

FONDATION de soutien à
l'ORGANISATION MONDIALE DE LA
SANTÉ (Fondation de soutien à l'OMS)

Geneva

Independent auditor's report
to the Foundation Board

on the financial statements 2023

Independent auditor's report

to the Foundation Board of FONDATION de soutien à l'ORGANISATION MONDIALE DE LA SANTÉ (Fondation de soutien à l'OMS)

Geneva

Opinion

We have audited the financial statements of FONDATION de soutien à l'ORGANISATION MONDIALE DE LA SANTÉ (Fondation de soutien à l'OMS), which comprise the balance sheet as at 31 December 2023, and the statement of operations and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements for the year ended 31 December 2023 comply with Swiss law and the foundation's deed and internal regulations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) 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 foundation in accordance with the requirements of the Swiss audit profession and the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), 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.

Other information

The Foundation Board is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Foundation Board for the financial statements

The Foundation's Board is responsible for the preparation of the financial statements in accordance with the requirements of the Foundation's articles of incorporation, and for such internal control as the Foundation Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Foundation Board 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 Foundation Board either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

The Foundation Board is responsible for overseeing the foundation's financial reporting process.

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Auditor's responsibilities 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 ISAs and Swiss Auditing Standards 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.

As part of an audit in accordance with ISAs and Swiss Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Foundation Board or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

We point out that contrary to the requirements of article 16 of the foundation's deed, the audit report has not been submitted to the Foundation Board within five months after the close of the fiscal year.

PricewaterhouseCoopers SA

Marc Secretan
Audit expert

Adelina Todorova

Geneva, 24 June 2024

Enclosure:

- Financial statements (balance sheet, statement of operations and notes to the financial statements, including a summary of significant accounting policies)

The FOUNDATION in support of the WORLD HEALTH ORGANIZATION
GENEVA

Financial statements

As of 31st December 2023

Balance Sheet as at 31 December, 2023 and 2022

	Note	2023 CHF	2022 CHF
<u>Assets</u>			
Cash and short-term cash deposits below 90 days	5.a	14'032'389.84	21'707'128.51
Prepaid expenses and accrued income	5.b	179'403.04	184'353.14
Total Current Assets		14'211' 792.88	21'891'481.65
Financial assets	5.c	140'974.14	52'563.19
Tangible fixed assets	5.d	46'753.67	35'226.86
Intangible assets	5.e	0.00	47'194.07
Total Non-current Assets		187'727.81	134'984.12
Total Assets		14'399'520.69	22'026'465.77
<u>Liabilities</u>			
Accounts payable		1'177'633.56	303'257.28
Accrued liabilities	6.a	453'301.64	1'318'033.32
Deferred revenue overhead		13'812.15	307'205.92
Total Current Liabilities		1'644'747.35	1'928'496.52
Fund capital - core funds		11'995'039.33	14'031'979.32
Fund capital - programming funds		531'607.50	5'864'690.52
Total Fund Capital		12'526'646.83	19'896'669.84
Initial capital		10'000.00	10'000.00
Free capital		218'126.51	191'299.41
Current period result		0.00	0.00
Total Organisation Capital		228'128.51	201'299.41
Total Liabilities		14'399'520.69	22'026'465.77



Statement of Operations for the years ended 31 December, 2023 and 2022

	Note	2023 CHF	2022 CHF
Donations received - restricted programming		3'703'688.63	14'885'604.02
Donations received - restricted core		10'864'803.18	22'906'111.07
Donations received - In-kind		45'226.85	221'887.95
Total donations received		14'613'718.66	38'013'603.04
Overhead fees - collected		421'537.73	783'649.58
Other income		47'410.54	15'268.27
Fees earned		468'948.27	798'917.85
Total Operating Income		15'082'666.93	38'812'520.89
Donations paid - expense		8'720'636.10	16'152'809.47
Total donations		8'720'636.10	16'152'809.47
Salaries and indemnities	7.a	6'726'830.54	4'108'152.53
Administration cost	7.b	4'880'765.40	4'883'059.31
In-kind donations - expense		45'226.85	221'887.95
Marketing expenses		1'155'363.30	1'298'381.48
Depreciation and amortisation		67'918.07	61'693.00
Total expenses		12'876'104.16	10'573'174.27
Total operating expenses		21'596'740.26	26'725'983.74
Operating result		-6'514'073.33	12'086'537.15
Financial revenue / (expense)		-11'369.36	-39'993.19
FX income / (loss)		-817'753.22	247'314.36
Total financial income and (expense)	8	-829'122.58	207'321.17
Result before change in fund capital		-7'343'195.91	12'293'858.32
Change in Fund capital - core funds		2'036'939.99	13'383'042.79
Change in Fund capital - programming funds		5'333'083.02	1'262'025.20
Total Change in Fund capital		7'370'023.01	12'121'017.59
Annual result (before allocation to the Organisation capital)		26'827.10	172'840.73
Allocation to free capital		-26'827.10	-172'840.73
Annual result		0.00	0.00

