provision vacations not taken	42'320	40'180
Office Rent Provision (Humanitarian HUB)	30'000	26'357
Geneva Audit Provision	9'000	17'450
Provision UK Corporate Taxes	-	80'648
UK Audit Provision	-	28'090
Provision for BHA Audit	-	3'561
Provision for 2024 suppliers (Invoices not received yet)	980	880
Total Accrued expenses	**82'300**	**339'778**

8a. Short-term provision

Accrued expenses (in Swiss francs)	December 31st 2025	2024
Provision for Risk	160'000	-
Total Accrued expenses	**160'000**	**-**

During the year, Alliance recognized an exceptional provision relating to the regularization of certain prior-period matters. The provision was recorded in accordance with the prudence principle to reflect potential obligations identified during the year.

9. Account payable

Payable (in Swiss francs)	December 31st 2025	2024
Suppliers payable	38'371	65'941
Social Charges Payable Geneva	10	1
Social Charges Payable London	6'035	4'575
Employees payable	7'823	1'793
Total Payable	**52'239**	**72'310**

In December 2025, the debt towards the Swiss Pension institutions amounted to CHF 10 (compared to CHF 1 in 2024). The debt towards the UK Pension institution amounted to CHF 6035 CHF (CHF 4575 in 2024).

10. Contributions received in advance

Contributions received in advance (in Swiss francs)	December 31st 2025	2024
Training services received in advance	-	6'198
Membership fees received in advance	228'845	134'921
Advance from donors	6'589'651	35'605
Total Contributions received in advance	**6'818'496**	**176'724**

11. General reserve

At the end and for the year 2025, the Alliance has a surplus of CHF 12’451 (surplus of CHF 172’045 at the end of 2024) and a our general reserves amount to CHF 673’776 (CHF 661’325 in 2024).

As per the operating reserve policy, the minimum reserve should amount to 466’629 CHF, based on approximately 3 months of 2026 budgeted recurring operating expenses comprising staff costs and running office costs. On this basis, the 2025 closing reserves represent 4.3 months of recurring expenses but remains critical at this time of uncertainty.

12. Contributions restricted

Contributions restricted *(in Swiss francs)*	Year 2025	2024
FCDO project number 300648-114	-	28'645
FCDO project number 300648-119	-	300'630
FCDO project number 400233-401	55'872	19'588
FCDO project number 400233-402	450'257	127'205
H2H Mayanmar Grant	124'276	-
Netherlands (NL MFA) Phase II	-	197'298
Netherlands (NL MFA) VCA Guidance	-	31'518
Netherlands (NL MFA) Service Agreemnet	23'483	-
British Red Cross Grant	16'441	-
USAID Grant	70'120	504'332
USAID Localed	44'432	125'861
Total Contributions restricted	**784'881**	**1'335'078**

13. Contributions unrestricted

Contributions unrestricted *(in Swiss francs)*	Year 2025	2024
Irish Aid	143'460	195'476
Federal Republic of Germany	-	374'088
Luxembourg Ministry of Foreign Affairs	-	-
Ministry of Foreign Affairs Denmark	214'567	218'700
Swiss SDC	-	150'000
Geneva Canton - Aide Financière Extraordnaire	103'353	
Total Contributions unrestricted	**461'380**	**938'263**

14. Cost recovery – Training services – CHF 18'828 (2024: CHF 21'829)

In 2025, one Training of Trainers was conducted in Jan-Feb with 16 participants trained to be able to train others in the Core Humanitarian Standard. For this training a cost recovery model was adopted.

15. Cost reimbursed by third parties

Costs reimbursed by third parties *(in Swiss francs)*	Year 2025	2024
Participation by Association Sphere in HUB rent	34'049	30'300
Humanitarian Hub related expenses	-	105
Cost of CHS rebuild to copywrite holders	-	4'554
IOM - IASC Task Force on AAP	-	13'000
WFP - Advisory Group Workshop	-	9'403
Save the Children - CHS content updates	21'657	-
UNHCR - Training Delivery on Survivor-centered safeguarding investigations	8'719	-
DRA - CHS Support to Local Humanitarian Actors	1'422	-
Other	-	1'842
Total costs reimbursed by third parties	**65'846**	**59'203**

During 2025 CHS Alliance a total of 448 participants received training and capacity strengthening support from the CHS Alliance with costs reimbursed by third parties.

CHS Training of Trainers in November and December with 23 participants which was reimbursed by Help Age International. The training will enable participants to go on and train others about the CHS.

CHS Alliance provided capacity strengthening support to 21 individuals from Myanmar related to the Core Humanitarian Standard, Sphere Standards and collective accountability during June under an arrangement with H2H.

In December 12 participants took part in a capacity strengthening workshop financed by the Dutch Relief Alliance. This workshop focused on the Core Humanitarian Standard and associated verification processes.

Training of the European Civil Protection and Humanitarian Aid Operations (ECHO) in Preventing Sexual Exploitation, Abuse, and Harassment (PSEAH). In total 15 participants received training in December to support them in their roles in managing funds and overseeing implementing partners related to PSEAH responsibilities. The costs of this training were reimbursed by ECHO.