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Cash flow statements for the years ended 31 December 2023 and 2022

	2023 CHF	2022 CHF
Annual result (before allocation to organisation capital)	26'827.10	172'840.73
Change in fund capital - core funds	-2'036'939.99	13'383'042.79
Change in fund capital – programming funds	-5'333'083.02	-1'262'025.20
Depreciation and amortization	67'918.07	61'693.00
Decrease / (Increase) in prepaid expenses and accrued income	4'950.10	-73'319.98
(Decrease) / Increase in accounts payable	874'376.28	-731'549.11
(Decrease) / Increase in accrued liabilities	-864'731.68	778'401.50
(Decrease) / Increase in deferred revenue overhead	-293'393.77	-64'596.73
Cash flow from operating activities	-7'554'076.91	12'264'487.00
Investments in tangible fixed assets	-32'250.81	-42'910.83
Investments in financial assets	-88'410.95	-52'563.19
Cash flow from investing activities	-120'661.76	-95'474.05
Cash flow from financing activities	0.00	0.00
Change in cash and cash equivalents	-7'674'738.67	12'169'012.95
Cash and cash equivalents as at January 1	21'707'128.51	9'538'115.56
Cash and cash equivalents as at December 31	14'032'389.84	21'707'128.51
Change in cash and cash equivalents	-7'674'738.67	12'169'012.95

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Notes to the financial statements

1) Presentation

The WHO Foundation (the "Foundation") is an independent grant-making foundation that is unique in the area of global health. Its role is to support the World Health Organization's (WHO's) mission both directly and by supporting WHO's network, to create partnerships and by supporting WHO's network of partners on the ground. The Foundation brings together donors, global health professionals and the WHO network, to create partnerships that drive innovative actions to address the most pressing health challenges of today and tomorrow. The Foundation was established in Geneva in May 2020. The Foundation is domiciled at Chemin des Mines 2, in Geneva, Switzerland.

As a non-profit and non-political association established within the meaning of Articles 60 and seq. of the Swiss Civil Code, it is financed by voluntary contributions received from foundations, non-governmental organizations, and individual donations. The voluntary contributions may either be for specific purposes (programming funds or core funds).

2) Significant accounting policies

2.a Basis for preparing the financial statements

The Foundation's financial statements have been prepared in accordance with the provisions of the Swiss Code of Obligations. The financial statements are presented in Swiss Francs (CHF). The reporting period corresponds to the calendar year.

2.b. Scope of the financial statements

The Foundation's financial statements include funds raised and transferred to WHO to support its programs across the world, especially in relation to the Covid19 pandemic, the Health Emergency Appeal for Ukraine, and the Health Emergency Appeal for the Gaza crisis. In addition, they include funds raised for the provision of Covid-19 vaccines to eligible countries through the COVAX facility, as well as for other WHO related programs.

2.c. Valuation principles

Receivables are stated at their nominal value, less any value corrections. Debts are stated at their nominal value.

2.d. Foreign currency exchange

During the year, the transactions in foreign currencies are converted to CHF using the daily rate from www.openexchangerates.org. The daily rate applied corresponds to the date of the transaction.

At year-end the balance sheet positions held in foreign currencies are converted to CHF using the exchange rates published by the Swiss Tax Administration.

The exchange rates used on 31st December for the conversion into CHF were:

Currency	December 31, 2023	December 31, 2022
EUR	0.929700	0.987450
GBP	1.072875	1.112933
USD	0.841624	0.925228

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2.e. Income and Revenue recognition

Grants

The Foundation receives funds for its activities from different donors, before, during or after the accounting year.

Grants are defined as donations provided to the foundation based on a signed contract, usually for a specific purpose (programming funds or core funds). They may be time bound.

Direct donations

Donations are received from individuals via online platforms, into the Foundation's accounts, through fiduciary partners, or through direct donations into the Foundation's bank accounts.

Donations via Fiduciary Partners

Donations via Fiduciary Partners are made to the Foundation from individuals, corporations, and foundations from around the world. The Foundation collaborates with several fiduciary partners worldwide so that these funds can be tax deductible in the country where the donor is based. Formal collaboration agreements are signed with individual fiduciary partners for the receipt of funds on the organization's behalf and the transfer to the Foundation, following the deduction of the fiduciary partner's fee.

The grants, direct donations and donations via Fiduciary Partners received by the Foundation include:

a) *Programming funds and overhead fee*

These funds are provided for programs implemented by the Foundation's partners, such as WHO or others. In these cases, the Foundation is eligible to retain an agreed percentage of the grant as overhead, as agreed with the grantee in a signed contract.

When funds for Programming are received at the Foundation's bank account, the Foundation accounts for the net income (after overhead fee) as "donations received – restricted programming" and books the corresponding overhead fee as "deferred revenue – overhead" in the balance sheet.

Programming funds which are not yet transferred to grantees at the end of the year are allocated in the statement of operations as "Change in Fund capital - programming funds" and shown as "Fund capital – programming funds" in the balance sheet.

Overhead revenue is recognized as income in the statement of operations once the funds are transferred to the grantees.

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In 2023, the Foundation collected CHF 3'864'978 (2022: CHF 15'669'057) for programming funds:

<u>Campaign / Program</u>	<u>Net¹ amount</u>	<u>Net² amount</u>
	<u>CHF</u>	<u>CHF</u>
Global Health Emergency Appeal	555'626	0
Emergency Appeal for the Occupied Palestinian Territory	666'893	0
Earthquake Response in Türkiye and Whole of Syria	538'126	0
GAP-f, Global Accelerator for Pediatric Formulations Network	288'372	0
Ukraine Health Emergency	173'903	7'138'769
Go Give One	277'279	4'629'297
Covid-19 Solidarity Response Fund	79'019	1'482'621
Digital Health	607'899	916'753
Covid-19	131'841	553'396
Contingency Fund for Emergencies	73'733	0
Other	310'998	164'768
Total	3'703'689	14'885'604

b) Core funds

Core funds are used to finance WHO Foundation's own operations and activities. Such funds are booked as "donations received – restricted core" in the statement of operations once they are received and accounted for in the Foundation's bank accounts.

The core funds which have not yet been used at the end of the year are allocated in the statement of operations as "Change in Fund capital - core funds" and shown as "Fund capital – core funds" in the balance sheet.

In 2023, the Foundation raised CHF 10'864'803 (2022: CHF 22'906'111) for core funds.

In-Kind Donations

In 2023 and 2022, along with financial donations, the Foundation has received in-kind donations throughout the financial year. These include support for communication and marketing costs, advertising space and consulting.

In CHF			
<u>Service Provider</u>	<u>Description</u>	<u>2023</u>	<u>2022</u>
BCG	Consulting		221'888
MONDAY.COM	Consulting services	25'227	
GESDA (Geneva Science and Diplomatic Anticipator)	Marketing	10'000	
GENEVE-SPORT SA	Marketing	5'000	
HINTSA	Training	5'000	
	TOTAL	45'227	221'888

¹ Net after deduction of overhead fee

² Net after deduction of overhead fee

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Donations paid to grantees

The donations to grantees are accounted as an expense when the payment is made.

In 2023, the Foundation paid CHF 8'720'636 (2022: CHF 16'152'809) to grantees.