Training on the Investigators Qualification Training Scheme (IQTS) was conducted with 17 participants in a face-to-face training in Nigeria in October (funded by British Red Cross) and 25 participants received face to face training in Ethiopia (funded by UNHCR). Between June and December 335 participants undertook the IQTS training remotely through our partner Humentum under a licencing agreement.

16. Staff costs

Staff costs (in Swiss francs)	Year 2025	2024
Geneva Salaries & Social charges	(912'388)	(1'754'815)
London Salaries & Social charges	(178'422)	(169'731)
Other Salaries & Social charges	(195'273)	(82'073)
Recruitment	(736)	(1'659)
Other Staff costs	(31'273)	(37'843)
Total Staff costs	**(1'318'092)**	**(2'046'122)**

The Alliance team has decreased by the end of 2025 to 14.0 employees *(in 2024: 13 employees)* with a total of 12 full-time equivalent positions *(in 2024: 12.9 full-time equivalent positions)*.

17. Meeting & travel costs

Meeting & travel costs (in Swiss francs)	Year 2025	2024
Accomodation & meals	(21'970)	(31'543)
Transportation costs & other travel expenses	(16'189)	(22'521)
Conference expenses	(8'572)	(12'309)
Board meeting & travels	(1'260)	(14'506)
Total Meeting & travel costs	**(47'991)**	**(80'878)**

18. Communication, admin & IT costs

Communication, admin & IT costs (in Swiss francs)	Year 2025	2024
Phone	(3'284)	(4'717)
Postage	(338)	(337)
Audit & legal fees	(10'764)	(35'757)
IT maintenance	(13'962)	(28'119)
IT deployment & licenses	(9'395)	(41'511)
Other administration or support costs	(39'803)	(11'958)
Total Communication, admin & IT costs	**(77'546)**	**(122'399)**

19. Projects implemented by partners

During 2025 CHS Alliance has been involved in several projects with implementing partners:

Two USAID/BHA funded projects (**IQTS:** Strengthening Global Capacity for Survivor-Centered SEAH Investigations and **Localed:** Leveraging Organizations' Collective Accountability: Locally Owned and Evidence Driven) were closed part way through 2025. The contract termination by USAID/BHA of Localed ended our partnership with Ground Truth Solutions. Following the contract termination by USAID/BHA of IQTS the CHS Alliance agreed a licensing agreement with Humentum to continue to deliver the training services remotely.

20. Non-operating result, net

Non operating result, net (in Swiss francs)	Year 2025	2024
Other operational / prior year expenses	-	(5'660)
Non operating	-	(699)
Total non operating result, net	**-**	**(6'359)**

21. Financial (expenses) / income, net

Financial (expenses) / income, net (in Swiss francs)	Year 2025	2024
Bank charges	(3'670)	(2'283)
Exchange gain unrealised	48'855	187'888
Exchange gain realised	40'698	25'678
Exchange loss unrealised	(111'416)	(149'391)
Exchange loss realised	(36'401)	(15'475)
Total Financial expenses, net	**(61'935)**	**46'417**

22. Income tax

Income Tax *(in Swiss francs)*	2025	2024
Provision Geneva Taxes	(2'000)	(2'000)
Income Tax previous year (adjustment) - reimbursment	(8)	846
Provision London Taxes	-	(7'948)
Income Tax	**(2'008)**	**(9'102)**

23. Extraordinary, non-recurring or prior period revenues/costs

Extraordinary, non-recurring or prior period revenues/costs *(in Swiss francs)*	2025	2024
Reversal of HUB Provision	23'062	-
Reversal of Provision London Taxes	75'921	-
Reversal of Provision London Auditors Advises	26'312	-
Provision for Risk	(160'000)	-
Sub-total extraordinary revenues	125'294	-
Sub-total extraordinary costs	(160'000)	-
Total extraordinary revenues/costs	**(34'706)**	**-**

Extraordinary revenue mainly relates to the reversal of provisions previously recognized for the HUB, London auditors' advice and a London tax provision following a reassessment during the year.

Extraordinary costs relate to an exceptional provision recognized during the year for the regularization of certain prior-period matters, recorded in accordance with the prudence principle.

24. Commitments & Contingencies

The Alliance has commitments regarding operating leases for the Geneva Office. The rental expense for the Geneva Office in 2025 was of 74'790 CHF (CHF 74'790 in 2024). Obligations to make future minimum lease payments on 31 December 2025 are presented in the table below:

Leasing Commitments *(in Swiss francs)*	Rent	IT	Total
2026	74'790	-	74'790
2027	74'790	-	74'790
2028	74'790	-	74'790
2029	74'790	-	74'790
2030	74'790	-	74'790
2031	74'790	-	74'790
2032	74'790	-	74'790
Total minimum lease payments	**523'530**		**523'530**

25. Remuneration of directors & managers

In accordance with the articles of the association, the Board representatives work on a voluntary basis and as such can only be reimbursed for their actual expenses and travel costs related to the work of the Board.

The Executive Director's compensation is in accordance with market compensation levels for similar positions.

26. Subsequent Events

In 2025, following the Suspension of Award notice from USAID, CHS Alliance submitted a claim for post-termination expenses amounting to USD 32,308. As at the reporting date, the organisation is awaiting payment of this amount from USAID. Management continues to monitor the situation and remains in communication with the donor regarding settlement of the outstanding balance.