<u>Campaign / Program</u>	<u>2023</u> <u>CHF</u>	<u>2022</u> <u>CHF</u>
Global Health Emergency Appeal	341'705	0
Health Emergency Appeal Occupied Palestinian Territory	520'633	0
Earthquake response in Türkiye and Whole of Syria	530'295	0
Go Give One	2'643'472	6'944'923
Ukraine Health Emergency	1'685'595	5'600'008
Covid-19 Solidarity Response Fund	687'763	1'901'389
Covid-19	639'872	0
Global Accelerator for Pediatric formulation network (GAP-f)	278'098	962'550
Contingency Fund for Emergencies	54'516	0
The Living Approach to WHO normative products and country implementation	104'746	0
Digital Health	894'821	475'189
Mental Health		268'750
Other	339'120	
Total	8'720'636	16'152'809

3. Taxation

The Foundation qualifies for exemption from local and federal income tax and wealth tax, according to Article 9 (f) 1 of the Law on taxation of legal persons ('LIPM'). VAT incurred on expenses is charged to the Profit & Loss statement, VAT incurred on investment is included in the tangible or intangible asset acquisition value.

4. Management of financial risks

4.a. Foreign exchange risk

The Foundation had no active foreign exchange risk hedging policy in 2023 and 2022 and tends to convert currencies as and when they are required. To manage exchange rate risk, the Foundation has attempted where possible to align the currency of expenditure to the currency of income and to adjust the level of expenditure in Swiss francs accordingly. Program funds are usually forwarded to grantees, such as WHO, in the same currency as the funds received.

4.b. Banking risk

In Switzerland, the Foundation works with two banks with a good reputation. In addition, the Foundation maintains accounts with Stripe and PayPal to enable the receipt of online donations.

4.c. Liquidity risk

The Foundation's policy is to always ensure a sufficient level of liquidity for its operations. Consequently, funds are kept in liquid form or invested in short-term deposits. In addition, the Foundation does regular cash-flow forecasting to provide transparency about its ability to cover its own operations.

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5. Assets

5.a. Cash and short-term cash deposits below 90 days

In CHF	2023	2022
Cash	9'032'390	21'707'129
Short-term cash deposits below 90 days	5'000'000	0
Total Cash and short-term cash deposits below 90 days	14'032'390	21'707'129

Average interest rate on short-term cash deposits below 90 days (%)	1.61%	0.00%
Average duration of short-term cash deposits below 90 days (days)	61	0

5.b. Prepaid expenses and accrued income

In CHF	2023	2022
Prepaid expenses	147'049	46'816
Accrued income	32'354	137'537
Total Prepaid expenses and accrued income	179'403	184'353

5.c. Financial assets

In CHF	2023	2022
Supplier guarantee deposit	96'499	37'168
Deposit for rent guarantee	44'475	15'395
Total Financial Assets	140'974	52'563

These deposits have been paid to the supplier or the landlord. Unless we do not pay the supplier, the supplier's guarantee is fully refundable. Regarding the rent guarantee, unless there is damage to repair in the rented surface when quitting the rented space, this amount is fully refundable.

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5.d. Tangible Fixed assets

Starting in year 2022, the IT equipment (computers, screens) is capitalized. The following rule is applied for fixed assets depreciation.

<u>Type of asset</u>	<u>Depreciation duration</u>
IT equipment	3 years

In CHF	<u>IT Equipment</u> <u>2023</u>	<u>IT Equipment</u> <u>2022</u>
Acquisition value		
Status as at January 1	42'911	0
Additions	32'251	42'911
Disposals	0	0
Status as at December 31	75'162	42'911
Depreciation		
Accumulated depreciation as at January 1	7'684	0
Depreciation	20'724	7'684
Accumulated depreciation as at December 31	28'408	7'684
Net book value as at December 31	46'753	35'227

5.e. Intangible assets

The following rule is applied for intangible assets depreciation.

<u>Type of asset</u>	<u>Depreciation duration</u>
Website	3 years

In CHF	<u>Website</u> <u>2023</u>	<u>Website</u> <u>2022</u>
Acquisition value		
Status as at January 1	161'908	161'908
Additions	0	0
Disposals	0	0
Status as at December 31	161'908	161'908
Depreciation		
Accumulated depreciation as at January 1	114'714	60'705
Depreciation	47'194	54'009
Accumulated depreciation as at December 31	161'908	114'714
Net book value as at December 31	0	47'194

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6. Liabilities

6.a. Accrued liabilities

In 2022, a provision of CHF 389'681 was made to cover the amount of VAT that the Foundation may have to pay to Swiss Tax entities related to services rendered by external consultants outside Switzerland. The provision was calculated based on 7.7% VAT on the invoices that may be subject to Swiss VAT. In 2023 the VAT payable is accounted in accounts payable for a value of CHF 297'870.

In 2022, we established for the first time a holiday provision.

In CHF	2023	2022
VAT provision	0	721'190
Other accrued liabilities	220'261	128'992
Insurances and social charges	0	232'651
Holiday provision	224'935	172'053
Contributions to Pension plan	8'086	63'193
Total accrued liabilities	453'302	1'318'033

7. Expenditures

7.a. Personnel

Personnel expenses include salaries and social charges for all staff. These expenses are allocated to activities related to the Foundation's operations.

The terms and conditions of employment are subject to Swiss labor law and standard Swiss practice.

Personnel expenses

In CHF	2023	2022
Salaries and indemnities	5'314'934	3'342'200
Social insurances	1'166'410	700'616
Temporary staff	245'487	65'337
Total personnel expenses	6'726'831	4'108'153

In 2023, the Foundation employed an average full-time equivalent of 31.5 (2022: 26.5).

7.a.1. Pension Plan

The Foundation employees based in Switzerland benefit from a scheme covering retirement savings, disability, and death insurance benefits according to the provisions of the Swiss Federal Law on occupational retirement. The occupational benefits are provided by a collective foundation, according to a defined-contribution benefit plan: the employer does not guarantee the benefit amount. The two pension schemes established by the employer (one for executives and another for employees) are funded by both the contributions of the Foundation, and the concerned employees. Both pension schemes cover occupational benefits including retirement savings, disability, and death insurance benefits. Risks are insured by the collective foundation.

Contributions due to pension plan

In CHF	2023	2022
Contributions due to Pension plan	176'563	63'193

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7.a.2. Remuneration of the members of the Board

The members of the Board carry out their functions on a voluntary basis. This is in compliance with the Foundation's statutes which states: "the Foundation Board members shall act on an unpaid basis and be entitled only to the compensation for their effective costs". Possible payments for in-person board meetings may not exceed those paid for attendance to official commissions in Geneva. For activities exceeding the usual scope of a Foundation Board member, the member concerned may receive an appropriate compensation.

7.b. Administration Costs

In CHF	2023	2022
External consultants	2'462'707	3'191'656
Service fees	659'355	220'376
Recruitment fees	86'280	15'499
VAT provision *	0	389'681
Other administration costs	1'672'423	1'065'847
Total administration costs	4'880'765	4'883'059

*In 2023 VAT on imported services is included in the respective expense category.

8. Financial income and expenses

In CHF	2023	2022
Gain / (loss) on exchange	- 817'753	247'314
Interest income / (expense)	250	- 14'302
Bank charges	- 11'620	- 25'690
Total financial income / (expenses)	- 829'123	207'321

9. Other commitments not included in the balance sheet

Leasing of premises

Maturity pattern of future lease payments are as follows:

In CHF	2023	2022
Within one year	328'620	145'928
In the second to the fifth year	109'540	39'850
After the fifth year	0	0
Total financial income / (expenses)	438'160	185'778

Commitments are calculated based on current contracts, for the agreed contractual term if they cannot be cancelled within a year.

10. Internal Control System and Risk Assessment

To maintain full compliance with applicable Swiss laws and regulations, the Foundation is still in the process of establishing and implementing an Internal Control System that will cover both financial and administrative operations. The implementation took place in 2023.

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The goal is to provide a level of oversight and control that will provide reasonable assurance that critical principles and components of an effective risk management process are defined, setting forth how all-important risks should be identified, assessed, responded to, and controlled.

11. Post-closing events

No subsequent event to the balance sheet date could have a significant impact on the balance sheet and income statement for the year.



Thomas Zeltner
Chairman of the Board

June 24, 2024



Anil Soni
CEO

June 24, 2024